

PLASTIC OMNIUM

2015 Registration  
Document



## COMPAGNIE PLASTIC OMNIUM

Incorporated in France with limited liability and issued capital of 9,148,603.20 euros

Headquarters: 19, boulevard Jules Carteret – 69007 Lyon – France

Registered in Lyon, no. 955 512 611 – APE business identification code: 6420 Z

## 2015 REGISTRATION DOCUMENT



The French version of this Registration Document was filed with the French financial market authority (Autorité des Marchés Financiers – AMF) on March 24, 2016 pursuant to Article 212-13 of the General Regulation of the AMF. It may be used in support of a financial transaction only if it is accompanied by a short form prospectus endorsed by the AMF. It was drawn up by the issuer and binds the signatories.

In accordance with Article L. 621-8-1-I of the French Monetary and Financial Code, the French version was registered after verification by the AMF *“that the document was complete and comprehensible and that the information contained therein was coherent”*. This does not imply the authentication by the AMF of the accounting and financial information presented.

The English language version of this Registration Document is a free translation of the original, which was prepared in French. The original language version of the document in French takes precedence over the translation.

Pursuant to article 28 of European Commission Regulation (EC) No 809/2004, the following information is included by way of reference in this Registration Document:

- the consolidated financial statements and Company financial statements for the year ended December 31, 2014, and the corresponding auditors' reports appearing on pp. 84-195 (inclusive) of the 2014 Registration Document filed with the AMF on July 7, 2015 under the reference number R.15-058;
- the consolidated financial statements and Company financial statements for the year ended December 31, 2013, and the corresponding auditors' reports appearing on pp. 59-146 (inclusive) of the annual financial report for the year ended December 31, 2013 filed with the AMF on March 31, 2014.



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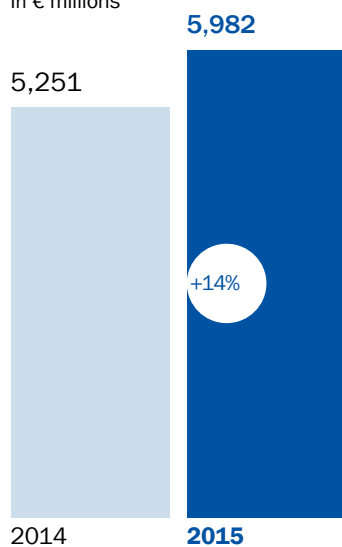


# PRESENTATION OF THE GROUP

## 1.1 Key figures

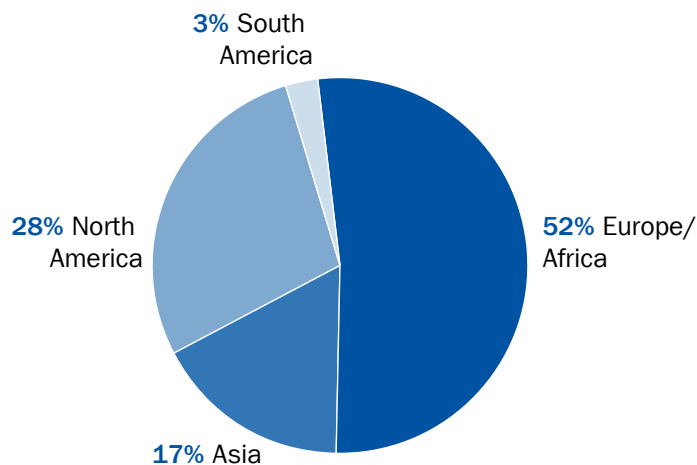
### Change in economic revenue

In € millions



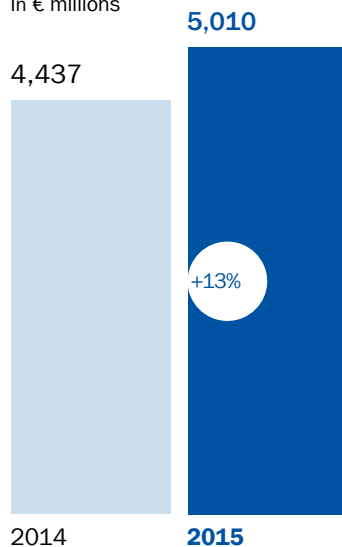
### Revenue

by region



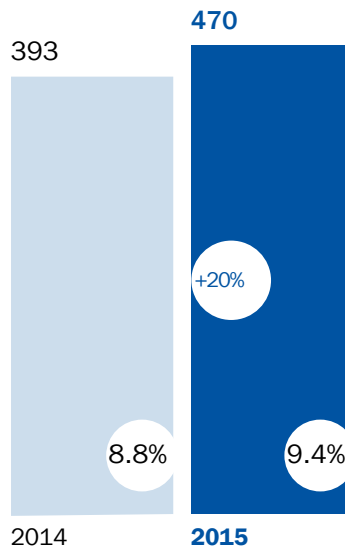
### Change in consolidated revenue

In € millions



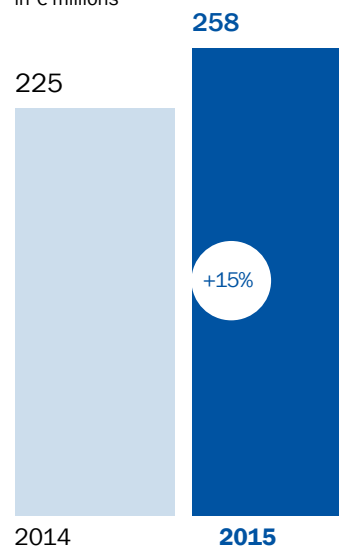
### Operating margin

In € millions and as % of consolidated revenue



### Net profit, Group share

in € millions



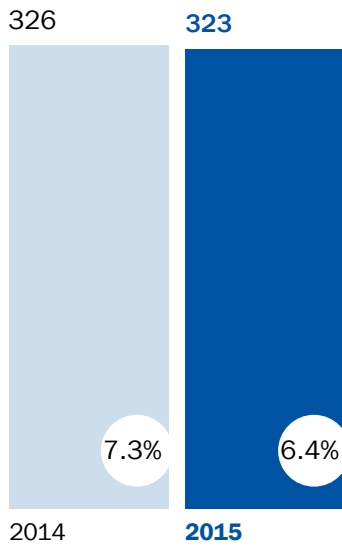
**Economic revenue** corresponds to the consolidated revenue of the Group plus revenue from the Group's joint ventures, up to the Group's percentage stake. BPO, HBPO and YFPO for Plastic Omnium Automotive. The figure reflects the operational and managerial realities of the Group.

**The consolidated revenue**, in implementation of IFRS Standards 10-11-12, does not include the share of joint ventures, which are consolidated by using the equity method.

**The operating margin** corresponds to the operating results, including the share of the results for companies which have been consolidated by using the equity method, and the amortization of intangible assets acquired in business combinations, before other operating income and expenses.

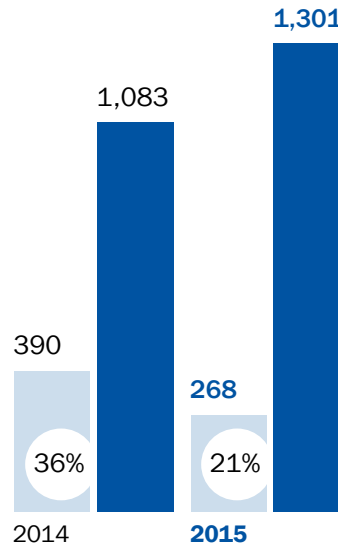
### Capital expenditures and projects

In € millions and as % of consolidated revenue



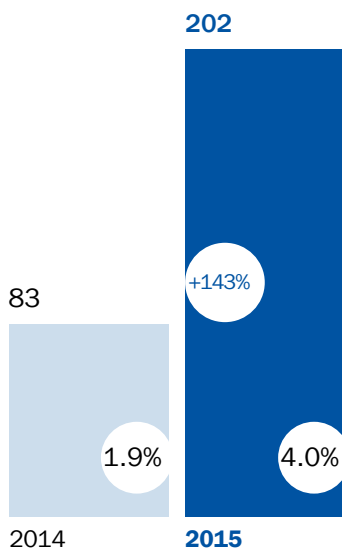
### Net debt / Shareholders' equity

In € millions and gearing as %



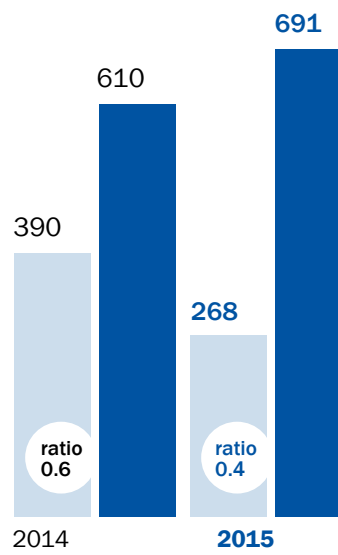
### Free cash flow

In € millions and as % of consolidated revenue



### Net debt / EBITDA

In € millions



**Capital expenditure** refers to acquisitions of property, plant and equipment and intangible fixed assets net of disposals, the net change in advances to suppliers of fixed assets and investment subsidies received (see Cash Flow Statement and Note 1.5 to the consolidated financial statements, line E "Net cash used in operations").

**Free cash flow** corresponds to the operating cash flow, less tangible and intangible investments net of disposals, taxes and net interest paid +/- variation of the working capital requirements (cash surplus from operations).

**Net debt** includes all of the long-term borrowings, short-term loans and bank overdrafts, less loans, marketable debt instruments and other non-current financial assets, and cash and cash equivalents.

**Shareholders' equity** includes operating grants.

**EBITDA** corresponds to the operating margin, which includes the share of the results of associates and joint ventures before depreciation charges and operating provisions.



## 1.2 Timeline

The Company's origins stretch back to 1946, when Plasticomnium set up business at the rue du Louvre in Paris. The Company then had three employees and Pierre Burelle was the Chairman and Chief Executive Officer. Its first products were pipe fittings, dehydrator spark plugs, and other plastic automotive parts (Jaeger).

At this time, injection molding machines were characterized by the weight of the part produced. In 1949, the Company had five molds, with the biggest able to produce a 250-gram part.

### 1952

The Company moved to rue du Parc in Levallois-Perret.

### 1954

The Company borrowed to buy a mold capable of making 1,200-gram parts, a serious challenge for a company of this size.

### 1963

New premises in Langres (Haute-Marne) were built to keep pace with the significant growth in business.

### 1965

Plasticomnium took control of UMDP (Union Mutuelle Des Propriétaires Lyonnais), a company listed on the Lyon stock exchange. The two companies merged and Pierre Burelle became Chairman and Chief Executive Officer of the new entity. Plasticomnium's stock market listing dates back to this merger.

UMDP was a septic tank cleaning and sanitation company. Pierre Émile Burelle, a civil engineer and graduate of the École des Mines in Paris, took over its management in 1877 at the age of 29.

Under his leadership, the Company installed an extensive pipeline network to carry sludge from the La Mouche plant in Lyon to local farmland and market gardens. The 55 km network led to the creation of La Culture par l'Épandage (spread cropping).

After 1914, with the development of sewer systems, Pierre Émile Burelle refocused the business on waste bucket rentals. He died in 1926. Two of his sons were involved in the management of UMDP: Jean, who died in the war in 1915, and Charles, who headed the Company until 1965. In that year, Pierre Burelle, Jean Burelle's son and the grandson of Pierre Émile Burelle, acquired a majority stake in UMDP on the Lyon stock exchange.

UMDP's waste bucket business was the starting point for the development of a range of products and services by Pierre Burelle, Chairman and Chief Executive Officer of Plasticomnium, including waste container rental, maintenance and cleaning. This is now the backbone of the Environment Division.

Over the following two years, Pierre Burelle simplified the two companies' product ranges by selling off certain businesses. UMDP's La Mouche plant in Lyon became the waste container management center for the Lyon area and the starting point of the current Environment Division.

### 1966

The current corporate identity was adopted, with a new logo designed by Raymond Loewy and with Plastic Omnium written as two words.

### 1968

Plastic Omnium acquired Gachot's fluorinated resin department and set up a plant in Langres dedicated to this activity, which became the 3P Division.

### The 1970s

The 1970s saw the start of the Company's international expansion with the creation of one subsidiary a year, including Spain in 1970, Germany in 1972, the United Kingdom in 1973, and the United States in 1977.

### 1974

A Group holding company was set up, Compagnie Plastic Omnium.

In 1974, the Company acquired a 2,500 metric ton injection-molding machine, followed in 1982 by a 10,000 ton machine, both records in terms of power for the time.

### 1983

New headquarters were built on Avenue Jules Carteret in Lyon, and the Berges du Rhône development was built in Lyon on the site of the former La Mouche plant.

### 1984

- The Ludoparc playground and public garden equipment concept was launched.
- Metroplast, a rotational casting subsidiary, was set up in Chalon-sur-Saône.

### 1986

Plastic Omnium's acquisition of the Landry group and Techniplaste Industrie led to the creation of the Fuel System Division that now operates under the name of Inergy Automotive Systems.

### 1987

Jean Burelle took over as Chairman and Chief Executive Officer of Compagnie Plastic Omnium, while Pierre Burelle became Honorary Chairman and remained on the Board.

In the 1990s, the Company continued to extend its geographic reach with the creation of new subsidiaries and with new acquisitions:

- Zarn, in the United States, which operated four container plants, was acquired in 1991 and then sold on in 2001;
- Vasam, a fuel tank manufacturer based in Madrid and Vigo, was acquired in 1994;
- Reydel, a dashboard and door panel specialist with operations in France, Spain, Italy and the United Kingdom, was acquired in 1996 and formed the basis of the Plastic Omnium Auto Interior Division that was sold on to Visteon in 1999.

## In the 2000s

The Company continued to grow with a targeted acquisition and partnership strategy, and established a presence in Asia. It also stepped up its spending on R&D.

### 2000

Saw the creation of Inergy Automotive Systems, a 50/50 joint venture with Solvay that became the world's largest fuel systems manufacturer.

### 2001

Laurent Burelle became Chairman and Chief Executive Officer of Compagnie Plastic Omnium.

### 2002

- Σ-Sigmatech, the Company's global research & development center for exterior automotive components, was inaugurated in the Lyon area;
- the 3P Division's pipe fitting business was sold.

### 2003

Saw the acquisition of Beauvais Diffusion, a selective waste collection company in France.

### 2004

The Company acquired waste container specialist Temaco in France from Groupe Sita and sold Plastic Omnium Medical.

### 2005

Plastic Omnium and two German automotive equipment manufacturers, Hella and Mahle-Behr, set up a joint venture named HBPO, the global leader in complex front-end automotive module design, development, assembly and logistics.

### 2006

The Company acquired control of Inoplast, a manufacturer of components and products made with composite materials and thermoplastics for cars and trucks.

### 2007

- The Company celebrated its 60<sup>th</sup> anniversary with a gathering of 1,000 people in La Défense (Paris).
- Auto exterior joint ventures were launched in China, with Yanfeng Visteon.
- Majority-owned auto exterior joint venture was launched in India, with Varroc. The Group took full control in 2012.
- Also during the year, the Company acquired German-based Sulo, Europe's second largest waste container group.
- Lastly, 2007 saw the acquisition of Compagnie Signature, the European leader in road signage and markings, from the Burelle SA parent company, and a launch of a partnership with Eurovia (Vinci) in the same segment.

### 2008

The Performance Plastics Products (3P) Division was sold.

### 2010

The Company bought out Solvay's 50% stake in the Inergy Automotive Systems joint venture.

Since 2010, the Company has continued to expand in fast growing regions, through a combination of organic growth and acquisitions.

### 2011

The Company acquired Ford's fuel system production assets in the United States, and the Polish auto exterior plants of its competitor Plastal.

### 2012

Saw the creation of two majority-owned fuel system joint ventures, one in China with BAIC, and the other in Russia with DSK.

Sale of Signature's German and French operations to Eurovia, as well as the unwinding of cross shareholdings.

### 2013

The Group added to its presence in high growth regions with the opening of five new plants in China, bringing the number of industrial facilities in this country to 19.

### 2014

Continued development in China with four new plants opened. Nine additional plants were also being built in North America (United States, Mexico), China and Russia to fulfill all the orders in the Automotive Division.

R&D activities were strengthened with the opening of α-Alphatech, the Auto Inergy Division's global R&D center in Compiègne, France.

Sale of its highway signage business in Switzerland, Signal AG, by the Environment Division.

### 2015

The Group continued its development strategy in dynamic markets by opening nine plants in China, the United States, Germany, South Korea and Russia.

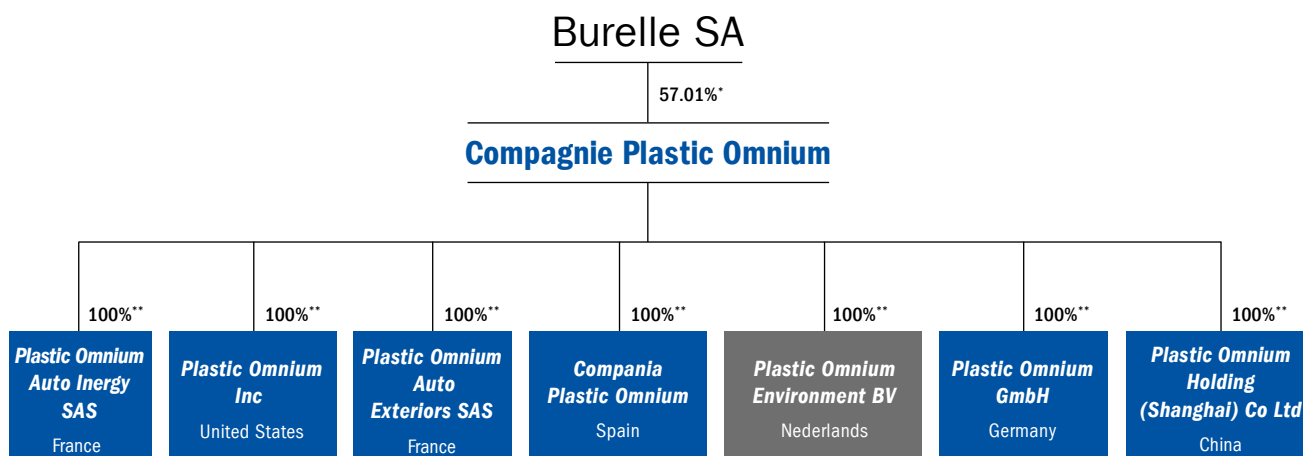
In November, the Group opened a new development center for its automotive division in Tokyo.

In December, the Group announced that it had signed a memorandum of understanding with the Faurecia Group to acquire its Exterior Systems business (bumpers and front-end modules) for an enterprise value of €665 million.

### Late 2015

The Group and its joint ventures employed 26,000 people working in 120 plants and 21 R&D centers in 30 countries.

## Simplified Organization Chart (directly held capital)



■ Environment

■ Automobile

\* 73.4% voting rights.

\*\* The % voting rights is equal to the % holding.

## 1.3 Organization chart

Compagnie Plastic Omnium has two core businesses, Automotive and Environment.

**The Automotive Division** manufactures and sells automotive body components and modules, and automotive fuel systems through its worldwide network of plants. Its customers are exclusively carmakers.

**The Environment Division** manufactures and sells a complete range of products and services in the waste containerization and urban design segments. Its main clients are either local authorities or waste collection companies.

The Plastic Omnium Group is organized around the holding companies or holding countries indicated in the organization chart above, which own shares of the local operating subsidiaries. The activity of these local operating entities primarily depends on their local market; therefore, they have the assets and liabilities necessary for their activity but they do not have strategic assets. All Group companies are directly or indirectly wholly owned and controlled by Compagnie Plastic Omnium, with the exception of the following companies, which are owned jointly with partners:

HBPO owned in equal proportions by Plastic Omnium, Hella and Mahle-Behr. The world leader in front-end modules, HBPO contributed revenue of €641 million in 2015 (Plastic Omnium's share), through its network of 21 assembly plants.

