



Communication in progress



2011



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I. Social and societal initiatives

I.1. Pursuing the "Well-being at work" approach in France and organizing its deployment worldwide

The "Well-being at work" approach was manifested by the implementation of action plans in France in 2011, and is today in the course of being deployed worldwide.

Within the Valeo Group, "Well-being at work" is understood to mean: "a state of personal balance, both in terms of the individual's working situation and in terms of the work-life balance. This sought-after personal equilibrium is a combination of mental, psychological and physical factors."

In 2010, the Valeo Group established a Group agreement on Well-being at work, negotiated in France in conjunction with the representative union organizations, and which outlined a bilateral approach within a three-year timeframe. This involved each Group establishment in France setting up an active Well-being at Work committee which worked, and which continues to work today, on the local adaptation and deployment of the action plans.

The approach deployed in France was structured on the basis of a statistical diagnostic and field survey. A Well-Being at Work survey was therefore distributed to all employees in the 37 establishments in France. The high level of participation in this survey (55%), along with more than 400 individual interviews carried out in early 2011 by an independent consultancy, made it possible to draw up a precise diagnostic per establishment, in terms of both risk assessment and the identification of the main levers for improving individual perception of the issue.

The results of this diagnostic were shared with the trades unions and with all employees. This communication was accompanied in the second quarter of 2011 by a video directed at all personnel.



Mieux-être au travail



-Le film-

*S'unir pour le Mieux-être au travail chez
Valeo*

Jacket of the "WB@W" DVD

This 20-minute film tells the story of two employees discussing their vision of work and setting themselves the challenge of mutually convincing each other about whether or not work can be a vector of well-being. Several two-minute sketches describe individual or collective situations and present local actions that have been carried out in order to manage these situations successfully.

The five action levers are as follows:

- the work-life balance
- career management and understanding your position in the organization
- workload and work organization
- the physical environment
- professional and social relationships

A catalog of 63 actions classified per "Well-Being at Work" improvement lever was also sent out to all establishments. Combined with the diagnostic of each site, it allows each local Well-being committee to identify and implement concrete initiatives rapidly. Coordinated actions are also carried out across all sites. These relate to training, communication, and respect for Group values and the Code of Ethics.

Four questions to Fabien Siguier, Group Project Manager for "Well-being at Work"

1) How would you summarize the WB@W project in France?

The agreement that was signed with the trades unions has allowed us to share and formalize the definitions and issues associated with Well-being and risk prevention. Each Group establishment in France has put in place a Well-being at Work committee whose mission is the local deployment of the action plans.

Beyond the negotiation per se, this bilateral work has made it possible to establish a new work mode between management, unions and the bodies representing the personnel in France, built around a common project and concrete and responsible discussions.

The survey conducted with all French employees of the Group also made it possible to share an initial diagnostic and to document the choice of priority sites and well-being improvement levers.

The first actions run in 2011 by the French establishments also made it possible to demonstrate the genuine desire of the Group to realize the Well-being program within the company.

2) Valeo is looking to extend WB@W worldwide; what are the reasons for this?

The worldwide deployment of this Well-being program was indeed launched during the final quarter of 2011. The communication drive for this operation was based in particular on some remarkable local initiatives, which were adapted to suit the specific cultures and expectations, using the tried and tested methodology used on the French sites, involving surveys, diagnostics and action.

The Valeo Group is convinced that this Well-being at Work approach, which addresses a global expectation of all its employees, is an investment in the future, and one which will allow the Group to make a difference in terms of its performance through the committed participation of its employees.

France was chosen as pilot in 2010 on account of its history, the Group's origins and the number of employees in France.

Through this worldwide deployment, coordinated by the Group Management and as part of the HR Strategy, Valeo is demonstrating its capacity for sustainable growth.

3) What adaptations were required compared to the WB@W France project?

Valeo considers that the Well-being at Work program can only be efficient if it satisfies the expectations of individuals in their environment. This precept implies local adaptation of the Well-being actions and improvement levers.

The orientation and the training of local managers and their HR teams in the Well-being program will be the same as for their peers in France. The diagnostic and action plan construction initiatives will be delegated locally, duly adapted for each country, then rolled out site-by-site.

4) What are the next stages of WB@W deployment worldwide?

The first half of 2012 will be spent by the Group project team on structuring the deployment and engineering the training. The training of the local managers and their HR teams will be rolled out in mid-2012 by way of regional agreements that will enable these teams to structure their diagnostic and action plan.

1.2. Professional equality between men and women: initiatives in France and worldwide

Convinced of the value inherent in greater diversity within teams, at all levels and in every one of the company's business lines, Valeo launched a think-tank on diversity in the final quarter of 2011. The objective of this working party is to come up with recommendations about how to attract, retain and promote women all the more efficiently in order to guarantee greater female representation at all levels of the organization, including at corporate management level.

