

2007 BUSINESS REVIEW AND SUSTAINABLE DEVELOPMENT REPORT

# INNOVATING FOR A WORLD ON THE MOVE\_\_\_\_\_



PLASTIC OMNIUM

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**TWO PILLARS**  
**SUPPORTING LONG-TERM GROWTH**

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**AND URBAN SYSTEMS:**  
**TWO BUSINESSES**  
**TO POWER FUTURE GROWTH**

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 *Follow this symbol to learn about Plastic Omnium's sustainable development commitments*



INDEPENDENCE AND LEADERSHIP: THE **2 PILLARS** OF PLASTIC OMNIUM

**AUTOMOTIVE  
EQUIPMENT** \_\_\_\_\_

> PLASTIC OMNIUM  
AUTO EXTERIOR

No. 2

worldwide in exterior components  
and modules

> INERGY AUTOMOTIVE  
SYSTEMS

No. 1

worldwide in plastic  
fuel systems

**URBAN  
SYSTEMS** \_\_\_\_\_

> PLASTIC OMNIUM  
ENVIRONMENT

No. 1

in Europe in at-source management solutions  
for household and industrial waste

> COMPAGNIE  
SIGNATURE

No. 1

in Europe in road  
and highway signage

**ONE COMPANY, TWO BUSINESSES** \_\_\_\_\_ With leadership positions in its two core businesses, Plastic Omnium is leveraging its entrepreneurial spirit to drive sustainable, profitable growth.

Its broad international presence, capacity for innovation and powerful service culture have made it a leading partner to carmakers, local communities and public works contractors.

Dedicated to continuous progress, the Company partners with customers to respond to the daunting challenges of making automobiles lighter and roads safer and of reducing waste, while responsibly conducting its industrial operations and respecting the concerns of all its stakeholders.

Plastic Omnium operates on five continents with 86 plants and 38 forward supplier facilities. A multicultural enterprise, it has 14,200 employees, of whom 57% are based outside France. In 2007, it reported revenue of €2.7 billion, of which 70% generated outside France, and net profit of €51 million.

# PLASTIC OMNIUM, A GROWING COMPANY ON THE MOVE

**2007:  
A YEAR OF  
STRATEGIC  
OPERATIONS**

In today's world on the move, where competition is accelerating while growth opportunities are multiplying, 2007 was shaped by major strategic decisions that have firmly focused Plastic Omnium on two core businesses: Automotive Equipment and Urban Systems. The transactions carried out between July and December 2007 illustrate the Company's business development model, which is based on independence and leadership.



The Urban Systems Division  
now accounts for

20%  
of consolidated revenue

#### **A STRONGER URBAN SYSTEMS DIVISION**

\_\_\_\_\_ We kept our promise, announced in March 2007, of expanding the range of products and services for local communities, with the acquisitions of Germany's Sulo Environmental Technology and Compagnie Signature and the creation of an equity partnership with Eurovia, a subsidiary of the Vinci Group. These external growth transactions have enabled us to strengthen our traditional expertise in waste management while expanding the business base to include road signage.

#### **A NEW ROLE AND GROWTH PROSPECTS**

\_\_\_\_\_ At a time when waste production, urbanization and road traffic are all on the rise, we have revamped the services portfolio. The goal is to support local communities, businesses, and consumers by providing urban and highway equipment that optimize the quality of life and enhance road safety.

Market share is expected to increase thanks to the development of geographic and marketing synergies. In addition, the alliance with Eurovia provides competitive advantage at a time when public works projects are increasingly financed by public-private partnerships.

#### **A NEW BALANCE BUILT ON TWO SOLID FOUNDATIONS**

\_\_\_\_\_ The strengthening of the Urban System Division is also guided by our determination to build future growth on two core businesses with differing, yet complementary cycles. While the Automotive Equipment Division accounted for 84% of consolidated revenue in 2007, the goal is for Urban Systems to increase its share, from 10% in 2006 to 20% in 2008. Consolidating Plastic Omnium Environment, SULO and Signature's operations should also strengthen the Division's contribution to consolidated earnings.

15.5%  
revenue growth  
in 2007

## **AN AUTOMOTIVE EQUIPMENT DIVISION WITH TRULY GLOBAL SCOPE**

\_\_\_\_\_ For the third year in a row, our automotive equipment operations outperformed the worldwide automobile market, posting a 12.2% increase in revenue over the previous year. Growth was led by the development of exterior modules and by strategic deployment in new, fast-growing markets. The module offer was supported by strong gains at HBPO, the worldwide leader in front-end modules, as well as the full consolidation of Inoplast, which specializes in rear-opening modules made from composite materials. After developing the fender module for the BMW X5, Plastic Omnium is now producing —also in the United States— the same module for the BMW X6, the world's first "sport activity coupe."

## **BOLSTERING OUR COMMITMENT IN CHINA**

\_\_\_\_\_ 2007 saw the finalization of many projects in Asia and Eastern Europe. These included partnerships in China and India signed by Plastic Omnium Auto Exterior with two market-leading OEMs, the construction of an Inergy Automotive Systems plant in Russia, and the start-up of Inergy's first plant in China and Plastic Omnium Auto Exterior's first low-cost plant in Argentina.

Between 2003 and 2007, the percentage of Plastic Omnium Auto Exterior and Inergy Automotive Systems revenue generated in international markets rose by 70%. In the years ahead, Plastic Omnium intends to strengthen its commitment to developing in China, pursue its expansion in Central and Eastern Europe and continue playing a major role in the Mercosur countries while fully leveraging its production base in North America and Europe.

## **FIVE STRENGTHS UNDERPINNING THE LONG-TERM STRATEGY**

\_\_\_\_\_ Our strategic vision is guided by five fundamentals: independence, with the same family holding a major stake in the Company since its founding; targeted investments; a recognized capacity for innovation; international scope; and the ability to integrate new technologies, new skills sets and new employees from different cultures and horizons. In this respect, two figures stand out: in 2007, 60% of managers were hired outside France and 57% of employees were based in international markets. More than ever, we believe in the validity of these fundamentals —the strengths that they give us and the benefits they bring— not only for our Company and our employees but also for our customers.

Plastic Omnium  
is approaching 2008  
with a powerful,  
clearly defined

STRATEGY  
in both its businesses

The percentage of Automotive Equipment Division revenue generated outside France rose by

70%

between 2003 and 2007

## IMPORTANT RESPONSIBILITIES

\_\_\_\_\_ Our two core businesses are focused on issues linked to sustainable development and environmental protection, such as how to reduce waste volumes, make motor vehicles more environmentally friendly, and enhance the safety of pedestrians and road users. In all of these areas, innovation is playing a key role and driving growth by enabling us to design and market products that meet the expectations of our customers and consumers in general.

Our overall performance is also supported by a commitment to corporate social responsibility. This commitment strengthens social dialogue and cohesiveness within the organization and supports the integration and development of employees throughout their careers. Employee safety is a top priority, and the accident rate has declined steadily over the past five years, always with the goal of moving towards an accident-free workplace.

## FINANCIAL REVIEW

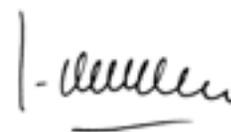
\_\_\_\_\_ Our 2007 results reflect a year of transition and preparation for the future. The Urban Systems Division began deploying a new organization to manage an expanded business base, remodeling its production resources, investing in a new supply chain and rationalizing its structures. The Automotive Equipment Division enjoyed a year of strong growth that varied from one market to another. With a record 48 product launches, of which two-thirds in the second-quarter, 2007 also saw a sharp rise in the number of international projects. Against this backdrop, operating margin and net profit were maintained at 2006 levels.

In line with our commitment to carefully controlled growth, the business generated free cash flow for the sixth consecutive year. Following the strategic operations carried out during the year, the debt-to-equity ratio stood at 84%. Once again, we need to gradually reduce this figure, as we did during the 2001-2006 period, which will enable us to pursue new opportunities.

## STRATEGIC PRIORITIES

\_\_\_\_\_ Plastic Omnium is a new Company in 2008, a more balanced enterprise that is built around two core businesses with clear strategies and ambitious goals. Our objective, in all our markets, is to meet the needs of carmakers with cost-effective, innovative solutions and to become a full-fledged urban equipment supplier by expanding our portfolio of products and services for local communities. And although a new Company, Plastic Omnium will continue to build on the strengths that have always underpinned its success, namely an organization focused on optimized costs and industrial excellence, a highly responsive decision-making process, and a constant commitment to our 14,200 employees.

Backed by the ongoing confidence of our customers and suppliers and the total dedication of our employees, Plastic Omnium will once again enjoy very substantial growth in the years ahead. ■



Laurent Burelle

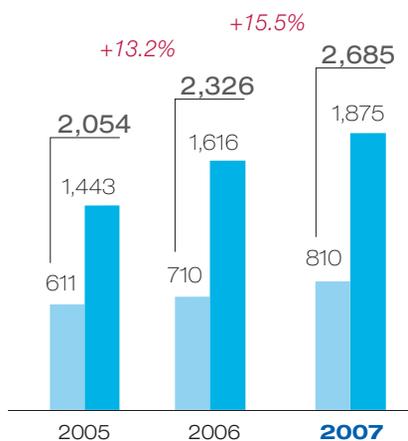
## 2007 PERFORMANCE INDICATORS

In contrasting markets, and despite a fragile economic environment, Plastic Omnium's two core businesses reported profitable revenue growth. At the same time, for the sixth year in a row, the Company continued to pay down debt with free cash flow, after carrying out an ambitious international investment program.

# A CONTINUOUS GROWTH DYNAMIC

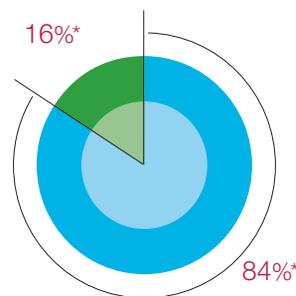
### CONSOLIDATED REVENUE

(IN € MILLIONS)



- France
- International

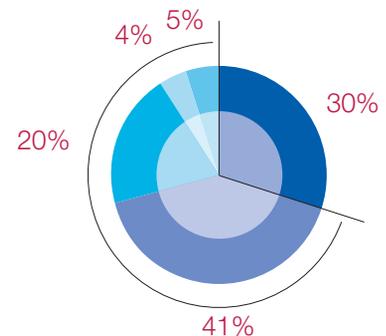
### REVENUE BY BUSINESS



- Automotive Equipment
- Urban Systems

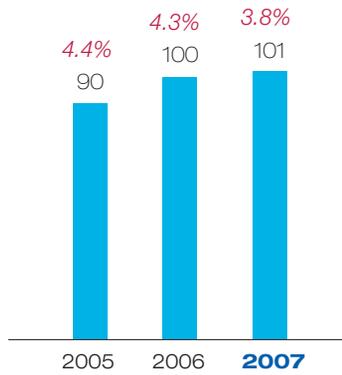
\* 80% / 20% in pro forma revenue, following the acquisitions carried out in 2007 in the Urban Systems Division.

### REVENUE BY REGION

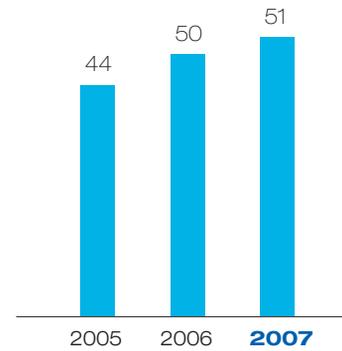


- France
- Rest of Europe
- North America
- South America
- Asia

**OPERATING MARGIN**  
(IN € MILLIONS AND AS A % OF REVENUE)



**NET PROFIT**  
(IN € MILLIONS)

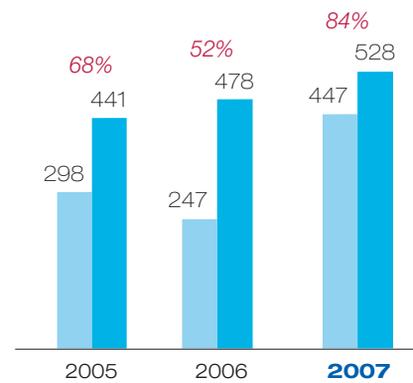


**RESEARCH & DEVELOPMENT AND CAPITAL SPENDING**  
(IN € MILLIONS AND AS A % OF REVENUE)



■ R&D spending  
■ Capital spending

**NET DEBT AND EQUITY**  
(IN € MILLIONS)



■ Net debt  
■ Equity  
*Gearing*

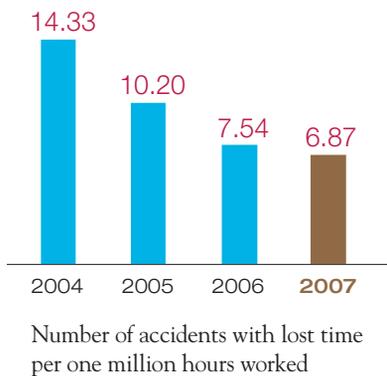
## SUSTAINABLE DEVELOPMENT: 2007 KEY FIGURES

Plastic Omnium's sustainable development indicators reflect concerted efforts in all its areas of responsibility, especially employee safety and environmental protection.

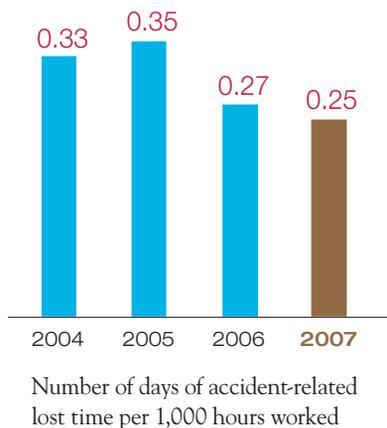
# INDICATORS

## IMPROVING

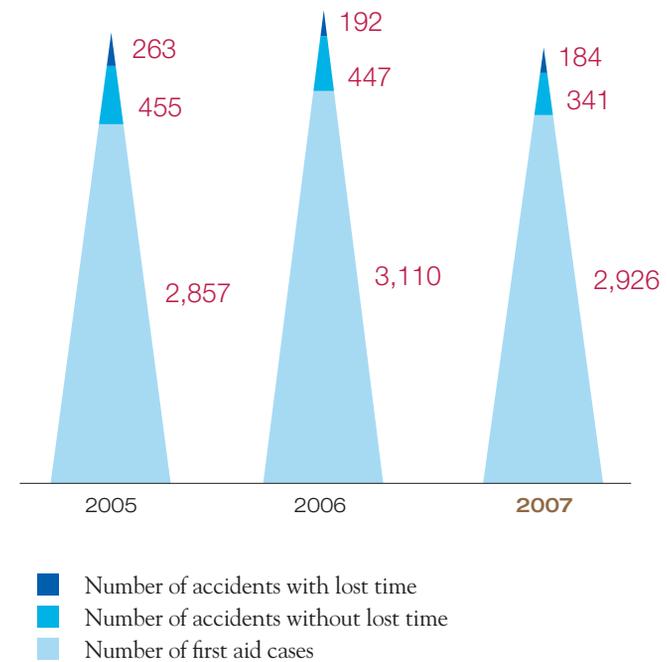
### ACCIDENT FREQUENCY RATE



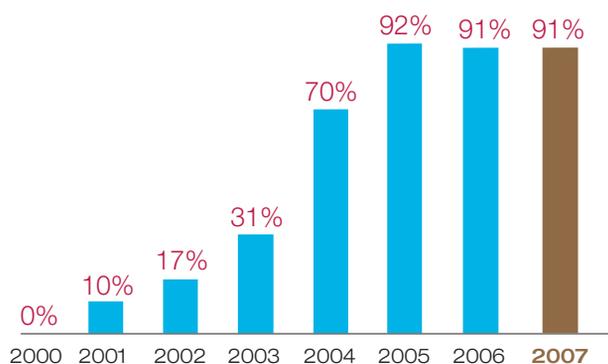
### ACCIDENT SEVERITY RATE



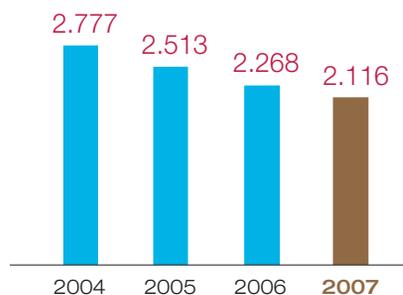
### ACCIDENT PYRAMID



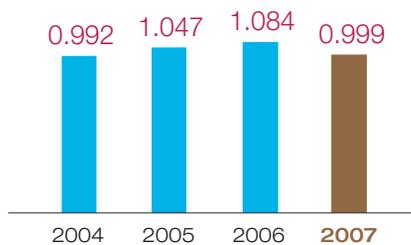
**PERCENTAGE OF SITES  
CERTIFIED ISO 14001\_\_\_\_\_**



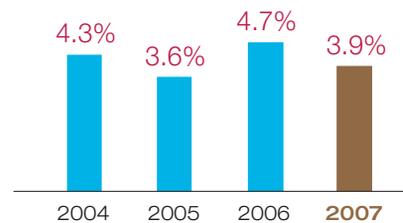
**ELECTRICITY CONSUMPTION  
IN KWH PER KG OF PROCESSED  
MATERIAL\_\_\_\_\_**



**GAS CONSUMPTION  
IN KWH PER KG  
OF PROCESSED MATERIAL\_\_\_\_\_**



**ULTIMATE WASTE FROM  
PRODUCTION FACILITIES AS A %  
OF PROCESSED MATERIAL\_\_\_\_\_**





**2007: AN ANNIVERSARY AND A STRATEGIC SHIFT**\_\_\_\_\_

3 May: Compagnie Plastic Omnium's 60<sup>th</sup> anniversary celebration in Paris is attended by 1,000 employees from around the world. 2007 is also a turning point for the enterprise, which is now refocused on two complementary businesses: Automotive Equipment and Urban Systems.

**EMERGENCE OF THE URBAN SYSTEMS DIVISION**\_\_\_\_\_

> 26 July: acquisition of Compagnie Signature from Burelle SA, Compagnie Plastic Omnium's majority shareholder. A European leader in urban, road and highway signage, Compagnie Signature provides equipment and maintenance services for roads and city streets that improve user comfort and safety.

> 25 September: acquisition of Germany's Sulo Environmental Technology, a major European player in the manufacture and sale of waste containerization equipment.