YFPO this 49.95%-owned joint venture is China's leading manufacturer of auto exterior components. Its revenue contribution stood at €290 million in 2015 (Plastic Omnium's share). YFPO employs some 3,400 people in its development center and 17 plants in China.

## 1.4 Business and strategy

Plastic Omnium is a manufacturing and services company that partners carmakers and local authorities through its two businesses – Automotive equipment and Environment. It operates worldwide on four continents (see page 76 comments on the consolidated financial statements for the breakdown of revenue by region).

**The Automotive Division**, which accounted for 94% of 2015 revenue, or €5.6 billion (see page 76 comments on the consolidated financial statements), holds leadership positions in two business segments. The key market is global automobile manufacturing, which amounted to 85.8 million vehicles in 2015, up by 1.5% from the 84.6 million in 2014 (source: IHS January 2016).

**The Auto Exterior Division** is ranked number one worldwide for exterior components and modules\*, manufactured mainly from injected polypropylene and composite materials. The division designs and delivers a wide array of parts and modules including bumpers and energy absorption systems, front-end modules, and products made from composite materials, especially tailgates. In 2015, Auto Exterior delivered over 18 million painted bumpers, representing 11% of the global market. This market share was 8% in 2010 and has risen due the expansion of the division in high growth regions, especially China, where Auto Exterior had an 18% share of the market in 2015. Its two main competitors are the Canadian group Magna (8% market share) and the French equipment manufacturer Faurecia (6%); 32% of the worldwide production of bumpers is still handled by auto-makers themselves. On December 14, 2015, Plastic Omnium announced that it had signed a memorandum of understanding with the Faurecia Group to acquire its Exterior Systems business (bumpers and front-end modules) for an enterprise value of €665 million. Active in the decorative component segment, Plastic Omnium Auto Exterior

\* In-house analysis using IHS data.

designs customized, high value-added, multi-material solutions that integrate both functionality and safety performance, making vehicles lighter and reducing carbon emissions.

**The Auto Inergy Division** is the world's leading manufacturer of blow-molded polyethylene fuel systems.\* Combining integrated safety and emissions-control, fuel systems must serve a number of functions: refueling, storage, ventilation, engine supply and fuel level gauge systems. In 2015, Auto Inergy produced 18 million systems for a 21% share of the global market. Its three main competitors are the US group Kautex, a Textron subsidiary, the Chinese group YAPP and the TI group, which have market shares of 15%, 11% and 9% respectively. Metal fuel tanks still account for 23% of the global market, offering substantial growth potential for the replacement of metal with plastic, particularly for safety and weight reasons. Plastic Omnium Auto Inergy's market share growth, which went from 16% in 2010 to 21% in 2015, is due partly to increases in this type of substitution but is also attributable to the heavy capital expenditures made to locate the business in high-growth regions. Auto Inergy also develops and markets SCR emissions control systems that enable diesel vehicles to eliminate up to 95% of their NOx emissions and up to 8% of their carbon emissions (see paragraph "Confirmation of the success of the SCR offer" in section 4.1 "Significant events in 2015" on page 75).

The two businesses are present across four continents through a network of 109 local plants. Just-in-time deliveries, the large size of components and – in the case of bumpers painted the same color as the bodywork – their fragility, means production must take place close to the carmakers' plants. However, as they do not use the same production techniques or raw materials, each business has to have its own plants.

Compagnie Plastic Omnium's Automotive Division and its joint ventures were employing over 23,800 people and supplying nearly all of the world's carmakers in 2015. German carmakers accounted for 31% of Automotive revenue in 2015, ahead of American (28%), Asian (20%) and French (19%) carmakers.

The **Environment Division** accounted for 6% of the Group's revenue in 2015, or €386 million (see page 76 comments on the consolidated financial statements), and had over 2,000 employees.

\* In-house analysis using IHS data.

With 11 plants in Europe (France, Germany, the United Kingdom, and Spain) and one R&D center in France, Plastic Omnium Environment is the world leader in waste containerization, through its three main businesses:

- containers: production and sale of household waste receptacles, containers, composters, and underground and semi-underground containers;
- associated services, from maintenance and cleaning to incentive-based invoicing systems to incentivize local authorities to manage waste more cost effectively and efficiently;
- urban equipment: the Division offers a wide range of urban equipment for communal areas such as waste disposal locations, schoolyards, play areas, parks and train stations. It also has an in-house styling unit, which has developed "Your City, Your Design", a unique offer that allows municipalities to customize equipment to suit their specific environment.

Plastic Omnium Environment has a 30% share of the market in Europe. Its main competitors are German groups ESE and Schaefer, which have market shares of 20% and 17% respectively.

**The Company has two fundamental strategic objectives: to increase production capacity in fast-growing markets and step up investment in research and development in order to meet market demand for lighter vehicles and reduced emissions and waste.**

Both of the Company's core businesses operate in growing markets.

In the Automotive Division's market, production by the world's carmakers is forecast to increase by an average of about 3% a year in the next four years (source: IHS January 2016). Global vehicle production is set to rise from 85.8 million units in 2015 to 97.2 million units in 2019 with China's share rising to 28%. This amounts to an increase of 11.4 million units of which China will account for 4.9 million (43%), Asia excluding China for 2.2 million, Europe for 1.9 million and North America for 1.7 million. Accordingly, the first strand of Plastic Omnium's development strategy is to support this growth with targeted investment in new plants. This is leading to changes in the location of the Company's main production centers. At the end of 2015, the Group was running 109 automotive equipment plants of which 38 in Asia, 47 in Europe, 17 in North America and 7 in South America and Africa.

For the Environment Division, rising living standards in emerging markets will generate an increase in waste produced, and consequently a growing demand for waste containerization solutions, a trend that will help to drive expansion in Plastic Omnium's business.

Alongside volume growth in Plastic Omnium's global markets, there will be an increase in the demand for more environmentally friendly products, driven by new regulations especially in mature markets in Europe and North America. The second strategic objective is therefore to increase research and development resources to respond to this demand.

## 1.5 Research and Development (R&D)

An integral part of the Group's long-term strategy, innovation supports the Compagnie Plastic Omnium's performance and its reputation as a leader in automotive equipment and services for local authorities.

In 2015, a total of €295 million was allocated for research and development, equivalent to 5.9% of revenue.

Innovation revolves around two international R&D centers:  $\Sigma$ -Sigmatech (based in Lyon with 500 employees) manufactures exterior body parts and composite materials while  $\alpha$ -Alphatech (based in Compiègne, France) manufactures fuel systems, emissions-control systems and new energy storage solutions.  $\alpha$ -Alphatech was opened on September 1, 2014 following an investment of €65 million and has 450 employees. In line with the Group's growth and globalization strategy, its R&D facilities have been strengthened with 19 development centers in growth regions.

The Group thus boasts 21 centers worldwide with 2,000 engineers of 20 nationalities dedicated to finding innovative solutions to meet the strictest environmental standards. Rewarding this focus on R&D policy, the Group manages a portfolio of over 3,500 patents of which 142 were filed in 2015, placing it in 30<sup>th</sup> position in France (source: INPI 2014 rankings) and in 7<sup>th</sup> position in the automotive sector.

In a context of stricter global regulations, the Group is focusing its research on solutions that reduce carbon dioxide (CO<sub>2</sub>) and nitrogen oxide (NOx) emissions in order to help carmakers design and build the clean cars of tomorrow by activating two main levers:

- reduced emissions (a major concern for the automotive sector);
- design freedom giving manufacturers the wherewithal to make vehicles as aerodynamic as possible and lighten design requirements for the benefit of creativity style-wise.

**Lighter and more aerodynamic vehicles** play an important role in helping to meet the carbon emission thresholds set by the European Union and governments in various Plastic Omnium Group host countries. These thresholds call for a weighted average of 95 grams of CO<sub>2</sub> per kilometer for all vehicles sold by carmakers registered in the European Union in one year beginning in 2020 and are backed by financial penalties on excess emissions for manufacturers who fail to comply.

A world leader in the market for exterior parts, Plastic Omnium Auto Exterior makes over 70,000 pieces of plastic body parts per day (bumpers, fenders, tailgates, spoilers, floor modules and body protectors). These injected plastic exterior parts are up to 40% lighter than steel parts. On some vehicles these plastic panels make up 50% of the painted surface of the body. Improved aerodynamics (both active and passive) can result in a gain of over 3 grams of CO<sub>2</sub> per kilometer.

As the vehicle's first contact with air flow, the front bumpers are key to reducing aerodynamic drag. Plastic Omnium offers **active systems** to direct airflow around the car:

- active grille shutters that open completely or partially depending on engine speed and temperature;
- active front spoiler that lowers at above 60 km/h, optimizing the vehicle's aerodynamic shape;
- active side shutters on the rear bumpers that open at 60 km/h to capture air flow.

These active systems also comprise advanced driver assistance systems. Layout, function integration and electromagnetic transparency offer means of including sensors, radars, antennas and other equipment that can, in the best conditions, enhance performance and reliability.

Plastic Omnium is the world leader in **composite tailgates** as evidenced by its 60% share of this booming market and the 1 million vehicles it fitted worldwide in 2015. Composite tailgates offer carmakers a new degree of design freedom on the rear surface of the vehicle, a 30% weight advantage compared to traditional steel, and a modular structure to facilitate managing the increasing diversity of vehicles and versions.

Plastic Omnium offers two technologies covering a wide range of vehicles:

- Higate Hybrid combines a thermoset composite interior frame with thermoplastic exterior panels in a bodywork finish pasted to the frame. It is well suited to vehicles such as SUVs and full-size station wagons with large tailgates.

Its benefits include:

- reduced production complexity and a 50% reduction in steel drawing investment costs;
- a 7 kg-weight saving on very large motorized tailgates (translating to 0.7 grams less CO<sub>2</sub> per kilometer) with mechanical properties intact;
- the integration of numerous functions.
- Higate Thermoplastic combines a thermoplastic composite injected frame with overmolded steel reinforcements. The exterior panels are also injected, painted and pasted to the frame. Higate Thermoplastic is perfectly suited to vehicles such as sedans and station wagons with high production rates. It offers great design freedom coupled with a nearly 4kg weight saving and a 50% higher production rate compared to thermoset composites.

Higate Hybrid and Higate Thermoplastic currently feature in PSA Peugeot Citroën, Volvo and Jaguar Land Rover vehicles.



Two new versions are under development. Higate Premium will cater to vehicles such as large SUVs and station wagons consisting of a carbon fiber-reinforced composite frame. Higate Entry is an economic solution that will cater to A-segment and B-segment vehicles.

Furthermore, the Auto Exterior Division is expanding its range of innovative products with high-performance composites that significantly reduce vehicle weight. Plastic Omnium produces and converts close to 20,000 metric tons of composite materials for the automobile and truck industries, making it a leader in the growth market of vehicle weight reduction. The design and manufacture of composite material parts, from formulating materials to converting them in high-production-rate processes, is done entirely in-house.

Plastic Omnium is seeking to develop high-performance composites for structural parts such as floors, center pillars and cross members using next-generation, high-reinforcement materials such as new resins and carbon fibers. New processes such as Advanced SMC, pultrusion and thermoplastic overmolding are also being developed to reduce cycle times by 1-2 minutes and reduce finishing stages so as to make high-performance composites compatible with mass car production.

These efforts are beginning to bear fruit, as evidenced by the first recycled carbon fiber SMC part produced for BMW in 2015.

In March 2015, Plastic Omnium won two awards from JEC, the world's largest composite materials industry body, for two innovations developed jointly with PSA Peugeot Citroën and Hyundai Motor Europe.

- Plastic Omnium and PSA Peugeot Citroën are developing an alternative to the traditional steel subframe in the form of a self-supporting, fiberglass-reinforced thermoset resin floor. It will reduce the number of assembly parts from over thirty to four main components and lead to weight saving of 8 kg in mid-size models. The technology is compatible with car bodywork assembly lines and will be suitable for use with steel and other materials;
- for Hyundai Motor Europe, Plastic Omnium has developed a front bumper impact beam that is 43% (3.7 kg) lighter than its sheet steel equivalent. The new technology combines a pultruded fiberglass and carbon fiber reinforcement overmolded with a thermoplastic resin to reach a high level of performance at a competitive cost.

Both innovations offer a crashworthiness equivalent to current metallic parts.

The goal is to fit the new front bumper impact beam onto an initial Hyundai vehicle by 2017 and then roll it out in subsequent vehicles.

The floor developed in conjunction with PSA was fitted onto the PSA Peugeot 208 Hybrid Air and Citroën C4 Cactus Concept Airflow prototypes presented at the Paris Motor Show in October 2014. The first applications could come into commercial production as soon as 2020.

Auto Inergy has stepped up the development of **systems that control and reduce emissions of hydrocarbons, NOx and CO<sub>2</sub>**, with its SCR-DINOx and TSBM solutions.

A plastic fuel tank made by extrusion blow-molding gives a weight advantage of some 20-30% compared to an equivalent metal tank, which significantly helps reduce CO<sub>2</sub> emissions. Moreover, a range of manufacturing techniques allows plastic tanks to meet the strictest standards in terms of evaporative emissions. Finally, the flexibility of its shape makes it possible to optimize the vehicle's available space, allowing complex designs and the integration of a great many functions and components. Plastic fuel tank systems therefore improve the filling operation and are anti-corrosive and compatible with all types of fuel including biodiesels and bio-ethanols.

**Selective Catalytic Reduction (SCR)** is a highly effective emissions control technology for diesel vehicles. An aqueous solution of urea, known as AdBlue®, is injected upstream of a catalytic converter in the exhaust pipe. When it makes contact with the warm gases it is transformed by hydrolysis into ammonia, which then reacts with the nitrogen oxides (NOx) so that finally only nitrogen, which makes up 80% of our air, and water vapor are emitted. Building on its experience with handling on-board technical fluids, since 2006 Auto Inergy has developed AdBlue® storage and distribution systems for light commercial vehicles. Currently in its second generation, DINOx Premium, the SCR system eliminates 95% of a diesel vehicle's NOx emissions and up to 8% of its CO<sub>2</sub> emissions. Optimized in terms of size and performance, the system meets emissions and fuel consumption standards including the EURO 6 standard which took effect in Europe in September 2014.

Auto Inergy is currently working on an innovation in the field of Selective Catalytic Reduction, the DINOx Compact. This system incorporates the electronic control unit and all related sensors in a single module to maximize the performance/cost ratio for manufacturers.

Moreover, DINOx Compact is specifically designed to work seamlessly with the control and diagnostic systems developed and patented by Plastic Omnium.

This all-in-one module is compatible with blow-molded and injection-molded fuel tanks and is designed to adapt to the requirements of future standards.

Today Plastic Omnium is positioned as a leader in the SCR market which is growing strongly due to stricter environmental standards aimed at reducing NOx emissions (EURO 6 in Europe and Tier 2 Bin 5 in North America). In early 2015, the Group began producing SCR systems for Audi's MLBevo platform.

Plastic Omnium produced 600,000 SCR systems in 2015 and is expected to produce 2.7 million such systems in 2019, which would amount to a global market share of 33%.

The Plastic Omnium Group's weight-saving solutions for **hybrid and electric vehicles** are especially important in that they offset battery weight while optimizing vehicle range. For hybrids, Auto Inergy has developed the *INBAFFLE* range of noise reduction systems that attenuate the sloshing noise caused by the movement of fuel in the tank when the vehicle comes to a halt and these sounds are no longer covered by the noise of the engine. For future plug-in hybrids, whose



batteries can be recharged via a regular electrical outlet, Auto Inergy is developing appropriate fuel storage solutions. For gasoline versions, fuel vapors cannot be treated when the car is operating in all-electric mode or when it is at a standstill. To remedy this situation, Auto Inergy has developed reinforced plastic fuel systems that safely store hydrocarbon vapor without deforming the system, until the internal combustion engine is restarted and the vapor is purged. TSBM technology, which helps reduce hydrocarbon emissions by integrating the maximum of components into the fuel tank during the blow molding stage instead of welding them once the tank has been manufactured, is particularly adapted. It enables weight saving of 5-10kg compared to equivalent steel systems. Two of these tanks are currently being developed.

**In the Environment business, research programs focus primarily on materials and the optimization of existing products.** The Environment Division has gradually increased the percentage of recycled polyethylene in its worldwide production of bins from 20% in 2007 to 60% in 2015. In addition, the Division is now offering a line of 100% recycled 4-wheeled bins. These are made from regenerated materials from a variety of sources: used bins, manufacturing rejects, polyethylene flakes and bottles, etc. Finally, Plastic Omnium Environment sells a "Green Made" line of HDPE manufactured from non-food grade sugar cane.

The other strand of the Environment Division's research and development consists of services, primarily assistance to local authorities to improve the effectiveness of their sorting and recycling so that ultimately the fraction of non-reusable waste is reduced. Plastic Omnium is the only player to offer integrated data management services, based on efficient hardware and software computer systems. These include RFID chips to track equipment, access control and telemetry systems to measure container fill levels, embedded weighing system on collection trucks, etc. The systems collect and send the data safely to the Plastic Omnium Customer Service Center, local authorities or collection companies, where it is processed to improve waste container management, analyze sorting performance or optimize collection routes in real time. Plastic Omnium can use the data to help local authorities set up incentive-based invoicing and cut costs.

## 1.6 Risk factors

Compagnie Plastic Omnium has reviewed the risks that could have a material adverse effect on its business, financial position, or results, and considers that there are no significant risks other than those listed below.

### Operational Risks

#### Risk related to automotive programs

##### Identification of risk

Each automotive program has risks which could reduce its profitability from that initially expected. The risk in particular affects programs incorporating innovations, which could necessitate higher levels of investment and/or expenses by Compagnie Plastic Omnium than initially forecast, in order to reach the level of quality required. In addition, each automotive program is subject to risks in terms of manufacturing volumes, which depend on a wide range of factors, some of which are regional in nature, such as economic activity, car-maker production strategy, consumer access to credit and the regulatory environment, but also on factors specific to each vehicle, such as the attractiveness of its design.

##### Risk management

Compagnie Plastic Omnium's commitment to diversifying its businesses and increasing the number of automotive programs represents a key component of its strategic vision that significantly reduces exposure to geographic and other risks.

The Automotive Division has more than 30 customers in 40 countries, comprising nearly all of the world's major carmakers and serving different market segments and two distinct product families. This Division has continued to diversify its exposure to global automobile manufacturing markets with the launch of 132 new programs in production in 2015.

In terms of commitments, all new projects are subject to a highly detailed approval process. The largest projects must be authorized by Compagnie Plastic Omnium's senior management. Once a project has been accepted, a structured operational and financial monitoring system is set up to track it.

#### Information technology risk

##### Identification of risk

The day-to-day activities of Compagnie Plastic Omnium's business lines and support services could be affected by the unavailability of critical IT systems, mainly due to system breakdown, network failure, damage to infrastructure or internal or external malicious acts.

##### Risk management

The Information Systems Department, with the support of senior management, has placed increased emphasis on systems standardization and consolidation and continues to upgrade IT and network production infrastructures, business applications and workstation services. Management pays special attention to the incorporation of new technologies and to the availability and integrity of Company data.

The security of technical systems, applications and networks is addressed at the outset of strategic projects and followed up by regular audits and self-assessment programs.

## Industrial and Environmental Risks

### Health, Safety and Environment Risk

#### Identification of risk

Like any industrial activity, Compagnie Plastic Omnium's sites are exposed to risks such as workplace accidents, occupational illnesses, environmental damage (pollution), non-compliance or the tightening of regulatory requirements applicable in the area of HSE. Such events may generate additional costs or investment expenses for Compagnie Plastic Omnium in order to remedy the situation, comply or in respect of any sanctions.

#### Risk management

With regard to health, safety and the environment, Compagnie Plastic Omnium has introduced a policy that is described in the Sustainable Development section of the document. Rolled out worldwide, this policy is based on a shared vision, a structured management system, regular reporting and an ongoing certification program.

It is managed by Compagnie Plastic Omnium's Executive Committee, which examines individual subsidiaries' performance every month, via the specific reporting system set up to help drive continuous improvement.