In order to take account of cultural differences, four subcommittees have already been formed within the working party, in Europe the United States and China. The main action areas have been identified, and these may constitute a first stage in the work of this think-tank:

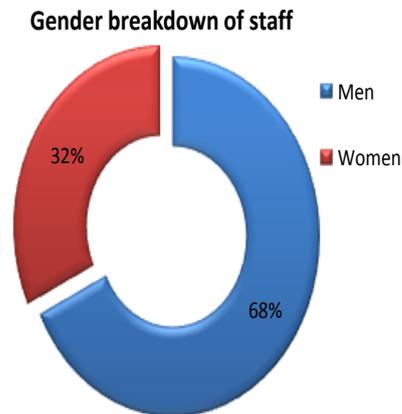
- improving the image of the Group as a choice employer for attracting female talent
- coordination of diversity indicators
- implementation of measures to help reconcile the work-life balance
- development of the Human Resources management processes
- supporting Leadership through mentoring, coaching or internal networks

In parallel to this initiative, in 2011 Valeo commissioned an outside consultancy to carry out an econometric study designed to determine the weighting of 67 different variables that may explain variations in annual salaries in France. The regression analysis duly carried out brought to light the following 10 main underlying variables: training, absences, working hours, fluency in English, mobility, age, profession, variable salary, expatriation and potential. The number and the weighting of these underlying variables vary according to socio-professional category. The "gender" variable is not significant for four of the eight defined professional categories, which means that the salary of women in these categories is equivalent to that of men.

However, even if it never appears in first position by order of importance, the "gender" variable is significant for the other four professional categories, which means that women are paid less than men in the following categories: "agents" (technicians), level I and II "ATAM" (administrative and technical staff) and level III "Cadres" (executives).

Additional studies are underway with a view to developing an experimental tool in order to help with decision-making to reduce these disparities for a given level of socio-professional category. On the basis of the hypotheses tested using this tool, corrective action plans may therefore be drawn up for the establishments concerned.

The figure below illustrates the gender breakdown within the Valeo Group:



1.3. Employee savings: new in 2011

✓ Group Savings Plan (PEG) and Collective Retirement Savings Plan (PERCO)

For several years, the French employees of the Valeo Group have had access to two employee saving schemes: the Group Savings Plan (PEG) and the Collective Retirement Savings Plan (PERCO). The agreements signed with the trades unions were subject to amendment in June 2011, designed to update their contents in line with changes to French regulations and to enable the employees to benefit from new investment formulas.

A new corporate investment fund did in fact result from these amendments, and this innovative fund makes it possible to combine dynamic performance and protection for employee savings:

- At any time, employees are guaranteed to recoup at least 90% of the "record" value attained by the fund since its creation. In all cases, even the worst-case scenario, employees will be able to recoup at least 90% of their initial investment.
- Reactive management on the financial markets: the fund holdings are distributed between "risky" assets, designed to generate performance, and "safe" assets, meant to protect the value of the fund. This distribution is permanently subject to change in line with developments on the financial markets.

What is more, a specific matching contribution was established by the June 2011 amendment enabling employees who wish to invest in Valeo shares to benefit from an additional matching contribution of up to 350 euros per annum.

In order to make this information available, a mini-guide entitled "Plan d'Épargne Valeo" ("Valeo Savings Plan") was published at the end of 2011, summarizing all the advantages linked to employee savings at Valeo in France.

As of December 31, 2011, in France, 7,669 French employees were subscribers to the Valeo savings plans (PEG and PERCO), representing 61.8% of the French headcount.

✓ Worldwide employee shareholdings

On June 8, 2011, the Valeo Board of Directors decided to repeat the operation that had already been previously carried out in 2010, involving the free allocation of shares. This meant that, during the fourth quarter of 2011, each eligible employee was awarded three free Valeo shares. In all, 45,074 employees were the beneficiaries of this operation, in 28 countries. These shares are vested over three years.

I.4. Company reorganization: innovative solutions in 2011 for saving jobs

Despite the announcement of major organic growth linked in particular to technological innovations, competitiveness and commercial success, the Group's competitiveness remains contrasted according to product line, country and establishment. It is therefore still necessary, with the aim of guaranteeing financial stability in Valeo, to proceed with specific industrial adjustments while ensuring that all the resources are in place to ensure the proper degree of social support.

This is why several innovative reorganization operations took place in 2011 in France.

For example, the Abbeville site announced that it would be ceasing its lock production activities in the future, and negotiated, between the management and unions, site competitiveness and work organization improvements in order to ensure a good return on investment from new product lines and therefore from the reconversion in general.

The Nogent-le-Rotrou site had anticipated the news relating to the cessation of the air-conditioning activities, and negotiated in its turn with the management and unions the improvement of site competitiveness and work organization in order to ensure the profitability of the Sensor product lines, a new activity that will enable the site to diversify its business.