> 20 December: equity partnership with Eurovia, a subsidiary of the Vinci Group, in the area of road signage. The goal is to generate major development and innovation opportunities for both companies. Compagnie Signature owns 65% of the vertical signage business, which it manages with Eurovia as a minority partner, and Eurovia manages the horizontal signage business with 65% of the capital and Compagnie Signature as a minority partner.

Urban Systems: a product and services unit consolidating integrated capabilities in at-source waste management and signage.

Urban Systems' contribution to consolidated revenue:

250 million euros in 2006

550 million euros in 2007 (pro forma)

In China,  
**1,000**  
 employees,  
**4** plants: a manufacturing  
 base equal to the market's  
 growth potential

**STRENGTHENING THE  
 AUTOMOTIVE EQUIPMENT  
 DIVISION**

> 18 April: creation of YFPO, a joint venture set up in partnership with China's YFV, a subsidiary of Shanghai Automotive Industry Corporation (SAIC) and Visteon. Called YanFeng Plastic Omnium, the new company consolidates the exterior components businesses of Yanfeng, a subsidiary of SAIC.

> 10 July: acquisition of all outstanding shares in Inoplast and subsequent creation of IPO Rear Closure Systems. The new unit is entirely dedicated to the design and manufacture of rear opening modules made from thermoplastics and composite materials.

> 16 October: start-up of Plastic Omnium Auto Exterior's first modular plant in Pilar, Argentina, near Buenos Aires. It provides parts for Citroën and, beginning in June 2008, Peugeot and Renault. A model of optimization in terms of organization and investment, the plant responds to market needs in fast-growing emerging countries.

> 25 October: creation of Plastic Omnium Varroc, a joint venture with India's Varroc. The company will partner with leading global and Indian carmakers.

> 2007: construction launch of INERGY's first production facilities in Russia and India. The former will deliver fuel systems for the Renault Logan beginning fall 2008, while the second will supply Toyota, beginning in 2009.

These operations demonstrate the Automotive Division's ability to pursue its development by taking advantage of opportunities in fast-growing emerging markets.



\_\_\_\_ SIGNATURE IN SHANGHAI OF THE AGREEMENT BETWEEN PLASTIC OMNIUM AND YFV TO CREATE YANFENG PLASTIC OMNIUM (YFPO).



\_\_\_\_ MICHEL KEMPINSKI, SULO CEO ANDREAS SCHWANER, AND LAURENT BURELLE AT THE SIGNING OF THE SULO ENVIRONMENTAL TECHNOLOGY ACQUISITION.

**RECOGNITION FOR A COMMITMENT  
 TO RISK PREVENTION  
 AND SUSTAINABLE DEVELOPMENT**

> 29 June: at a ceremony at Σ - Sigmatech, French football legend Zinedine Zidane presented Plastic Omnium Auto Exterior's Amiens plant and Σ - Sigmatech R&D center with Generali's "Act for Our Future" award in recognition of the Company's active commitment to risk prevention and sustainable development.

# BOARD OF DIRECTORS

## **PLASTIC OMNIUM'S MANAGEMENT AND CONTROL BODIES**

\_\_\_\_\_ They support the application of the principles of corporate governance and transparency, while maintaining a business model based on independence and freedom of decision-making.

### **THE BOARD OF DIRECTORS**

Compagnie Plastic Omnium is a limited liability company incorporated in France and governed by a Board of Directors.

In line with the principles of corporate governance, the Board of Directors on 17 September 2004 approved internal guidelines defining its missions as well as Directors' rights and obligations.

### **COMPOSITION AND INDEPENDENCE**

The Board of Directors is composed of 11 members. Seven 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.

Directors are elected for three-year terms, renewable an unlimited number of times until they reach the age of 80. While serving on the Board, they must own at least 100 Plastic Omnium shares. The Board of Directors is composed of people from different backgrounds, thus providing the Company with a broad range of managerial, industrial and financial expertise.

The Board of Directors met five times in 2007, with an attendance rate of 95%.

### **THE BOARD'S MISSION**

Its main mission is to study all issues concerning the Company and its operations, carry out any controls and procedures that it feels are appropriate, verify the consistency of the accounts and accounting policies, define the Company's overall vision and approve its strategic objectives. Based on the recommendations of the Audit Committee, the Board approves the parent company and consolidated financial statements and ensures the accuracy of information provided to shareholders and analysts.

Following a recommendation by the Chairman, significant transactions that might impact the Company's strategy or considerably modify its financial positions or business base must be submitted to the Board of Directors for prior approval.

At the Annual Meeting on 16 May 2002, Compagnie Plastic Omnium shareholders voted to combine the offices of Chairman and Chief Executive Officer. Laurent Burelle has held both positions since July 1, 2001.

**DIRECTORS' FEES**

Directors' compensation consists of attendance fees. The aggregate amount of these fees is approved by shareholders at the Annual Meeting, based on recommendations by the Board of Directors. The method of allocation is decided by the Board. For 2007, the total amount of attendance fees paid to the Board was set at €200,000.

**THE BOARD OF DIRECTORS' SELF-ASSESSMENT**

Following the meeting on 14 December 2007, the Board of Directors reviewed the opinions and recommendations of its Members concerning:

- the appropriateness of matters addressed by the Board and the manner in which they were dealt with,
- the frequency and length of Board meetings,
- information provided to the Board and to each of its members before meetings,
- the procedures and membership of the Audit Committee.

For 2007, the self-assessment was based on Board member replies to a questionnaire, which showed that directors were fully satisfied with the Board's procedures and practices during the year.

**AUDIT COMMITTEE**

The Audit Committee is comprised of four independent Directors:

Francis Gavois, Chairman  
 Vincent Labruyère  
 Laurence Danon  
 Jean-Pierre Ergas

With a new Chairman appointed every three years on a rotating basis, the Audit Committee helps the Board of Directors ensure compliance with accounting principles and the validity and sustainability of accounting methods. The Committee meets at least twice a year, prior to the closing of the interim and full-year accounts, and reports to the Board. In 2007, the Committee met twice.

The Committee examines the accounts before they are presented to the Board of Directors and gives an opinion on the accounting principles and methods used and on the coverage of risk, based on summaries prepared by the Statutory Auditors. It also examines any subject that might have a material financial or accounting impact on the Company.

After the Statutory Auditors, the Audit Committee reviewed the 2007 accounts, noting that they gave a fair and clear view of the Company's assets, liabilities and financial position, in accordance with IFRS, and reflected an approach to financial management that was disciplined, prudent and in the interest of shareholders.

Compagnie Plastic Omnium's Senior Executive Vice-President and Chief Financial Officer, and Corporate Secretary, as well as its Statutory Auditors, are invited to attend Audit Committee meetings.

Diligent corporate governance,  
**A GUARANTEE  
OF SUSTAINABILITY  
AND CONFIDENCE**  
for shareholders and other stakeholders

#### **STATUTORY AUDITORS**

Mazars et Guérard (since 1998)  
Ernst & Young Audit (since 2001)

#### **BOARD OF DIRECTORS**

##### **Laurent Burelle (1)** (since 1981)

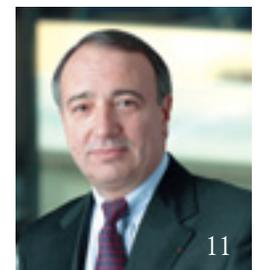
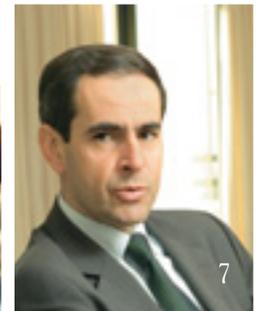
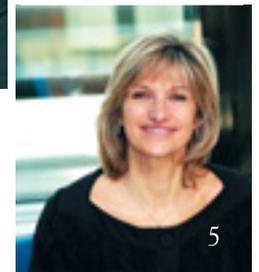
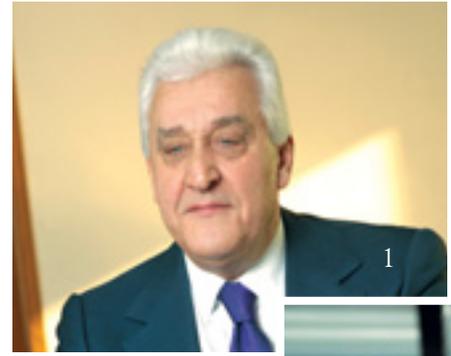
Chairman and Chief Executive Officer  
Chief Executive Officer and Director, Sogec 2  
Chief Operating Officer and Director, Burelle SA  
Chairman, Compagnie Signature SAS  
Chairman, Compagnie Financière de la Cascade SAS  
Director, Société Lyonnaise de Banque SA  
58 years old

##### **Paul Henry Lemarié (2)** (since 1987)

Chief Operating Officer  
Chief Operating Officer and Director, Burelle SA  
Director, Inergy Automotive Systems  
61 years old

##### **Pierre Burelle (3)**

Honorary Chairman and Founder  
Permanent representative of Burelle SA  
Chairman and Chief Executive Officer, Sogec 2  
Chief Operating Officer, Burelle SA  
Chairman, Sofiparc SAS



**Jean Burelle (4)** (since 1970)

Honorary Chairman  
 Chief Operating Officer and Director, Sogec 2  
 Chairman and Chief Executive Officer, Burelle SA  
 Chairman and Chief Executive Officer, Burelle Participations  
 Director and Chairman of the Corporate Officers Committee,  
 Essilor International  
 Director, Remy Cointreau  
 Chairman of Medef International  
 69 years old

**Laurence Danon\* (5)** (since 2003)

Member of the Audit Committee  
 Member of the Management Board, Edmond de Rothschild  
 Corporate Finance  
 President of Ecole des Mines, Nantes  
 52 years old

**Jean Pierre Ergas\* (6)** (since 1990)

Member of the Audit Committee  
 Chairman and Chief Executive Officer, BWAY Corporation, US  
 Director, Dover Corporation, US  
 Director, Aplix SA  
 68 years old

**Jérôme Gallot\* (7)** (since 2006)

Chairman, CDC Entreprises  
 Director, Icade  
 Director, Caixa Seguros  
 Member of the Supervisory Board, CNP Assurances  
 Member of the Supervisory Board, Compagnie Nationale  
 du Rhône (CNR)  
 Member of the Supervisory Board, NRJ Group  
 Member of the Supervisory Board, Schneider Electric SA  
 48 years old

**Francis Gavois\* (8)** (since 1998)

Chairman of the Audit Committee  
 Honorary Inspector General, French Treasury  
 Director, Consortium de Réalisation (CDR)  
 Member of the Supervisory Board, STMicroelectronics  
 72 years old

**Vincent Labruyère\* (9)** (since 2002)

Member of the Audit Committee  
 Chief Executive Officer, Société Financière Labruyère  
 Eberlé SAS  
 Director, SA Perroux  
 57 years old

**Alain Mérieux\* (10)** (since 1993)

Chairman and Chief Executive Officer, bioMérieux SA  
 Chairman of the Board, Mérieux Alliance  
 Director, Transgène  
 Member of the Supervisory Board, Eurazeo  
 69 years old

**Thierry de La Tour d'Artaise\* (11)** (since 2005)

Chairman and Chief Executive Officer, Groupe SEB  
 Permanent representative of Sofinaction  
 Director, Lyonnaise de Banque SA  
 53 years old

**Secretary of the Board**

Jean-Luc Petit

*\*Independent Director.*



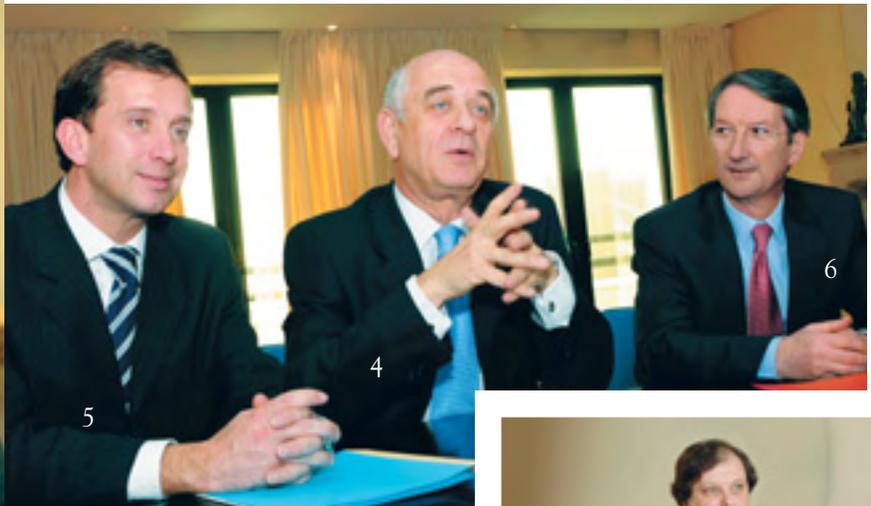
# EXECUTIVE COMMITTEE

**A MANAGEMENT AND DECISION-MAKING BODY**\_\_\_\_\_ The Executive Committee meets once a month to review all aspects of the Company's operations, current developments and outlook.

**THE EXECUTIVE COMMITTEE  
IS COMPRISED OF 11 MEMBERS**\_\_\_\_\_

- Chairman and Chief Executive Officer
- Chief Operating Officer
- Senior Executive Vice-President
- Corporate Secretary
- Executive Vice-President – Human Resources
- The Division Presidents.

The Executive Committee meets once a month to consider —across all businesses— the Company's sales objectives, capital spending programs, labor and legal affairs, R&D projects, proposed mergers and acquisitions, and financial issues, as part of a dynamic of continuous improvement.



**ROLE**

Every month, the Executive Committee compares each Division and subsidiary's results and balance sheet (notably debt, capital expenditure and working capital) with the previous year's and with the monthly budget. It also validates revised year-end forecasts quarterly.

Lastly, the Committee analyzes each Division's five-year strategic plan every year in July. The plan is then used in preparing the budget, whose final version is approved in December.

As part of its commitment to the sustainable development process, each month the Executive Committee studies the Company's safety and environmental performance indicators to monitor the effectiveness of the management system and related action plans.

Once validated, the main objectives of Compagnie Plastic Omnium and its subsidiaries are presented to the Board of Directors.

**JOINT COMPANIES**

The Executive Committee also exercises control over joint companies: Inergy Automotive Systems, BPO and Plastic Recycling (50% owned by Compagnie Plastic Omnium), Plastic Omnium Varroc (51% owned), YFPO (49.95% owned), HBPO (33.33% owned), Signature Vertical Holding (65% owned) and Euromark Holding (35% owned). Each of these companies has its own Board and a finance committee made up of shareholder representatives, who meet once a month. ■

- Laurent Burelle (1)**  
Chairman and Chief Executive Officer
- Paul Henry Lemarié (2)**  
Chief Operating Officer  
Director, Inergy Automotive Systems
- Jean-Michel Szczerba (3)**  
Senior Executive Vice-President – Chief Financial Officer  
Director, Inergy Automotive Systems  
Director, HBPO GmbH  
Director, Euromark Holding  
Director, Signature Vertical Holding
- Marc Szulewicz (4)**  
President – Plastic Omnium Auto Exterior  
Chairman of the Board of Directors,  
Inergy Automotive Systems SA  
Director, HBPO GmbH
- Jean-Luc Petit (5)**  
Corporate Secretary  
Vice-President – Legal Affairs  
Chairman of the Internal Audit Committee
- Philippe Hugon (6)**  
Executive Vice-President – Human Resources
- Pierre Humbert (7)** (until 31 December 2007)  
Special Advisor to the Chairman and Chief Executive Officer
- Serge Reig (8)** (until 31 December 2007)  
President – Performance Plastics Products - 3P
- Michel Kempinski (9)**  
President – Plastic Omnium Environment
- Olivier Buquen (10)**  
Vice-President – Compagnie Signature  
Chairman, Signature Vertical Holding  
Director, Euromark Holding
- Pierre Lecocq**  
Chief Executive Officer, Inergy Automotive Systems

A COHESIVE  
TEAM  
TO REALIZE  
AN AMBITION



INDEPENDENCE AND INTEGRATION,

TWO

PILLARS

SUPPORTING LONG-TERM GROWTH

**DRIVING  
THE BUSINESS  
MODEL**\_\_\_\_\_

Plastic Omnium's business model is driven by a commitment to remaining independent that guides its investment decisions, international development and innovation strategy. Employee integration is another powerful core value that underpins the Company's sustained, carefully managed growth. It reflects Plastic Omnium's ability to develop within its areas of expertise by engaging with new regions, new teams and new business activities.



YANFENG PLASTIC OMNIUM WORKS WITH SHANGHAI VOLKSWAGEN IN CHINA, MANUFACTURING FRONT AND REAR BUMPERS FOR THE POLO, TOURAN AND SANTANA.

**STRATEGY**\_\_\_\_\_ Intrinsically linked to its determination to remain independent in an increasingly global business environment, Plastic Omnium's commitment to market leadership informs its investment and innovation decisions. This new momentum is reflected in the Company's decision to focus on two core businesses, which led to the creation of the Urban Systems Division.

# INDEPENDENCE, A DRIVER OF GROWTH

## **A SUSTAINABLE GROWTH DYNAMIC**\_\_\_\_\_

Independence, which guarantees a company's freedom to chart its own course, is one of the two pillars that underpin Plastic Omnium.

Maintaining independence requires that two conditions be met. The first is a stable shareholder structure. At Compagnie Plastic Omnium, the majority of shares and voting rights have been held by the same family since its founding in 1947. The second condition is the need to hold forefront positions in its businesses, and the Company's history reflects this focus on excellence. In 1999, the Interior Components Division was divested in order to strengthen leadership in Exterior Components while also creating the world's leading manufacturer of fuel systems and reinvesting in the production base. Today, Plastic Omnium is a major player not only in automotive equipment but also in services to local communities, an area in which it has clearly expressed a commitment to development and expansion.

By continuing to develop its automotive operations in fast-growing regions and strengthening its Urban Systems Division, Plastic Omnium is building its future on a profitable, sustainable business model, based on two core activities with differing yet interrelated paradigms and growth cycles.