A dedicated organization comprised of front-line Health, Safety and Environment HSE facilitators is responsible for supporting and coordinating its deployment. This network of experts is led by Compagnie Plastic Omnium's HSE Department, backed by central HSE managers at the Division level. Final responsibility for managing health, safety and environment risks lies with the Division senior management.

Ongoing corrective and improvement action plans have been introduced and included in the programs to obtain ISO 14001 and OHSAS 18001 certification for industrial facilities. These plans foster wider adoption of best practices. They include training on ergonomics, the Man-Machine interface and the tools of the in-house Top Safety program, along with compliance for machinery and equipment.

Compagnie Plastic Omnium also has its own management system. Promoted by the Executive Committee, the system is based on five management road-maps: leadership, motivation, competence, the search for excellence and working conditions. A specialized Group Health, Safety & Environment (HSE) committee comprised of several Executive Committee members is overseeing its implementation.

In 2015, OHSAS 18001 certification was renewed for Compagnie Plastic Omnium's system for centrally managing the safety of people and property.

Lastly, since 2013, the HSE information published in the Annual Report is subject to an audit by an external organization.

## Credit and/or Counterparty Risk

### Customer risk

#### Identification of risk

Compagnie Plastic Omnium cannot rule out the fact that one of its customers could find itself in financial difficulty that prevents it from respecting certain commitments.

#### Risk management

A balanced division of revenues by carmaker was maintained. In 2015, this breakdown was as follows:

- German carmakers: 31% of Automotive revenue;
- American carmakers: 28% of Automotive revenue;
- Asian carmakers: 20% of Automotive revenue;
- French carmakers: 19% of Automotive revenue;
- other carmakers: 2% of Automotive revenue.

The breakdown of the customer base is shown in Note 3.1.4.2 to the consolidated financial statements.

A Credit Manager is responsible for implementing structured customer risk monitoring and outstanding collection procedures within the Divisions. The DSO ratio was 52 days in 2015. Receivables over six months past due amounted to €8 million net of provisions. Lastly, in all businesses, review procedures are carried out before the results of bids are issued, in particular to ensure a balanced portfolio of customer receivables, in line with a target profile defined and continually monitored by Compagnie Plastic Omnium senior management.

As at December 31, 2015 the risk of non-recovery was low and involved only a non-material amount of receivables more than twelve months past due (see Note 6.3.1 to the consolidated financial statements).

### Supplier risk

#### Identification of risk

Default by a major supplier, in particular a supplier of specific components for which rapid substitution is difficult, given the work and time necessary to accredit a new supplier, could entail a change in production for Compagnie Plastic Omnium or generate additional costs impacting Compagnie Plastic Omnium's operating margin.

#### Risk management

Consequently, all automotive suppliers must be accredited according to meticulously defined operational, financial and regional criteria.

For approved suppliers, these criteria are then regularly monitored by the purchasing and quality assurance departments, with the help of specialized agencies. At risk suppliers are subject to special monitoring and when necessary safety stocks are put in place.

The Environment Division has more than one supplier for the most important materials. It also constantly monitors a number of major suppliers with support from corporate units and, as needed, from outside agencies.

Lastly, operating units are especially vigilant in this area. They focus on effectively anticipating and managing breakdowns in the supply chain that, while infrequent, can ultimately develop rapidly.

In 2015, Compagnie Plastic Omnium had no major supplier failures with negative consequences for logistics processes.

## Liquidity Risk

### Identification of risk

Compagnie Plastic Omnium must have access, at all times, to adequate financial resources not only to finance operations and the investments required to support its growth, but also to withstand the effects of any exceptional developments.

### Risk management

After two successful market financings in 2012, one a €250 million “EuroPP” private bond issue maturing in December 2018 and the other a €119 million “Schuldschein” private placement maturing in June 2017, Compagnie Plastic Omnium issued €500 million in bonds to institutional investors in 2013, maturing in May 2020.

In addition, Compagnie Plastic Omnium and some of its subsidiaries have unsecured confirmed medium-term bank lines of credit that are not subject to any financial covenants. As at December 31, 2015, the average maturity of these lines of credit was more than 5 years. Compagnie Plastic Omnium also has programs of receivables sales with an average maturity of more than 3 years.

As at December 31, 2015, available medium-term facilities covered Compagnie Plastic Omnium’s financing needs through December 31, 2020 (excluding the planned acquisition of Faurecia Auto Exterior’s systems announced in December 2015). Lastly, Compagnie Plastic Omnium has a commercial paper program. All of the medium-term and short-term lines of credit are with leading banking institutions.

The breakdown of financial assets and liabilities is shown in Note 6.4.2 to the consolidated financial statements.

The cash positions of Compagnie Plastic Omnium and its Divisions are monitored daily and a report is submitted once a week to Senior Management.

Compagnie Plastic Omnium has performed a specific review of its liquidity risk and considers that it is in a position to meet its upcoming debt maturities.

## Market Risks

Disclosures about market risks are also provided in Notes 6.2, 6.5 and 6.6 to the consolidated financial statements.

Compagnie Plastic Omnium centrally manages the treasury of its subsidiaries through Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on their behalf. The market risk hedging strategy, which involves entering into on- and off-balance sheet commitments, is approved every quarter by the Chairman and Chief Executive Officer.

## Currency risk

### Identification of risk

Compagnie Plastic Omnium is exposed to exchange rate fluctuations, in particular where its manufacturing sites purchase raw materials and components or sell their production in currencies other than their accounting currency.

### Risk management

Compagnie Plastic Omnium’s activities are based for the most part on local plants. By producing locally what is sold locally, the Group has little exposure to currency fluctuations, aside from currency translation adjustments for the financial statements.

Compagnie Plastic Omnium’s policy is to minimize the currency risk on transactions involving a future inflow or outflow of funds. Nonetheless, if a transaction does give rise to a material currency risk, it is hedged by a forward currency contract. The subsidiary involved places this hedge with the central treasury or, with the latter’s approval, locally.

## Interest rate risk

### Identification of risk

Interest rate risk is due to fluctuations in interest rates, in particular those applicable to that part of debt financed at floating rates, and could result in an increase in the cost of finance.

### Risk management

At December 31, 2015, following the fixed-rate bonds issued in 2012 and 2013, 80% of the Group’s debt was financed at fixed rates.

To eliminate or limit the impact on its income statement of a rise in interest expense from variable-rate instruments, Compagnie Plastic Omnium used interest rate hedges such as swaps and caps. Note 5.2.8.1 to the consolidated financial statements lists these hedges.

As at December 31, 2015, unhedged interest rate risk was accordingly not significant.

## Raw materials price risk

### Identification of risk

Compagnie Plastic Omnium's operations use large quantities of plastic, steel, paint and other raw materials which are subject to price changes that could have an impact on its operating margin.

### Risk management

To limit the impact of price fluctuations, Plastic Omnium has negotiated price indexation clauses with most of its automotive customers or, failing that, regularly renegotiates selling prices.

The Environment Division, as part of its proactive sustainability policy, manufactures its products using over 60% recycled plastic, which by nature is scarcely affected by price swings. For the remainder, the division negotiates annual price contracts with its suppliers. Lastly, inventories are managed to reduce the price impact as much as possible.

Taking these measures together, Compagnie Plastic Omnium considers that raw material price changes do not have a material impact on its operating margin.

## Legal Risks

Compagnie Plastic Omnium's Legal Affairs Department is supported, as needed, by local advisors and a network of correspondents in the main countries. The Department helps operating and corporate units, in all their on-going and exceptional operations, to prevent, anticipate and manage legal risks relating to the business, as well as being responsible for claims and litigation.

At the date of this report, there is no dispute or lawsuit and no governmental, legal or arbitration proceeding (including all proceedings of which Compagnie Plastic Omnium is aware, which are pending or with which the Group is threatened) that might have, or has had during the past twelve months, a material effect on the financial position or profitability of the Plastic Omnium Group.

## Intellectual property risk

### Identification of risk

Compagnie Plastic Omnium is mainly exposed to a risk of misappropriation of know-how, as both a victim and an offender, which could give rise to disputes.

### Risk management

Research and Innovation are major priorities for Compagnie Plastic Omnium, in both the Automotive and Environment Divisions. A struc-

tured approach of actively monitoring and investigating prior claims enables the Company to manage and protect its intellectual property rights. Extensive policies have been established in respect of patent filings for the innovations that result from research and development. Despite the measures taken, including research into prior claims, Compagnie Plastic Omnium cannot rule out the possibility of prior intellectual property claims and of the risks of litigation that might result.

## Risks related to the quality of products and services sold

### Identification of risk

Compagnie Plastic Omnium is exposed to the risk of warranty and liability claims from customers in respect of the products it sells and services it provides. Compagnie Plastic Omnium is also exposed to the risk of third-party product liability claims.

### Risk management

With regard to product and process quality, the Divisions have implemented dedicated organizations and reliable processes whose robustness and effectiveness are systematically tested by certification procedures ISO/TS 16949 for the Automotive Division and ISO 9001 for the Environment Division. These organizations and processes have been widely used in industry for many years, especially in the automotive sector.

These risks fall into the area of contractual liability and are covered by specific insurance policies.

## Competition risk

### Identification of risk

Non-compliance with competition law regulations by one of its employees (in particular, an agreement with a competitor regarding the fixing of sales prices, sales conditions or the sharing of markets) could expose Compagnie Plastic Omnium to penalties that could be imposed by the competition authorities.

### Risk management

Compagnie Plastic Omnium introduced a Code of Conduct in 2010 to ensure compliance with competition law, making sure that all employees who work in sales and purchasing were trained when it was introduced. Compagnie Plastic Omnium has since maintained its training efforts every year, with training sessions organized regularly in various geographical regions where the Group operates. All sales and purchasing employees have been invited every year since 2013 to participate in these e-learning sessions concerning the Group's Code of Conduct.

## Other Risks

### Tax risk

The complex, international structure of Compagnie Plastic Omnium means comprehensive monitoring is needed to keep abreast of tax requirements, issues and risks: These risks concern in particular international transactions, in respect of which the tax administrations increasingly require more information, to which the Group intends to respond, or, concerning knowledge of local constraints to which the Group must adhere.

Consequently, the Compagnie Plastic Omnium has put into place a Tax Department, which works in close collaboration with the Accounting, Legal, and Finance Departments. Comprising three separate units in charge of tax affairs at entity, division and Group level, it is supported by a network of tax experts at headquarters and in the main countries as well as by corporate and local advisors. The Department ensures that subsidiaries fulfill their tax obligations in compliance with local laws and regulations and provides them with the support and expertise they need to carry out all recurring and non-recurring operations related to tax issues.

A regular tax reporting system allows current and deferred taxes from all of the tax entities controlled by Compagnie Plastic Omnium to be monitored and managed, and helps to ensure that the consolidated financial statements are prepared rapidly and to a high standard. A transfer pricing documentation system ensures that transfer prices within Compagnie Plastic Omnium are effectively monitored and managed, and contributes to the quality of fiscal management and reducing potential risks in this field. These two information systems and management processes are supplemented by other country-specific tools and provide necessary information to users.

This set of means and resources enables the corporate Tax Affairs Department to provide assurance to senior management that all tax obligations, issues and risks inherent in the complex international structure of an expanding business group are closely monitored.

## Insurance and Risk Coverage

Compagnie Plastic Omnium has put in place a global program of insurance benefiting all the subsidiaries in which it has a majority interest. This program is coupled with local coverage in all countries where the Company is located. The program is intended to cover the main risks that can affect its operations, results or assets and includes:

- property, casualty and business interruption insurance;
- operating and product liability insurance;
- environmental liability insurance;
- as well as insurance against specific risks such as shipping, travel, vehicles, etc.

The levels of cover and the insured amounts are appropriate for the types of risk insured and take into account conditions in the insurance market.



02



# CORPORATE GOVERNANCE



## 2.1 Report from the Chairman of the Board of Directors

In accordance with the provisions of article L. 225-37 of the Commercial Code (Code de Commerce), this chapter includes information on the composition of the Board of Directors and on the conditions for the preparation and organization of its work, the internal control and risk management procedures implemented by the Company, and any restrictions that the Board of Directors may have placed on the powers exercised by General Management.

Pursuant to article L. 225-37 of the Commercial Code, the Board of Directors of Compagnie Plastic Omnium approved this chapter during its meeting of February 24, 2016.

### 2.1.1 Composition and Conditions for the preparation and organization of the work of the Board of Directors

#### 2.1.1.1 Composition and Independence of the Board of Directors

##### Composition of the Board of Directors

Pursuant to Article 11 of the Company's bylaws and Article L. 225-17 of the French Commercial Code, the Board of Directors of Compagnie Plastic Omnium is composed of up to 18 members.

The term of office of each director is three years. Directors are elected by the Shareholders' Meeting for three-year terms expiring at the close of the Shareholders' Meeting called during the year in which their term expires to approve the accounts for the previous financial year.

As at December 31, 2015, the Company is governed by a Board of Directors composed of 13 members: the Chairman and CEO, the Co-Chief Executive Officer and Chief Operating Officer, the Chief Operating Officer, 10 directors.

Act No. 2011-103 of January 27, 2011 and the AFEP-MEDEF Code establish a principle of balanced representation between women and men on the Board of Directors. As at December 31, 2015, the Board of Directors of Compagnie Plastic Omnium comprises 5 women directors out of 13, which is a proportion of 38.46%.

The composition of the Board of Directors complies with the law that fixes a first minimum proportion of 20% of directors of the same gender to be achieved in 2014.

The Appointments Committee carries out its selection work so as to propose candidates for the Board of Directors. At all events, in 2017 the Board's composition will be in compliance with the law that requires a minimum proportion of 40% of directors of each gender.

**List of terms of office and duties of corporate officers exercised during the year 2015**



**Laurent Burelle**

French  
Age 66  
Professional address: Plastic Omnium  
1, Allée Pierre Burelle – 92300 Levallois-Perret

Laurent Burelle is a graduate of the Federal Institute of Technology (ETH) in Zurich, and holds a Master of Science Degree in Chemical Engineering from the Massachusetts Institute of Technology (MIT).

He began his career with the Plastic Omnium Group as a Production engineer and assistant to the Director of the Langres plant. In 1977, he was appointed Chief Executive Officer of Plastic Omnium SA in Valencia (Spain), going on to become Chairman and Chief Executive Officer. From 1981 to 1988, he served as Head of the Environment-Urban Systems Division, before becoming Vice Chairman and Chief Executive Officer of Compagnie Plastic Omnium in 1988. He has been Chairman and Chief Executive Officer of Compagnie Plastic Omnium since July 2001. He is a director with the Pernod-Ricard and CIC Lyonnaise de Banque companies, and a member of the Supervisory Board with Wendel and Labruyère-Eberlé. Furthermore, he is director of the Fondation Jacques Chirac, director of the AFEP and Vice Chairman of the Institut de l'Entreprise.

Laurent Burelle is a *Commandeur de la Légion d'honneur*.

**End of term of office is 2018**

Chairman and Chief Executive Officer since July 1, 2001

Director since June 18, 1981

Holds 57,000 Plastic Omnium's shares

**French companies**

Burelle SA*/**	Chief Operating Officer and Director
Sofiparc SA**	Chairman and member of the Supervisory Committee
Burelle Participations SA**	Director
Plastic Omnium Auto Exteriors SAS**	Chairman
Plastic Omnium Auto Inergy SAS**(1)	Chairman
Lyonnaise de Banque	Director
Pernod Ricard SA*	Director
Labruyère-Eberlé SAS	Member of the Supervisory Board
Wendel SA*	Member of the Supervisory Board
Institut de l'Entreprise (Association)	Vice Chairman
AFEP (Association)	Director
Fondation Jacques Chirac (Association)	Director
European Transalpine liaison committee Lyon-Turin (Association)	Director

**International companies**

Compania Plastic Omnium SA** (Spain)	Chairman and Deputy Director
Plastic Omnium Holding (Shanghai) Co. Ltd** (China)	Chairman
Plastic Omnium Inc.** (United States of America)	Chairman
SOGEC 2 SA** (Belgium)	Deputy director
Compagnie Financière de la Cascade SRL** (Belgium)	Manager

**Terms of office ended in 2015**

Plastic Omnium Environnement SAS	Chairman and member of the Supervisory Committee through March 30, 2015
Plastic Omnium Environment BV**(2) (The Netherlands)	Chairman through March 20, 2015

\* Listed company.

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.

(1) Ex-Inergy Automotive Systèmes SAS.

(2) Ex-Plastic Omnium International BV.



**Jean-Michel Szczerba**

French  
Age 55  
Professional address: Plastic Omnium  
1, Allée Pierre Burelle – 92300 Levallois-Perret

After graduating from ESSEC business school in 1982, Jean-Michel Szczerba joined Banque Vernes & Commerciale de Paris as a financial

analyst. He joined Plastic Omnium in 1985, where he was successively Financial Controller, Finance Department Manager, and Chief Financial Officer, before becoming Deputy Chief Executive Officer in 2001. He was appointed Chief Operating Officer of Compagnie Plastic Omnium in 2010, Director in 2012 and co-Chief Executive Officer in 2015.

Jean-Michel Szczerba is a *Chevalier de la Légion d'Honneur* and a *Chevalier de l'Ordre National du Mérite*.

**Term of office ends in 2018**

Co-Chief Executive Director since December 15, 2015  
Chief Operating Officer since March 16, 2010  
Director since April 26, 2012  
Holds 360,000 Plastic Omnium's shares

**French companies**

Burelle Participations SA**	Director
Plastic Omnium Finance SNC**	Manager
Plastic Omnium Gestion SNC**	Manager
Plastic Omnium Environnement Holding SAS**	Chairman
Groupe Progrès SA	Director

**International companies**

Plastic Omnium GmbH** (Germany)	Manager
Hella Behr Plastic Omnium GmbH** (Germany)	Director
Yanfeng Plastic Omnium Automotive Exterior Systems Co. Ltd** (China)	Director
Plastic Omnium Holding (Shanghai) Co. Ltd**	Director
Plastic Omnium Inergy (Shanghai) Consulting Co. Ltd** (China)	Chairman
Plastic Omnium Inc.** (United States of America)	Director
Compania Plastic Omnium** (Spain)	Director
Plastic Omnium Auto Exteriors Spzoo** (Poland)	Manager
Plastic Omnium Auto Spzoo** (Poland)	Manager
Plastic Omnium Automotive NV** (Belgium)	Chairman and Director
Plastic Omnium Automotive Ltd** (Great Britain)	Director
Plastic Omnium Auto Exteriors (India) Pvt Ltd** (India)	Director
DSK Plastic Omnium BV** (The Netherlands)	Chairman and Director
Plastic Omnium Environment BV** (The Netherlands)	Member of the Supervisory Board since March 20, 2015
B-Plas Plastic Omnium Otomotiv AS** (Turkey)	Vice-Chairman of the Board of Directors and Director

**Terms of office ended in 2015**

Plastic Omnium Environnement SAS	Chief Executive Officer and member of the Supervisory Committee through March 30, 2015
Plastic Omnium International SAS***	Chairman through October 31, 2015
Plastic Omnium Auto Inergy France SAS**(1)	Chairman through March 31, 2015
Plastic Omnium Auto Inergy Services SAS**(2)	Chairman through March 31, 2015

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.

(1) Ex-Plastic Omnium Management 1 SAS.

(2) Ex-Plastic Omnium Management 2 SAS.



**Paul Henry Lemarié**

French  
Age 69  
Professional address: Plastic Omnium  
1, Allée Pierre Burelle – 92300 Levallois-Perret

Paul Henry Lemarié holds a doctorate in physics from University of Paris-Orsay and a post-graduate degree (DEA) in Management and Finance from University of Paris-Dauphine.

After completing a doctorate in physics at CEA, he began his career in the Finance Department of Paribas bank in 1973. He then joined Sofresid, an engineering group (steel, mining, offshore), before moving to Plastic Omnium Group in 1980 as Head of the 3P (Performance Plastics Products) Division. In 1985, he became Chairman of the Automotive Division. He was appointed Deputy Chief Executive Officer of Compagnie Plastic Omnium in 1987 and Chief Executive Officer in 1988. Appointed Chief Executive Officer of Burelle SA in April 1989, he became Chief Operating Officer of Burelle SA and Compagnie Plastic Omnium on May 15, 2001.