Finally, the Angers La Roseraie site had anticipated, in consultation with management and unions, a downward trend for its production activity on the aftermarket and joined forces with the Group company situated in the same municipality (Angers Ecoflant), in order to facilitate over the next year the management of jobs, skills and careers in relation to the local employment network.

As well as the heavy industrial investments involved in the first two examples, large-scale training plans have been defined in order to enable these industrial reconversions to be carried through successfully.

1.5. Award for the best employer in the Czech Republic

In 2011, the three Czech sites of Valeo took part in the ninth national "Employer of the year" competition. Valeo occupied a top-five slot in this competition which totaled 108 participating companies.

At regional level, the Valeo site at Humpolec (Thermal Systems Division) took first place for the Moravia region, and the sites at Zebrak and at Rakovnik, both belonging to the same Division, took first and second place respectively for the Bohemia region.



The 2011 employer of the year winners: the Czech Valeo HR Dept.; L. Drbohlavova is fourth from the left.

To take part in this competition, all the companies completed a questionnaire which took in a wide range of objective data such as:

- productivity
- management performance
- training and career development
- employee commitment and employee satisfaction
- Corporate Social Responsibility
- working conditions
- work-life balance
- communication

The results were processed by the independent consultancy, PricewaterhouseCoopers, using the methodology of the Saratoga Institute and under the supervision of fifteen job market experts (consultants, unionists and media representatives).

1.6. Excellence initiatives 2011

The Valeo Group wished to highlight a certain number of excellence initiatives on the following social themes:

✓ **Corporate Social Responsibility**

The Rayong site (Thailand) launched the following initiatives during safety and environment week, which ran from June 16-23, 2011:

- training sessions to change its approach to safety and the environment
- cataloging good and bad practices
- implementing a green roof project

The Chonburi site (Thailand), following the floods that affected that country, launched innovative initiatives to improve the daily lives of the victims:

- re-housing employees affected by the floods
- distributing drinking water for employees who no longer had access to it

- distributing survival bags to the victims and involving employees in the fund-raising effort
- moving employees to other production lines that were still operating in order not to lose their skills
- donating 1 million Baht to the Thailand Red Cross

✓ Safety and Ergonomics

The San Luis Potosi site (Mexico) made progress in 2011 with regard to safety and ergonomics, most particularly with a focus to Repetitive Stress Injuries (RSI).

To keep these risks to a minimum, the site has developed a program using the Valeo tools made available by the Group in order to improve ergonomics in the workplace. The site also launched a communication campaign to raise employee awareness, by displaying posters, distributing documentation and training the personnel on this subject.

The results of this action proved highly satisfactory, since no RSI problems were recorded in 2011 on the site.

✓ HR communication

A major internal communication campaign based on the theme: "Grow with Valeo" was deployed in 2011 on the Chinese sites of the Valeo Group. On account of the number and distribution of the Chinese sites throughout China (15 production plants and eight R&D centers), this campaign was designed to create a dynamic, interactive and unified company culture, in order to develop a sense of commitment and of pride among all employees working for Valeo. To achieve this objective, various programs were set up, such as the "Valeo China News", a tool enabling centralization of certain articles and best practices for the China sites; the organization of network-based meetings; the organization of football tournaments; and the presence of Valeo in local universities during recruitment forums.

✓ Diversity

The San Luis Potosi site (Mexico) encouraged all Valeo employees in 2011 to share and disseminate their different interests, talents and pastimes as a means of promoting integrational activities.

This led to the site setting up the following activities:

- "Skip Level Meetings": Meetings between the employees and the site management are organized in order to encourage freedom of expression, communication and social dialogue.
- "Green House/Landscape Gardening": These initiatives encourage the integration of people with Down's syndrome in the world of work, through gardening and treeplanting.
- "Valeorunners": This initiative helps to bring people together around the common pursuit of running.
- "More than talent": This gives employees the chance to show off their talent to their colleagues, in areas such as painting, singing, music and photography.
- Involvement in diversity week, running from November 22-25, 2011.

1.7. Oscaro: the sale of Valeo products to employees and their families

In 2011, Valeo set up a system for selling Valeo products at preferential rates. To this end, a partnership was established with one of the main customers of Valeo Services, Oscaro, whose business involves the online sale of automotive products.

Access to these rates is reserved for Valeo employees situated in mainland France, and the scheme is called "Avantage Personnel Valeo" ("Valeo Staff Advantage").

This advantage is limited to a sum total of €1000 per order, up to a total annual sum per person of €2000.

Through this partnership with www.oscaro.com, each French employee can now order Valeo spare parts at preferential rates for home delivery.

Over one year, a total of 1600 orders were placed by employees using their "Valeo Staff Advantage", for an average amount of €93 per order.