# MAINTAINING LEADERSHIP POSITIONS

and pursuing excellence, to support growth across the business



## THE “MULTIPLIER EFFECT” OF AN ALLIANCE STRATEGY

Plastic Omnium’s commitment to leadership is supported by an acquisition and alliance strategy with partners who are also forefront players in their respective businesses and able to provide complementary skills and capabilities. Between 1999 and 2007 alliances were forged with Inoplast, Solvay, Hella, Behr, Derichebourg, Xietong, YFV, Varroc and Vinci/Eurovia. Creating alliances deepens innovation resources, opens new geographic markets and expands the customer portfolio.

## DISCIPLINED, EFFICIENT MANAGEMENT

Sustained growth can only be achieved through ongoing profitability gains and debt reduction. In 2007, all profitability indicators were positive.

At 31 December 2007, the debt to equity ratio stood at 84%, after the year’s major strategic acquisitions. Disciplined control of working capital and sufficient funds from operations to finance capital projects have enabled Plastic Omnium to ensure the long-term solidity of its balance sheet.

## RESPONSIVENESS AND FLEXIBILITY

Plastic Omnium’s management style promotes a proactive, highly responsive approach to business. These fundamentals enable changes to be made quickly, which is crucial for an enterprise that must adapt to new market challenges and customer expectations. In today’s constantly evolving world, this agility represents an indisputable competitive advantage.

With the acquisition of Signature and SULO and the alliance with Eurovia, the Company has

# DIVERSIFIED ITS OPERATIONS

in a fast-growing market and strengthened its Urban Systems Division



4.8%

of revenue allocated  
for R&D

ANCHORED IN  
THE COMPANY'S  
HISTORY,  
INNOVATION

serves all stakeholders,  
from customers, shareholders,  
employees and partners  
to civil society. This commitment  
to constantly innovating is an  
integral part of the Company's  
philosophy, organization  
and business

#### INNOVATION AS A SOURCE OF VALUE

Year after year, Plastic Omnium leverages its capacity for innovation to respond to emerging social trends by creating greater value for its customers, whether automobile manufacturers, local communities or public works contractors. Its operations also create benefits for end-users— motorists and constituents —for whom its services are ultimately intended. For all of these reasons, innovation represents a powerful driver of long-term growth.

Innovation, however, isn't limited to products and services. It also includes materials, technical processes and management methods. Plastic Omnium's two core businesses provide solutions to today's important environmental and social challenges, such as the growing scarcity of fossil resources and the need to reduce both CO<sub>2</sub> emissions and the amount of waste produced. Many solutions are offered, ranging from the eco-design of automotive components and modules, reductions in the weight of automotive components, pedestrian protection systems, the development of non-fossil materials and reductions in production plant energy consumption to at-source waste reduction programs for local communities and optimized road signage systems.

Another priority in 2007 was the development of low-cost industrial solutions and products intended to meet the highly demanding specifications of today's increasingly global marketplace.

1,590  
intellectual  
property rights,  
of which 93  
registered in 2007

635  
patented inventions,  
of which 47 filed  
in 2007



**RECOGNITION  
FOR A BREAKTHROUGH  
TECHNOLOGY**

The thermoplastic composite fender module developed for BMW's new X5 received the 2007 Society of Plastics Engineers Innovation Award in the industrial product design category. The module delivers unique solutions in terms of reduced weight, pedestrian protection, integrated functions and design.

**A NETWORK  
OF INNOVATION  
CAPABILITIES**

A coordinator of technology and market intelligence, the Innovation Department monitors all emerging trends and shares best practices among innovation teams in each of the core businesses.

In all, 1,185 engineers and technicians are employed in 27 R&D centers in 10 countries, as part of a global network that extends to developing countries. Plastic Omnium Auto Exterior has a document management system that enables more than one million files on the same project to be shared anywhere around the world, in real time.

A member of the Plastipolis and Lyon Urban Truck and Bus 2015 (LUTB) competitiveness clusters, Plastic Omnium Auto Exterior partners with other members on research projects dealing with materials and technologies to be deployed, as well as with urban transport systems. Plastipolis and LUTB bring together small and mid-size businesses, schools, universities, technology centers and leading manufacturers.

**WORLDWIDE  
GROWTH**

A global company, Plastic Omnium supports its customers in new growth regions, with a targeted strategy for each business. Critically important, this front-line approach also makes it possible to stay closely attuned to customer expectations. In its automotive businesses, the Company is developing in such high-potential markets as Poland and Russia in Eastern Europe, Argentina and Brazil in South America, and China, South Korea and India in Asia. Plastic Omnium now has four plants in China.

The Urban Systems Division focuses on Europe, with the acquisition of SULO opening up promising growth opportunities in Germany and Eastern Europe.

Backed by the human and organizational resources to support its continued expansion, the Company now has 86 plants in 21 countries. ■

THE FIRST FUEL SYSTEM FOR THE NISSAN TEANA, SIGNED BY EMPLOYEES AT THE NEW INERGY PLANT IN WUHAN, CHINA.





EMPLOYEES AT THE NEW PLANT IN PILAR, ARGENTINA, WHO TOOK PART IN A TRAINING PROGRAM LED BY MULTI DISCIPLINARY, MULTI NATIONAL, IN-HOUSE TEAMS.

# INTEGRATION

A COMMITMENT AND A RESPONSABILITY

**STRATEGY** Recent developments at Plastic Omnium point to a company that is undergoing changes in its geographic scope and human resources, two areas in which integration plays a key role. Hiring and supporting the development of new employees represents a major challenge, and the Company's performance, both now and in the future, depends on how successfully this challenge is met.

2,800  
people joined  
the Company in 2007,  
of which 18% managers

60%  
of managers were  
hired outside France

57%  
of employees are based  
outside France

THE SUCCESS  
of Plastic Omnium's  
acquisition strategy  
depends in part on  
its ability to integrate  
new employees  
and new cultures

**INTEGRATION:  
A FUNDAMENTAL**

Plastic Omnium's integration policies are rooted in its history, which has been shaped by a powerful external growth dynamic. In this respect, 2007 was no exception. The year's strategic operations included the acquisition of Signature and SULO, the alliance with the Vinci/Eurovia Group, and partnerships with YFV in China and Varroc in India. For these ventures to succeed, a common culture must be created and best practices must be shared. This requires an open-minded approach on everyone's part, as well as a commitment to developing and enhancing operating procedures.

**INTEGRATING  
MEANS IMPROVING**

In 2007, 36% of consolidated revenue was generated through joint ventures, most of them international in scope. This makes the challenge of creating a common culture even greater. In all cases, integration involves sharing methods and technologies, which are the foundations of future development. The acquisition of Inoplast is a good example in this regard, since it has enabled Plastic Omnium to broaden and deepen its capabilities in thermosetting resins by successfully combining them with its own skills.

**A MULTICULTURAL  
APPROACH  
TO MANAGEMENT**

Today, 57% of the workforce is non-French and the spectrum of nationalities represented within the Company is very broad—2,200 people in North America, 4,000 in other EU countries, 1,200 in Asia and 700 in South America and South Africa. In 2007, international hiring efforts focused on South America, Central Europe and Asia. These shifts in the workforce call for new ways of thinking and managing. In addition to standardizing methods and industrial processes, Plastic Omnium must also adjust its management style to take into account cultural differences.

**RESPECT  
FOR OTHERS**

The employee integration process is designed to move beyond differences in background, positions, nationalities and even corporate culture in order to create and share common values.

Rather than a policy that encourages conformity, Plastic Omnium promotes freedom and initiative. It has always shown consideration for the values of others even while sharing its own culture.

The Company's global expansion shows that it is exercising fully its responsibilities. Because whenever Plastic Omnium establishes operations in a country, it focuses on helping the local economy to grow while showing respect for all stakeholders.



**A CODE TO FORMALIZE  
BEHAVIOR GUIDELINES**

Plastic Omnium has adopted a Code of Conduct that formally expresses its ethical commitments. Distributed to newly hired managers, the Code covers employment, safety and environmental issues. Moreover, it defines the kind of relationships the Company wants to develop with shareholders, customers, suppliers and other partners, and establishes behavior guidelines that comply strictly with local legislation in all corners of the global marketplace.



## MUTUAL RESPECT

and reciprocal  
appropriation underpin  
Plastic Omnium's  
employee integration  
process

### **A CORPORATE INTEGRATION STRATEGY...**

Plastic Omnium is committed to welcoming new employees through a structured approach that is tailored to the individual's profile and position within the organization. An orientation program for non-managerial staff is conducted at each site, in compliance with Company guidelines, and a coaching system may be introduced for operators. Programs for managers also include team-integration sessions and a presentation of human resources policies and safety regulations. Managers then take part in an orientation seminar at headquarters in Levallois, which is attended by Chairman and CEO Laurent Burelle. Held for around 60 people, these seminars focus on developing synergies among new teams and building awareness of Plastic Omnium's strategic objectives, organizational resources and corporate values.

### **...EXTENDED ACROSS EACH DIVISION**

The first day covers corporate functions and the Company's policies with regard to innovation, safety and sustainable development. The second day is devoted entirely to learning about the Divisions. This principle of orientation and appropriation is then pursued —first by the Divisions, which provide incoming managers with more specific reference points, and then at plant level.

200  
 new team members  
 took part in orientation  
 seminars in 2007

**CHINA-FRANCE:  
 CROSS-BORDER  
 INTEGRATION** \_\_\_\_\_

YFPO, the joint venture launched in China in 2007, was created through a partnership between Plastic Omnium and YFV. Success depends on the ability of the new company's Executive Committee to build a powerful consensus among its members. In response to this challenge, and because of the cultural differences between the two countries, Plastic Omnium introduced a special integration and training program.

Whether hired by Plastic Omnium or already Company employees, key YFPO managers took part in an orientation seminar and then spent two months visiting sites in Europe. The goal was to enhance their understanding of operations and procedures while enabling them to create an internal network. In early 2008, an awareness-building and skills-enhancement program was held in France for 24 Yanfeng Visteon managers.



**YANFENG  
 PLASTIC OMNIUM**

500 employees in China,  
 2 plants certified to OHSAS 18001  
 and ISO 14001 standards.

**PROVIDING THE KEYS  
 TO BETTER  
 MANAGEMENT** \_\_\_\_\_

Training programs in intercultural management have also been implemented.

An awareness-raising program was designed for people who work with Chinese teams from a distance or on an occasional basis. The program comprises three modules covering differences in mentality, keys to communication and business world operating procedures. Awareness training is provided to both expatriates and their spouses, who are also given a useful guidebook designed to facilitate day-to-day living in China.

Management training is supported by a commitment to developing a spirit of openness and mutual understanding. The objective is to create effective relationships, which are so important to the success of partnerships between companies from different countries.

**ORIENTATION  
 AND TRAINING  
 AT ARGENTINA'S  
 PILAR PLANT** \_\_\_\_\_

As with the opening of the Silao plant in Mexico, a special integration process was implemented at Plastic Omnium Auto Exterior's new plant in Pilar, Argentina. Several actions were deployed, all of which drew on the support and skills of teams from other countries and regions. Training for Executive Committee members was conducted in Mexico and Spain.

Programs for operators were led by World Class Manufacturing teams from France, who spent more than two months at the Pilar plant. Paint line managers also received training in processes and maintenance from highly skilled teams in Spain and Mexico.

\_\_\_\_\_ A VISIT TO THE SHOWROOM SET UP FOR THE ORIENTATION SEMINAR AT PLASTIC OMNIUM HEADQUARTERS IN LEVALLOIS.





\_\_\_\_ PARTICIPANTS IN AN ORIENTATION SEMINAR IN LEVALLOIS.

**SKILLS:  
AN ASSET TO BE  
DEVELOPED**

Furthering a commitment to excellence requires the full involvement of team members and the development of their skills. Hiring and integrating high-potential team members can only produce results if their capabilities are then enhanced. Plastic Omnium's goal is to support employees' growth and development by offering them training programs tailored to their specific job skills and responsibilities.

The design and execution of these programs takes into account the new challenges facing the business world. These include adjusting to a more competitive global marketplace, developing and integrating new skills clusters and technologies, expanding the portfolio of services for customers in both core businesses and meeting plant safety objectives.

**INERGY UNIVERSITY**

INERGY University was created in 2002 to provide training and promote the sharing of job skills. Led by a team of 180 in-house trainers, the University enables employees to develop their capabilities in four main areas —product, process, quality and manufacturing excellence. Training sessions are supported by an online skills management system that provides round-the-clock access to the University curriculum.

While 50 modules were offered in 2007, priority was given to workstation ergonomics and industrial standards. A special safety module has also been created and is scheduled for deployment in early 2008.

268,000  
hours of training  
offered across  
the Company in 2007

**PROMOTING  
A DYNAMIC APPROACH  
TO MANAGEMENT**\_\_\_\_\_

A program in people management was organized in 2007 to meet two objectives —strengthening managerial skills and developing the motivation and unity of teams involved in joint projects. In addition to presenting the overall and human resources challenges involved, training also focused on the advantages of using all available resources, such as the annual job appraisal. Designed to meet the needs of both the central support functions and the Divisions, the management training program will be pursued in 2008.

**PROMOTING A BETTER  
UNDERSTANDING  
OF CORPORATE ISSUES**\_\_\_\_\_

To address the current and future needs of support staff, a corporate functions convention was also organized. The objective was to inform managers of process and organizational changes and provide a comprehensive overview of the Company in all its aspects —finance, legal affairs, innovation, and safety and environmental management.

As with the orientation seminars, Chairman and CEO Laurent Burelle took part in the convention to demonstrate his unwavering support for all members of the Plastic Omnium team.

INERGY University  
in 2007:  
**263** training sessions,  
**2,142** participants  
and

**9,350**  
hours of training

**SHARING INFORMATION  
ABOUT THE COMPANY  
VIA TOPNET**\_\_\_\_\_

An intranet portal has been created to help drive Plastic Omnium's growth and development. Called Topnet, it enables fast, targeted, real-time communication with employees around the world. Organized into sections covering corporate issues, recent developments, central support functions and human resources, the portal provides employees with an opportunity to exchange views and involve themselves more fully in the organization, while also making them more efficient and productive. ■



AUTOMOTIVE EQUIPMENT AND URBAN SYSTEMS

TWO

BUSINESSES

TO POWER FUTURE GROWTH

## GOING GLOBAL \_\_\_\_\_

A company that wants to develop and maintain a global presence needs to leverage its strengths.

Backed by this conviction, Plastic Omnium is creating value through a responsible approach to management and expertise in two core businesses—Automotive Equipment and Urban Systems.



PLASTIC OMNIUM MANUFACTURES THE DOOR SILL  
FOR THE HYUNDAI SANTA FE  
IN ITS PLANT IN ANDERSON, SOUTH CAROLINA.

## **PLASTIC OMNIUM, AUTOMOTIVE AND URBAN EQUIPMENT**

Attentive to the needs of businesses, communities and citizens, Plastic Omnium provides its partners with innovative, high-performance, environmentally friendly solutions in its two businesses. As part of a continuous improvement process, the Company is reaffirming its commitment to constantly enriching its portfolio of services.







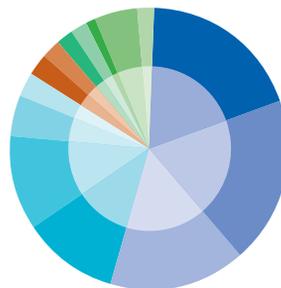
JOURNEY

4x4

 DODGE

# AUTOMOTIVE EQUIPMENT SOLUTIONS FOR SUSTAINABLE MOBILITY \_\_\_\_\_ Plastic Omnium Auto Exterior and Inergy

Automotive Systems have developed a broad range of innovative solutions to help create the automobile of the future, in partnership with carmakers. Fully focused on this mission, they are responding to an array of challenges in such areas as global expansion, environmental responsibility, road safety and cost optimization.



### DIVERSIFICATION OF THE CUSTOMER PORTFOLIO

- GM/Opel/Daewoo 19%
- Renault/Nissan/Dacia/Samsung 19%
- PSA Peugeot Citroën 16%
- BMW/Mini 11%
- Volkswagen Group 11%
- Jaguar Land Rover 4.5%
- Volvo 3%
- Chrysler 2.5%
- Hyundai/Kia 2%
- Toyota 2%
- Porsche 2%
- Mercedes 1%
- Trucks 5%
- Other 2%

€2,250 m  
in Automotive  
Equipment revenue

MEXICO: THE DODGE JOURNEY IS EQUIPPED WITH A HATCHBACK MANUFACTURED BY INOPLAST IN RAMOS ARIZPE AND ASSEMBLED IN TOLUCA AND WITH A FUEL SYSTEM MANUFACTURED BY INERGY IN RAMOS ARIZPE.

YANFENG PLASTIC OMNIUM HAS TWO PLANTS IN CHINA THAT SUPPLY SHANGHAI GENERAL MOTORS, SHANGHAI VOLKSWAGEN AND DONGFENG PEUGEOT CITROËN AUTOMOTIVE, AS WELL AS FORD, CHRYSLER AND ROWE.

Plastic Omnium  
Auto Exterior,

47

plants  
worldwide

19

dedicated  
R&D centers



# INTERNATIONAL

MARKETS DRIVING VALUE AND PROGRESS

**PLASTIC OMNIUM AUTO EXTERIOR** Plastic Omnium Auto Exterior designs and delivers innovative solutions that respond to the challenges of pedestrian safety and lower vehicle weight. In 2007, the Division continued to develop its expert skills in automotive modules, structural parts and exterior components while making significant inroads in regions with strong growth potential.

## ONGOING GEOGRAPHIC DEPLOYMENT

During the year, Plastic Omnium Auto Exterior pursued its expansion in new international markets, which represent a powerful vector for growth. In South America, the new plant in Pilar, Argentina was built according to a concept adapted to the specific features of developing markets that provides modular, flexible production resources while complying fully with manufacturing standards. With the new plant, Plastic Omnium now operates five production facilities in the Mercosur countries.

Expanding the portfolio of automotive front-end and rear **MODULES** and developing low-cost solutions for emerging markets represent two powerful strategic priorities for 2008 and 2009

**A MAJOR NEW PHASE IN CHINA**

In April 2007, an agreement was signed with China's YFV to create Yanfeng Plastic Omnium (YFPO). The new company consolidates the exterior components businesses of Yanfeng, a subsidiary of Shanghai Automotive Industry Corporation (SAIC), and already operates two plants. A leader in its market, YFPO serves Shanghai Volkswagen and Shanghai General Motors, as well as Dongfeng Peugeot Citroën Automotive (DPCA), Ford, Chrysler and Rowe. With the number of vehicles produced in China expected to increase to 16 million in 2015, from 6.86 million in 2007, the transaction underscores Plastic Omnium's wholehearted commitment to pursuing its development in the Chinese market.