**Term of office ends in 2018**

Chief Operating Officer since May 15, 2001  
Director since June 26, 1987  
Holds 190,900 Plastic Omnium's shares

**French companies**

Burelle SA*/**	Chief Operating Officer and Director
Burelle Participations SA **	Chief Operating Officer and Director
Sofiparc SAS **	Member of the Supervisory Committee

**International companies**

Compania Plastic Omnium** (Spain)	Director
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**Terms of office ended in 2015**

Plastic Omnium Environnement SAS	Member of the Supervisory Committee through March 30, 2015
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\* Listed company.

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.



**Éliane Lemarié**

French  
Age 70  
Professional address: Burelle SA  
1, rue François 1<sup>er</sup> – 75008 Paris

After earning a master's degree in English from the University of Paris-Sorbonne and graduating from Sciences Po, Éliane Lemarié devoted her professional career to the corporate information and communication sector.

She began her career as a journalist and copy editor in various written press publications as part of the Permanent Assembly of Chambers of Commerce and Industry (APCCI) from 1969 to 1975.

In 1976, she was hired by SOGEC to set up and develop a Public Relations, Media Relations and Publishing Department, a position she held until 1983.

In 1983, she founded and developed Irma Communication, a corporate communications consultancy with a client roster of French and international companies listed in Paris, New York and Mumbai, serving as Chairman and Chief Executive Officer until 2010.

**Term of office ends in 2018**

Permanent representative of Burelle SA  
Director since April 28, 2009  
Member of the Appointments Committee since July 22, 2014  
Holds 395,996 Plastic Omnium's shares

**French companies**

Sofiparc SA**	Member of the Supervisory Committee
Burelle SA*/**	Director
Union Industrielle	Chairman of the Supervisory Committee

**International companies**

SOGEC 2 SA** (Belgium)	Deputy Director
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\* Listed company.

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.



**Jean Burelle**

French  
Age 77  
Professional address: Burelle SA  
1, rue François 1<sup>er</sup> – 75008 Paris

Jean Burelle is a graduate of the Federal Institute of Technology (ETH) in Zurich, and holds an MBA from Harvard Business School.

He began his career in 1966 at L'Oréal, before joining Compagnie Plastic Omnium in 1967 as Department Manager. In 1987, he was appointed Chairman and Chief Executive Officer, a position he held until 2001. Since then, he has been Chairman and Chief Executive Officer of Burelle SA, the majority shareholder of Compagnie Plastic Omnium.

Jean Burelle is Director of Compagnie Plastic Omnium. He is Chairman of Medef International.

Jean Burelle is an *Officier de la Légion d'Honneur* and an *Officier de l'Ordre National du Mérite*.

**Term of office ends in 2018**

Director since January 1, 1970  
Honorary Chairman since September 20, 2001  
Holds 416,378 Plastic Omnium's shares

**French companies**

Burelle SA*/**	Chairman and CEO
Burelle Participations SA**	Chairman and CEO
Sofiparc SAS**	Member of the Supervisory Committee
Sycovest 1	Permanent representative of Burelle Participations SA, itself Director
Soparexo SCA	Member of the Supervisory Committee
Banque Hottinguer SA with Management Board	Member of the Supervisory Board and Compensation Committee
Medef International	Chairman

**International companies**

Compania Plastic Omnium SA** (Spain)	Director
SOGEC 2 SA** (Belgium)	Chairman of the Board of Directors and Deputy Director

**Terms of office ended in 2015**

Plastic Omnium Environnement SAS	Member of the Supervisory Committee until March 30, 2015
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\* Listed company.

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.



**Anne Asensio**

French  
Age 53  
Professional address: Dassault Systèmes  
10, rue Marcel Dassault – 78140 Vélizy-Villacoublay

Holder of a master's degree in transport design from the Center for Creative Studies in Detroit, as well as a degree in industrial design

from École Nationale Supérieure des Arts Appliqués in Paris, Anne Asensio began her career with Renault in 1987, where she was notably charged with the design of the Twingo, Clio and Mégane (Scenic) ranges. She then held several management positions with General Motors, leading the development of a number of concept cars.

She joined Dassault Systèmes in November 2007 as Vice President for Design, in charge of design and corporate identity.

Anne Asensio is a *Chevalier de la Légion d'Honneur*.

**Term of office ends in 2017**

Director since April 28, 2011  
Member of the Audit Committee since February 26, 2013  
Chairman of the Audit Committee since February 24, 2015  
Holds 900 Plastic Omnium's shares

**French companies**

Dassault Systèmes*	Vice Chairman of Design Experience
Agence de la Promotion de la Création Industrielle	Directors – Member of the Strategic Board
Strate College	Director

**International companies**

UMEÄ University of Design (Sweden)	Member of the Strategic Board
World Economic Forum	Member of the Global Advisory Council

\* Listed company.



**Anne-Marie Couderc**

French  
Age 66  
Professional address: Presstalis  
30, rue Raoul Wallenberg – 75019 Paris

After beginning her professional career in 1973 as an attorney in Paris, Anne-Marie Couderc joined the Hachette Group in 1982 as Deputy Corporate Secretary. She became the Group's Deputy Chief Executive Officer in 1993.

A Paris city councilor then Deputy Mayor and Member of Parliament for Paris, she was appointed Secretary of State for Employment in 1995, then Minister Attached to the Ministry of Labor and Social Affairs with responsibility for Employment until 1997.

At the end of 1997, Anne-Marie Couderc was appointed Chief Executive Officer and member of the Editorial Committee of Hachette Filipacchi Medias, and director of several publications.

She became Corporate Secretary of Lagardère Active in 2007, before joining Presstalis as Chief Executive Officer in August 2010, subsequently becoming Chairman of the Board of Directors.

Anne-Marie Couderc is an *Officier de la Légion d'Honneur* and an *Officier de l'Ordre National du Mérite*.

**Term of office ends in 2018**

Director since June 20, 2010  
Chairman of the Compensation Committee since December 31, 2013  
Member of the Appointments Committee since July 22, 2014  
Holds 1,350 Plastic Omnium's shares

**French companies**

Presstalis SAS	Chairman of the Board of Directors
Transdev	Director and Chairman of the Compensation & Appointments Committee
Générale de Santé	Director and Chairman of the Compensation Committee and member of the Audit Committee
Alma Consulting	Member of the Supervisory Committee
Veolia Environnement Foundation	Director
Elle Foundation	Director



**Amélie Oudéa-Castera**

French  
Age 37  
Professional address: 313, Terrasses de l'Arche  
92727 Nanterre

After a career as a professional tennis player, Amélie Oudéa-Castera opted for academia rather than high-level sport. A graduate of IEP Paris and ESSEC while at the same time obtaining a master's degree in Law, she won a place at ENA, graduating in April 2004 and taking

up a position as auditor with the French Court of Auditors, acting as Legal Counselor and Rapporteur of the public report on the situation and outlook of the public finances.

In 2008, Amélie Oudéa-Castera joined the AXA Group, where she performed cross-cutting assignments for the Group CFO. In 2010, she was appointed Director of Strategic Planning. In 2011, she was named Director of Marketing, Brand and Services at AXA France and in 2012 her scope of responsibility was extended to digital business. In 2015, she was appointed CEO of AXA Particuliers/Professionnels, the retail entity of AXA France, while retaining the responsibility of digital business, brand and partnerships of AXA France.

**Term of office ends in 2016**

Director and member of the Compensation Committee since January 1, 2014  
Holds 900 Plastic Omnium's shares

**French companies**

AXA Particuliers Professionnels	Deputy Chief Executive Officer
AXA France	Director of Digital Business, Brand Partnerships
AXA Strategic Ventures	Member of the Executive Committee
La Poste Group	Member of the Strategic Board of the Digital Business Division
AXA Economic Interest Grouping	Director
Court of Auditors	Legal Counselor





**Lucie Maurel Aubert**

French  
Age 53  
Professional address: Banque Martin Maurel  
17, avenue Hoche – 75008 Paris

After starting her professional career in 1985 as a business attorney in the law firm Gide Loyrette Nouel, Lucie Maurel Aubert joined, in

2002, the family bank Martin Maurel in which she has been a Director since 1999.

She was appointed as the Deputy Chief Executive Officer of the Compagnie Financière Martin Maurel in 2007, and then as the Vice Chairman and Deputy CEO in 2011. Moreover, she is CEO of the Banque Martin Maurel.

Lucie Maurel Aubert is a *Chevalier de la Légion d'Honneur*.

**Term of office ends in 2018**

Director since December 15, 2015  
Holds 900 Plastic Omnium's shares

**French companies**

Compagnie Financière Martin Maurel	Vice Chairperson and Deputy Chief Executive Officer
Banque Martin Maurel	Chief Executive Officer
Rotschild & Co.	Member of the Supervisory Board
Montupet SA	Member of the Supervisory Board
French Bankers' Association	Vice Chairperson
Deposit Guarantee Fund	Member of the Supervisory Board
St Joseph Hospital Foundation	Director
Théâtre du Châtelet	Director

**Terms of office ended in 2015**

Aéroport de Marseille	Member of the Supervisory Board
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**Jérôme Gallot**

French  
Age 56  
Professional address: 46, rue du Ranelagh  
75016 Paris

Jérôme Gallot graduated from IEP Paris and ENA and was first appointed at the Cour des comptes (Court of Auditors) in 1985, then with the Ministry of Finance, where he was the Managing Director of the Competition, Consumer Affairs and Anti-Fraud Division (1997-2003).

He then joined the Executive Committee of Caisse des Dépôts, where he was responsible for Pension and Employee Benefit Financing and International Operations, before becoming Executive Chairman of CDC Entreprises, CDC's private equity arm. When France created a Strategic Investment Fund, he was appointed to its Executive Committee.

In February 2011, Jérôme Gallot was appointed Chief Executive Officer of Veolia Transdev and acted as Consultant to the Chairman from January 2013 to February 2014. He is also a Director of Nexans and Caixa Seguros, and a non-voting Director of NRJ Group.

Jérôme Gallot is a *Chevalier de la Légion d'honneur*.

**Term of office ends in 2018**

Director since December 15, 2006  
Chairman of the Audit Committee until February 24, 2015  
Member of the Audit Committee since July 19, 2011  
Member of the Appointments Committee since July 22, 2014  
Holds 5,400 Plastic Omnium's shares

**French companies**

JGC	Manager
SP 3H	Director
Acerde SAS	Member of the Supervisory Board
Nexans SA*	Director
NRJ Group	Non-voting Director

**International companies**

Caixa Seguros SA (Brazil)	Director
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\* Listed company.



**Prof. Dr. Bernd Gottschalk**

German  
Age 72  
Professional address: AutoValue GmbH  
Savignystrasse 34 – 60325 Frankfurt-am-Main

Prof. Dr. Bernd Gottschalk holds a doctorate in economics from the University of Hamburg, and a degree from Stanford University in

California. He began his career at Daimler-Benz as Communications Director, before becoming Chairman of the Brazilian subsidiary.

In 1992, he was appointed to the Board of Management of the Daimler-Benz Group, Global Vice President of the Commercial Vehicles Division. In 1997, he was appointed Chairman of the Federation of German Automotive Industry (VDA) and in 2007 created AutoValue GmbH, an automotive consultancy that he has headed since that date.

**Term of office ends in 2018**

Director since April 28, 2009  
Member of the Compensation Committee since December 13, 2013  
Holds 900 Plastic Omnium's shares

**German companies**

Plastic Omnium GmbH**	Member of the Advisory Board
Serafin Group, Munich	Member of the Advisory Board
AutoValue GmbH	Managing Partner
Schaeffler GmbH	Director
Jost Group	Director
Joh Hay GmbH & Co. KG	Chairman of the Board of Directors
Facton GmbH	Chairman of the Board of Directors
Woco Group	Chairman of the Board

\*\* Member of the Compagnie Plastic Omnium Group/Burelle.



**Vincent Labruyère**

French  
Age 65  
Professional address: Financière du Centre  
70, avenue Édouard Herriot  
71009 Mâcon

A graduate of the Federal Institute of Technology (ETH) in Zurich, Vincent Labruyère began his career in 1976 at Éts Bergeaud Mâcon, a subsidiary of Rexnord Inc., a US-based manufacturer of materials preparation equipment.

In 1981, he became head of Imprimerie Perroux, a printer of checks and bank forms, which he diversified in 1985 by creating DCP

Technologies, a subsidiary specializing in credit card manufacture and encoding.

In 1989, he founded the SPEOS Group, specialized in desktop publishing and electronic archiving of management documents and the manufacture of means of payment, which he sold to the Belgian Post Office in 2001.

He then joined Labruyère-Eberlé as Chief Executive Officer and then Chairman of the Management Board. Labruyère-Eberlé is a family-owned company operating vineyards in France and the United States, which also operates supermarkets and invests growth capital in France and abroad.

Vincent Labruyère is a Director of Banque Martin Maurel, Slota, Mathon Développement and Imprimerie Perroux.

**Term of office ends in 2017**

Director and member of the Audit Committee  
since May 16, 2002  
Holds 10,332 Plastic Omnium's shares

**French companies**

Société Financière du Centre SAS	Chairman
Labruyère-Eberlé SAS	Chairman of the Management Board
Société Commercial de Bioux SAS	Member of the Management Board
Perroux et fils	Director
Martin Maurel	Director
Slota SA	Director
SNPI SCA	Member of the Supervisory Board
Pige SA	Permanent representative of Labruyère-Eberlé, itself Director



**Dr. Alain Mérieux**

French  
Age 77  
Professional address: Institut Mérieux  
17, rue Bourgelat – 69002 Lyon

Dr. Alain Mérieux is Chairman of Institut Mérieux, a family-owned holding company for three industrial biology companies dedicated to serving public healthcare worldwide: bioMérieux (in vitro diagnostics), Transgène (immunotherapy to treat cancer and infectious diseases) and Mérieux NutriSciences (food safety, environment, nutrition).

Institut Mérieux also comprises: ABL, a research company, Mérieux Développement, an investment company operating in healthcare. Institut Mérieux currently has over 15,000 employees in more than 40 countries worldwide.

Dr. Alain Mérieux is Chairman of the Fondation Mérieux, an independent family foundation registered as a public charity. He is Honorary Chairman and Director of Fondation Christophe et Rodolphe Mérieux, which operates under the aegis of the Institut de France. These two foundations are dedicated to the fight against infectious diseases in developing countries.

He is a Member of the *Ordre National du Mérite* and a *Grand Officier de la Légion d'Honneur*.

**Term of office ends in 2018**

Director since June 23, 1993  
Holds 6,318 Plastic Omnium's shares

**French companies and foundations**

Institut Mérieux	Chairman and CEO
Fondation Mérieux	Chairman of the Board of Directors and Director
Fondation Christophe et Rodolphe Mérieux – Institut de France	Honorary Chairman and Director
Biomérieux SA*	Director
Fondation Pierre Fabre	Director
Fondation Pierre Vérots	Director
CIC Lyonnaise de Banque	Director
Transgène SA	Director

**International companies**

BioMérieux Italia SpA (Italy)	Director
Mérieux NutriSciences (United States of America)	Director

\* Listed company.



**Jean-Pierre Ergas**

French and American  
Age 76  
Professional address: 83, rue Jules Rein  
78600 Le Mesnil-le-Roi

A graduate of the Institut d'Études Politiques de Paris and holder of a Masters Degree in Business Administration from Harvard University, Jean-Pierre Ergas had headed up various industrial manufacturing groups in the metallurgy and packaging sectors in Europe and the United States for over thirty years.

Chief Executive Officer of Cebal and then Cégédur Pechiney, Chairman of the Chambre Syndicale de l'Aluminium, he was appointed Deputy Chief Executive Officer of Pechiney Group in 1986. Jean-Pierre Ergas has lived in Chicago (USA) since 1989 and was Chairman and Chief Executive Officer of American National Can in 1990. He served as Chairman and Chief Executive Officer of Alcan Europe from 1995 to 2000 and subsequently became Chief Executive Officer of BWAY Corporation (NYSE) in 2000, a company he sold in 2010.

Jean-Pierre Ergas is a Director of Dover Corporation (NYSE), and Managing Partner of Ergas Ventures LLP and Sagre LP.

Jean-Pierre Ergas is a *Chevalier de la Légion d'Honneur*.

Director from July 26, 1990 to December 16, 2015

**French companies**

FIBI-Aplix SA	Director
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**International companies**

Dover Corporation (United States of America)	Director
Sagre Group LP (United States of America)	Director
Ergas Ventures LLC (United States of America)	Director

### **Procedure for exercise of implementing powers of Senior management**

During its meeting held on February 24, 2015, the Board of Directors decided to renew the combining of the duties of Chairman and CEO and re-appointed Laurent Burelle to this position.

This decision was taken in line with the recommendations of the Appointments Committee, in the best interest of the Company. Since its establishment, the General managers of Compagnie Plastic Omnium have had a clear vision of the Group's prospects, based on their perfect knowledge of the Group's activities and its local and international environment. The Company has to be responsive in a highly competitive international environment. Furthermore, this mode of governance is best suited to the specific characteristics of Compagnie Plastic Omnium and the structure of its shareholding, composed primarily of the family group committed to the Group's long-term development.

In its meeting held on December 15, 2015, on the recommendation of the Chairman and Chief Executive Officer and after the validation of the Appointments Committee, the Board of Directors decided to appoint Jean-Michel Szczerba as Co-CEO. This appointment is intended to guarantee continuity and governance of the Group and pave the way for the succession of the Chairman and CEO.

### **Organization and work of the Board of Directors**

The work of the Board is set out in Article 12 of the bylaws, and its organization is described in Article 1 of the Internal Procedures of the Board of Directors. The Internal Procedures may be amended by the Board of Directors in response to changes in laws and regulations, but also to changes in its own organization.

The Board of Directors meets as often as the interests of the Company require and, pursuant to the Internal Procedures, at least four times per year. Board meetings may be held by any means of videoconferencing or telecommunication allowing the identification of directors and ensuring their effective participation in accordance with the terms and conditions laid down in the Internal Procedures.

The Chairman of the Board of Directors directs the proceedings and ensures compliance with the provisions of the Internal Procedures. He seeks to ensure the quality of discussions and to promote collective decision-making. He also ensures that the Board devotes sufficient time to its discussions, giving each item on the agenda time proportionate to the importance it represents for the Company. The directors collectively ensure that there is a correct balance in the speaking time of each one of them. The Chairman ensures that the questions asked in line with the agenda receive appropriate answers.

The Secretary of the Board of Directors assumes responsibilities of the secretariat of the Board and draws up the minutes of its meetings.

Pursuant to the provisions of Article 11 of the bylaws, each director must own at least nine hundred shares in the Company.

### **Changes in the terms of office and positions of corporate officers**

#### **Renewal of the Directors' terms of office**

The Shareholders' Meeting of April 30, 2015 renewed the directorships of Laurent Burelle, Paul Henry Lemarié, Jean-Michel Szczerba, the company Burelle SA represented by Éliane Lemarié, Jean Burelle, Anne-Marie Couderc, Jean-Pierre Ergas, Jérôme Gallot, Bernd Gottschalk and Alain Mérieux for a new three years period.

#### **Resignation of a Director**

After being actively involved in the work of the Board of Directors for twenty-five years, Jean-Pierre Ergas resigned from his directorship at the end of the Board meeting of December 15, 2015.

Jean-Pierre Ergas had been appointed as director of Compagnie Plastic Omnium in 1990.

#### **Appointment of a Director**

At its meeting of December 15, 2015 and based on the recommendation of the Appointments committee, the Board of directors appointed Lucie Maurel Aubert as director by co-optation for Jean-Pierre Ergas' remaining term of office, *i.e.* until 2018.

With her experience, Lucie Maurel Aubert seamlessly complements the competence of the Board, specifically in the financial field. Lucie Maurel Aubert serves as an independent director, free of motive, accessible and competent.