1.8. Opinion survey of Engineers and Executives

In order to identify possible avenues for reinforcing the commitment of employees following the 2010 reorganization and the 2008-2009 crisis, the Group carried out a major worldwide opinion survey in mid-2011. All the Group's Engineers and Executives were asked to reply to this survey, which accounts for the very high participation rate (72%). For the population of "Leaders", this survey was the second of its type, after an initial survey conducted in 2008. The results demonstrated significant progress with regard to trust in the strategy and in the future of the Group, in the style of leadership and in the quality of internal communications. For the other people surveyed, this first opinion poll demonstrated positive signs concerning the working environment, relations with managers, daily work and the relevance of the Group's organization. A need to improve the frequency of internal communications and the possibilities of career development were, however, identified. Each Group entity highlighted its 5 principal priorities, communicated its detailed results and set in train an action plan to improve its results.

1.9. Campaign for donations launched following the March 2011 tsunami in Japan

Valeo and its employees were deeply affected by the terrible earthquake followed by the tsunami on March 11th, 2011.

Japan had to face up to the most powerful and devastating earthquake that the archipelago has ever known.

Several days after the catastrophe, Valeo launched a campaign for donations from all its employees around the world, in order to support the children affected by it in the Iwate prefecture, Japan.

This campaign took shape through the messages or exhortations published on the internal networks of the Group, and enabled all the Group's employees to make their donation via a website.

Valeo decided to support a not-profit organization called **KnK Japan** (Kokkyo naki Kodomotachi, meaning "Children without Frontiers").

The Valeo Group made its first donation of €100,000 in May 2011.

Subsequently, Valeo pledged that for each euro donated by an employee the Group would match that amount. The donation campaign ran from April 26 to November 11, 2011.

The donations collected have helped to finance various projects and initiatives:

- renovation of the water system for the toilets of the Rikuzentakata Daiichi high school
- renovation of the sports field at the Yamada Kita elementary school
- financial support for transport so that the pupils of one school can take the high school entry tests
- distribution of jackets and coats to the children of several schools
- financial support for the operations of KnK Japan

The Valeo Group is extremely proud of the solidarity shown by its employees, and wishes to participate actively in the reconstruction of the infrastructures and to help the local population to get back to the life that they had knew before the tsunami.

II. Environmental initiatives

II.1. Implementation of new Global Reporting Initiative indicators

With a view towards improved transparency and visibility, Valeo decided in 2011 to apply the international standards of the **Global Reporting Initiative** (GRI), an organization that is also a partner of the Global Compact.

Consequently, following consultation with the teams concerned in-house, the Group proceeded with the selection of new environmental and social indicators in order to initiate their implementation and monitoring.

For Valeo, this represents a new form of commitment towards its stakeholders in order to take better account of the impact of its industrial activity on the environment, as well as providing an efficient tool for monitoring and improving its performance.

Furthermore, it is Valeo's ambition to become an exemplary player in the automotive sector, and it needs to adopt a set of standards that are widely used by its competitors and subcontractors in order to be able to compare and improve its performance compared to the other players in the automotive sector and in the world of industry as a whole.

II.2. Taking account of biodiversity on all sites

Valeo wishes to take stock of its potential impact on biodiversity. For this reason, in 2011 the Group deployed a certain number of indicators measuring the potential impact of its sites on protected zones. The results demonstrate that the Valeo sites constitute little by way of risk in this respect, with 79% of them located beyond a radius of 10 km from protected zones of biodiversity.

Furthermore, in addition to the one-off actions carried out this year on 13 sites, **a biodiversity directive has been drafted for deployment in 2012**. It presents the measures for protecting biodiversity that are to be applied during the phases of site selection, management (creation of zones incorporating trees, bushes and shrubs in order to maintain a habitat, for example, for animals to live), operation (no biochemical processing) and, lastly, closure (evacuating waste, maintaining the green spaces until the site is reclaimed). This directive complements the provisions framing the application of sustainable development on Valeo sites, by maintaining the lifecycle-based approach.

II.3. Overhaul of the Risk Management Manual

The **Risk Management Manual** incorporates all the Valeo directives in the fields of the environment, personal health and safety and the safety and security of installations. These directives apply with equal stringency across all sites of the Group. For over 20 years, the application of these directives by all Valeo sites has made it possible to ensure continuous improvement of site performance. Regular inspections carried out by external consultants make it possible to check that these directives are being applied.

The Group began to deploy a new version of the Manual in 2011, with the overhaul of most of the Health & Safety and Environment directives. This overhaul will be pursued in 2012 with attention turning to the Security directives.

II.4. Reducing power consumption, waste and the use of hazardous substances

Power consumption in proportion to revenues has gone down by 8.8%. Power consumption in absolute values went up by 2.7% in 2011. This increase is in part due to the 100% integration this year of the Taegu site in South Korea, whose carried-over consumption represents approximately 40,000 MWh out of a total increase of 50,000 MWh.