XieNO, which is majority-held by Inoplast, had a satisfactory first year, expanding its customer portfolio and receiving an initial order from Dongfeng Peugeot Citroën Automotive in the passenger car market.

**LOW-COST BUMPERS**

Plastic Omnium's expansion into emerging markets includes new bumpers adapted to local demand. To optimize costs —by up to 30% compared to a standard European bumper— a number of solutions were developed. These included a new design concept and streamlined functions.

**LIGHTER COMPONENTS TO REDUCE CO<sub>2</sub> EMISSIONS**

Plastic Omnium Auto Exterior has developed efficient solutions that enable significant reductions in the weight of exterior components, structural parts and other automotive equipment. The weight gain involves new ways of integrating functions and combining materials—thermoplastics and thermosetting composites—an area in which Plastic Omnium has acquired unique expertise.

HBPO PRODUCES THE FRONT-END MODULE FOR THE MINI IN ITS BANBURY PLANT (UK).





### **A DEDICATED BUSINESS UNIT FOR REAR MODULES**

To enhance its positioning in the rear opening module segment, Plastic Omnium created IPO Rear Closure Systems, a dedicated unit that designs, develops, assembles and delivers modules. The goal is to promote single- and hybrid-material solutions while optimizing their advantages in terms of weight, shape and functionality.

ASSEMBLING THE HATCHBACK FOR THE NEW RENAULT LAGUNA STATION WAGON IN THE IPO RCS PLANT IN SANDOUILLE, FRANCE.

### **ENHANCED INNOVATION CAPABILITIES**

Some 400 engineers and technicians work at  $\Sigma$ -Sigmatech, the international R&D center near Lyon, and in 19 engineering centers around the world. In 2007, Plastic Omnium strengthened its presence in cost-competitive countries, creating an engineering center in Shanghai, China and bolstering its human and technical resources in Bratislava, Slovakia and Taubate, Brazil. As a result more than half of the Company's engineers and technicians now work outside France, with one-quarter of them in emerging countries. ■

32  
launches in 2007

### **STRONG GROWTH AT HBPO**

The Company's growth was also led by the expansion of Hella-Behr-Plastic Omnium (HBPO). The world leader in front-end automotive modules, HBPO continued to develop its integrated solutions, opening four new facilities —in Windsor, Ontario and St. Louis, Missouri, as well as in Toluca, Mexico and Pamplona, Spain.

# PLASTIC OMNIUM AUTO EXTERIOR AND INERGY AUTOMOTIVE SYSTEMS

Unrivalled expertise for improved pedestrian safety, lighter parts, reduced emissions and enhanced design.

**FRONT-END MODULE**



**HYBRID HOOD AND FENDER SUPPORT**



**REAR OPENING MODULE**



**REAR FLOOR MODULE**



**FUEL SYSTEM**



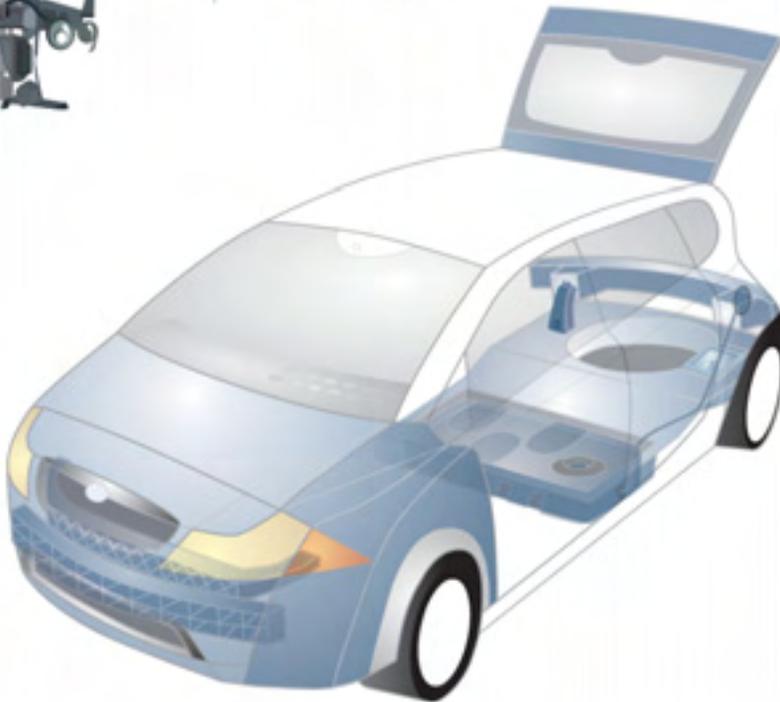
**FENDER MODULE**



**LEG PROTECTION SYSTEM**



**BUMPER MODULE**



RENAULT LOGAN EQUIPPED WITH A FUEL SYSTEM  
DEVELOPED AND PRODUCED BY INERGY IN ROMANIA AND RUSSIA.

Inergy Automotive  
Systems,

22  
plants  
worldwide

6  
dedicated  
R&D centers



## ADVANCED SOLUTIONS FOR EMISSIONS CONTROL

**INERGY AUTOMOTIVE SYSTEMS** \_\_\_\_\_ A leader in fuel systems and emissions-control technologies, INERGY deploys its capacity for innovation to serve carmakers around the world. The past year saw new developments in China, Russia and India.

### **GLOBAL EXPERTISE** \_\_\_\_\_

Jointly owned by Plastic Omnium and Solvay, INERGY is the world leader in plastic fuel systems and emissions-control technologies, delivering integrated solutions adapted to all type of engines and to increasingly complex vehicle architectures.



**GREEN SOLUTIONS  
FOR GASOLINE  
AND DIESEL ENGINES**

A pioneer in the development of plastic fuel systems that comply with California's Partial Zero Emission Vehicles (PZEV) standards for hydrocarbon emissions, INERGY has also invented other solutions in this area, such as the new Twin Sheet Blow Moulding (TSBM™) technology. Very active in diesel engine pollution control, INERGY has designed an integrated system for reducing emissions of soot and nitrous oxide.

As proof of its commitment, INERGY has partnered with Rhodia and Aaqius & Aaqius in the On the Road to Green Diesel Platform, created to promote technologies that make diesel engines cleaner.

**ADVANCED R&D CAPABILITIES**

To optimize the technological performance of its products, INERGY is constantly strengthening its capacity for innovation. Research and development programs are led by 600 engineers and technicians in six R&D centers. In 2007, priority was given to projects related to TSBM™ and to Selective Catalytic Reduction technology, which lowers nitrous oxide emissions from diesel vehicles. Capabilities in these areas were enhanced at the worldwide research center in Belgium, in particular with the development of an electronic system to manage the urea storage and release system.

In 2008 and 2009, INERGY aims to bring to market solutions that make

**DIESEL ENGINES  
CLEANER**

and to reduce hydrocarbon emissions while pursuing its strong sales and industrial performance around the world

**HYBRID VEHICLES  
AND NEW FUELS**

INERGY is pursuing research on hybrid vehicles to provide solutions for constraints specific to this type of vehicle, such as a thermal engine's limited capacity to burn fuel vapors adsorbed in the canister. The company is also working to adapt fuel tanks to biofuels, regardless of their alcohol content. Lastly, INERGY has partnered with a carmaker to develop a prototype hydrogen storage tank.

**START-UP IN THREE  
NEW MARKETS**

Located in Wuhan (Hubei Province) and operational since July 2007, INERGY's first plant in China will begin deliveries to Nissan in June 2008. The company plans to triple production volumes in China in the years ahead, led by new orders from General Motors, BMW and Dongfeng Peugeot Citroën Automotive (DPCA).

In Russia, a new plant is being built in Stavrovo, northeast of Moscow, which will begin delivering fuel tanks for the Renault Logan in September 2008. India is another important market, where INERGY intends to build an initial plant. Scheduled to come on stream in late 2009, it will supply Toyota with fuel systems for low-cost vehicles to be sold in the local market.

In Japan, operations will be consolidated on a single site — the Kita-Kyushu plant. ■

# SUPPORTING RESPONSIBLE, SUSTAINABLE GROWTH

Because they share customer and consumer concerns about pedestrian safety, harmful emissions and costs, in addition to comfort, Plastic Omnium and INERGY are responding to these challenges and expectations with long-term, value-added solutions.

## ENHANCED PROTECTION FOR PEDESTRIANS

Plastic Omnium has expert skills in managing impact —whether involving other vehicles or pedestrians. The Company's integrated, multi-material, modular approach enables it to develop solutions that comply with a broad range of standards.

Featuring an integrated bumper and fender bracket system made of polypropylene and composites that protect passengers from leg and head injuries, the front-end for the Renault Laguna 3 illustrates Plastic Omnium's capabilities. Another demonstration of the Company's expertise is the multifunctional polypropylene power frame that premiered at the 2007 Frankfurt International Auto Show.



A PIONEER IN PEDESTRIAN SAFETY, PLASTIC OMNIUM CONTINUES TO MAKE ADVANCES IN THIS AREA WITH MODULAR, MULTI-MATERIAL SOLUTIONS. SHOWN HERE IS THE FRONT BUMPER FOR THE PEUGEOT 308, WHICH INTEGRATES A THERMOPLASTIC-INJECTED ABSORPTION BEAM.

## With regard to the environment, THE CHALLENGES

facing the global automobile industry are fully aligned with its expected growth, from 68 million vehicles produced in 2007 to 85 million in 2015, an increase of more than 25%



Lighter is Greener

## LIGHTER IS GREENER

The European Commission is seeking to lower average weighted vehicle CO<sub>2</sub> emissions to 120 g/km. In line with this objective, Plastic Omnium has brought to market composite and plastic structural and body components that significantly reduce overall vehicle weight, thereby lowering both fuel consumption and CO<sub>2</sub> emissions. The INOVA hatchbacks, power frames, composite fender supports and other concepts unveiled by Plastic Omnium at the 2007 Frankfurt International Auto Show deliver decisive competitive advantages by improving a vehicle's environmental balance. Together, these solutions represent a total weight reduction of up to 50 kg per car.

Plastic solutions and modular architecture enable reductions in weight of:

8 kg

for the BMW X5 fender modules,

4 kg

for the Renault Laguna 3 composite hatchback,

2.8 kg

for the Renault Logan fuel system



#### ERGONOMICS AND COMFORT

At the Frankfurt International Auto Show, Plastic Omnium introduced an innovative rear-vehicle architectural concept that integrates the bumpers, opening module and taillights. Called INOVA, the new hatchback comes in two versions, one with an easy-to-use electric opening module. This new generation of hatchbacks delivers weight and cost savings as well as enhanced comfort and ergonomics.

#### CLEAN DIESEL ENGINES

INERGY is a forefront player in the development of emissions-control systems for both gasoline and diesel-powered vehicles. The company has designed particularly innovative additive storage and release systems for particulate filters that reduce soot emissions, with a number of unique, patented solutions like the Smart Additive System (INSAST™). INERGY has also developed a solution that eliminates nitrous oxide through Selective Catalytic Reduction, thanks to the DINOX™ system that stores and releases urea into the engine's exhaust system. The company's achievement was to take a well-known technology used for trucks and apply it to passenger vehicles by developing highly innovative integration strategies for an additional volume of around 30 liters. Its success was immediate, as demonstrated by two orders from a German carmaker. ■



#### A FORUM FOR STRATEGIC THINKING AND INNOVATION

Plastic Omnium Auto Exterior, Inoplast, HBPO and INERGY are members of the Automotive Strategic Analysis Committee, which is chaired by former Renault Executive Vice-President Georges Douin. Created by Plastic Omnium in 2006, the Committee serves as a forum for discussing the challenges facing the automobile industry. It helps to identify the strategic priorities that will ensure the Company's growth while providing greater benefits for customers, in particular through improvements in a vehicle's environmental and road safety performance.

SS



**URBAN SYSTEMS**  
**PROMOTING**  
**ENVIRONMENTAL**  
**PROTECTION**  
**AND ROAD SAFETY** \_\_\_\_\_

The new Urban Systems Division consolidates Plastic Omnium's capabilities in at-source waste management and Signature's expertise in road signage. Partners to local and regional authorities and private enterprises, the two businesses help to make living conditions more pleasant and roads safer.

---

VIA LINEA DYNAMIC DIRECTIONAL SIGNS GUIDE MOTORISTS  
TOWARDS AVAILABLE PARKING PLACE WHILE BLENDING  
HARMONIOUSLY INTO THE URBAN LANDSCAPE.

**PLASTIC OMNIUM ENVIRONMENT**\_\_\_\_\_ A continuous focus on innovation to deliver effective, optimized at-source waste management solutions has always been at the heart of Plastic Omnium Environment’s mission. With the acquisition of Sulo Environmental Technology in 2007, the Company has made a new step towards its announced goal of becoming a major force in the environmental services segment.

# CAREFULLY PLANNED DEVELOPMENT



## **SUPPORTING ACTIVE WASTE PREVENTION POLICIES**\_\_\_\_\_

A specialist in “clean” solutions for municipal and regional authorities for more than 40 years, Plastic Omnium Environment is involved at the source—where waste is produced—which is a key phase in the waste management process. That’s because the best way to improve recycling and reduce the amounts of waste to be reprocessed is to work directly with community residents, raising their awareness and making them responsible for their actions. In addition to standard household and industrial waste containerization services, Plastic Omnium has developed end-to-end solutions that enable local communities and businesses to deploy and effectively manage their waste prevention programs, with tangible results.

# SULO

in a few figures:

€195 million  
in 2007 revenue

2 industrial facilities  
in Germany

Westfalia: a fleet of 800  
containers on platforms



## SULO: A STRATEGIC FIT \_\_\_\_\_

In 2007, Plastic Omnium strengthened its European leadership with the acquisition of Germany's Sulo Environmental Technology, a major player in the manufacture and sale of wheeled bins, underground containers, composters and other waste containerization equipment. The transaction enables Plastic Omnium to establish a foothold in Germany —a gateway to the countries of Eastern Europe —while expanding its revenue base outside France.

## SERVICE-DRIVEN GROWTH \_\_\_\_\_

Also included in the acquisition is Envicomp, a specialized SULO subsidiary that designs and markets information systems that optimize at-source waste management. These systems identify containers, weigh their contents and ensure traceability of waste flows.

Envicomp's expertise will provide Plastic Omnium with new capabilities for developing waste prevention solutions in France, the Benelux countries and the United Kingdom, as well as in Germany and Eastern Europe.

SULO also operates in two other businesses: metal containers for the chemicals and pharmaceutical industries with Emballagen, and logistics (transport and storage) with Westfalia.

## INTEGRATING WASTE MANAGEMENT EQUIPMENT INTO DAILY LIFE \_\_\_\_\_

The Minimax® and Iceberg® underground containers are designed to blend harmoniously into the urban environment, and Plastic Omnium plans to expand its offering in this segment. Since recycling performance is directly linked to effective sorting, public drop-off receptacles —and underground containers in particular— are key components in the waste prevention process.

In 2008 and 2009,  
the priority will be on  
**INTEGRATING**  
**SULO,**  
and developing internal synergies,  
while continuing to deploy  
the Ecosourcing® offering

ENVICOMP'S INFORMATION SYSTEM IDENTIFIES CONTAINERS AND WEIGHS THEIR CONTENTS SO THAT CONSTITUENTS CAN BE INVOICED ACCORDING TO THE "POLLUTER PAYS" PRINCIPLE.



Plastic Omnium's latest technological innovation, a **NEW CHIP** called TAG, is now inserted in waste containers to monitor sorting quality, count the number of times the container is set out for collection and weigh the contents. This patented invention supports incentive-based waste invoicing solutions

### EXPANDING INTO NEW REGIONS

From its traditional base in France and Western Europe, the Division has stepped up its development in new regions via local networks. These new outlets include not only Eastern Europe, following the acquisition of SULO, but also emerging markets like Saudi Arabia and China. Plastic Omnium Environment currently operates nine production facilities in Europe and South Africa.

### DEVELOPING OTHER ENVIRONMENT-RELATED BUSINESSES

Plastic Omnium's related activities share the same concern for making the environment cleaner, safer and more pleasant. Ludoparc designs and installs play areas for children and teens, while Metroplast manufactures roto-molded waste drop-off receptacles and playground equipment. The Company's dedicated Plastic Recycling subsidiary recovers end-of-life wheeled bins. The regenerated plastic is used in the manufacture of new waste collection equipment—either mixed with new plastic for wheeled bins or unmixed for products like the Bulbeo® composter. ■



### ECOSOURCING®: AN ECONOMICAL, ECOLOGICAL APPROACH

An exclusive Plastic Omnium service, Ecosourcing® offers two solutions adapted to specific needs and challenges:

- Adaptis®, which helps to optimize waste sorting by involving and supporting local residents,
- Equalis®, which helps to reduce the amount of waste produced by giving each household a financial incentive to manage their waste effectively.

Making local residents responsible for the waste they produce involves getting to know them better. That's why Plastic Omnium has developed new services and resources that are aligned with its commitment to local service and innovation. These include customer and constituent call centers, an online customer support service, satisfaction surveys, targeted communication programs and incentive-based waste invoicing solutions. Whether managing equipment or sophisticated data provision services, Plastic Omnium is dedicated to constantly increasing the amount of information provided to its clients so that they can effectively manage their waste management programs.

# ECOSOURCING®

## “THROW LESS, SORT BETTER, SAVE MONEY” \_\_\_\_\_

When helping communities and businesses to implement their waste prevention plans, the place to start is with the waste producer’s behavior... an at-source initiative that impacts the entire waste management chain.

### OPTIMIZE WASTE SORTING

Through individual citizen support initiatives with the Adaptis® solution:



- Conducting information and communication campaigns that address a full range of issues: household composting, waste-sorting instruction for schoolchildren, information for apartment building residents, guidelines for large quantity waste-glass producers, sorting recommendations for streets and public areas, etc.
- Collecting user behavior data: sorting quality and rates, waste production habits and satisfaction surveys.
- Analyzing sorting performance and deploying new action plans.