The ratification of Lucie Maurel Aubert's appointment as director shall be subject to the approval of the Shareholders' Meeting of April 28, 2016.

### **Directors' independence**

Each director has continuous information and means suited to the performance of his or her mission. The directors have a duty of vigilance and fully independent participation in the work and decisions of the Board of Directors and, where applicable, its Review Committees.

All are subject to compliance with the rules applicable to conflicts of interest.

With regard to the independence criteria mentioned in the AFEP-MEDEF Code, a member of the Board of Directors is independent if he or she does not maintain any relation with the Company, its Group or its Management that might compromise the exercise of his or her freedom of judgment. The criteria laid down in the AFEP-MEDEF Corporate Governance Code are:

- not to be an employee or executive corporate officer of the Company, or an employee or director of the parent or a consolidated company, and not having been so in the previous five years (criterion No. 1);
- not to be an executive corporate officer of a company in which the Company directly or indirectly holds a directorship, or in which a directorship is held by an employee, designated as such, or a corporate officer of the Company (currently or within the previous five years) (criterion No. 2);

- not to be customer, supplier, investment banker, corporate banker of significant importance to the Company or the Group, or for which the Company or its Group represents a significant part of its activity (criterion No. 3);
- not to have close family ties with a corporate officer (criterion No. 4);
- not to have been an auditor of the Company during the previous five years (criterion No. 5);
- not to have been a director of the Company for more than twelve years (criterion No. 6).

The Appointments Committee's meeting of December 10, 2015 and the Board of Directors' meeting of December 15, 2015, reviewed on a case-by-case basis the situation of each of the members concerned with regard to the independence criteria mentioned in the AFEP-MEDEF Code.

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Qualification applied
<b>Anne Asensio</b>	yes	yes	yes	yes	yes	yes	Independent
<b>Anne-Marie Couderc</b>	yes	yes	yes	yes	yes	yes	Independent
<b>Lucie Maurel Aubert</b>	yes	yes	yes	yes	yes	yes	Independent
<b>Amélie Oudéa-Castera</b>	yes	yes	yes	yes	yes	yes	Independent
<b>Jérôme Gallot</b>	yes	yes	yes	yes	yes	yes	Independent
<b>Bernd Gottschalk</b>	yes	yes	yes	yes	yes	yes	Independent

As a result, on December 31, 2015, 6 out of the 13 members of the Board of Directors, i.e. 46.15%, qualified as independent, with the AFEP-MEDEF Code recommending a minimum threshold of 33.33% independent directors for controlled listed companies.

### Conflicts of interest

Under the law and as part of the rights and duties of directors defined in the Internal Procedures of the Board of Directors of Compagnie Plastic Omnium and in accordance with the AFEP-MEDEF Code, directors are subject to the rules applicable to the situation of conflict of interests and stock exchange code of ethics.

In this respect, based on each director's declarations, the Board did not identify any conflict of interests.

### Information on corporate officers referred to in Annex 1 of European Regulation No. 809/2004

#### Existing family ties between corporate officers (Article 14.1 of the Annex)

Laurent Burelle, Jean Burelle, Paul Henry Lemarié and Éliane Lemarié are related.

#### No conviction or incrimination of corporate officers (Article 14.1 of the Annex)

To the Company's knowledge, none of its directors has been convicted of fraud, none has been involved as a corporate officer in a bankruptcy, receivership or liquidation in the past five years, and none has been the subject of any official charges or public sanctions pronounced by a statutory or regulatory authority. None of the members of the Board of Directors has been disqualified by a court from acting as a member of a governing, administrative or supervisory body of an issuer, or from taking part in the management or business of an issuer during the past five years.

#### Potential conflicts of interests between the duties of the corporate officers vis-à-vis the Compagnie Plastic Omnium and their personal interests and/or other duties (Articles 14.2 and 18.3 of the Annex)

The method for the organization and working of the Board of Directors of the Compagnie Plastic Omnium would enable it, where applicable, to prevent any misuse of control by a shareholder, largely due to the presence of independent directors within the Company.

### Information on service contracts with members of the governing bodies (article 16.2 of the Annex)

No corporate officers are bound either to the company or to any of its subsidiaries through service contracts providing benefits of any kind.

### Stock exchange code of ethics

The Board of Directors is aware of the rules to be applied to prevent insider misconduct, in particular with regard to the periods during which trading in securities of the Company is prohibited. It has had the opportunity to update the charter for the prevention of insider trading and issue recommendations to Senior Management.

Based on the legal texts, regulations and recommendations in place, this code states that inside information must be transmitted and used only for professional purposes.

This charter requires the exercise of great caution, where the person with inside information is carrying out financial transactions or is having financial transactions carried out on Plastic Omnium's securities in the stock exchange and points out that misconduct in this regard is subject to criminal penalties. Directors with permanent insider status are particularly requested not to carry out transactions on the securities of Plastic Omnium during certain periods if they have insider information. The Internal procedures of the Board of Directors states the Board members' obligation to respect the terms of the charter.

During the meeting of the Board of Directors of December 15, 2015, the directors received the schedule for 2016 with open and closed periods enabling them to trade in Plastic Omnium's shares.

Finally, the executive corporate officers notify the Autorité des Marchés Financiers (AMF) of each transaction carried out by them or by their relatives on Plastic Omnium's securities. They are periodically reminded of this obligation by the Company (cf. the summary of transactions carried out by corporate officers in 2015 on the securities of Plastic Omnium see chapter 7.3).

### 2.1.1.2 Preparation and Organization of the Work of the Board of Directors

#### General information on the meetings of the Board of Directors and its Committees in 2015

##### Involved and informed directors

Preparing and holding meetings of the Board of Directors and its Committees require ever greater availability and involvement from each director. In this respect, the directors of the Compagnie Plastic Omnium are regularly informed of all the Company's activities and its performances.

On the agenda, directors may propose in a totally independent manner work for the Board and its committee comprising any topic useful for corporate governance.

Each committee prepares the discussions and proceedings of the Board in its domain.

With their expertise coming from outside and freedom of judgment, the directors jointly ensure the measures adopted contribute to implementing the strategy of the Plastic Omnium Group. The Board debates issues transparently and in detail.

##### Diligent directors

In 2015, the Board of Directors met four times. The average attendance rate at Board meetings was 93%. The attendance rate at the meetings of Board of Director Committees is specified in the statements on pages 31 to 32.

Details of the distribution of directors' fees is given on page 39. The rules for the distribution of fees allocated for 2015 take on board the recommendations of the AFEP-MEDEF Code into account, with a major variable portion taking account of the diligence of each of the directors at Board meetings and the effective presence at Committee meetings.

#### Activity of the Board of Directors

##### General missions of the Board of Directors

The directors monitor the Group's economic and financial management and help define its strategy. They examine and approve the broad lines of action laid down by senior management, which then implements them.

In this context, the Board constantly seeks a working method which, while strictly complying with the Law, is conducive to the conditions of good corporate governance.

The work of the Board of Directors is based on its Internal Procedures, which aim at completing and specifying the legal, regulatory and statutory rules and the industry recommendations that the Board refers to. The Internal Procedures are published on Plastic Omnium's website.

##### The work of the Board of Directors

In 2015, apart from the regular monitoring of the Group's activity (markets, business, geographical development, competition, quantitative and qualitative objectives), the Board of Directors continued its work on defining the Compagnie Plastic Omnium's strategy and monitoring its implementation.

Continuous dialogue with Management has enabled the Board to prepare strategy, especially by analyzing the strategic interest of acquisition transactions, their impact on the Company's financial structure and long-term development capacities.

Thus, the Board took part in the strategic thinking related to the proposed acquisition of Faurecia's Exterior Systems business.

The Board also focuses on monitoring the acquisitions made in the previous years and requires a statement of operations carried out to be submitted to it, which mainly includes integration within the Group, developed synergies, implementation of the Business plan prepared during the acquisition and value creation for Plastic Omnium.

In order to benefit from the best possible knowledge of Plastic Omnium's businesses, the Board of Directors holds regular meetings at the Group's French or international industrial sites. Thus, in 2015, the Board met on October 23, 2015 in the new  $\alpha$ -Alphatech research center of the Auto Inergy Division located in the Oise Region and, during the site visit, various operational heads were able to present the technological developments to the directors.

##### Board of Director information as to the Company's financial position, cash position and commitments

The Company's financial position and cash position are analyzed at least twice a year during the Board's meeting when approving the financial statements and reviewing the half-yearly financial statements. If required, they may be reviewed at any time.

The Company's commitments are reviewed as part of the annual renewal of the authorizations given to the Chairman and CEO and the delegations that he grants.

### 2.1.1.3 Activity of Board of Directors' Committees

The Board's discussions and decisions are facilitated by the work of its Review Committees which report to it after each of their meetings. The details of the missions of each Committee are given in the Internal Procedures of the Board of Directors.

In 2015, Board Committees were once again mandated by the Board to prepare its deliberations. The details of the composition of these Committees, their missions and work in 2015 are given below.



Board of Director Committees act strictly within the framework of the missions allocated to them by the Board. They actively prepare its work, put forward proposals, but have no decision-making powers.

## Audit Committee

<b>Composition</b>	<p><b>Composition as at December 31, 2015:</b></p> <ul style="list-style-type: none"> <li>• <b>Anne Asensio (Chairman)</b></li> <li>• <b>Jérôme Gallot</b></li> <li>• <b>Vincent Labruyère</b></li> </ul> <p>Since February 24, 2015, the Committee has been chaired by Anne Asensio, an independent director and member of the Committee since February 26, 2013.</p> <p>In compliance with the AFEP-MEDEF Code recommendations, the number of independent directors is two from three, i.e. 67%.</p> <p>The directors who are members of the Audit Committee have the necessary qualification due to their professional experience and good knowledge of the Group's accounting and financial procedures, which are regularly reported to them.</p> <p>The Chairman and CEO is not a member of the Committee.</p> <p>The Committee had the opportunity to hear the directors in charge of the fields whose activity is reviewed by it, largely as part of the processes related to risk management and control.</p> <p>The Statutory Auditors attend Committee meetings.</p> <p>The Committee did not seek advice from external experts.</p> <p>In 2015, the Audit Committee met three times with an attendance rate of 100%.</p>
<b>Principal missions</b>	<ul style="list-style-type: none"> <li>• Monitoring the basis of preparation for the Group's financial information</li> <li>• Monitoring the legal audit of the financial statements and consolidated financial statements by the Statutory Auditors</li> <li>• Reviewing the Statutory Auditors' audit plans and engagement program and the outcome of their verifications</li> <li>• Monitoring the independence of the Statutory Auditors</li> <li>• Monitoring the efficacy of the Internal Control and Risk systems</li> <li>• Monitoring the Group's major exposures and sensitivity to risks</li> <li>• Warning role of the Chairman of the Board in the event of detection of a major risk, which, according to him, has not been treated appropriately</li> <li>• Reviewing the program and objectives of the Internal Audit Department, as well as the methods and procedures of the internal control systems used</li> </ul>
<b>Principal activities in 2015</b>	<p>Reviewing the annual results for 2014 and the 1<sup>st</sup> half of 2015</p> <ul style="list-style-type: none"> <li>• Reviewing the Statutory Auditors' report</li> <li>• Reviewing the audit plan and the outcome of the verification carried out, their recommendations as well as the action taken as part as the statutory audit</li> <li>• Reviewing the audits carried out by the Statutory Auditors with regard to social, environmental and societal information</li> <li>• Proposed renewal of the term of office of the Statutory Auditors</li> <li>• Monitoring the Internal Audit activity, the Committee having concluded that Internal Audit has carried out a detailed review of the key processes with exacting criteria.</li> <li>• Reviewing risk factors and risk mapping, the Committee having concluded that risk management is controlled and assumed at the operational level and the level of corporate departments</li> <li>• Monitoring the results of programs raising awareness with regard to risk of fraud and prevention of corruption</li> <li>• Information on legal risks and potential disputes and major facts that are likely to have a significant impact on the financial situation of Plastic Omnium</li> </ul>

## Compensation Committee

<b>Composition</b>	<p><b>Composition as at December 31, 2015:</b></p> <ul style="list-style-type: none"> <li>• <b>Anne-Marie Couderc (Chairman)</b></li> <li>• <b>Amélie Oudéa-Castera</b></li> <li>• <b>Bernd Gottschalk</b></li> </ul> <p>Since December 13, 2013, the Committee has been chaired by Anne-Marie Couderc, an independent director and Committee member since December 13, 2013.</p> <p>In compliance with the AFEP-MEDEF Code recommendations, the number of independent directors is three, <i>i.e.</i> 100%.</p> <p>The directors actively participate in Committee meetings, acting in the interests of the shareholders and exercising their judgment in a completely independent manner.</p> <p>In 2015, the Compensation Committee met three times with an attendance rate of 100%.</p>
<b>Principal missions</b>	<ul style="list-style-type: none"> <li>• Drafting proposals for the compensation of the Chairman-CEO and the Chief Operating Officer and for the pension and insurance plans</li> <li>• Fixing the budget for the directors' fees to be submitted to the Shareholders' Meeting and the distribution method</li> <li>• Determining the long-term incentive plan policy, mainly including plans for the allocation of free shares</li> </ul>
<b>Principal activities in 2015</b>	<ul style="list-style-type: none"> <li>• Reviewing the components of the fixed salary and bonus of executive corporate officers and recommendations to the Board</li> <li>• Analyzing the performance of executive corporate officers in 2014 and recommendation to the Board for an annual bonus</li> <li>• Analyzing the performance of executive corporate officers in 2015 and recommendation to the Board for an annual bonus for 2015</li> <li>• Say on Pay: preparing the resolutions submitted at the Shareholders' Meeting of April 30, 2015</li> <li>• Reviewing the stock-option plan set up by the Board of Directors on July 21, 2015 and proposed allocation to executive corporate officers</li> <li>• Distribution of directors' fees pursuant to the rules providing a majority variable share</li> </ul>

## Appointments Committee

<b>Composition</b>	<p><b>Composition as at December 31, 2015:</b></p> <ul style="list-style-type: none"> <li>• <b>Anne-Marie Couderc (Chairman)</b></li> <li>• <b>Éliane Lemarié</b></li> <li>• <b>Jérôme Gallot</b></li> </ul> <p>Since July 22, 2014, the Committee has been chaired by Anne-Marie Couderc, an independent director and Committee member since the same date.</p> <p>In compliance with the AFEP-MEDEF Code recommendations, the number of independent directors is two from three, <i>i.e.</i> 67%.</p> <p>The directors actively participate in Committee meetings, acting in the interests of the shareholders and exercising their judgment in a completely independent manner.</p> <p>In 2015, the Appointments Committee met once with an attendance rate of 100%.</p>
<b>Principal missions</b>	<ul style="list-style-type: none"> <li>• Consideration and recommendation to the Board regarding procedures for the exercising of powers by Senior management</li> <li>• Opinion on the proposal of the Chairman of the Board of Directors for the appointment of Chief Operating Officers</li> <li>• Recommendation for new directors to the Board</li> <li>• Examination of the qualification of independent directors, reviewed by the Board of Directors every year</li> <li>• Verification of the proper application of the Corporate Governance Code referred to by the Company</li> <li>• Discussion on issues pertaining to the governance related to the working and organization of the Board</li> <li>• Preparation of succession plans for executive corporate officers in the event of unforeseen vacancies</li> </ul>
<b>Principal activities in 2015</b>	<ul style="list-style-type: none"> <li>• Reviewing the succession plans of executive corporate officers to ensure continuity of Senior Management</li> <li>• Reviewing the conditions for the exercising of powers by Senior Management: uniqueness of the responsibilities of the Chairman and Chief Executive Officer</li> <li>• Discussing the composition of the Board: diversity, complementary nature of profiles, competence, gender balance</li> <li>• Selecting and meeting with candidates, proposed candidature of Lucie Maurel Aubert as new director</li> <li>• Reviewing and validating the Chairman's proposal on the renewal of the term of office of Chief Operating Officers Jean-Michel Szczerba and Paul Henry Lemarié</li> <li>• Reviewing and validating the Chairman's proposal as to the appointment of Jean-Michel Szczerba as Co-Chief Executive Officer</li> <li>• Discussing the composition of Board Committees</li> <li>• Reviewing the independence of each director with respect to the criteria listed in the AFEP-MEDEF Code</li> </ul>

### 2.1.1.4 Self-assessment of the Board of Directors

Every year, the Board carries out a formal assessment, stipulated by the AFEP-MEDEF Code, of its composition, organization and method of working, largely so as to ensure, under certain conditions, that the agenda of its work covers the extent of its missions, that major issues have been suitably prepared and discussed and so as to measure the contribution of each member in the Board's work.

This assessment complies with the recommendations of the AMF and those of the AFEP-MEDEF Code referred to by the Company.

The directors once again exercised total freedom of judgment in 2015. This freedom of judgment allowed them to take part with full independence in the work and collective decisions of the Board of Directors, and, for those concerned, the preparatory work and the Board Committee's proposals.

The Board concluded that the quality of its meetings, with regard to what was considered as avenues of progress at the end of the self-assessment in late 2014, continues to improve, mainly with respect to the analysis of the Group's strategic challenges, which are regularly discussed and debated.

This year as well, the strategic approach was reviewed in detail in the Board's work with regard to the development of the countries and markets in which the Group operates.

In 2015, the Board was fully satisfied with the tempo, frequency of the meetings and the format of the information forwarded to it as part of activity in general and the principal events of the Group's life. The availability of documentation prior to Board or Committee meetings, in keeping with the confidentiality requirements and time constraints that the Company is subject to, enhance the quality of discussions.

### 2.1.1.5 Corporate Governance Code

#### AFEP-MEDEF Code: the reference code

The Compagnie Plastic Omnium remains committed to the application of rules of corporate governance laid down by AFEP-MEDEF, by referring to the Corporate Governance Code of listed companies, available on the website <http://medef.fr>.

The table below provides the Company's explanations for the recommendations of the AFEP-MEDEF Code that are not applied.

Recommendations of the AFEP-MEDEF Code	Compagnie Plastic Omnium practices and justifications
<b>Terms of office of directors</b> must be staggered so as to prevent reappointment <i>en masse</i> (Article 14)	The term of office of ten from the thirteen members of the Board of directors expires in 2018, the terms of office of two Board members expire in 2017 and that of one expires in 2016. The Company wished to prioritize a frequent appointment principle for directors by stipulating a statutory three-year term of office.
<b>Adequate time for reviewing the accounts by the Audit Committee</b> , at least two days before the Board meeting (Article 16.2.1)	As part of the publication of the annual and interim results, the meeting of the Audit Committee for reviewing the financial statements is close to that of their presentation to the Board of Directors. It may be noted that the Board and its Audit Committee have prior useful information for accomplishing their audit mission, which is sent to them systematically prior to the meetings.

### 2.1.2 Procedures of internal control and risk management

#### Management System Objectives of the Company's internal control and risk management system

##### Definition and objectives of internal control and risk management

Internal control and risk management are the responsibility of senior management, and require the involvement of all stakeholders in the Company, in accordance with the tasks assigned to them. Compagnie Plastic Omnium's internal control and risk management systems are designed to ensure:

- compliance with applicable laws and regulations;
- effective and controlled implementation of guidelines and objectives set by senior management, particularly with regard to risk;

- the smooth running of Compagnie Plastic Omnium's internal processes, particularly those relating to the safeguarding of the Group's assets in the broadest sense;
- the reliability of financial information;
- the commitment of Company employees to shared values and a shared vision of the risks they are helping to control.

Internal control and risk management systems play a critical role in Compagnie Plastic Omnium's management. However, they cannot provide an absolute assurance that the Company's objectives will be achieved or that all risks will be eliminated.

Compagnie Plastic Omnium is actively working to reinforce its internal control and risk management systems as part of a continuous improvement process that relies in large part on the Implementation Guide to the Reference Framework for Risk Management and Internal Control Systems of the Autorité des Marchés Financiers (AMF).