The proportion of renewable energy sources still remains low. Certain sites have nonetheless put in place installations enabling the production of renewable energy for their own consumption as well as for redistribution to the power grid. For example, 2,629 kWh were produced by the Limoges site in 2011. With the re-roofing of the Saint-Quentin-Fallavier site, 11,045 m² of the roof space has been made available to EDF Energies Nouvelles for the installation of solar panels. For 2012, the production of renewable energy is estimated at 1,788 MWh.

✓ Keeping packaging quantities to a minimum

Packaging is essential for handling Valeo products. It is used for transporting products, facilitating their storage, protecting them and promoting them (aftermarket products). To fulfill these various functions, Valeo uses a wide variety of packaging, consisting mainly of paper/cardboard, wood, plastic and metal.

In 2011, the consumption of packaging in proportion to revenues went down by 5%. In absolute values, a rise in consumption has been observed, which may be explained by the start-up or ramp-up of production lines on the sites at Wuxi in China, Chrzanow in Poland

and Martos in Spain. Valeo's efforts to reduce its packaging consumption revolve mainly around the reuse of packaging, with over 1000 tonnes of materials being reused in 2011.

At the same time, the Group encourages the use of recycled materials. In 2011, the proportion of these materials rose to 3% of all recycled and reclaimed waste, representing an increase of 59% compared to 2010.

✓ Eradicating hazardous substances used on the sites

The issue of exposure to hazardous substances concerns both products and the implementation of production processes.

Hazardous substances generally possess carcinogenic, mutagenic or reprotoxic (CMR) properties that may damage the health of any person exposed to them.

Since 2007, the consumption of chlorinated solvents and of CMR products has continually gone down, to be replaced by substitute products.

In parallel with the actions initiated with regard to products, the Group is pursuing the **eradication of all substances judged to be hazardous that are used on the industrial sites**. Since 2008, a new European CLP (Classification, Labeling and Packaging) regulation has been in place, following on from the GHS (Global Harmonized System), and requiring information about the evaluation of the chemical risks (taken from the REACH record) to be included in the new safety data sheets.

The procedure followed by the sites consists in **identifying the prohibited products, finding substitute products** (on acceptable economic terms), **testing them** and **getting them approved by our clients**. The majority of the residual hazardous products on the sites are those for which the substitute products are currently pending approval or which at the present time are excessively expensive to use.

In accordance with the REACH regulations, and for the substances concerned, the sites must comply with the usages as stated by the manufacturers and distributors on the market.

✓ Reducing the production of waste on the sites

The main types of waste generated by Group activities are, in order of weight: metals, wood and plastics. As far as metallic waste is concerned, this is almost entirely resold for recycling. Wood that can be reused is recycled, with the rest being recycled for heat energy. Two-thirds of the plastics are sold for recycling.

In 2011, the quantity of waste produced as a proportion of revenues was up by 6%.

The main contributor to the rise in absolute value is the Taegu site, which was fully consolidated this year. It alone represents over 14% of the Group's waste.

Modification of production on the Mondovi site in Italy, the evacuation of unused products and materials by the Martos site in Spain and the recognition in accounts of the foundry waste for the Nevers site in France also generated significant rises.

This year, Valeo reduced production of hazardous waste and increased the proportion of recycled waste, with the recycling rate rising from 82% to 83%.

For even more precise waste management, Valeo deployed in 2011 an indicator to provide details per type of waste and per destination (other Valeo site or external service provider). The reporting of this information is currently being reliability-tested. It should be noted that the sites at Juarez and Rio Bravo in Mexico have to export their waste to the United States due to the absence of processing facilities in Mexico.

II.5. Publication of best practices for reducing energy consumption on sites

Valeo pursued the energy efficiency campaign for its buildings and its manufacturing processes, originally launched in 2010, by publishing at the end of 2011 **Good Practices for Energy Conservation**.

These good practices describe a wide range of actions that may be implemented in order to obtain optimum use of energy and resources. They also provide indications about the possible ROI for the proposed solutions, so that only the most viable solutions from an economic perspective will be implemented.

They have been developed on the basis of studies and energy audits carried out on the sites and complemented by examples of application on pilot sites that are considered, in this respect, to be **Centers of Excellence**.

*Many initiatives have been launched on the Angers site by the **Energy Committee**, created in 2007, including a continuous improvement initiative that was initiated by the site director and the managers of the various site functions. The Angers site, for example, takes energy consumption readings every weekend, and the results are communicated every Monday to the site director. The involvement of the site management and the other functions endow the approach with credibility and a positive dynamic. This site, through its commitment to the topic, is a source of best practices and participates in passing on and deploying these practices at Group level.*

The energy efficiency actions carried out on the Valeo sites are monitored by means of the environmental reporting tool. This therefore concerns over 80 sites, and the potential energy savings amount to over 39 GWh.

These actions relate to the energy consumption of the buildings and of the industrial processes. In order to better target the margins for maneuver and to manage this consumption, Valeo encourages the sites to measure the energy consumption of the buildings and that of the industrial processes separately.