Visible actions **that showcase the community’s environmental policies**

Up to **40%** more waste sorted

### REDUCE WASTE PRODUCTION

Through financial incentives for citizens, with the Equalis® solution:



- Defining a waste prevention plan.
- Deploying incentive-based rates.
- Invoicing citizens on their pro rata use of public waste management services.
- Tracking individual sorting and waste-reduction performance: sorting quality and rates, amounts produced and recycled, etc.
- Staying in touch with citizens through the customer services center, sorting guides, targeted newsletters, etc.
- Managing and optimizing results thanks to data gathered every day.

A **fairer payment system for citizens**

A “polluter pays” approach that makes users responsible for their actions

Up to **20%** less waste produced

— SIGNATURE OFFERS A WIDE ARRAY OF ELECTRONIC URBAN AND ROAD SIGNAGE EQUIPMENT, LIKE THE VARIABLE MESSAGE DISPLAY PANELS INSTALLED ON THE APPROACH TO THE VIADUC DE MILLAU.



# SIGNAGE

A FAST-GROWING MARKET

**COMPAGNIE SIGNATURE** — Compagnie Signature's entry into Plastic Omnium's Urban Systems Division and the alliance signed with Eurovia demonstrate a determination to expand the road signage business and develop it in the public works segment. Compagnie Signature is a leading European provider of urban, road and highway signage solutions.

**ENHANCED COMFORT AND SAFETY**\_\_\_\_\_

Compagnie Signature provides equipment and maintenance services for roads and city streets that improve user comfort and safety. It partners with major players in the urban and road development segments, including local and regional authorities, highway companies, train station and airport operators, public works contractors and infrastructure managers.

Backed by the market's most extensive portfolio, Signature delivers a full range of signage products and services, including traditional and dynamic vertical signage, horizontal signage and road markings, safety and dedicated services for worksite signage, and urban furniture.

Signature in a

**FEW FIGURES**

€230 million in 2007 revenue

1,230 employees

A sales network covering 25 countries

11 industrial facilities

Eurovia builds the road, Signature

**OUTFITS THE ROAD**

**RESOLUTELY MULTI-BUSINESS AND MULTINATIONAL**\_\_\_\_\_

Signature's multi-business approach is backed by its multinational deployment. The company has a powerful industrial base and local presence in Western Europe, where asset management and maintenance are top priorities. In Eastern Europe, the company's growth potential is backed by increases in both living standards and road traffic that require upgrades in transport and equipment infrastructure.

After opening sales subsidiaries in Greece and Romania, Signature entered the Turkish market in 2007, creating an equally owned joint venture —called Signatekma— with one of the country's leading signage companies. In October, Signatekma inaugurated a plant in Izmir dedicated to the manufacture of road marking products. In the medium term, the plant will also produce vertical signage equipment.

**AN ALLIANCE TO DRIVE FUTURE GROWTH**\_\_\_\_\_

In December 2007, Signature signed a partnership agreement with Eurovia, a Vinci Group subsidiary and one of the world's leading road builders.

The agreement's purpose is to consolidate the partners' signage businesses in two jointly owned companies. Each partner holds a 65% stake in one of the new companies —Signature in vertical signage and Eurovia in road marking products and services— and a 35% share in the other.

The alliance will enable the partners to market turnkey road infrastructure packages, with Eurovia to build the roads and Signature to supply the marking products and vertical signage equipment.

**SYNERGIES AND SALES OPPORTUNITIES**\_\_\_\_\_

By joining with one of the biggest public works contractors, Signature is well positioned to benefit fully from growth in Eastern Europe, where Eurovia is solidly established. It will also take advantage of recent developments in the signage market, which is moving toward increasing privatization of government contracts.

This trend is already strong in the United Kingdom and Spain. Other opportunities are available through Vinci's concessions business, which comprises road and highway infrastructure solutions and Vinci Park car park facilities. These operations will provide additional outlets for Signature's equipment and services. ■

**ENVIRONMENTALLY FRIENDLY PAINTS**

La Sar, a Signature subsidiary, has developed a complete range of environmentally friendly marking products. These include water-based paints with solvent content of less than 5%, paints that are free of all harmful solvents, hot-applied thermoplastics made with plant-based resins, and color paints that contain no lead chromate-based pigments.

# A CLEAN PLANET AND SAFE ROADS

The different businesses that make up the Urban Systems Division share the same competitive strengths: a commitment to service, a focus on innovation and a strong local presence. The goal is to create a cleaner, “greener” living environment while making urban and road mobility safer and more comfortable. In all its product and service offerings, Urban Systems focuses on meeting the needs of the community and its citizens.

## WASTE REDUCTION: A GLOBAL CHALLENGE

Because of changing lifestyles and consumer patterns, the amount of waste produced is growing substantially everywhere around the world. At the same time, the cost of waste processing is doubling every year. In addition to being a major economic challenge, waste reduction also has an environmental impact because of the need to preserve natural resources, namely raw materials and energy.

While European regulations set increasingly ambitious recycling and waste reduction objectives, national governments and their constituents are also involved. France, for example, recently held an environmental summit conference, while Belgium and the United Kingdom are moving towards incentive-based invoicing solutions.



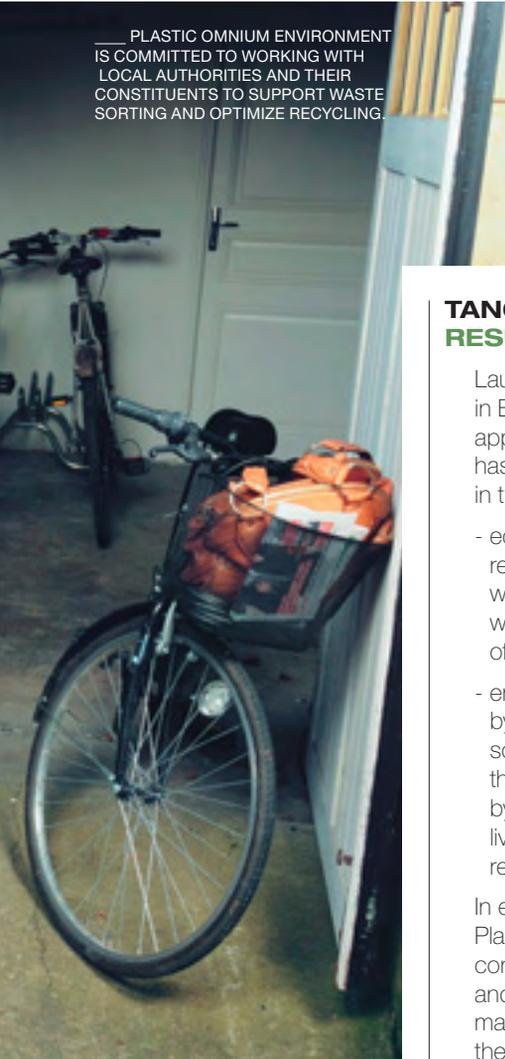
## PLASTIC OMNIUM'S ECOSOURCING® SOLUTION

An expert in at-source waste management, Plastic Omnium Environment works side by side with local communities and businesses, helping them to manage waste effectively with its exclusive Ecosourcing® offer. Depending on the market, the focus is either on optimizing waste sorting or on reducing waste production. Adaptis® develops targeted programs to build constituent awareness of the importance of sorting, while Equalis® deploys incentive-based invoicing solutions based on the individual's use of waste collection services. Once they have been made responsible for their own waste production, citizens become more attentive to the environmental impact of their actions.

As a founding member of  
the Road Safety Foundation,  
Signature has demonstrated

A COMMITMENT  
to preventing road accidents and  
personal injuries

PLASTIC OMNIUM ENVIRONMENT IS COMMITTED TO WORKING WITH LOCAL AUTHORITIES AND THEIR CONSTITUENTS TO SUPPORT WASTE SORTING AND OPTIMIZE RECYCLING.



**SPECIALY EQUIPPED AREAS**

For local and national governments and their constituents, increases in urban population and road traffic present significant challenges in the areas of pollution, safety and quality of life. Leveraging its expert skills in signage and markings, Signature designs and delivers products and systems that direct, inform, restrict and facilitate traffic flows.

In urban areas, Signature creates spaces that enable different types of users to drive, park and live together in harmony. These include 30 km/h speed zones, handicapped parking spaces, traffic-control measures near schools, bike lanes and short-stay car parking solutions. The comprehensive equipment solutions provided by Signature subsidiaries are designed to enhance user comfort and safety, while supporting the community's needs and priorities.

**TANGIBLE RESULTS**

Launched in the late 1990s in Belgium, this incentive-based approach to waste management has proven its effectiveness in two areas, delivering:

- economic benefits by significantly reducing government expenses while limiting costs for citizens, who are invoiced on the amount of waste they actually produce,
- environmental benefits by generating better-than-average sorting performance, reducing the amount of waste produced by up to 40%, enhancing the living environment and protecting resources.

In emerging markets, Plastic Omnium provides waste containerization equipment and services that optimize waste management by facilitating the day-to-day sorting process.

**CERTIFIED PERFORMANCE CRITERIA**

Signature's variable message display panels were certified compliant with Europe's EN 12966 standard in September 2007. The accreditation process involved validation of the product's optical, electromagnetic, mechanical and environmental efficacy. Certification confirms Signature's commitment to ensuring quality by designing and delivering high-performance equipment that enhances the safety of all road users. ■



**EUROPEAN WASTE MANAGEMENT OBJECTIVES**

- European Directive 2006/12/EC (5 April 2006) is intended to reduce waste production, increase recycling and build awareness of waste-management issues.
- The recycling rate in Europe is expected to increase to 50% by 2020, from 33% in 2007.
- In France, the Ministry of the Environment has announced a goal for 2015 of 150 kg of residual household waste for processing per year per person, compared with 290 kg in 2005. This represents a reduction of more than 30%.

€1.1

million in annual savings for the IDM inter-community household waste treatment program in Belgium



## **SHAREHOLDER INFORMATION**\_\_\_\_\_

Transparency, accuracy and responsiveness are the principles that guide Plastic Omnium's relations with shareholders and the financial community.

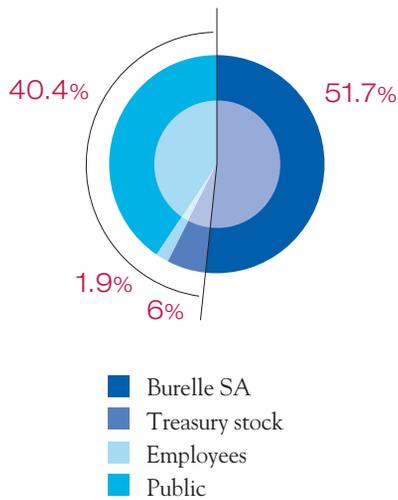
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APPRENTICESHIP WORKSHOP AT SULO ENVIRONMENTAL TECHNOLOGY'S PLANT IN HERFORD, GERMANY. SHAREHOLDERS AND THE FINANCIAL COMMUNITY WERE FULLY INFORMED OF THE SULO ACQUISITION IN 2007.

# DIALOGUE

## AND TRANSPARENCY

### SHAREHOLDER STRUCTURE AT 31 DECEMBER 2007



**40%**  
of outstanding shares are held  
by the public, of which  
**7%** by private  
shareholders,  
**15%** by French  
investors and  
**18%** by foreign  
investors

### SHARE PERFORMANCE AND VOLUMES TRADED



**SUMMARY SHARE DATA**

	2005*	2006	2007
<b>SHARE PRICE (IN €)</b>			
High	33.94	38.35	45.37
Low	19.01	28.55	33.10
Average	31.25	34.17	38.25
At 31 December	28.85	34.05	36.65
<b>SHARES OUTSTANDING AT 31 DECEMBER</b>			
	<b>18,717,662</b>	<b>18,894,842</b>	<b>18,671,332</b>
Market value <i>(at 31 December, in € millions)</i>	540	643	684
Equity <i>(in € millions)</i>	441	478	528
Equity per share <i>(in €)</i>	23.50	25.25	28.28

\*Adjusted for the two-for-one stock split on 18 May 2005

**YIELD DATA**

	2005	2006	2007
Earnings per share <i>(in €)</i>	2.53	2.67	2.81
<b>DIVIDEND PER SHARE (in €)</b>	<b>0.60</b>	<b>0.66</b>	<b>0.70**</b>
Dividend payout	23.7%	26.6%	26.5%
Net yield <i>(based on share price at 31 December)</i>	2.1%	1.9%	1.9%

\*\*Submitted for shareholder approval at the Annual Meeting on 24 April 2008.


**THE PLASTIC OMNIUM  
SHARE**

- Plastic Omnium founded: 1946
- Initial public offering: 1965
- Listed on Euronext Paris, Compartiment B
- Stock market indices: SBF 250, CAC Mid 100
- ISIN code: FR0000124570
- Reuters code: PLOF.PA

## COMMUNICATION AND DIALOGUE WITH SHAREHOLDERS

\_\_\_\_\_ Senior management and the Investor Relations Department deploy an active policy of informing both private and institutional shareholders. A full range of tools and media have been implemented to meet this objective:

> Available in French and English, the Plastic Omnium website provides key figures, real-time share prices, the financial calendar and other financial data. It also includes a shareholders' information section that features share data, information about the stock market, the Shareholders' Letter and legal information concerning the Annual Shareholders' Meeting.

> Press releases are also posted on the website as soon as they are sent to journalists and financial analysts.

> The Business Review and Sustainable Development Report, which is published in French and English, is available on request and can also be downloaded from the website.

> A Shareholders' Letter, which is published twice a year when the Company announces its interim and full-year financial results, is sent to shareholders and is also available on request.

## INFORMATION MEETINGS AND THE SALON ACTIONARIA

\_\_\_\_\_ The Annual Meeting in Paris is the most important occasion for shareholders to meet with senior executives, who present the Company's operations, strategy, results and outlook.

Each year, Chairman and CEO Laurent Burelle also attends information meetings held outside Paris.

The Salon Actionaria investor trade show provides another important opportunity for communication. For the fifth year in a row, Plastic Omnium had a stand at the show, which presented the two businesses' major achievements. Laurent Burelle spoke at the Agora des Présidents, the show's forum for chief executives, and the Investor Relations team on the stand replied to questions from the many shareholders and visitors.



\_\_\_\_\_ MULTI-SERVICE CENTER AT BERLIN CENTRAL STATION DESIGNED AND PRODUCED BY SIGNATURE GmbH. THE ACQUISITION OF SIGNATURE HAS STRENGTHENED PLASTIC OMNIUM'S URBAN SYSTEMS DIVISION.

## COMMUNICATION WITH THE FINANCIAL COMMUNITY

\_\_\_\_\_ Twice a year, when interim and full-year results are released, Plastic Omnium organizes meetings in Paris with financial analysts and journalists at which the Company's accounts and outlook are presented in detail. The Chairman and Chief Executive Officer and Senior Executive Vice-President-Chief Financial Officer also meet with investors at roadshows and in one-on-one interviews in France and elsewhere in Europe. ■



PRODUCT EXHIBITION ON THE PLASTIC OMNIUM STAND AT THE SALON ACTIONARIA.

### Financial calendar

- 22 January 2008  
2007 revenue announced
- 13 March 2008  
2007 earnings announced
- 24 April 2008  
First-quarter data announced
- 24 July 2008  
First-half earnings announced
- 21 October 2008  
Third-quarter data announced

### Shareholder calendar

- 24 April 2008  
Annual Meeting,  
Pavillon Gabriel,  
Paris
- 5 May 2008  
Dividend paid

### SHAREHOLDER CONTACTS

#### • Investor Relations

Compagnie Plastic Omnium  
Adeline Mickeler  
1, rue du Parc - F-92593 Levallois Cedex  
Toll-free number: 0 800 777 889  
Fax: +33 (0)1 40 87 96 62  
mail: [investor.relations@plasticomnium.com](mailto:investor.relations@plasticomnium.com)  
[www.plasticomnium.fr](http://www.plasticomnium.fr)

#### • Agent bank

For information about managing registered shares:  
BNP Paribas Securities Services  
Tel.: +33 (0)1 55 77 98 38  
Service aux Émetteurs  
Immeuble Tolbiac  
F-75450 Paris Cedex 09

#### • Liquidity contract with

CIC Securities  
Tel.: +33 (0)1 40 16 26 75  
6, avenue de Provence  
F-75441 Paris Cedex 9



## **AN ASSERTIVE COMMITMENT TO SUSTAINABLE GROWTH**\_\_\_\_\_

The notion of responsibility is at the heart of Plastic Omnium's two core businesses. This responsibility is exercised directly in dealings with customers, shareholders and employees and indirectly with respect to civil society, meaning not only consumers in general but also federal and local governments and their constituents. By expanding its operations into new fields, with the goal of driving innovation and progress, the Company has reshaped the scope of its responsibilities. Today, it is reaffirming its commitment to a sustainable growth process that is profitable, controlled and respectful of people and the environment.

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EMPLOYEE RELATIONS ARE AN INTEGRAL PART OF  
PLASTIC OMNIUM'S SUSTAINABLE DEVELOPMENT COMMITMENT.

29 Juin 2007  
CLAUDE TENDIL, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF GENERALI FRANCE, AND FRENCH FOOTBALL LEGEND ZINEDINE ZIDANE PRESENT JEAN-LUC PETIT, PLASTIC OMNIUM CORPORATE SECRETARY, AND PATRICK JAMES, VICE-PRESIDENT SCIENTIFIC AND TECHNICAL AFFAIRS, WITH GENERALI'S "ACT FOR OUR FUTURE" AWARD.



# A STRUCTURED GLOBAL APPROACH

## **ALLOCATING RESOURCES TO ACHIEVE AN AMBITION**

Plastic Omnium's sustainable development policies are applied at all levels of the organization. The Company's management system is based on a clear vision of its commitments, an active approach to leadership, effective reporting systems and programs to obtain worldwide certification for its operations.