### Scope of this report

This report describes the internal control system of Compagnie Plastic Omnium, the parent company of the Plastic Omnium Group. It therefore focuses on the procedures intended to guarantee (i) the reliability of the consolidated financial statements and (ii) the Company's control over entities in which it has a majority interest.

Compagnie Plastic Omnium regularly reviews and assesses the operations of significant investments over which it exercises joint control, and uses all of its influence to ensure that these entities comply with its internal control requirements.

## Summary description of the internal control and risk management system

### Organization

Compagnie Plastic Omnium is built around two Divisions:

- **Automotive** (Auto Exterior and Auto Inergy Divisions);
- **Environment** (Environment Division).

Under the supervision and control of Compagnie Plastic Omnium's senior management, these two autonomous divisions are each responsible for implementing the means and resources necessary to achieve the financial targets set in their annual budgets approved by senior management.

### Organization of the internal control and risk management system

The internal control and risk management system deployed within the Group is based on the rules and principles of its internal control framework and the implementation of processes aimed at continuously improving the management of the main risks to which it may be exposed.

The organization of the system involves all Company employees. However, its oversight and controls are performed by the following seven key functions:

- Senior management, the Risk Management Department and the Internal Control Committee, which monitor the system;
- the operational management teams of each Division, corporate departments and the Internal Audit Department, which represent three distinct levels of control;
- the Board of Directors.

The senior management of Compagnie Plastic Omnium sets the guidelines for organizing and running the internal control and risk management system.

They are assisted in this task by the **Executive Committee**, which has management and decision-making powers with regard to the Company's business. It is composed of the Chairman-CEO, Co-CEO

and Chief Operating Officer, the Director of Strategy and Development, Director of Finance, General Secretary – Legal Director, Director of Human Resources, Director of Communication and the Executive Directors of various Divisions. It meets once a month to review the Group's business performance and recent developments, and to discuss its outlook. It addresses cross-business issues such as sales and marketing, organization, investment, legal and human resources issues, safety and the environment, research and development, mergers and acquisitions, and financing. Each month, it analyzes the results and balance sheets of all Divisions and subsidiaries, including trends in respect of capital expenditure and working capital compared with the situation of the prior year and monthly budget projections. It also reviews three-month forecasts for the consolidated income statement and balance sheet, and plays a pro-active role in steering the Company's management. It also validates updates of current-year forecasts. Every June, it analyzes the strategic five-year plans for each Division and the Group. These plans are then used in preparing the budget, which is definitively adopted in December each year.

### The Internal Control Framework

The cornerstone of Compagnie Plastic Omnium's internal control system is its Internal Control Framework, which sets out the rules and principles applicable to the companies it controls. It comprises a **Code of Conduct, Internal Control Rules** and **Procedures** and an **Accounting and Financial Procedures Handbook**.

- **The Code of Conduct:** in addition to its economic responsibilities, Compagnie Plastic Omnium attaches great importance to human rights and sustainable development. Compagnie Plastic Omnium is a signatory of the UN Global Compact, a set of principles that stand alongside the Plastic Omnium Code of Conduct to exemplify the spirit of responsibility that has always informed the Group's commitment. Together, these texts highlight the values governing individual and collective conduct that Compagnie Plastic Omnium aims to promote, and which determine the fundamental principles in which the rules and procedures of its internal control system are rooted. In 2010, Compagnie Plastic Omnium adopted a Code of Conduct on practices governed by competition law, which has been circulated throughout the Group as part of a compliance program.

The Code of Conduct applies to Compagnie Plastic Omnium and to all the affiliates in which it holds a majority stake. Plastic Omnium does everything in its power to encourage other affiliates to establish rules of conduct consistent with the provisions of the Code. It is the responsibility of senior management, members of the Executive Committee, divisional CEOs and plant managers to ensure that all employees are aware of the contents of the Code, and that they have sufficient resources to comply with its provisions. In return, the Code requires individual employees to behave in a way that demonstrates a personal and ongoing commitment to complying with the prevailing laws and regulations, and with the ethical rules it lays down.

- **Group Internal Control Rules and Procedures:** Compagnie Plastic Omnium has a set of rules that define the roles and responsibilities of the senior management, the corporate departments of Compagnie Plastic Omnium and the operational departments of its divisions and subsidiaries in the following areas:

- Legal Affairs and Corporate Governance;
- Human Resources;
- Treasury (financing and routine transactions);
- Sales;
- Purchasing (operations and capital expenditure);
- Inventory and Supply Chain;
- Automotive Projects;
- Accounting and Taxation;
- Production and Quality;
- Real Estate;
- Information Systems;
- Health, Safety and Environment.

The rules cover routine and non-routine business operations alike. They are a single and comprehensive reference framework designed to ensure that the internal control procedures implemented by the Group are both consistent and appropriate. In a number of cases, they include procedures that describe their application.

- **The Accounting and Financial Procedures Handbook:** Compagnie Plastic Omnium has an Accounting and Financial Procedures Handbook prepared in accordance with IFRS. These accounting procedures are applicable to all consolidated companies.

As part of a process of continuous improvement in terms of internal control, the Internal Control Framework is subject to additions, and is updated regularly to reflect established practices, as well as changes in organization and the applicable regulations.

### Risk management

The main risks to which Compagnie Plastic Omnium is exposed are described in the "Risk Management" section. This section also describes the key measures and processes used to effectively prevent and manage these risks.

The risk management system incorporates, as part of the organizational framework presented in this report, a process of mapping and analyzing the main risks facing the Company, the purpose of which is to verify the pertinence of approaches implemented at Group level and to take action to strengthen or complement existing approaches. At Group level, this process is led by the Risk Management Department in conjunction with the operational management teams and corporate departments.

The system is overseen by senior management.

### Control activities

Compagnie Plastic Omnium seeks to combine accountability and independence of judgment at the three levels responsible for controlling its operations and its risk management system: the operational management departments, corporate departments and the Internal Audit Department.

The **operational management** teams implement the structures and resources necessary for the satisfactory implementation of the rules and principles governing internal control in their respective activities. They are tasked in particular with assessing the pertinence of remedial measures implemented as a result of assignments undertaken by Internal Audit. They are also responsible for identifying the risks inherent to their own activity and for taking reasonable steps to control them.

The **corporate departments**, namely Human Resources and Sustainable Development, Corporate Finance and Information Systems, and Legal Affairs, have the broadest powers in their areas of expertise, and under the supervision of senior management, to establish rules and procedures applying within Compagnie Plastic Omnium. They are tasked with coordinating and monitoring the activities of their functional networks with a view to protecting the interests of the Group and all its stakeholders.

In the particular area of internal control and risk management, they are responsible for analyzing the risks inherent in their activities and for defining the appropriate structures and systems to ensure their smooth running. They prepare and update the Internal Control Framework and cross-business approaches to risk management. In doing so, they are required to ensure the adequacy of the Internal Control Framework in respect of prevailing standards, regulations and laws, and to implement the appropriate means for relaying the information they produce.

Compagnie Plastic Omnium has a centralized **Internal Audit Department** that is part of the Corporate Risk Management Department and reports to the Corporate Secretary. It also reports regularly to the Internal Control Committee, which is responsible for overseeing internal control procedures. It conducts assessments of the general system, and ensures the efficiency of its implementation.

The Internal Audit Department conducts audits on a scope covering all subsidiaries, whether or not Compagnie Plastic Omnium exercises control. At the conclusion of each audit, it makes recommendations to the audited units, which respond with appropriate action plans subject to systematic monitoring by divisional management teams. The annual internal audit plan is based on criteria relating to how often audits are performed and to each entity's risk and control environment. None of the audits performed in 2015 revealed any serious weaknesses in the internal control and risk management system.

The Internal Audit Department also oversees annual internal control **self-assessment** campaigns, launched in 2006. The questionnaire design is based on the Implementation Guide to the AMF Framework. It is both an effective assessment tool and a means of raising the awareness of local organizations. Lastly, it is a useful tool for the Internal Audit Department in preparing its audit work.

Note that the application of international safety, environmental and quality assurance standards, in addition to the audit of our insurance companies and our customers, gives rise to regular specialized audits conducted by independent bodies. As of December 31, 2015, 88% of the eligible facilities that were at least 50%-owned had earned ISO 14001 certification and 85% were OHSAS 18001-certified.

### Information and communication

The internal control rules and procedures are available to employees on the home page of the Group's intranet portal. However, the internal control system is deployed largely through formal documents, awareness raising, training programs and reporting processes conducted by the corporate departments. These activities, which include the self-assessment referred to above, allow local management teams to appreciate senior management's profound commitment to internal control processes.

Finally, the relaying of information on the preparation of financial and accounting data is subject to specific processes described later in this report.

### Oversight

Senior management, assisted by the Risk Management Department, is responsible for the overall oversight of the Company's internal control and risk management processes.

The Risk Management Department exercises a critical oversight role concerning the internal control system as part of its specific remit. It reports its analysis and recommendations to senior management, to which it reports directly, as well as the Internal Control Committee. It is also responsible for the process of identifying business risks undertaken at Group level, and coordinates the preparation of the ensuing risk management plan.

The **Internal Control Committee** coordinates the internal control system, and ensures that it runs smoothly. It is chaired by the Compagnie Plastic Omnium Corporate Secretary. Its other members include the Head of Human Resources, the Chief Financial Officer, the Head of Risk Management and Internal Audit, the Chief Executive Officers and the Chief Financial Officers of the Divisions. It is tasked with ensuring the quality and effectiveness of the system. It relays the decisions and recommendations of the Chairman and Chief Executive Officer, to whom it reports its findings. Its composition gives it the authority to coordinate the efforts of all actors involved in internal control and risk management in each division or corporate function.

Lastly, **the Board of Directors** reviews all of the major assumptions and strategies laid down for Compagnie Plastic Omnium by senior management. It reviews the broad outlines of the internal control and risk management system and acquires an understanding of the various procedures involved in the preparation and processing of overall and financial information.

## Internal control relating to the preparation of financial and accounting information

### Basis of preparation of the Group's financial information

The Finance Department is responsible for ensuring that the preparation of the Group's financial information is consistent. As such, it is tasked with:

- laying down financial and accounting standards for the Group, in accordance with international standards;
- determining the policy in respect of the preparation of financial information;
- coordinating information systems used for the preparation of financial and accounting data;
- reviewing subsidiaries' financial information;
- preparing financial information for the Group's consolidated financial statements.

The consistency of the Group's financial statements is guaranteed by the use of the same accounting standards and a single chart of accounts by all Group entities. The standards and chart of accounts take into account the specific characteristics of the subsidiaries' various businesses. They are laid down by the Accounting Standards and Principles Department, which is part of the Accounting and Tax Department and is the sole entity with authority to change them.

Consistency is further ensured by the coordinated management of information systems that contribute to the preparation of the financial information of each subsidiary: the use of a single software application guarantees that reporting and consolidation processes are standardized and applied consistently; moreover, based on a software package recommended by the Group, the various divisions have developed integrated management systems and rolled them out across the majority of their plants, thereby helping to ensure that the information used in the preparation of the financial statements is properly controlled.

Consolidated financial information is prepared for the following key processes:

- weekly cash reporting;
- monthly reporting;
- interim and annual consolidated reporting;
- annual budget.

These four processes apply to all subsidiaries controlled directly and indirectly by Compagnie Plastic Omnium.



### Financial reporting and control procedures

Each subsidiary is responsible for producing its own accounts. First-tier controls and analyses of subsidiaries' financial statements are performed locally. Second-tier controls are performed centrally in each division. Third-tier controls are performed by the Finance Department.

Reporting is done on a monthly basis. It is submitted to senior management one week after the close of the monthly accounts, and is reviewed by the Senior Management and analyzed by the Executive Committee. The reporting package comprises an income statement broken down by function, with an analysis of production costs, overheads, and research and development expenditure. It also includes a full cash flow statement, business forecasts for the subsequent three months and a set of environmental and safety indicators. The information is prepared at Group, division and subsidiary level. It provides comparisons between the various items – monthly actual, year-to-date actual, prior-year actual and current-year budget – together with an analysis of material differences.

The budget process begins in September each year, when the subsidiaries prepare their figures, which are consolidated at division level. Budgets are then submitted to senior management in November and validated in December, before being presented to Compagnie Plastic Omnium's Board of Directors. The budget package comprises an income statement, cash-flow statement and data concerning return on capital employed for each subsidiary and division for the year N+1.

Revised forecasts are regularly produced to allow remedial measures to be made with a view to ensuring that initial budget targets are met. They also allow senior management to report reliably on changes in the situation.

The budget is based on the rolling four-year business plan approved in July of each year by Senior Management, which includes income statement and balance-sheet projections prepared on the basis of the sales, industrial and financial strategies of the Group and the divisions.

Compagnie Plastic Omnium is responsible for managing the medium-term financing requirements of all the subsidiaries controlled by the Group, while Plastic Omnium Finance covers short-term financing. Through Plastic Omnium Finance, the Group has set up a global cash-pooling and netting system for all Group subsidiaries in all countries where local rules allow this practice. In addition, intragroup receivables and payables are netted monthly. In this way, it manages funding streams and verifies cash positions on a daily basis.

In general, subsidiaries cannot negotiate external financing arrangements without the prior authorization of the Work planned in 2016 Group's Central Treasury.

Plastic Omnium Finance is also responsible for controlling all currency and interest rate hedging transactions.

Cash reports are sent to the senior management on a weekly basis. They provide an analysis of the cash position of each division, and of the Group as a whole, together with comparisons with the prior year and the budget for the current year.

No material incidents or significant changes occurred in 2015 that could have compromised the effectiveness of the internal control system described above.

### Work planned in 2016

As part of a process of continuous improvement of its internal control system, Compagnie Plastic Omnium plans to upgrade a number of procedures in order to enhance their pertinence and encourage operational staff to appropriate them. This approach, in which the Risk Management Department is playing an important role, covers internal control procedures, accounting and financial, and risk management procedures.

The Internal Audit Department will conduct 42 audits in 2016, compared with 37 in 2015.

To improve the internal control and risk management system, the Company will continue to apply the procedure for tracking progress on implementing recommendations issued by the Internal Audit Department.

## 2.2 Compensation of Corporate Officers

In accordance with the provisions of Article L. 225-102-1 of the French Commercial Code and the AFEP-MEDEF Corporate Governance Code, the total compensation and benefits in kind paid to each corporate officer is presented in the tables below.

### Gross compensation paid and stock options and performance shares awarded to each executive corporate officer

<b>Laurent Burelle Chairman and Chief Executive Officer</b>	<b>Year 2014</b>	<b>Year 2015</b>
Compensation due in respect of the year (see details below)	4,234,744	4,584,864
Value of stock options awarded during the year (see details below)	0	651,000
<b>Total</b>	<b>4,234,744</b>	<b>5,235,864</b>

<b>Jean-Michel Szczerba Director, Co-Chief Executive Officer and Chief Operating Officer</b>	<b>Year 2014</b>	<b>Year 2015</b>
Compensation due in respect of the year (see details below)	1,295,873	1,358,351
Value of stock options awarded during the year (see details below)	0	651,000
<b>Total</b>	<b>1,295,873</b>	<b>2,009,315</b>

<b>Paul Henry Lemarié Director and Chief Operating Officer</b>	<b>Year 2014</b>	<b>Year 2015</b>
Compensation due in respect of the year (see details below)	2,120,342	2,310,619
Value of stock options awarded during the year (see details below)	0	0
<b>Total</b>	<b>2,120,342</b>	<b>2,310,619</b>

### Gross compensation paid to each executive corporate officer

<b>Laurent Burelle Chairman and Chief Executive Officer</b>	<b>Year 2014</b>		<b>Year 2015</b>	
	<b>Totals due</b>	<b>Totals paid</b>	<b>Totals due</b>	<b>Totals paid</b>
• fixed salary <sup>(1)</sup>	86,573	86,573	87,471	87,471
• bonus <sup>(1)(2)</sup>	3,905,604	3,774,709	4,275,290	4,133,631
• exceptional compensation	0	0	0	0
• directors' fees	242,567	242,567	222,103	222,103
• benefits in kind	Company car		Company car	
<b>Total</b>	<b>4,234,744</b>	<b>4,103,849</b>	<b>4,584,864</b>	<b>4,443,205</b>

<b>Paul Henry Lemarié Director and Chief Operating Officer</b>	<b>Year 2014</b>		<b>Year 2015</b>	
	<b>Totals due</b>	<b>Totals paid</b>	<b>Totals due</b>	<b>Totals paid</b>
• fixed salary <sup>(1)</sup>	86,573	86,573	87,471	87,471
• bonus <sup>(1)(2)</sup>	1,952,802	1,887,355	2,137,645	2,066,815
• exceptional compensation	0	0	0	0
• directors' fees	80,967	80,967	85,503	85,503
• benefits in kind	Company car		Company car	
<b>Total</b>	<b>2,120,342</b>	<b>2,054,895</b>	<b>2,310,619</b>	<b>2,239,789</b>

(1) Paid by Burelle SA. This fixed compensation equals 120% of the highest coefficient in the collective bargaining agreement in the Plastics industry (coefficient of 940).

(2) Burelle SA pays gross compensation to executive corporate officers for their management services, which is then billed to Compagnie Plastic Omnium and its subsidiaries, calculated on the basis of the estimated time spent by each director on business relating to the Plastic Omnium Group. Directors' bonuses are paid by Burelle SA, and are determined on the basis of the Burelle Group's consolidated operating cash flow. This calculation is based on consolidated IFRS operating cash flow after tax and interest expense plus the share of operating cash flow of joint ventures (after tax and interest expense and net of dividends paid (see Note 5.1.14, page 120).

<b>Jean-Michel Szczerba Director, Co-Chief Executive Officer and Chief Operating Officer</b>	<b>Year 2014</b>		<b>Year 2015</b>	
	<b>Totals due</b>	<b>Totals paid</b>	<b>Totals due</b>	<b>Totals paid</b>
• fixed salary	830,929	830,929	872,464	872,464
• bonus <sup>(1)</sup>	363,829	363,829	382,020	382,020
• exceptional compensation	0	0	0	0
• directors' fees	101,115	101,115	103,831	103,831
• benefits in kind	Company car		Company car	
<b>Total</b>	<b>1,295,873</b>	<b>1,295,873</b>	<b>1,358,315</b>	<b>1,358,315</b>

(1) Calculated on individual objectives and financial performance (operating margin and debt).

In accordance with Article L. 225-102-1 of the French Commercial Code, the compensation paid by Burelle SA to Compagnie Plastic Omnium's corporate officers in 2015 and the portion billed to Compagnie Plastic Omnium for management services are presented in the table below:

	<b>Gross compensation paid by Burelle SA in 2015</b>	<b>O/w bonus</b>	<b>Amount billed to the Plastic Omnium Group in 2015</b>	<b>O/w bonus</b>
Laurent Burelle	4,246,774	4,133,631	3,208,037	3,141,559
Paul Henry Lemarié	2,179,958	2,066,815	1,077,143	1,033,407
Jean Burelle	2,196,659	2,066,815	409,314	392,695
Jean-Michel Szczerba	0	0	0	0

## Directors' fees

### Paid by Compagnie Plastic Omnium

<b>Members of the Board</b>	<b>Directors' fees paid in 2014</b>	<b>Directors' fees paid in 2015</b>
Laurent Burelle	29,715	34,431
Paul Henry Lemarié	24,115	28,831
Jean Burelle	24,115	28,831
Jean-Michel Szczerba	24,115	28,831
Éliane Lemarié	25,415	30,131
Jean-Pierre Ergas	26,715	21,623
Jérôme Gallot	31,715	34,831
Vincent Labruyère	28,015	32,731
Alain Mérieux	12,058	14,415
Bernd Gottschalk	24,115	30,131
Anne-Marie Couderc	28,315	33,031
Anne Asensio	26,715	34,331
Amélie Oudéa-Castera	25,415	30,131
<b>Total</b>	<b>330,538</b>	<b>382,279</b>

At its meeting of December 11, 2014, the Board of Directors allocated directors' fees for 2015 as follows:

- Chairman:€2,700 per Board meeting;
- Directors:€1,300 per Board meeting;
- Committee Chairman:€2,100 per Committee meeting;
- Committee Member:€1,300 per Committee meeting;
- Balance allocated proportionately among all Board members in line with actual attendance at meetings.