All the sites work on reducing energy consumption via local initiatives, some examples of which are listed below.

✓ *Angers, France*

The acquisition of a variable-speed compressor, in addition to the two fixed-speed compressors, has made it possible to achieve energy savings of €17,000 a year.

This Center of Excellence has also installed energy meters in the injection process. The analysis of the energy consumption trends and of the consumption data obtained during the injection processes for the equipment/installations has enabled energy savings of approximately €9,000 per year to be achieved.

✓ *Queretaro, Mexico*

Thanks to a leaks detection program enabling repairs to be carried out, the site has succeeded in saving 16,000 kWh per month, which corresponds to annual savings of 250,000 pesos (\$21,500) for an investment of 40,000 pesos (\$3,300).

✓ *Itatiba, Brazil*

The site has installed timers in order to adjust the HVAC (heating, ventilation and air conditioning) system in line with the working hours. The temperature adjustments were modified on the basis of an efficiency study, leading to major improvements of the heating conditions in the building, and savings estimated at €17,500 per year.

This energy efficiency improvement initiative is also characterized by reinforced site energy audits worldwide. The objective is to identify the sources of consumption, the avenues for reducing this consumption and the sharing of best practices with the other sites. The

identification of these practices also aims at making certain local solutions applicable at Group level.

III. Plants Initiatives

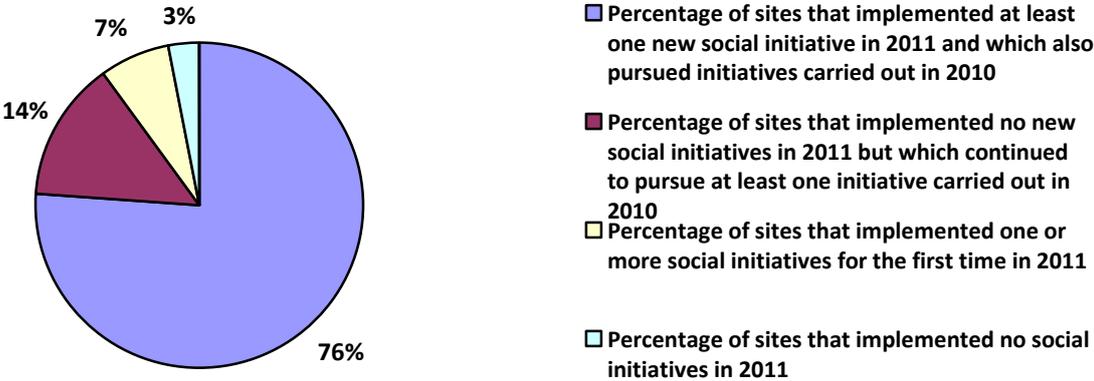
For 2011, Valeo decided to refine the "Plants Initiatives" tool in order to improve the monitoring of the actions implemented on the sites. In addition to the social and societal initiatives Valeo decided to add a new type of initiative: environmental initiatives.

The involvement of all sites in this matter demonstrates the commitment of Valeo to social, societal and environmental matters.

Results and percentage expressed in this part represent the total of the 124 Valeo sites production worldwide. Each site has answered to the "Plants Initiatives" survey.

III.1. Social Initiatives

Social initiatives



In 2011, 97% of the sites carried out at least one social initiative and 7% of the sites implemented a social initiative for the first time.

The following table summarizes the many social initiatives in place at Valeo (non-exhaustive list) and indicates the percentage of sites implementing them.

Diversity/disability	Leisure and culture*	Health & safety
Sign-language training (28%)	Offers of subsidies or price reductions for practicing physical activities (41%)	Vaccination campaign (72%)
Keeping seniors in employment (46%)	Provision of a library or media library (22%)	Sight and hearing tests (79%)
Measures in favor of the employment of women (63%)	Organization of excursions or trips (45%)	Presence of a doctor or a nurse on-site (70%)
Non-discrimination campaign (34%)	Financial support for employee vacations (45%)	Illness screening campaign (35%)
Adaptation of workstations for disabled people (41%)	Subsidies for cultural activities (46%)	Anti-dependencies campaign (33%)
Fitting out premises for people of reduced mobility (37%)	Organization of picnics between colleagues (37%)	Participation in health week (40%)
Signing subcontracting or service provision contracts with companies employing high quotas of disabled people (41%)	Celebrating national / religious festivals (44%)	Participation in safety week (82%)
Partnerships with schools for the disabled (12%)	Celebrating Father's Day/Mother's Day or birthdays (46%)	Private medical cover proposed to employees (80%)
Organization of "Company Discovery Days" for disabled people (5%)	Financial aid in favor of employees with children (45%)	Life insurance proposed (66%)
Participation in diversity week (70%)		