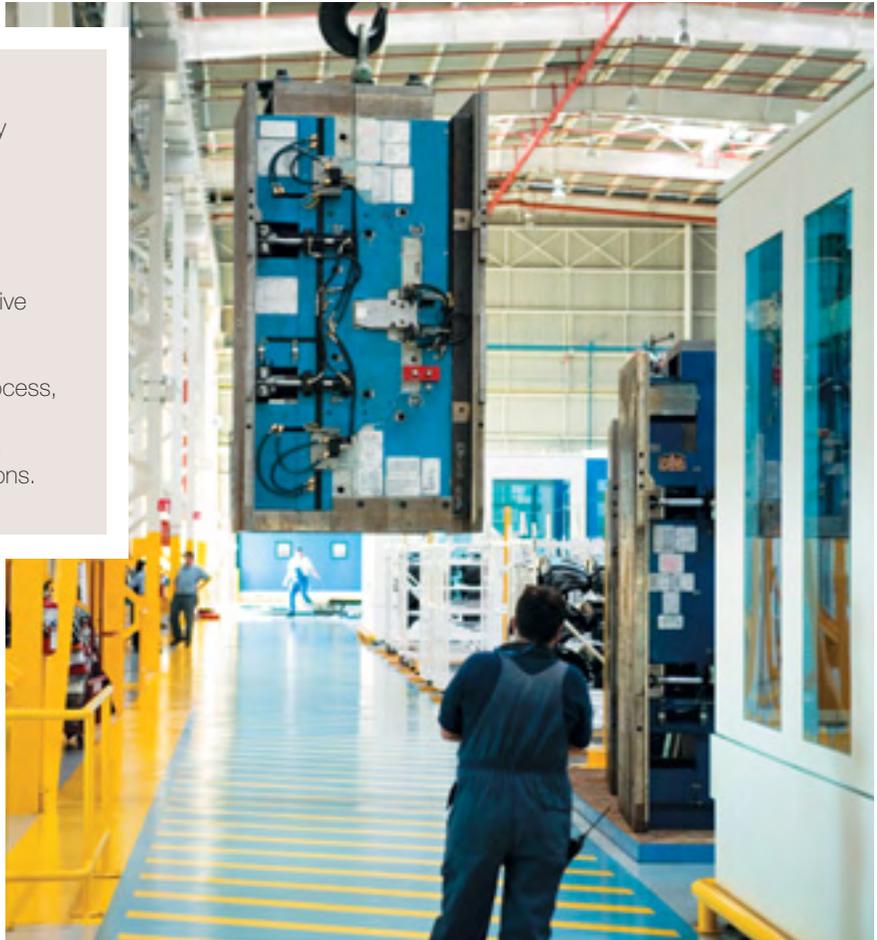
30  
facilities certified  
OHSAS 18001  
at year-end 2007

## **A CLEAR VISION**

By their very nature, Plastic Omnium's businesses are focused on environmental protection. Going beyond regulatory compliance, the Company is committed to deploying assertive on-site safety and environmental policies that respect people and reduce the impact of its operations on the climate and the natural world. It also firmly believes that every improvement in these two areas is a source of future performance and innovation that creates lasting social and economic benefits.

**9 INDICATOR GROUPS**

- Nine categories of indicators are tracked monthly by the Executive Committee:
- total recordable injury rates,
  - lost-time injury rates,
  - improvements in safety performance,
  - the accident pyramid,
  - breakdown of sites by the number of consecutive days without lost-time injuries,
  - updates on the ISO 4001 certification process,
  - updates on the OHSAS 18001 certification process,
  - electricity consumption,
  - review of Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations.



IN 2007, AS PART OF A SAFETY WEEK CAMPAIGN, PLASTIC OMNIUM AUTO EXTERIOR TRAINED EMPLOYEES IN THE RISKS OF HANDLING HEAVY LOADS, ESPECIALLY INJECTION MOLDS.

**IMPLEMENTING THE STRATEGY ON THE FRONTLINE**

Plastic Omnium's sustainable development policies are initiated and managed at the highest levels of the organization, beginning with the commitment and involvement of Chairman and Chief Executive Officer Laurent Burelle, the Executive Committee and the Safety and Environmental Issues Department. Senior management defines action plans and cross-business projects that are then implemented throughout the Divisions via a network of safety and environmental managers. Effective leadership of the network enables indicators to be deployed, monitored and analyzed and best practices to be shared.

To support action plans, internal communications teams regularly provide employees with information about safety and environmental challenges, via the intranet and through Corporate and Division newsletters. During the orientation seminar, Plastic Omnium's sustainable development policies, action principles and objectives are clearly presented to incoming employees.

**DEPLOYING MANAGEMENT SYSTEMS**

Safety and environmental management systems are at the core of Plastic Omnium's sustainable development commitment. With regard to safety, the focus is on involving managers in the process and eliminating high-risk situations. The Company has embarked on ISO 14001 and OHSAS 18001 certification processes to guarantee effective, disciplined management in these areas, in line with its objectives.

**A WORLDWIDE REPORTING SYSTEM**

Dedicated reporting systems enable management to track the Company's safety and environmental performance on a monthly basis. Extending around the world, the systems collect data from 116 sites that are used to prepare a monthly scorecard, which is discussed along with financial indicators at Executive Committee meetings. In addition, a social reporting system with 15 indicator categories is used to track and evaluate Plastic Omnium's human resources performance. ■



**FIRE  
HOSE**  
KEEP CLEAR

## PREVENTING AND MANAGING RISKS

**RISK MANAGEMENT** Identifying and preventing risks are key components of Plastic Omnium's sustainable development policies and responsibilities. Ensuring the safety of people and property and monitoring environmental risks are naturally among the Company's top priorities.

### **IDENTIFYING AND PREVENTING RISKS**

In its organization and management, Plastic Omnium is fully committed to preventing all occupational risks. This approach is based on identifying risks and implementing procedures to prevent them and share experiences. The Company has also set up business continuity plans that guarantee uninterrupted customer service, especially for deliveries.

**TOP SAFETY:  
A BEHAVIORAL APPROACH**

Employee involvement is the cornerstone of any prevention process. That's why Plastic Omnium introduced a safety management program in 2005. Today deployed across all Divisions, Top Safety aims to change attitudes and behavior with regard to workplace safety and to empower employees to play an active role in the process.

**EMPOWERED  
TEAM MEMBERS**

Applying and managing safety and environmental guidelines requires teams that are committed and empowered to act. These include Health, Safety and Environmental managers at both Division and plant level, as well as all employees, suppliers and on-site service providers. Division executives and human resources departments have overall responsibility for risk management, in liaison with the Corporate Secretary and the Vice-President, Safety, Environmental Issues and Innovation.

**RISK PREVENTION  
INTEGRATED  
INTO PLANT DESIGN**

When designing its new industrial facilities, Plastic Omnium takes into consideration the host country's environmental, safety and energy-efficiency regulations. In some areas, the Company introduces measures that go far beyond local legislation. This is the case for sprinkler systems as well as safety systems for overhead gantries used in the handling of heavy equipment. These instructions and best practices are included in specifications for all skills clusters (building, paint, etc) and applied across all industrial standards.

**GOING BEYOND  
REGULATORY  
REQUIREMENTS**

Identifying occupational risks begins with employees, whether they work in plants or—like Plastic Omnium Environment and Signature teams—on roads and highways, as well. An internal audit system makes it possible to identify potential high-risk situations, both technical and human, and to implement corrective actions.

Europe's REACH regulations are integrated into a rigorously applied internal process to avoid the use and contact with any substances that may be detrimental to human health.

Plastic Omnium has also eliminated all traces of asbestos from its sites.

**ADAPTED  
ENVIRONMENTAL  
PROTECTION MEASURES**

The most significant environmental impact of the Company's operations comes from emissions of volatile organic compounds (VOCs), most of which are released by Plastic Omnium Auto Exterior and Inoplast paint lines. These emissions have been significantly reduced or eliminated, in compliance with prevailing legislation.

All possible steps are also taken to eliminate any risk of ground pollution by wastewater, and internal circuits have been set up to conserve this resource.

**FIRE HAZARDS**

Fire prevention is a priority at Plastic Omnium. Plants involved in the transformation of fossil resources are required to take especially strict safety precautions. The Company also partners with insurance companies, which conduct site inspections and issue recommendations about technical installations and human health and safety. ■

THE ORGANIZATION OF INTERNAL CONTROL PROCEDURES AND THE PRESENTATION OF CORPORATE RISK ARE INCLUDED IN THE ANNUAL REPORT (SEE THE CHAIRMAN'S REPORT ON INTERNAL CONTROL).

# PRODUCTS AND CUSTOMER BENEFITS THAT SUPPORT SUSTAINABLE DEVELOPMENT

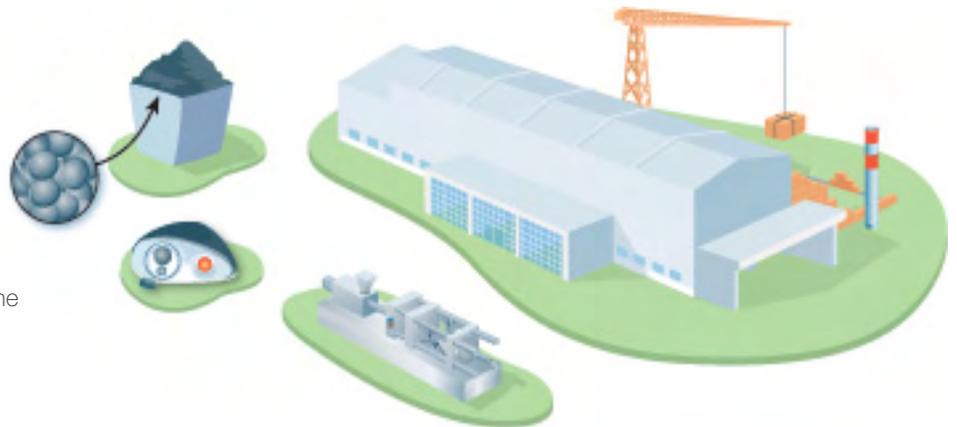
## RESEARCH AND DEVELOPMENT

- Lighter exterior components and modules to reduce CO<sub>2</sub> emissions.
- Energy absorption systems for pedestrian impact.
- Research on eco-designed components.
- Research on plant-based materials.



## PURCHASING

- Use of raw materials and paints that anticipate European REACH legislation.
- Purchases of raw materials and components from suppliers trained in eco-design.
- Civil engineering projects that integrate the Company's safety and environmental standards into new plant design and construction.



## PRODUCTION

- Paint lines using water-soluble paints or equipped with thermal destruction systems for volatile organic compound (VOC) emissions.
- Reduction in production process energy use.
- Waste collection and recycling areas set up in plants, always with a clear separation between common and special industrial waste.
- Optimization of transport and logistics flows to shorten delivery truck routes and reduce CO<sub>2</sub> emissions.



## RECYCLING

- An integrated Company facility dedicated to recycling plastics.
- Development of polyethylene and polypropylene waste recovery channels.
- Used of regenerated plastic in the manufacture of new products.

## PLASTIC OMNIUM AUTO EXTERIOR

- Pedestrian protection systems.
- Lighter, more aerodynamic exterior components to reduce CO<sub>2</sub> emissions.
- Bumpers, energy absorption systems and integrated front-end, fender and hatchback modules.

## INERGY AUTOMOTIVE SYSTEMS

- Systems for reducing harmful emissions of particulates, nitrous oxide and hydrocarbons.
- Fuel systems that meet both US (LEV II/PZEV) and European (Euro IV/V) environmental standards.



## PLASTIC OMNIUM ENVIRONMENT

- Solutions to optimize sorting and reduce the amount of waste produced.
- Single-material products that are up to 100% recycled and recyclable.
- Equipment that blends harmoniously into the urban environment.
- Soundproof containers to reduce noise levels from the disposal of glass and metal.

## SIGNATURE

- Traditional and dynamic vertical signage.
- Horizontal signage and road markings.
- Safety equipment and services dedicated to worksite signage.
- Urban furniture.
- User safety solutions, paints made with plant-based resins, water-soluble paints, etc.



# CHALLENGES, APPROACHES AND COMMITMENTS

## ENVIRONMENT

GLOBAL COMPACT  
(principles 7, 8 and 9)



Strategy	Action plans	Indicators Progress made in 2007	Objectives
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### POLLUTION AND GLOBAL WARMING ARE THREATENING THE EARTH'S BALANCE.

<ul style="list-style-type: none"> <li>Maintain a continuous improvement process.</li> </ul>	<ul style="list-style-type: none"> <li>Obtain ISO 14001 certification for all sites.</li> </ul>	<ul style="list-style-type: none"> <li>6 new sites certified in 2007, bringing the total to 72 out of 79.</li> </ul>	<ul style="list-style-type: none"> <li>Obtain 100% certification.</li> </ul>
<ul style="list-style-type: none"> <li>Limit harmful emissions from industrial sites.</li> </ul>	<ul style="list-style-type: none"> <li>Install systems for eliminating VOC emissions on all paint lines.</li> </ul>	<ul style="list-style-type: none"> <li>Out of 38 paint lines:                             <ul style="list-style-type: none"> <li>- 14 are equipped with a system for eliminating VOC emissions.</li> <li>- 4 have been converted to water-soluble paints.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Convert 2 lines currently using solvent-based paints to water-soluble paints.</li> </ul>
<ul style="list-style-type: none"> <li>Gradually eliminate the use of carcinogenic, mutagenic, reprotoxic (CMR) and other dangerous substances.</li> </ul>	<ul style="list-style-type: none"> <li>Apply Europe's REACH regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Identify CMR substances in all units and actively involve suppliers in the process.</li> </ul>	<ul style="list-style-type: none"> <li>Introduce replacement procedures for identified CMR substances.</li> </ul>
<ul style="list-style-type: none"> <li>Enable customers to bring to market products that are more environmentally friendly.</li> </ul>	<ul style="list-style-type: none"> <li>Help reduce harmful automobile engine emissions through:                             <ul style="list-style-type: none"> <li>- Lighter body modules to reduce fuel consumption and CO<sub>2</sub> emissions.</li> <li>- Redesigned components that are more aerodynamic.</li> <li>- Storage and release systems for diesel particulate filter additives.</li> <li>- Storage and release systems for additives that reduce nitrous oxide emissions.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Studies conducted of lighter and more aerodynamic parts that reduce CO<sub>2</sub> emissions by up to 7g per km. This represents 1.5 million tonnes of CO<sub>2</sub> for 2 million vehicles driven 10,000 km/yr for 10 years.</li> <li>- Storage and release systems for particulate filter additives brought to market.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue demonstration studies using real parts and vehicles.</li> <li>- Take part in a number of joint research programs through the competitiveness clusters.</li> </ul>

### FOSSIL RESOURCES ARE BEING DEPLETED AND WILL BECOME INCREASINGLY HARD TO OBTAIN.

<ul style="list-style-type: none"> <li>Eco-design.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue to integrate eco-design concerns into development projects conducted alone or with suppliers and customers.</li> <li>- Become a major player in France's eco-design network through CREER.</li> <li>- Minimize the amounts of material used.</li> <li>- Use materials that have the smallest environmental impact.</li> <li>- Give priority to recycled material.</li> </ul>	<ul style="list-style-type: none"> <li>- Methodology integrated into all stages of project development.</li> <li>- Ongoing supplier training programs (25 tier-two European suppliers in 2007).</li> <li>- Founding member of the CREER club.</li> <li>- Product lifecycle analyses conducted.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to deploy the action plan.</li> </ul>
<ul style="list-style-type: none"> <li>Recycling.</li> </ul>	<ul style="list-style-type: none"> <li>- Use a maximum of recycled material in automotive applications.</li> <li>- Support the development of recycling channels for end-of-life auto parts and vehicles.</li> </ul>	<ul style="list-style-type: none"> <li>- Approximately 21,600 tonnes of recycled end-of-life and production waste material reused in 2007 (1,200 tonnes from recovered parts and 50 tonnes from recovered vehicles).</li> <li>- Two new applications identified for recycling thermosetting materials: reinforced polypropylene, and reinforced concrete and cement for the building industry.</li> <li>- Action plan to optimize the recycling channels upstream and downstream.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue to increase the amount of polypropylene from end-of-life parts and vehicles processed in the Company's recycling unit.</li> <li>- Develop the offering of recycled thermosetting materials for the building industry.</li> <li>- Generate greater volumes of recycled materials.</li> </ul>
<ul style="list-style-type: none"> <li>Reduce energy used in production.</li> </ul>	<ul style="list-style-type: none"> <li>Identify all ways of potentially reducing electricity consumption in production facilities and make the necessary equipment changes.</li> </ul>	<ul style="list-style-type: none"> <li>Program launched in 2006. In 2007, the program helped to improve efficiency, reducing kWh per kg of processed material by 6%, and to control the overall increase in electricity use.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue to deploy the current electricity program and develop new technical paths.</li> <li>- Launch a program for gas.</li> </ul>

■ Reduce office and commercial energy use.	Raise employee awareness of the need for a responsible attitude and integrate new technologies into our buildings.	- In cooperation with ADEME, the Top Planet program was launched; 1,000 employees have already taken part. - 20% decline in consumption at Company headquarters in Levallois.	- Continue to deploy actions. - Study renewable energy sources.
■ Renewable energy sources.	Increase the percentage of renewable energy in total consumption.	Search for solutions with outside experts.	Launch a pilot site.
■ Replace fossil materials with other plant-based materials.	- Replace resins and polymers by other materials. - Find alternatives to fiberglass.	Tests underway with partners.	Continue research through joint projects with the competitiveness clusters.

**ULTIMATE WASTE IS A NUISANCE AND INVOLVES DISPOSAL COSTS.**

■ Reduce the percentage of ultimate waste on our sites.	Involve all concerned parties, with the goal of eliminating all ultimate waste.	3.9% improvement in 2007	Continue the four-year reduction trend.
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## HEALTH AND SAFETY

Strategy	Action plans	Indicators Progress made in 2007	Objectives
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**SAFETY IS EVERY EMPLOYEE'S RIGHT AND RESPONSIBILITY.  
ALL ACCIDENTS CAN BE AVOIDED.**

■ Eliminate all trace of asbestos.	Implement a Company-wide program to totally eradicate all forms of asbestos.	Program completed in 2006 and pursued in new buildings.	
■ Involve Senior Management in the workplace safety process.	Prepare a Safety Charter, signed by Laurent Burelle, to confirm the goal of making a maximum of sites accident-free as quickly as possible.	6.87 accident frequency rate and 0.25 accident severity rate in 2007. This is an 8% improvement over 2006.	Continue to move towards an accident-free workplace.
■ Take basic action to eliminate the causes of accidents linked to plant or office procedures.	Develop a behavioral rather than a purely regulatory or technical approach to workplace safety.	Safety data presented and discussed by executive committees at all levels.	Focus as much on behavior as on technology.
■ Provide supervisory staff with workplace safety training.	- Integrate the Top Safety training program into orientation seminars. - Offer the program to mid-level supervisors in 2007.	- 4,325 people have taken part since 2005, including 316 managers. - Nearly 3,000 observation visits conducted.	- Pursue the program by making it available to all new employees. - Extend deployment in 2008.
■ Maintain a continuous improvement process.	- Obtain OHSAS 18001 certification for the safety management system. - Obtain OHSAS 18001 certification for all sites in 2008.	- Obtained on 20 December 2006. - 30 sites certified out of 70 at year-end 2007.	- Sustain the approach through a process of continuous improvement. Obtain 100% certification.