**Total directors' fees paid (by Compagnie Plastic Omnium, other controlled companies and Burelle SA)**

<b>Corporate officer</b>	<b>Directors' fees paid in 2014</b>	<b>Directors' fees paid in 2015</b>
Laurent Burelle	242,567	222,103
Paul Henry Lemarié	80,967	85,503
Jean Burelle	118,492	102,203
Jean-Michel Szczerba	101,115	103,831
<b>Total</b>	<b>543,141</b>	<b>513,640</b>

**Stock options awarded during the year to each executive corporate officer**

<b>Name and position of the corporate officer</b>	<b>Number of options awarded during the year</b>	<b>Value of options using the method applied in the consolidated financial statements</b>	<b>Exercise price</b>	<b>Exercise period</b>
Laurent Burelle <i>Chairman and Chief Executive Officer</i>	150,000	€651,000	€24.72	2019-2022
Jean-Michel Szczerba <i>Director, Co-Chief Executive Officer and Chief Operating Officer</i>	150,000	€651,000	€24.72	2019-2022
Paul Henry Lemarié <i>Director and Chief Operating Officer</i>	0	-	-	-

In accordance with the AFEP-MEDEF Code recommendations:

- the exercise of stock options granted in 2015 is subject to two performance conditions related to the outperformance over the vesting period of the options (2015-2019) in respect of:
  - the share price relative to the SBF 120 index,
  - the Company's operating margin compared with its main competitors;
- each director must retain 10% of the shares resulting from the exercise of options in registered form until the end of his or her term of office.

**Stock options exercised during the year by each executive corporate officer**

<b>Name and position of the corporate officer</b>	<b>Plan date</b>	<b>Number of options exercised during the year</b>	<b>Exercise price</b>
Laurent Burelle <i>Chairman and Chief Executive Officer</i>	2008 plan 2010 plan	54,000 200,000	€2.94 €2.84
Jean-Michel Szczerba <i>Director, Co-Chief Executive Officer and Chief Operating Officer</i>	-	0	-
Paul Henry Lemarié <i>Director and Chief Operating Officer</i>	2010 plan	270,000	€2.84

### Performance shares awarded to each executive corporate officer

Name and position of the corporate officer	Performance shares awarded during the year to each executive corporate officer by the issuer or any Group company	Plan date	Number of shares awarded during the year	Value of shares using the method applied in the consolidated financial statements	Vesting date	End of vesting period
Laurent Burelle <i>Chairman and Chief Executive Officer</i>	0	-	-	-	-	-
Jean-Michel Szczerba <i>Director, Co-Chief Executive Officer and Chief Operating Officer</i>	0	-	-	-	-	-
Paul Henry Lemarié <i>Director – and Chief Operating Officer</i>	0	-	-	-	-	-

### Performance shares that vested during the year for each executive corporate officer

Name and position of the corporate officer	Performance shares that vested during the year for executive corporate officers	Plan date	Number of shares that vested during the year	Vesting conditions
Laurent Burelle <i>Chairman and CEO</i>	0	-	-	-
Jean-Michel Szczerba <i>Director, Co-Chief Executive Officer and Chief Operating Officer</i>	0	-	-	-
Paul Henry Lemarié <i>Director and Chief Operating Officer</i>	0	-	-	-

### Supplementary pension plans

In 2003, the Board of Directors of Compagnie Plastic Omnium decided to introduce a supplementary pension plan for the Executive Committee members of Compagnie Plastic Omnium. The plan guarantees these employees defined-benefit retirement compensation, provided they are still employed by the Group when they retire at age 65, under the following terms:

	Plastic Omnium Plan	Recommendations of the AFEP-MEDEF Code
Required length of service	7 years	At least 2 years
Actual length of service	The length of service of the three executive corporate officer is: Laurent Burelle: 41 years – Paul Henry Lemarié: 36 years – Jean-Michel Szczerba: 31 years	
Reference compensation	Average of the average total annual compensation for the five years prior to retirement	Several years
Annual amount paid (% of the reference compensation)	1%	5% maximum
Ceilings	10 % of the reference compensation or 8 times the Social Security ceiling	45% of compensation

The Board of Directors of Burelle SA approved a similar plan for corporate officers in 2003. The portion of the annual cost in respect of this plan billed by Burelle SA to Compagnie Plastic Omnium and its controlled companies was €670,769 in 2015. The other pension plans for senior management are the same as those in place for the Group's managerial employees.

### Employment contracts – termination benefits

In compliance with AFEP-MEDEF Code recommendations, Laurent Burelle and Paul Henry Lemarié are no longer under an employment contract, Jean-Michel Szczerba's employment contract was suspended.

The Company has no commitment to pay the corporate officers any compensation for loss or change of office or due to a non-competition clause.



## 2.3 Statutory Auditors' Report

### **Statutory Auditors' report in accordance with Article L. 225-235 of French Commercial Code (Code de commerce) on the report prepared by the Chairman of the Board of Directors of Compagnie Plastic Omnium**

Year ended December 31, 2015

To the Shareholders,

As Statutory Auditors of Compagnie Plastic Omnium and in accordance with the Article L. 225-235 of French Commercial Code (*Code de commerce*), we hereby present our report on the Chairman of the Board of Directors report in compliance with the Article L. 225-37 of French Commercial Code regarding fiscal year ending December 31, 2015.

It is the Chairman's responsibility to establish and submit for the Board of Directors' approval a report on internal control and risk management procedures implemented by the Company and to provide the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*) relating to matters such as corporate governance.

It is our responsibility to:

- report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- confirm that the report also includes the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

#### **Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information**

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of the French Commercial Code (*Code de commerce*).

#### **Other information**

We confirm that the report prepared by the Chairman of the Board of Directors also contains the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*).

Paris-la Défense, February 24, 2016

The Statutory Auditors

MAZARS

Jean-Luc Barlet

ERNST & YOUNG et Autres

Gilles Rabier



# SUSTAINABLE DEVELOPMENT

This chapter presents the non-financial information about the Plastic Omnium Group, set outs the sustainable development issues and how Plastic Omnium addresses them.

- 3.1 - Issues
- 3.2 - Development of Responsible Products and Services
- 3.3 - Corporate Social Responsibility
- 3.4 - Protection of the Environment
- 3.5 - Societal Commitment
- 3.6 - Methodology
- 3.7 - Cross-reference Table

## 3.1 Issues

In a global context of the fight against climate change, sustainable mobility issues, challenges raised by global urbanization and increasing population levels are, for Compagnie Plastic Omnium, the opportunity to consolidate its position as leader in the automotive equipment and waste collection sectors by offering innovative solutions and its technological expertise.

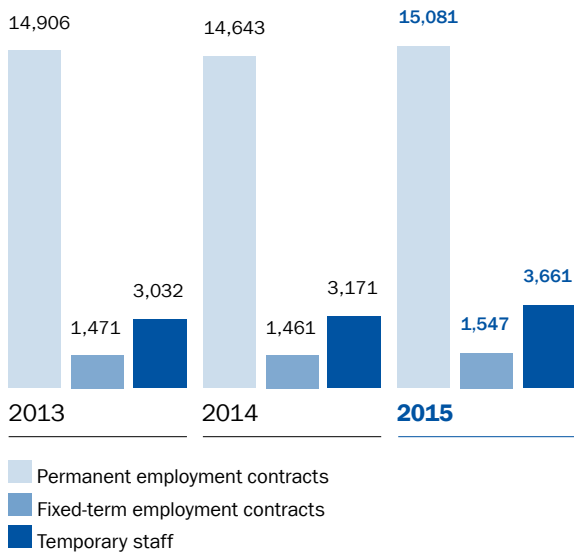
At the forefront of sustainable development through its businesses and targeted markets, Plastic Omnium is also committed to a strategy of sustainable development. The Group effectively believes that its

innovations, support given to its employees, environmental protection, a societal commitment and ethics are powerful levers of sustainable performance and profitable growth for all its businesses worldwide. Plastic Omnium's joining of the United Nations Global Compact in 2003 is fully in line with this conviction.

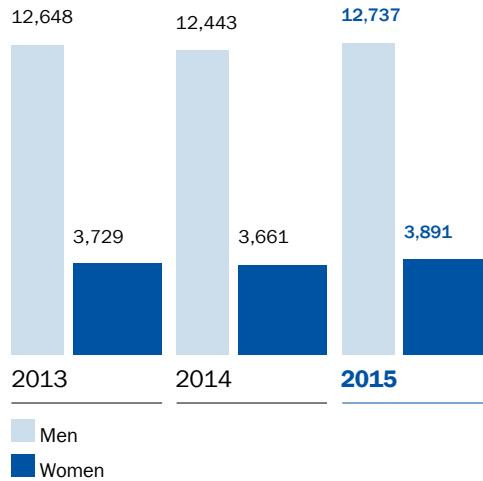
Taking into account the social and environmental consequences of its activities and always striving to meet its societal commitments in favor of sustainable development also means anticipating and taking the right decisions at the right time, not only for Plastic Omnium but also for its stakeholders. In receiving the "Gold" recognition level right from its first assessment in 2015 by EcoVadis, the international CSR rating specialist, the Group has received confirmation that it is on the right track. EcoVadis has now invited Compagnie Plastic Omnium to adopt a continuous improvement plan, in particular through a Corporate Social Responsibility (CSR) approach and relevant indicators to manage the process and measure its performance. The Group has already endowed its Health, Safety and Environment (HSE) policy, fully integrated into the Company's strategy and management, as well as a human resources policy working for development, with dedicated governance systems that are measured and developed using specific collection tools. We have set out the results of our commitments in favor of sustainable development through the indicators and information in this chapter in compliance with Article R.225 of the French Commercial Code and its implementation decree No. 2012-557 of April 24, 2012 on corporate transparency requirements in relation to social and environmental issues.

The Company therefore monitors the key performance indicators below both globally and at the level of operational entities:

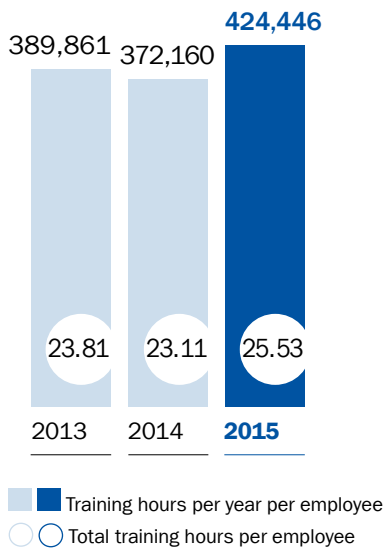
**Breakdown of workforce by contract**



**Breakdown of workforce by gender (excluding temporary employees)**



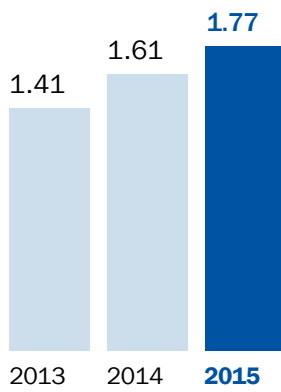
**Total training hours per employee**



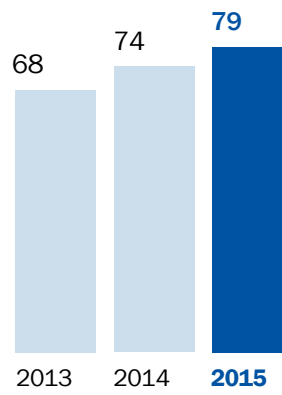
**Absenteeism rate**



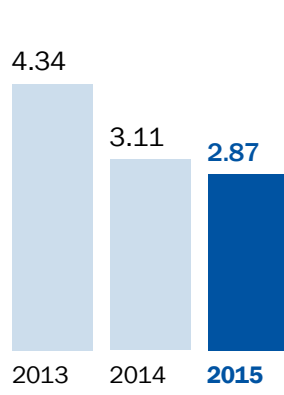
**Number of Top Safety visits per employee per year**



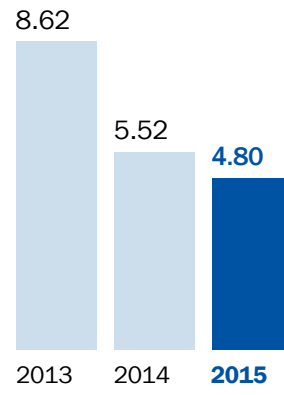
**Number of OHSAS 18001 sites**



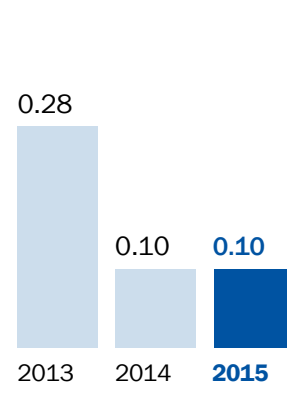
**Lost time accident frequency rates Tf1**



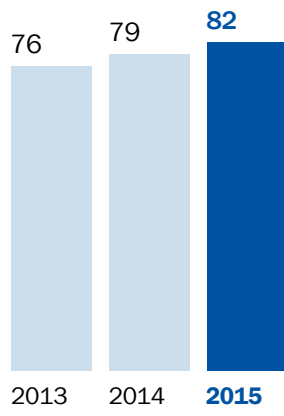
**Lost time and non lost time accident frequency rates Tf2**



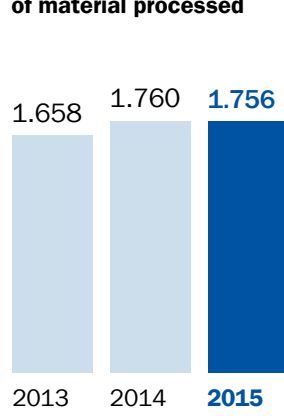
**Accident severity rates**



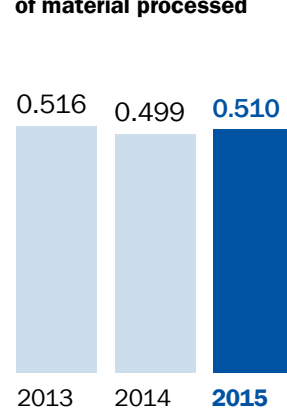
**Number of ISO14001 certified sites**



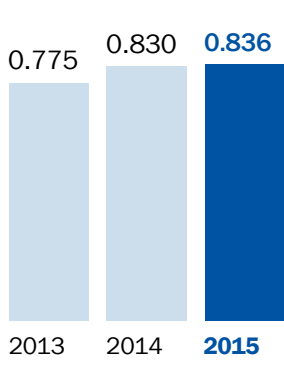
**Electricity consumption in kWh per kg of material processed**



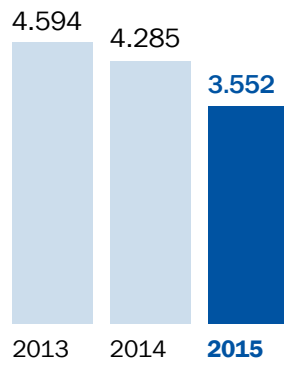
**Gas consumption in kWh per kg of material processed**



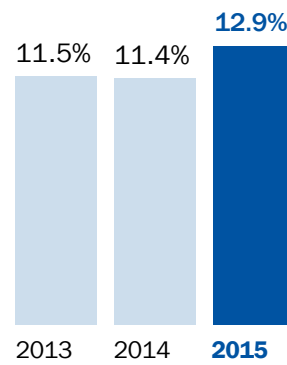
**Greenhouse gas emissions in kg of CO<sub>2</sub> per kg of material processed**



**Water consumption in liters per kg of material processed**



**Proportion of recycled plastic in the consumption of plastic material**





## 3.2 Development of Responsible Products and Services

The increased awareness of the environmental impacts at the global level is reflected in the continuing tightening of domestic, European and international regulations concerning issues such as lower consumption levels and greenhouse gas emissions. In this context, lighter vehicle weights have become a major and priority challenge for carmakers. This has resulted in the increasing use of plastic and composites for body parts. Innovative solutions to make vehicles lighter (plastic tailgates, parts in composite and carbon fiber), improve aerodynamics (light-air bumper) or DINOx-SCR (Selective Catalytic Reduction) systems to reduce nitrogen oxides (NOx) – irritant gases that aggravate the greenhouse gas effect – are significantly leveraging the growth of Plastic Omnium's businesses. The SCR solutions proposed by Plastic Omnium enable carmakers to meet the most stringent standards in accordance with state-of-the-art technology. Safety-related regulatory standards such as pedestrian impacts represent other growth opportunities for the Group, for instance through the concept of ultra-compact bumpers.

The regulatory pressure exerted on the automotive sector, in particular with the REACH directive on the elimination of dangerous substances in automotive construction and the End-of-Life Vehicle directive, have made ecodesign a strategic necessity for equipment manufacturers. Plastic Omnium has been involved in ecodesign since 2007, in particular through being one of the seven companies behind the creation of the Cluster CREER (Cluster Research: Excellence in Ecodesign & Recycling), in partnership with SERAM and the MAPIE laboratory of the ENSAM Institute in Chambéry. For the Group, CREER is the opportunity to improve its efficiency in ecodesign and to share and benefit from respective research agendas regarding the environment.

Plastic Omnium is also a member of the Plastipolis competitiveness cluster, and in this connection it participates in projects labeled by the Axelera chemical cluster aimed at stepping up the creation of a world-class industrial and scientific sector in the Rhône Alps region, which will combine the chemical industry and the environment. Plastic Omnium initiated the VALEEE project for the sorting and recovery of plastics obtained from waste from electrical and electronic equipment. It also participated in the Triptic project, aimed at improving the identification of polymers, specifically seen in shredder residue, which are subsequently recovered and developed.

For the Environment Division of Plastic Omnium, a world leader for products and services dedicated to waste management, the challenge consists in meeting the expectations of local communities: improvement of sorting efficiency, budget control and environmental protection. The Company proposes sustainable innovations and smart solutions that enable local communities to reach these targets.

Significant design work coupled with massive investment to recreate molds contributed in dividing the carbon balance of wheeled bins by ten: Life Cycle Analysis (LCA) has made it possible to increase the share of integrated recycled material; the quantity of plastic material needed has been reduced, resulting in lighter bins. These bins are now stackable, enabling the conveyance of increased quantities transported in a single truck, and therefore a reduction in greenhouse gas emissions related to transportation. We have also worked on noise levels from the shutting of bin lids and have now significantly reduced noise pollution for residents.

## 3.3 Corporate Social Responsibility

Innovation and technology are the major focuses of Plastic Omnium's development, and this is achieved through the commitment and expertise of the Company's people. Our human resources policy is a key component of our growth, and thereby, our responsibility to our stakeholders. It is based on the five pillars of the PO Way – Independence, Investment, Innovation, Internationalization, Integration – which have formed the bedrock of the Group's identity since its inception and structured its operations.

The fifth pillar – Integration – marks more particularly the Group's attachment to sharing its fundamentals, beliefs and values with all employees on all continents, all the while taking specific cultural differences into account.

Several major events contribute each year to shaping a common vision, a sharing of the PO Way values, and fast and efficient learning of its processes, a binding agent for integration within the Company.

For example, the annual meeting of the Compagnie Plastic Omnium ("Top 100") managers is an annual highlight, where the Group's senior management shares the Group strategy, the medium-term vision of challenges and priorities with senior managers, and rallies employees around a shared ambition.



Each Operational Division as well as the main support functions (finance, purchasing, human resources, HSE, R&D, legal and IT) organizes a **management convention** during the year, focused on its specific challenges and priorities.

The Executive Committee of the Plastic Omnium Group also holds **Management Meetings** in the major regions where the Company operates. For example, in 2015, all the management teams of the Divisions of each of the key regions shared with the Executive Committee the specific challenges of their activity, an analysis of the competition and the priorities for the coming years. This method ensures a close relationship between the Group's senior management and operational teams. These Management Meetings systematically include visits to the main countries concerned (seven countries during the year). Management Meetings are an integral part of the Group's success. They are a proven and demanding process that requires extensive work, but also provide an opportunity for local teams and the Executive Committee to trade views on corporate culture as well as the regional economic and social context.