Well-being at Work (WB@W)	Training	Transport
Free or subsidized works restaurant (79%)	Training in first aid (85%)	Provision of a commuter shuttle (49%)
Laundry service (38%)	Training on the development of technical and managerial skills (95%)	Total or partial reimbursement of public transport costs (50%)
Induction process for new arrivals (90%)	Fire prevention training (90%)	Total or partial reimbursement of fuel costs (43%)
Provision of accommodation (24%)	Training in foreign languages (80%)	Money off Valeo products (43%)
Availability of well-appointed recreation rooms (72%)	Help with resuming study and professional reconversion (54%)	Deployment of a car-sharing scheme (33%)
Childcare provision (15%)	Receiving apprentices, people on professional training contracts, interns or graduate research trainees (85%)	
Provision of a concierge service (17%)	Mentoring system between old and new employees (44%)	
Organization of a WB@W day (12%)		
Controlled meeting times (23%)		
Availability of alternative medicine (14%)		
Warming up before occupying post (17%)		
Relaxation training (breathing techniques, etc.) (12%)		
Implementation of workstation and task analysis (59%)		
Training in change management (62%)		
Colleagues' birthdays (24%)		
Implementing the "Improving WB@W" challenge (13%)		
Organizing "Live my job" events (3%)		

*In France, the activities organized by the Works Committees were not taken into account in the percentage calculation.

Some concrete examples of social initiatives:

- The Créteil site (France) has set up a partnership with a childcare organization. Employees have the choice of benefiting from a place for their child either near to

their work or near to their home (if the organization has premises there). The 10 places reserved by the company have been filled, with 5 employees on the waiting list.

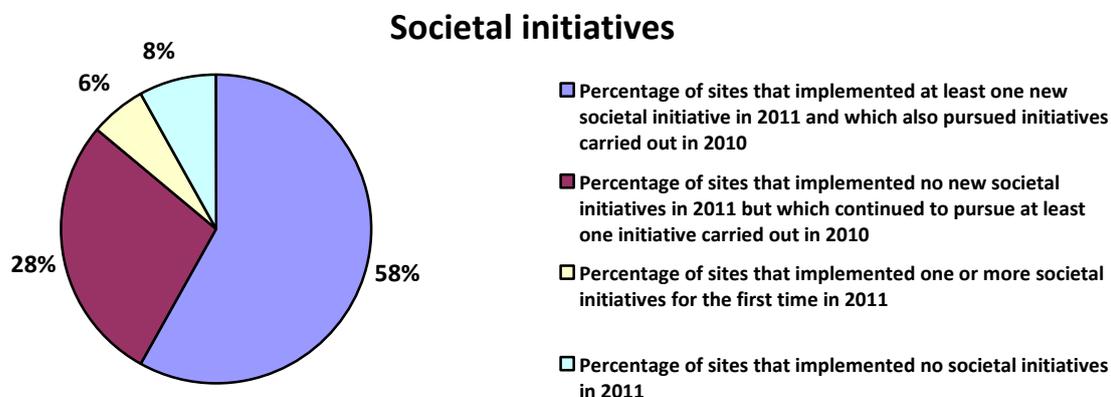
- In September 2011, the Juarez site (Mexico) installed for one week a mobile clinic for detecting breast and uterine cancer among female employees. During this week, 68 mammograms and 36 Pap tests (testing for uterine cancer) were carried out with the help of a group of local doctors.
- The Blois site (France) organized a "Well-being at Work" day with the support of its dedicated committee. During this day, Valeo offered its employees the chance to meet with occupational physicians, masseurs, nutritionists and reflexologists. The employees were therefore able to take part in training on relaxation, benefit from personal advice on nutrition, enjoy a massage, and so on.
In the course of this day, it was also decided to reorganize the recreation room: it was repainted, the lighting was optimized, the sound insulation improved and ergonomic seating was installed.
- The Zbrak site (Czech Republic) created an intranet site on ergonomics, free of access to all employees. This site details the best practices in this area, with a view to improving working conditions.
- The Wuxi site (China) offers to their employees the possibility of learning sign language.



Focus on WB@W actions:

- Construction of a medical dispensary attached to a plant in Poland, open to employees and the families of employees
- Creation of a "solidarity caravan" to equip a hospital in southern Tunisia, at the initiative of a Tunisian site
- Organization of sporting and festive events for employees and their families at the initiative of the Chinese sites
- Integration of ergonomic rules from as early as the production line design stage, in order to facilitate work and keep working hardship to a minimum on a Mexican site
- Promoting balanced diets in our company restaurants

III.2. Societal Initiatives



During 2011, 92% of the Valeo sites deployed at least one societal initiative.

The following table summarizes the societal initiatives in place at Valeo (non-exhaustive list) and indicates the percentage of sites implementing them.