**AN AGING WORKFORCE AND JOBS REQUIRING REPETITIVE MOVEMENTS CAN LEAD TO MUSCULO-SKELETAL DISORDERS AND LOWER BACK PAIN.**

■ Provide information and training in plants and in engineering offices where the workplace of the future is designed.	- With Health, Safety and Working Condition Committees, launch training programs and actions that address these problems, which are not mainly due to biomechanical causes. - Continue to design new production facilities integrating standard ergonomic criteria.	- Initiatives conducted with ANACT at Metroplast enabled the redesign of paint lines and workstations. - Several Plastic Omnium Auto Exterior plants made improvements in movements and postures through input from physical therapist associations.	In 2008, continue to deploy and expand the focus on movements and postures on sites requiring this approach.
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**SOCIAL RESPONSIBILITY** \_\_\_\_\_ As a member of the United Nations Global Compact, Plastic Omnium respects the freedom of association and the right to collective bargaining. The Company is committed to strengthening ties with employees and to maintaining transparent communication within the organization. To this end, it works through consultative forums while promoting social dialogue.

# DIALOGUE,

A GUARANTEE OF SUSTAINABILITY



More than **9,000** surveys analyzed,  
a **90%** response rate  
**86%** of employees say  
they are satisfied  
to work for Plastic Omnium

## **SUPPORTING EMPLOYEES AND ANTICIPATING NEEDS** \_\_\_\_\_

In France, Plastic Omnium's main companies and senior executives have launched negotiations on human resources and skills planning. These negotiations have enabled employee representatives and management to discuss the consequences of changes in the Company's operations, which are having quantitative and qualitative effects on jobs and core competencies.



EMPLOYEES AT THE INERGY RESEARCH AND DEVELOPMENT CENTER IN BRUSSELS.

By analyzing changes in indicators over more than five years, satisfaction surveys function as a **SOCIAL BAROMETER**

**SATISFACTION SURVEYS: AN ONGOING PROCESS**

During the year, Plastic Omnium Auto Exterior conducted its third and INERGY its fourth satisfaction survey of employees around the world. The purpose was to better understand their expectations, measure their support for each enterprise's management style, and gauge their sense of belonging and loyalty to the Company.

The survey was based on a questionnaire that covered a wide range of topics, including management, safety, communication, training and personnel development, orientation of new employees, attitudes toward change and perception of the future. Survey results are used as a management tool at corporate, country and site level. By identifying areas where further efforts are needed, the findings also lead to the deployment of improvement plans. In a commitment to ensuring transparency and feedback, survey results were shared with employees through a special internal communication initiative. ■

As a result of the discussions, the following procedures were defined for Plastic Omnium Auto Exterior:

- support for employees in adapting to changes within the enterprise by providing them with career counseling (annual job appraisals, career path interviews, competency reviews, etc.) or training (skills enhancement programs, continuing education schemes, validation of acquired knowledge),
- incentives to pursue opportunities for professional and geographic mobility,
- support policies for employees age 45 and over.

These measures attest to Plastic Omnium's commitment to supporting the development of skills clusters for which it does not possess all the necessary capabilities. These include strategic and "sensitive" positions for which career advancement opportunities will require extensive retraining.

**DIALOGUE AND SOCIAL COHESIVENESS**

Maintaining dialogue and social cohesiveness are part of the process pursued jointly by senior management and the Committee for Social Dialogue, which was set up in 1996 and meets once a year. It is comprised of 19 employee representatives from six European countries whose subsidiaries have over 100 employees.

At the 2007 meeting, held on June 15 at the Σ - Sigmatech R&D Center, discussions focused on the Company's strategy, business and financial health, and human resources management. To enhance understanding of each country's social issues, new human resources indicators were introduced with the bureau's agreement.

Two special meetings were held to discuss a number of proposals, including Plastic Omnium Urban Systems' industrial redeployment in Europe, the SULO and Signature acquisitions, and the proposed disposal of 3P and partnership between Signature and Eurovia.

**HEALTH AND SAFETY**\_\_\_\_\_ Safety in the workplace is the right and responsibility of all employees. Plastic Omnium's safety management system is based on the empowerment of all teams members and a highly disciplined approach to risk management. Health prevention measures and employee working conditions are other major components in this process. 2007 saw further improvements in the Company's safety performance.

\_\_\_\_\_ SAFETY AND ERGONOMIC ISSUES ARE INTEGRATED INTO WORKSTATIONS WHERE FOUR-WHEEL CONTAINERS ARE ASSEMBLED AT THE SULO PLANT IN HERFORD, GERMANY.



# SAFETY

A SHARED RESPONSIBILITY

## **ONE PRIORITY AND SEVERAL OBJECTIVES**\_\_\_\_\_

Plastic Omnium has pledged to create a working environment that protects employee health and safety, regardless of whether they are involved in design, manufacturing, operations or service provision. In addition to its human and social aspects, respect for safety creates benefits in terms of the environment, quality, industrial performance and services, which are shared across the organization.

The goal is to lock in past improvements with the goal of moving toward an accident-free workplace. That's why Plastic Omnium is especially attentive to high-risk situations that may lead to accidents—and not just work-related accidents. Eradicating risks when they first become apparent is the best way to eliminate them permanently.



**AN ENHANCED REPORTING SYSTEM**

Plastic Omnium's safety management system and the OHSAS 18001 certification process launched in 2006 are helping to structure actions and support progress. At year-end 2007, a total of 39 sites had been certified compliant with OHSAS 18001 standards. The decision was also made to expand the range of safety indicators by introducing two new total recordable injury rates, one of which includes the number of first aid cases.

**SAFETY MEASURES FOR HANDLING CHEMICAL PRODUCTS**

Plastic Omnium complies fully with European REACH legislation, which aims to more effectively protect health and the environment through the elimination of toxic substances. In first-quarter 2008, Plastic Omnium Auto Exterior completed an inventory of the most potentially harmful substances—those 20% of all purchased products that account for 80% of overall risk. The database is constantly updated as new classifications are received from specialized international agencies. This painstaking procedure makes it possible to identify and replace any products that represent a health or safety risk for employees, especially carcinogenic, mutagenic and reprotoxic substances.

**TOP SAFETY: RESPONSIBILITY AND VIGILANCE**

The satisfaction surveys conducted in 2007 confirm that employee perception of safety issues is very high, with 79% favorable opinions at Plastic Omnium Auto Exterior. Information, prevention and empowerment are the key factors driving continuous improvement in this area.

Introduced in late 2005, the Top Safety training program serves as a Company-wide benchmark extending from senior management across all levels of the organization. Based on raising awareness and empowering employees, Top Safety aims to improve on-the-job behavior, promote compliance with safety guidelines, and eliminate high-risk situations.

**TOP SAFETY: ADAPTING TO SPECIFIC NEEDS**

Plastic Omnium Auto Exterior and Plastic Omnium Urban System have each adapted the program to respond to their specific production and operational methods, with the Top Safety Awareness and Top Safety Proxy modules.

Created two years ago, the Top Safety Awareness module has been deployed on all Division sites, with more than 2,800 inspections conducted to detect situations and behavior that put employees at risk. Through the Top Safety Proxy module, which was introduced in 2007, all plant directors have received safety management system training, enabling them to supervise frontline teams remotely.

Similarly, safety is a vital concern for Signature's road marking teams who work in traffic. To avoid road accidents, various measures have been applied, such as enhanced signage for service vehicles. Employees are also supplied with individual protection equipment and trained in its correct use and maintenance.

**A PARTNERSHIP TO REDUCE MUSCULO-SKELETAL DISORDERS**

To lower the risk of musculo-skeletal disorders, Plastic Omnium has undertaken a number of measures in addition to the traditional —and indispensable— biomechanical and ergonomic approach. Studies conducted in 2007 with France's National Agency for Improved Working Conditions (ANACT) have led to a sharp decline in exposure to these kinds of risk at the Metroplast plant, where employees are involved in rotational casting. The solution included the installation of new assembly lines. ■



PLASTIC OMNIUM HAS AN INTEGRATED RECYCLING SUBSIDIARY THAT WORKS WITH AUTO WRECKERS AND DISMANTLERS TO OPTIMIZE PLASTICS SOURCING CHANNELS.

# YARDSTICKS TO DRIVE IMPROVEMENT: A VIRTUOUS CIRCLE

**ENVIRONMENTAL PROTECTION** Plastic Omnium promotes innovative environmental solutions and mobilizes people inside and outside the organization to find ways to minimize the impact of its activities on the natural world. As with safety, the goal is to move toward a waste-free working environment. The Company is also pursuing ways to combat global warming and respond to the growing scarcity of fossil fuels.



**PRESERVING FOSSIL FUELS**

In 2006, Plastic Omnium embarked on a worldwide program to reduce electricity consumption in plants and at other sites. The program will be extended to include gas consumption beginning in 2008. Three indicators to measure progress were introduced in 2007.

Two levers are used: more efficient purchasing and more efficient production methods. Various solutions have been devised to reduce the amount of electricity consumed by molding machines and paint lines. These include installing speed regulators and insulating the plastic-heating section of the mold.

**PROMOTING WASTE RECLAMATION**

Plastic Omnium has introduced waste reduction and sorting measures in its plants and in other facilities to promote recycling and reprocessing. The environmental management system includes initiatives to monitor employee awareness and performance. Waste-sorting areas have been set up in all plants, always with a clear separation between common and special industrial waste.

The percentage of recycled waste has increased regularly since 2004.

**A RANGE OF MEASURES TO ELIMINATE VOC EMISSIONS**

Because they release volatile organic compounds (VOC) into the atmosphere, Plastic Omnium's paint lines have a greater environmental impact than its other operations. To comply with the EU directive and with US legislation, Plastic Omnium Auto Exterior and Inoplast are modifying their paint lines to eliminate these emissions. Launched more than five years ago, the program is based on three types of measures:

- introducing thermal destruction systems for VOC emissions, even though this solution consumes large amounts of gas (14 paint lines equipped at year-end 2007),
- optimizing paint application and distribution techniques to reduce the quantities of paint used and, consequently, VOC emissions,
- shifting to water-soluble paints and conducting tests to validate the use of water-soluble solvents (4 paint lines fitted at year-end 2007),

Significant research and financial resources are being allocated to these solutions.



**TOP PLANET**

To inform and involve employees, the Top Planet communication program was launched in 2007. Through meetings and other opportunities to exchange energy-saving ideas, the program compiles a list of actions to be taken every day. Plastic Omnium is participating in the Winning Planet program organized by France's Agency for Environment and Energy Management (ADEME) and has pledged to publish its results. In exchange, ADEME will provide communication support. With six pilot sites and 1,000 people already involved in Top Planet in 2007, deployment of the program will be pursued in France before it is extended to other countries.

**CARPOOLING**

2.2 million fewer kilometers driven, representing a total reduction in CO<sub>2</sub> emissions of 350 tonnes, for four sites monitored.

# 21,600

tonnes of recycled plastic processed by Plastic Omnium, representing a reduction of **5,400** tonnes in CO<sub>2</sub> emissions.

## ECO-DESIGN

Eco-design is a research driver at Plastic Omnium, which implements environmentally friendly solutions in order to minimize the impact of its products at every stage in their life cycle. Each product is analyzed against a set of very strict environmental criteria, including amounts of recycled plastic used, ease of end-of-life disassembly, component recyclability, traceability of regulated substances (REACH) and component weight.

This set of best practices is aligned with the French decree regarding scrap vehicles, which calls for 85% of a vehicle's weight to be recycled or reused in 2015, compared with 80% in 2006.

## GETTING SUPPLIERS INVOLVED

Plastic Omnium naturally involves its suppliers in the process. An eco-design training program was organized for 25 of them, with five sessions held in France, Spain and Germany to raise their awareness of the challenges and of current legislation, such as EU end-of-life-vehicle and waste directives and REACH regulations.

At Signature, many of the road marking products have been NF Environnement-certified. This official French label is awarded to products whose manufacturing processes and chemical composition have a limited impact on the environment because of low solvent content, reduced toxicity or efficient waste-management processes.

## OPTIMIZING RECYCLING CHANNELS

Plastic Omnium is the only European automotive equipment supplier with its own recycling subsidiary —Plastic Recycling— which is jointly owned with Derichebourg. In 2007, the Plastic Recycling plant processed 1,200 tonnes of end-of-life components, mostly bumpers, and 50 tonnes of scrap vehicles. To optimize these two channels and promote sourcing, the Company works with auto wreckers and dismantlers.

Plastic Omnium Environment also recycles its end-of-life products and re-injects the recycled plastic to make new products, such as wheeled bins and public drop-off bins. Every year, Plastic Recycling processes 5,000 tonnes of scrap material for the Division.



## A NETWORK TO DRIVE PROGRESS

Plastic Omnium is a founding member of Club CREER (Cluster Research: Excellence in Ecodesign & Recycling), alongside six other manufacturers that are pioneers in the area of eco-design and France's Mechanical Industries Technical Center (CETIM). The club provides an opportunity for members to pool expertise and share feedback. It is already working on three projects, including one to identify the obstacles and opportunities for using recycled materials as well as the public's perception of these issues.



PLANT WASTE-SORTING AREAS: A HIGHLY STRUCTURED SYSTEM TO PROMOTE RECOVERY AND REDUCE ULTIMATE WASTE.

### REPROCESSING THERMOSETTING RESINS \_\_\_\_\_

Recycled polypropylene that has been reprocessed by Plastic Recycling is used extensively in new automotive applications, such as impact absorption beams, wheel wells and air intake systems. Plastic Omnium has validated the use of fiberglass-reinforced polypropylene that integrates glass powder from recycled sheet molding compound composites, which is used in the structural front-end system for the Renault Laguna 3. Using recycled composites in a new technical application is a first that opens extensive opportunities for reprocessed thermosetting resins in the automotive industry.

### GREEN COMPOSITES \_\_\_\_\_

Plastic Omnium Auto Exterior is working alongside PSA Peugeot Citroën to develop recyclable polymers developed from agricultural resources. Through MCR, a dedicated composite materials subsidiary, Inoplast is also developing an environmentally friendly composite made with resins and fibers derived from farm products. ■

# ENVIRONMENTAL AND SOCIAL INFORMATION

The environmental and social information below has been prepared based on the scope of consolidation used for the consolidated financial statements, with the same rules for consolidating subsidiaries. Because environmental data requires that a subsidiary be at least 50% owned, HBPO, which is proportionately consolidated at 33.33%, is not included.

Compared to 2006, the scope of consolidation for 2007 includes three Compagnie Signature industrial facilities.

However, environmental and safety information for Plastic Omnium Auto Exterior and Inoplast's plants in China, as well as the SULO sites, have not been included in this year's report.

## ENVIRONMENTAL INFORMATION

### ENVIRONMENTAL IMPACTS

#### > Consumption of water, power and gas

	2005	2006	2007
<b>Water in cu.m.</b>			
Annual consumption	941,635	2,624,820	2,294,136
Response rate in % of revenue covered	97%	98%	99%
<b>Electricity in kWh</b>			
Annual consumption	454,804,535	519,829,466	551,391,816
Response rate in % of revenue covered	97%	99%	99%
<b>Gas in kWh</b>			
Annual consumption	189,535,968	248,523,888	260,430,353
Response rate in % of revenue covered	97%	98%	99%

#### > Consumption of plastics

In tonnes	2005	2006	2007
<b>New plastic</b>			
Annual consumption	147,623	191,864	214,949
Response rate in % of revenue covered	97%	98%	99%
<b>Recycled plastic</b>			
Annual consumption	20,382	23,176	21,635
Response rate in % of revenue covered	97%	98%	99%
<b>Total plastic</b>			
Annual consumption	168,005	215,039	236,584
Response rate in % of revenue covered	97%	98%	99%

#### > Consumption of paints and solvents

In tonnes	2005	2006	2007
<b>Paints</b>			
Annual consumption	2,420	3,061	3,830
Response rate in % of revenue covered	96%	97%	99%
<b>Solvents</b>			
Annual consumption	6,494	7,316	7,889
Response rate in % of revenue covered	96%	97%	99%
<b>Paints and solvents</b>			
Annual consumption	8,914	10,377	11,719
Response rate in % of revenue covered	96%	97%	99%

#### > Atmospheric releases

##### • Volatile organic compounds (VOCs)

In tonnes	2005	2006	2007
VOCs (in tonnes of carbon equivalent)	1,320	1,933	1,797
% of revenue covered by concerned facilities	95%	96%	97%

##### • Greenhouse gases

In tonnes	2005	2006	2007
Greenhouse gases	182,817	186,938	196,683
% of revenue covered by concerned facilities	97%	99%	98%

These figures correspond to CO<sub>2</sub> emissions from energy consumed in industrial facilities.

#### > Waste

In tonnes	2005	2006	2007
<b>Recycled</b>			
Volume of waste	8,335	11,391	15,690
Response rate in % of revenue covered	97%	98%	99%
<b>Reused</b>			
Volume of waste	10,867	8,975	11,430
Response rate in % of revenue covered	97%	98%	99%
<b>Ultimate</b>			
Volume of waste	6,443	10,797	10,153
Response rate in % of revenue covered	97%	98%	99%
<b>Total</b>			
Volume of waste	25,645	31,163	37,274
Response rate in % of revenue covered	97%	98%	99%

- Total cost of waste processing: €3.8 million (on sites that contribute 93% of consolidated revenue).
- Income generated by the sale of waste for recycling: €1.9 million (on sites that contribute 97% of consolidated revenue).

#### > Used of recycled materials in 2007

- Consumption of recycled plastic: 21,635 tonnes.
- Plastic Recycling, a subsidiary equally owned with CFF Recycling, regenerated 5,500 tonnes of plastic during the year.