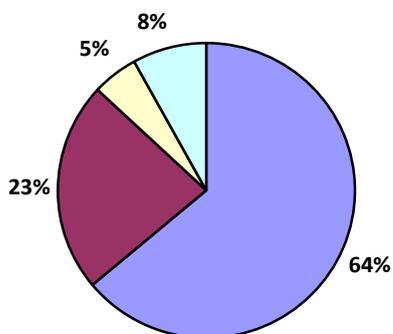
Health	Education	Solidarity	Events
Blood donation (34%)	Donation of IT equipment to schools (20%)	Toy donations (21%)	Road safety campaign (28%)
Financial donations to health organizations (13%)	Donations of furniture to schools (10%)	Partnerships with NGOs in aid of the needy (11%)	Organization of Open Days (17%)
	Donation of books (9%)	Organization of clothing collections (23%)	
	Partnerships with schools (50%)	Organization of food collections (18%)	
	Financial support for schools (20%)	Making premises available for associations or for the local community (7%)	
		Sponsorship of sports teams (20%)	
		Support for associations (22%)	
		Donations following natural catastrophes (32%)	

Some concrete examples of societal initiatives:

- The Bobigny site (France) set up, in collaboration with the municipality of Bobigny, a half-day for young people (around 30) to "discover the company". A meeting entitled "Bobigny reports on Bobigny" was organized with a local TV station to promote the image of the town. Participation in biannual municipal meetings has been initiated with a view to improving the quality of life in the industrial zone.
- The Warsaw site (Poland) launched a campaign with its employees so that they can donate 1% of their taxes to an association of their choice. Valeo provides guidance in the specific procedures.
- The Angers site (France) donated its old kitchen utensils to the Restos du Cœur (French Association distributing free meals to the needy).
- The Châtellerault site (France) received young people with educational difficulties from a professional lycée. It also organized a day-long forum on the topic of Individual Rights to Training in collaboration with certain training bodies.
- The Istanbul site (Turkey) donated faulty parts returned by our customers to technical schools specializing in mechanics or electronics. It also donated equipment that was no longer needed for the training (pens, board rubbers, exercise books, etc.) to local schools.
- The Tychy site (Poland) launched a campaign for recovering bottle tops so as to be able to offer a disabled person a wheelchair once several tons of bottle tops had been collected.

III.3. Environmental initiatives

Environmental initiatives



- Percentage of sites that implemented at least one new environmental initiative in 2011 and which also pursued initiatives carried out in 2010
- Percentage of sites that implemented no new environmental initiatives in 2011 but which continued to pursue at least one initiative carried out in 2010
- Percentage of sites that implemented one or more environmental initiatives for the first time in 2011
- Percentage of sites that implemented no environmental initiatives in 2011

In 2011, 92% of the sites carried out at least one environmental initiative and 5% of the sites deployed an environmental initiative for the first time.

The following table summarizes the many environmental initiatives in place at Valeo (non-exhaustive list) and indicates the percentage of sites implementing them.

Energy and water	Ecology
Campaign for measuring energy consumption (68%)	Collection point for household waste (58%)
Lighting control system (64%)	Use of recycled products (67%)
Use of low-consumption bulbs (61%)	Sorting of waste (86%)
Installation of hand dryers in toilets (38%)	Participation in environment week/day (71%)
Reduced water use in washrooms (52%)	Distribution of ecology booklets (11%)
Installation of solar panels (6%)	Raising the awareness of the younger generations to environmental protection (30%)
Installation of heat pumps (7%)	Training in green modes of transport (9%)
Rainwater recovery (10%)	Encouraging the sharing of IT documents rather than paper (67%)
Heat, ventilation and air-conditioning optimization system (46%)	Favoring service providers with green credentials (30%)
Recovering the heat generated from production (22%)	Organizing an environmental inspection of employee vehicles (9%)
Campaign in raising awareness about reducing consumption (67%)	Waste collection campaign (45%)
	Treeplanting campaign (24%)
	Encouraging the use of bicycles instead of cars (9%)

Some concrete examples of environmental initiatives:

- The Saint-Quentin-Fallavier site in France installed 11,045 m² of photovoltaic panels on its 22,000 m² roof.
- The Wenling site in China installed a wastewater processing system. Mirrors have also been fixed to the ceiling in order to use natural light and therefore reduce electricity consumption.
- The Troy site in the United States has taken the initiative of offering a Valeo mug to all employees, so that they no longer use disposable plastic cups and therefore reduce their waste production.
- The Angers site in France has created an Energy Committee. This comprises representatives from the UAP (Autonomous Production Unit) method services, general expense procurement, maintenance and general services. The creation of this committee has made it possible to accelerate the deployment of the energy saving procedures based around a structured action plan taking in electricity, natural gas and water.
These procedures address the dual concern of energy savings and financial savings. The main thrust of this approach is to correlate as closely as possible the site consumption with the workload. The site knows precisely the number of kilowatt hours of natural gas and electricity, along with the number of cubic meters of water used for producing a headlamp. The work of the committee consists in reducing these variables.