#### CERTIFICATION

The scope of certification covers all production sites in which Compagnie Plastic Omnium holds at least a 50% share. Forward supplier facilities are included in the certification of the production sites that they serve.

#### > ISO 14001:

In all, 72 sites are now certified to ISO 14001 standards, representing 91% of the total 79 sites. Plastic Omnium regularly acquires and/or builds new plants. As a result, the goal of 100% certification in 2007 was not achieved. However, the new sites are now involved in the process and the objective for 2008 is to achieve a 95% certification rate.

#### > OHSAS 18001:

30 sites are now certified to OHSAS 18001 standards, representing 43% of the total 70 sites. The objective for 2008 is to obtain a 92% certification rate. In addition, Plastic Omnium's safety management system was certified in December 2006.

#### ORGANIZATION

The Safety and Environmental Issues organization created in 2001 is supported by:

- a Safety and Environmental Issues coordinator who reports to the Senior Executive Vice-President,
- a Group Safety Issues Director, who leads and coordinates action plans related to the Safety Management System,
- an Environmental network and a Safety network with dedicated correspondents in each operating unit,

- the integration of safety performance goals in individual objectives,

- monthly reporting of the main safety and environmental indicators, which are discussed, along with financial indicators, at each Executive Committee meeting.

#### SAFETY AND ENVIRONMENTAL TRAINING

- Information/awareness: 8,558 hours for 5,448 participants (on sites that contribute 99% of consolidated revenue).
- Training: 16,596 hours for 4,895 participants (on sites that contribute 99% of consolidated revenue).
- Deployment of the Top Safety training program continued in 2007. Introduced in 2005, it is designed to instill a culture of safety that, over the long term, will help the Company create an accident-free workplace.

In all, 316 managers received training and 4,325 people took part in information/awareness sessions. All were employees on industrial sites in Europe, the United States and Mexico.

As part of a Company-wide strategic deployment process, each division launched a three-year safety improvement plan in late 2005 that was extended to all sites in 2006.

#### ENVIRONMENTAL SPENDING AND INVESTMENT

- Research and development: €128 million, or 4.8% of consolidated revenue.
- Environmental and Safety spending: €4.5 million (on sites that contribute 99% of consolidated revenue).
- Capital spending: €121.1 million.
- Dedicated Environmental and Safety investments: €2.2 million (on sites that contribute 99% of consolidated revenue).
- Provisions for environmental risks: €1.4 million (on sites that contribute 99% of consolidated revenue).
- No products are made using asbestos.

Differences in the number of sites, the allocation base and the response rate between 2006 and 2007 had a slight influence on changes in indicators.

In addition, certain data from previous years (raw material and energy consumption, atmospheric emissions) have been corrected with all units using the same software, which was not available previously. The tables above have been prepared using the corrected data for all years shown.

## SAFETY DATA

### SAFETY INDICATORS

	2005	2006	2007
Number of first aid cases	2,857	3,110	2,926
Number of accidents without lost time	455	447	341
Number of accidents with lost time	263	192	184
Number of days of accident-related lost time	9,032	6,977	6,734

### ACCIDENT FREQUENCY AND SEVERITY

	2005	2006	2007
<b>Accident frequency rate</b>			
Number of accidents with lost time <i>per one million hours worked</i>	10.20	7.54	6.87
<b>Accident frequency rate</b>			
Number of accidents with or without lost time <i>per one million hours worked</i>	27.90	25.04	19.59
<b>Accident severity rate</b>			
Number of days of accident-related lost time <i>per 1,000 hours worked</i>	0.35	0.27	0.25

The figures directly reflect the impact of actions undertaken over the past five years to improve workplace safety.

## SOCIAL INFORMATION

### 2007 CONSOLIDATED FINANCIAL DATA

<i>(in € millions)</i>	2005	2006	2007
Wages, salaries and benefits	312.5	334.9	359.1
Employer payroll taxes	99.1	120.6	130.1
Statutory profit sharing	3.2	3.1	5.3
Pension obligations	0.7	0.9	0.9
Share-based compensation	0.5	1.0	1.4
Other personnel expenses	14.0	10.6	8.1
<b>TOTAL</b>	<b>430.0</b>	<b>471.1</b>	<b>504.9</b>

### OTHER 2007 DATA

The following information, which includes all Company businesses excluding HBPO, concerns:

- 11,385 people out of a consolidated total of 11,631 (98%) for 2006.
- 13,824 people out of a consolidated total of 14,196 (97%) for 2007.

In the following tables, the 919 employees of Chinese subsidiaries Xieno and YFPO are included only in the figures for employees at 31 December 2007.

	2005	2006	2007
<b>Employees at 31 December</b>	<b>9,324</b>	<b>11,385</b>	<b>13,824</b>
Permanent employment contracts	8,669	10,636	12,759
Fixed-term employment contracts	655	749	1,065
Men	7,027	8,575	10,513
Women	2,297	2,810	3,311
Operators	4,803	6,087	7,482
Employees, engineers and supervisors	2,825	3,310	3,839
Managers	1,696	1,988	2,503
<b>Hirings during the year</b>			
Hirings under permanent employment contracts	1,036	1,243	1,698
Hirings under fixed-term employment contracts	442	526	1,161
Total new hires	1,478	1,769	2,859
<b>Terminations during the year</b>			
Redundancies	398	377	298
Terminations for other reasons	361	369	662
Total terminations	759	746	959
<b>Overtime</b>			
Hours worked per week: 35 to 48, depending on the country			
Overtime (full-time equivalent)	359	292	301
<b>Temporary workers</b>			
Temporary workers, full-time equivalent	1,426	1,689	2,367
<b>Employees working in shifts</b>			
Total employees working in shifts	4,957	6,337	6,945
Of which employees working only nights	678	739	790
Of which employees working only weekends	48	64	85
<b>Part-time employees</b>	<b>153</b>	<b>224</b>	<b>357</b>
<b>Absenteeism and reasons (% of hours worked)</b>			
Absenteeism rate due to industrial accidents	0.12%	0.15%	0.19%
Absenteeism rate due to other causes	3.22%	2.64%	2.88%
Total absenteeism rate	3.33%	2.79%	3.08%
<b>Gender equality</b>			
Number of women managers at 31 December	352	390	433
Number of women managers hired during the year	61	56	76
<b>Employee relations</b>			
Number of works councils	132	140	152
Other committees (training/suggestions)	34	45	53
Number of unions represented	30	29	33
Number of agreements signed during the year	66	58	104
<b>Training</b>			
Number of employees who received training	28,885	43,301	31,592
Number of sessions per employee per year	3.0	4	2.5
Total expenditure on outside training (in € thousands)	2,604	3,269	3,524
Total training hours	214,542	258,004	268,100
Training hours per year per employee	22.6	23.7	20.8
<b>Disabled employees</b>			
Number of disabled workers	130	194	211
<b>Employee welfare programs (France only)</b>			
Total contribution to works council employee welfare programs	700	606	1,669

# GLOSSARY

## **ACCIDENT FREQUENCY AND ACCIDENT SEVERITY RATES**\_\_\_\_\_ p. 8, 63, 69, 73, 80

The level 1 accident frequency rate calculates the number of accidents with lost time per one million hours worked.

The level 2 accident frequency rate calculates the number of accidents with or without lost time per one million hours worked.

The accident severity rate calculates the number of days of accident-related lost time per 1,000 hours worked.

## **ADEME**\_\_\_\_\_ p. 69, 75

France's Agency for Environment and Energy Management, whose purpose is to conduct research and innovation programs, raise awareness of environmental issues, provide consulting services for socio-economic organizations and support related projects. Plastic Omnium partners with ADEME in the **Top Planet** communication campaign, designed to inform employees of the need to reduce electricity consumption.

## **ASBESTOS**\_\_\_\_\_ p. 65, 69, 79

Asbestos is used in a wide range of materials and products because of its insulating properties. However, its effects on health have led to controls and a gradual reduction in its use and to protective measures for people exposed to the substance. In 2006, Plastic Omnium completed a program to eradicate all forms of asbestos from its sites.

## **ANACT**\_\_\_\_\_ p. 69, 73

France's National Agency for Improved Working Conditions. Plastic Omnium and ANACT have conducted studies and projects to improve workstation ergonomics in the Metroplast plant.

## **CLUB CREER**\_\_\_\_\_ p. 68, 76

Cluster Research: Excellence in Ecodesign & Recycling. Plastic Omnium is a founding member of this organization of manufacturing companies, whose mission is to share expertise and feedback on eco-design and recycling initiatives.

## **CMR 1, 2 & 3**\_\_\_\_\_ p. 68, 73

Carcinogenic, mutagenic and reprotoxic substances (categories 1, 2 and 3). In line with European **REACH** regulations, Plastic Omnium identifies and replaces these substances to protect the health and safety of employees and users of its products.

## **CO<sub>2</sub>**\_\_\_\_\_ p. 22, 37, 42, 66, 67, 76, 78

Carbon dioxide (also known as carbonic acid gas) that is released primarily from hydrocarbon and coal combustion during manufacturing, energy and transportation activities. Plastic Omnium delivers solutions that make exterior components and modules lighter in order to reduce vehicle CO<sub>2</sub> emissions. The Company also pursues initiatives to lessen the impact of its own operations.

## **COMMON/SPECIAL INDUSTRIAL WASTE**\_\_\_\_\_

p. 66, 75, 76

- **Common industrial waste:** All non-household waste that is not harmful, inert or radioactive.

- **Special industrial waste:** Waste that may be harmful to people or the environment and is subject to strict government regulation with regard to its production, storage, transport and elimination.

## **ECO-DESIGN**\_\_\_\_\_ p. 22, 66, 68, 76

An approach that takes into account all product-related consumption and emissions, beginning in the product design phase. The purpose is to reduce the negative environmental impact of a product throughout its entire **lifecycle**.

## **ECOSOURCING®**\_\_\_\_\_ p. 48, 49, 52

A service package developed by Plastic Omnium Environment to help local communities and businesses optimize their at-source waste management programs.

## **ENVIRONMENTAL MANAGEMENT SYSTEM**\_\_\_\_\_ p. 63, 75

A management system deployed by a company, department or other unit to assess and reduce the environmental impact of its operations. Environmental management is an integral part of Plastic Omnium's sustainable development commitment.

## **ELV DIRECTIVE**\_\_\_\_\_ p. 68, 76

Transposition of the August 2003 EU directive 2000/53/EC on end-of-life vehicles, which comprises three sections:

- The "polluter pays" principle, requiring car manufacturers to pay recycling and recovery costs for end-of-life vehicles delivered by their owners to authorized facilities.

- Improved vehicle recyclability rates. 2006: 80% recycling/reuse rate, 85% recovery rate. 2015 target: 85% recycling/reuse rate, 95% recovery rate.

- Exemption of certain heavy metals and the gradual reduction of more than 3,000 chemical compounds.

Plastic Omnium's eco-design solutions respond to the objectives in the ELV decree.

**EOL PARTS**\_\_\_\_\_ p. 68, 76

End-Of-Life parts. The Company's Plastic Recycling plant processes 1,200 tonnes of automotive components recovered through end-of-life parts channels.

**EUROPEAN COMMITTEE FOR SOCIAL DIALOGUE**\_\_\_\_\_ p. 71

Created in 1996, the committee is comprised of 19 representatives of Plastic Omnium subsidiaries that have more than 100 employees in six European countries. It meets once a year.

**FOSSIL FUELS**\_\_\_\_\_ p. 74, 75

Oil, natural gas, coal and other energy sources created in the Earth's crust through the fossilization of living matter. Burning these fuels leads to the formation of *greenhouse gases*. Plastic Omnium is committed to reducing its consumption of electricity and gas.

**GREENHOUSE GASES**\_\_\_\_\_p. 78

These gases absorb and radiate infrared rays, thereby increasing the average temperature of the world's oceans and atmosphere. Human activity is the main cause of greenhouse gases such as carbon dioxide (CO<sub>2</sub>), steam (H<sub>2</sub>O), ozone (O<sub>3</sub>) and CFC fluorine chlorine hydrocarbons.

**GLOBAL COMPACT**\_\_\_\_\_ p. 68

Launched at the World Economic Forum in Davos in January 1999, the Global Compact encourages participating companies to respect ten principles with regard to human rights, freedom of association, working conditions and environmental protection, and to publish their improvements in each area once a year. Plastic Omnium is a signatory of the Global Compact.

**HR AND SKILLS PLANNING**\_\_\_\_\_ p. 70

This process implements policies and action plans designed to reconcile a company's future needs and its human resources by involving employees in career development projects. At Plastic Omnium, employee representatives and senior management meet to discuss the impact of changes in the Company's operations.

**ISO 14001**\_\_\_\_\_ p. 9, 27, 63, 68, 79

International Organization for Standardization standard that defines specifications and procedures for implementing and operating an environmental management system and for obtaining certification. Plastic Omnium's objective is to have all of its facilities certified. At year-end 2007, the certification rate stood at 91%.

**NF ENVIRONNEMENT**\_\_\_\_\_ p. 76

Certification label awarded by France's AFAQ AFNOR standards organization. The label recognizes products that have a reduced environmental impact in similar conditions of use.

**NO<sub>x</sub>**\_\_\_\_\_ p. 41, 43, 68

Nitrogen oxide. Refers to all nitrogen compounds produced by the combustion of hydrocarbons. Also highly active in diesel engine pollution-control systems, INERGY has designed an integrated system for reducing emissions of soot and nitrous oxide.

**OHSAS 18001**\_\_\_\_\_ p. 62, 63, 69, 73, 79

An international Occupational Health and Safety Assessment Series standard that defines specifications and procedures for implementing and operating a health and safety management system in the workplace and for obtaining certification. When deployed alongside Plastic Omnium's safety management system, the OHSAS 18001 certification process launched in 2006 helps to structure actions and support progress.

**POLYMERS**\_\_\_\_\_ p. 69, 77

Plastic substance (liquid when heated and solid at room temperature) made up of macromolecules with the same chemical composition. There are two major families of polymers: thermoplastics and *thermosetting plastics*, which have different characteristics and properties.

**POLYPROPYLENE**\_\_\_\_\_ p. 42, 66, 68, 77

Thermoplastic material extensively used by Plastic Omnium Auto Exterior because of its resistance and flexibility. Polypropylene is recyclable and processed at the Company's Plastic Recycling facility.

**PRODUCT LIFECYCLE**\_\_\_\_\_ p. 76

Lifecycle studies are conducted to determine a product's environmental balance, as part of an active sustainable development program.

**P-ZEV**\_\_\_\_\_ p. 41, 67

Standard developed by the California Air Resources Board, one of North America's strictest environmental organizations, in order to reduce vehicle hydrocarbon emissions. INERGY began producing P-ZEV solutions in 2006, in particular for General Motors and Nissan.

**REACH**\_\_\_\_\_ p. 62, 64, 66, 68, 73, 76

Registration, Evaluation and Authorization of CHemicals, a European regulatory framework that provides comprehensive information about the hazardous properties of certain chemical products on the market, the risk of exposure to them and safe handling measures. Plastic Omnium is fully committed to complying with REACH legislation.

**RECOVERY**\_\_\_\_\_ p. 75, 77

The aggregate recycling, reuse and energy recovery rate.

**RECYCLING**\_\_\_\_\_ pp. 46, 47, 48, 52, 53, 66, 68, 74, 75, 76

Procedure for processing household and industrial waste that involves reintroducing materials in the manufacture of new products, whether in the same or other applications, excluding utilization for energy purposes. Plastic Omnium is the only automotive equipment supplier with its own recycling subsidiary.

**REUSE**\_\_\_\_\_

All operations that recover and use end-of-life vehicle components for the same purpose for which they were conceived.

**SMC**\_\_\_\_\_ p. 77

Sheet Molding Compound. This thermosetting composite material is comprised of sheets that are molded, mainly through compression.

**THERMOSETTING PLASTIC**\_\_\_\_\_ p. 25, 37, 68, 77

A *polymer* that hardens when heated, as the molecules bind with each other, increasing the material's rigidity. Lightweight and resistant, thermosetting plastics are used by Plastic Omnium in the manufacture of automotive components.

**TOP PLANET**\_\_\_\_\_ p. 69, 75

Introduced in 2007, the Top Planet program is intended to inform Plastic Omnium employees about the need for energy efficiency and involve them in an energy-saving process by compiling a list of actions to be taken every day. Top Planet is deployed through a partnership with **ADEME**, as part of the agency's *Winning Planet* program (see above). The agreement calls for Plastic Omnium to publish its results, with **ADEME** providing communication support.

**TOP SAFETY**\_\_\_\_\_ p. 65, 69, 73, 79

Reflecting Plastic Omnium's strong commitment to safety in the workplace, the Top Safety initiative was launched in 2005 as part of the Safety Management System program. It is based on a behavioral approach to workplace safety and empowers supervisory staff so that all new employees become involved in the process.

**VOC**\_\_\_\_\_ p. 65, 66, 68, 75, 78

Volatile organic compounds: hydrocarbons of man-made origin that can produce photochemical pollutants when exposed to nitrogen oxides and light. VOC emissions from Plastic Omnium Auto Exterior and Inoplast paint lines have been substantially reduced or eliminated, in line with current legislation.

**WASTE DIRECTIVE**\_\_\_\_\_ p. 53, 76

European Directive 2006/12/EC forbids the uncontrolled dumping, disposal or elimination of waste. Member states are required to promote waste prevention, recycling and processing for reuse. With its *Ecosourcing*<sup>®</sup> at-source waste management solution, Plastic Omnium Environment helps to optimize waste sorting and recycling processes.

**WASTE SORTING**\_\_\_\_\_

p. 48, 49, 52, 67, 75

The operation of separating waste by type of material in order to facilitate processing and recycling.

**WATER-SOLUBLE PAINTS**\_\_\_\_\_ p. 66, 68, 75

Paints that use water rather than solvents as a thinner. In 2007, four Plastic Omnium Auto Exterior paint lines used water-soluble paints.

**WINNING PLANET**\_\_\_\_\_ p. 75

Created for ADEME's energy-savings campaign, the Winning Planet program brings together partners from different business sectors that agree to spread the campaign's energy-efficiency and waste-reduction messages. Plastic Omnium partners the program through its *Top Planet* initiative to reduce electricity consumption in its facilities.

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