The Group's "World Safety Day" was held for the second year running last October and engaged more than 20,000 employees. This event underlines the high level of standards for safety results that Plastic Omnium has set for all its activities in each and every business country.

#### Workforce by type of employment contract

	2013	2014	2015
Permanent employment contracts	14,906	14,643	15,081
Fixed-term employment contracts	1,471	1,461	1,547
<b>Registered employees</b>	<b>16,377</b>	<b>16,104</b>	<b>16,628</b>
Temporary staff	3,032	3,171	3,661
<b>Total employees (registered and temporary)</b>	<b>19,409</b>	<b>19,275</b>	<b>20,289</b>

#### Registered workforce by Socio-Professional Category

	2013	2014	2015
Workers	8,898	8,428	8,801
Employees – Technicians and supervisors	4,147	4,251	4,146
Managers & Engineers	3,332	3,425	3,681

#### Internal and international mobility

These figures reflect the need for a strong and ambitious human resource policy that can draw on modern and efficient resources to anticipate the Group's development and transformation. It must enable the Group to reinforce existing teams and promote internal mobility while aiming at expressing the Group's diversity, cohesion and agility. It must also enable the Group to attract the best talents and guide them in their career development.

Career opportunities offered to Managers & Engineers are constantly on the rise. 13.4% of Managers & Engineers underwent a career move in 2015, compared with 13% in 2014. Internal promotions thus

## Integration and development of employee loyalty to boost growth

### Workforce trend

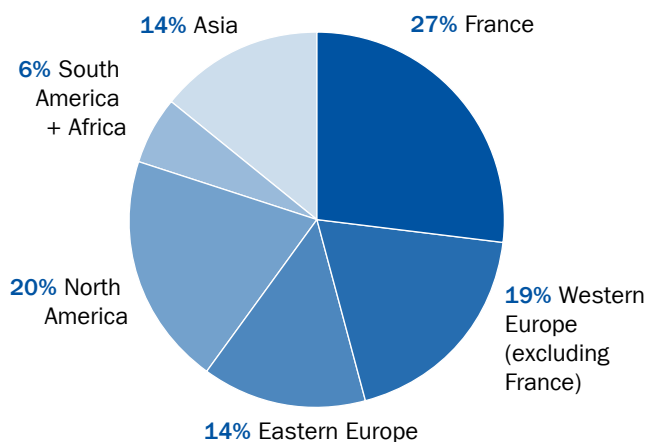
#### Workforce

At the end of 2015, the Group had 20,289 employees, up 5.3% year on year (an additional 1,014 employees), a reflection of Compagnie Plastic Omnium's growth. This is expressed in a change in the scope of sites, in particular with the opening of two sites in Warrington (United Kingdom) and Fairfax (United States) representing 113 additional employees.

The increase in the number of managers (7.5%) is a key indicator testifying to increased business and the expansion of the Group's technological content worldwide. The 16.8% increase in the average number of temporary staff compared with 2014 provides additional evidence of the Group's development and dynamism and reflects the increase in its revenue.

allowed us to fill more than 70% of vacant key positions in 2015. To facilitate internal mobility, we have deployed a career management tool, OPteam, worldwide to enable each employee to indicate their desires in terms of mobility and to complete their internal résumé. It also allows them to consult internal job postings and submit an application. International mobility within Plastic Omnium is a career development lever. The Company has set itself the ambitious target whereby in 2016, 75% of senior management positions will be filled in-house. Our expatriate profile has changed and there are now more than 30% of assignment missions for which one's home country is not France.

### Breakdown of workforce by region, contract and category



	Permanent employment contract	Fixed-term employment contract	Total registered employees	Temporary staff	Total
France	4,454	40	4,494	1,039	5,533
Western Europe excluding France	2,911	203	3,114	790	3,904
Eastern Europe	1,736	645	2,381	448	2,829
North America	2,921	534	3,455	569	4,024
South America + Africa	1,076	7	1,083	52	1,135
Asia	1,983	118	2,101	763	2,864
<b>Total</b>	<b>15,081</b>	<b>1,547</b>	<b>16,628</b>	<b>3,661</b>	<b>20,289</b>

	Manufacturing workers	Administrative staff, technicians and supervisors	Managers	Total
France	1,820	1,236	1,438	4,494
Western Europe excluding France	1,606	949	559	3,114
Eastern Europe	1,447	600	334	2,381
North America	2,218	618	619	3,455
South America + Africa	643	294	146	1,083
Asia	1,068	448	585	2,101
<b>Total</b>	<b>8,801</b>	<b>4,146</b>	<b>3,681</b>	<b>16,628</b>

### Executive mobility rate

	2015
France	11.5%
Western Europe excluding France	9%
Eastern Europe	15.5%
North America	19%
South America + Africa	23%
Asia	17%
<b>Total</b>	<b>13.4%</b>

## The Group's appeal

In a dynamic business sector, attracting the best talents from all over the world, in particular engineers and future managers, and supporting them in their development, is a nonstop priority for the Group's Human Resources Division. The development of the employer brand, evolved across the social networks and particularly on LinkedIn, and on our "careers" website, is a strong and defining focal point of the Group's recruitment policy. In 2015, the "careers" website recorded more than 90,000 unique visitors, while the LinkedIn page has more than 19,000 followers. Given its growth outlook, Compagnie Plastic Omnium is planning to hire more than 2,000 managers by 2019. This is more than 500 persons per year with a special focus on electronic and R&D skills, in order to reinforce and develop the Company's innovation and technology capabilities.

## Recruitment and integration

Plastic Omnium also pays special attention to the recruitment of young talent, with the objective of hiring between 25% and 30% of newly graduated managers or managers with a first experience each year. To do this, the Company has reinforced its partnerships with prestigious universities and engineering schools in Brazil, China, the United States, France, India, Mexico, Poland, Russia and Thailand. At Group level, a partnership has been set up with École Centrale, through the Raid Centrale event, which in addition to being a rigorous sports competition is also a unique opportunity to bring together students and companies in a non-professional setting. It is also the occasion to present internship offers, VIE (Volunteers for International Experience) or jobs with profiles that the Company is looking for from among the participating schools. For several years now, the Group has set up an active VIE integration program that is an excellent pool for the future recruitment of young talents.

### Number of employees hired during the year

	2013	2014	2015
Managers & Engineers hired	429	543	611
Non-Managers hired	2,650	2,269	2,958
<b>Total</b>	<b>3,079</b>	<b>2,812</b>	<b>3,569</b>

### Number of Managers & Engineers hired during the year per region as at december 2015

	Managers & Engineers
France	186
Western Europe excluding France	108
Eastern Europe	68
North America	114
South America + Africa	16
Asia	119
<b>Total</b>	<b>611</b>

After recruitment comes the integration and retention of talents. An orientation seminar enables us to welcome new Managers & Engineers recruited during the year in France and abroad and create genuine cohesion between employees by passing on the Group's values.

### Skills management, a major focus of integration and retention

In 2013, Plastic Omnium introduced "My Learning Place", a comprehensive training management tool aimed at strengthening the acquisition and development of knowledge and skills, at defining indi-

vidual training paths and at diversifying learning paths (e-learning, on-site training, virtual classrooms, mixed learning, etc.). In 2015, 13,286 employees were registered on the training management platform, a 39% increase over 2014. E-learning currently accounts for 10% of the training modules created. For instance, modules for Code of Conduct, Group HSE Policy and Finance for non-financial employees have been introduced since 2013. The Group's training schemes are completed with three corporate universities (one per Division). They are responsible for developing technical skills. For example, in Spain, a diploma course in plastics has been introduced. The 279-hour course which is intended for technical operators enables them to acquire a professional diploma in plastic injection mold techniques.

	2013	2014	2015
Training commissions	28	32	38
Number of employees who received training	37,809	86,227*	106,405
Number of training sessions per employee per year	2.31	5.35	6.40
<b>Total training hours</b>	<b>389,861</b>	<b>372,160</b>	<b>424,446</b>
Training hours per year per employee	23.81	23.11	25.53
<b>Total expenditure on external training bodies (in € thousands)</b>	<b>4,130</b>	<b>4,335</b>	<b>4,779</b>

\* As from 2014, all training hours, regardless of their duration, are now recorded in the number of trainees.

### Talent loyalty development and retention

The Group has implemented new development programs in order to ensure high-quality management and to develop employee leadership skills. Managerial and leadership abilities are essential to guarantee Plastic Omnium's continued growth and profitability.

The Starter program, designed with all Group Divisions, was launched in China and North America at the end of 2014, then rolled out in Central Europe and Western Europe in 2015. This program aims to develop executive leadership skills during the early years of their career as well as to grow their understanding of Plastic Omnium's

culture and history through the PO Way. About 100 participants are concerned with this program which benefits from the involvement of members of the Executive Committee. It has helped to instill greater loyalty into these young managers.

Additionally, the Human Resources Department carries out an automatic exit interview for resigning employees through a single online questionnaire deployed across all Compagnie Plastic Omnium entities. Replies are regularly analyzed to identify the main causes of departure and to implement remedial actions such as the improvement of annual appraisal reviews (APR).

### Number of departures during the year

	2013	2014	2015
Redundancies	384	359	338
Terminations for other reasons	694	676	565
Other departures	758	1,001	1,238
<b>Total</b>	<b>1,836</b>	<b>2,036</b>	<b>2,141</b>

Developing the loyalty of young talents requires an ability to assess them correctly in order to take the best decisions over the support they need. To enable managers to improve annual interviews and better support the Company's performance, the Group's Human Resources Office has developed and organized workshops. This initiative, which has been rolled out worldwide, involved more than 750 managers at the end of 2014 to prepare the 2015 interviews, thereby significantly helping to improve the quality of the teams' performance management. The annual appraisal review is conducted using a global process for managers, based on a form translated into eight languages that can be accessed from the Group intranet. Executive employees are assessed on their general as well as managerial skills. The Group's objective is to integrate all the general and managerial skills into its training programs. Furthermore, under the career management and detection of potential program (people review) and to optimize internal mobility, as many as 1,500 non-managerial staff were also given an annual review supported by the OPteam career management tool: the other employees were given an interview using a local process. In 2015, the Group recorded a global APR rate of 99% for managers.

### Compensation

Through its Code of Conduct and membership of the UN Global Compact, Plastic Omnium has undertaken not to practice any form of discrimination whether for hiring employees or during their professional career path. Every year, comparative analyses of compensation for men and women are carried out in each different country. Gender equality agreements have been signed within the perimeter of France.

An analysis of salaries of managerial staff resulting in an action plan is also conducted each year to ensure consistency and internal equity as well as competitiveness with relation to the market. Each country defines social benefits based on local social best practices, and compliance with applicable regulations is a prerequisite. A very large majority of countries have set up collective bonus schemes, such as profit-sharing and incentives in France.

In France, at December 31, 2015, the 1,475 employee members of the Group stock ownership plan held 1,639,959 Compagnie Plastic Omnium shares purchased on the market, representing 1.1% of share capital. Employees do not hold other shares in respect of shareholding as provided for by Articles L. 225-129 and L. 225-138 of the French Commercial Code, nor in respect of Company profit-sharing.

### Employee benefit expense

In thousands of euros	2013	2014	2015	Change in 2014/2015
Wages and salaries	(576,133)	(587,135)	(628,169)	7%
Payroll taxes	(165,250)	(159,115)	(170,757)	7%
Non-discretionary profit-sharing	(10,753)	(11,307)	(14,008)	24%
Pension and other post-employment benefit costs	(994)	(1,077)	(800)	-26%
Share-based compensation	(2,060)	(2,354)	(3,025)	29%
Other employee benefits expenses	(23,485)	(29,030)	(42,216)	45%
<b>Total employee benefit expenses excluding temporary staff costs</b>	<b>(778,675)</b>	<b>(790,018)</b>	<b>(858,975)</b>	<b>9%</b>
Temporary staff costs	(77,453)	(95,430)	(119,588)	25%
<b>Total employee benefit expenses including temporary staff</b>	<b>(856,128)</b>	<b>(885,448)</b>	<b>(978,563)</b>	<b>11%</b>

## Safety management at the heart of our strategy

### A commitment upheld by the management and managers

The safety of people at Compagnie Plastic Omnium worldwide, regardless of their activity, has always been at the heart of the Company's concerns. It constitutes a major commitment upheld by Senior management and shared by all managers and all the HSE and Human Resources teams.

The Group's Health, Safety and Environment Division manages the safety of people and property in conjunction with senior management. It ensures that all entities comply with legal requirements and makes sure that each one has adopted a continuous improvement approach relating to the management of health and safety at work to reach the objective of "zero serious accident", a goal set by the General Management with the ambition of achieving the "accident-free" workplace. To reach these objectives, serious accidents must be reported to Senior Management, supported by the software for collecting and managing non-financial information that is used by each of the Group's industrial facilities. Each entity declares every kind of event in real time (safety of people and property, health, environment). Near accidents and dangerous situations concerning Group personnel as well as temporary employees are also recorded. Every month, an analysis of serious accidents carried out by the Health, Safety and Environment Division is presented to Senior Management.

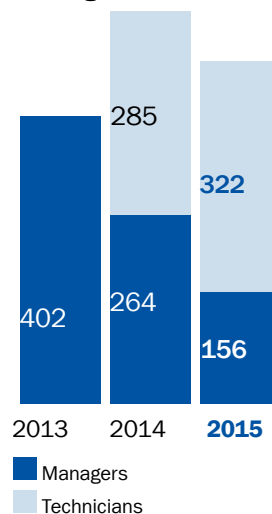
The annual "Top 100" meeting is the occasion to engage managers around the Top Safety program. On this occasion, the Chairman and CEO, Laurent Burelle, presents the Safety Awards. For each Division, a prize is given for the best safety result, another is awarded for the best improvement and there is a third prize for the largest amount of consecutive days without accidents and downtime. The last indicator has been monitored for twelve years now, and there are sites that always meet this criterion. Furthermore, during the 2014 "Top 100" meeting, the HSE Division presented seven booths that demonstrated the main risks faced by the Group's employees in order to increase the awareness of managers and provide them with the resources for prevention and action. These booths were designed as a roadshow for Group entities and the rollout of the managerial awareness campaign. By the end of 2015, nearly 1,000 managers had benefited from this campaign by HSE teams.

The Company's commitment is also reflected in the Compagnie Plastic Omnium Code of Conduct. There is a chapter dedicated to employee Health and Safety, which states that the Company undertakes to create a work environment that protects the health and safety of all. Each employee is invited to become involved in the compliance with procedures and to employ their best efforts to avoid accidents and propose all initiatives that contribute to improving safety, whether for procedures, equipment or facilities. Employees are encouraged to notify their managers or the Group's Human Resources Division in case of situations that create risks for them or for their colleagues.

The building and sharing of the safety culture within the Group is based on the five pillars of the Group's "Top Safety" program: machines and equipment, employees and managers, sites and pro-

jects, standards and management, and work conditions. This program is widely deployed in each of the Group's businesses and on all sites, in order to reinforce the collective and individual commitment required for its application. 35,415 Top Safety visits were made across all Compagnie Plastic Omnium sites (the number of visits per employee and per year increased from 1.61 in 2014 to 1.77 in 2015). All Group managers have individual safety objectives. The implementation of the Top Safety program is also based on training sessions provided in Europe, the United States, Mexico, South America and Asia. 156 managers took part in 12 sessions in 2015, which brings the total number of people trained since the launch of the Top Safety program in 2005 to 1,857. 322 technicians also attended the Top Safety Maintenance training course launched specifically for them in 2014. Moreover, awareness was raised among 1,544 people in 2015, which brings the total number of people informed by the Top Safety program since 2005 to 15,151.

### Number of employees who have received Top Safety Training



### "World Safety Day", mobilization of all employees around safety

To complete the system and operationally reflect the Group's global commitment to health and safety, a first "World Safety Day" was held in October 2014. The second edition of this event took place on October 21, 2015 and was inaugurated with live link-ups between four facilities moderated by the Chairman and CEO of Compagnie Plastic Omnium and in the presence of the Executive Committee. The rest of the day, organized in the 17 languages spoken throughout the Company, enabled more than 20,000 employees in 29 countries to experience this event and trade views with the Executive Committee. The agenda included one hour of activities and work in groups around videos illustrating concrete situations. The aim was to have each employee understand the causes of accidents and know how to identify good and bad practices. Several entities took advantage of this day to develop the concept of educational booths, used to concretely explain the risks related to the Company's business. These included risks related to the "6 non-negotiables": pedestrian circulation, wearing of personal protective equipment (PPE), forklifts, suspended loads, lockout-tagout operations and working at heights.

## Improvement in working conditions

Compagnie Plastic Omnium's health and safety culture is also expressed in its 79 OHSAS 18001 certified sites. This represents 85% of the scope used for the publication of the non-financial section

of this document. Moreover, OHSAS 18001 certification for the Compagnie Plastic Omnium system, that centrally manages the safety of people and property obtained in December 2006, was renewed in December 2015.

### Number of sites certified to OHSAS 18001 standards

	2013	2014	2015
Sites certified to OHSAS 18001 standards	68	74	79

The "Alphavision" virtual reality room created in the Auto Inergy Division is an illustration of the Group's determination to optimize working conditions for its employees. It is a center for the design and modeling of workstations that contributes to improving production both in terms of workstation ergonomics as well as operator safety, all the while adopting the best possible position of tanks. Wearing a 3D helmet and sensors, an operator reproduces the movements needed to accomplish his future task. The tool generates a workstation ergonomics score, thereby helping to optimize workstation conditions.

At the same time, several preventive and remedial initiatives have been implemented to reduce employees' exposure to noise and odors. A mapping of noise exposure levels was updated in 2014 across all our sites. In the wake of this mapping, the Group carried out actions to reduce noise at source on most of its sites in order to reduce employee exposure. The identified best practices were integrated into the standards for designing new facilities. Ambient air quality studies (fumes and dust) were also conducted by specialized firms in the Compagnie Plastic Omnium's three Divisions. CMR substances (Carcinogenic, Mutagenic, Reprotoxic) and SVHCs (substances of very high concern) are being replaced according to criteria that exceed current regulation.

90% of the workstations at the Auto Inergy Division were assessed based on a method for rating physical strain. Similar processes have been implemented in the other two Divisions. The Company has decided to include ergonomists in its permanent teams and conducts ad hoc studies with osteopaths.

In the first quarter of 2016, the health and safety of employees will be addressed in the in-house satisfaction survey that will be circulated on all sites. By renewing the survey conducted in 2013 that enabled the Group to roll out specific local action plans, the Group is aiming, over and above the excellent results obtained, to remain vigilant and take the measures needed to bring the Company in line with a continuous improvement approach that meets its requirements and the expectations of employees.

## Fire risk management

The management of fire risk is also at the heart of Plastic Omnium's concerns with respect to the safety of people and property. The Group carried out an overhaul of its fire prevention/protection standards through new procedures available on the Compagnie Plastic Omnium intranet: "New Constructions", "Paint Lines", "Injection Presses", "Protection of IT rooms" and "Air-Conditioning". Ten sites have now been awarded the HPR (Highly Protected Risk) label by the Group's insurers. Thanks to the efforts deployed, a new site obtained this label in 2015. In terms of industrial risk management, a site must meet the most stringent criteria to obtain the HPR label. For a site, it reflects an optimal standard of protection and is an additional token of confidence.

## A mature policy

As a result of the effectiveness of the Health, Safety and Environment policy, the number of work-related accidents and their severity have dropped steadily since the measures were introduced. The targets set for 2015 in terms of frequency and severity have been met, in particular the Auto Exterior Division, which recorded an excellent performance with a 23% improvement in frequency compared with 2014 (Tf2)<sup>(1)</sup>, representing 24 fewer accidents.

In one year, the entire Group saw a 8% improvement in the frequency rate of workplace accidents with lost time<sup>(2)</sup> (temporary staff included), which came to 2.87 compared with 3.11 in 2014, while frequency rate for workplace accidents with and without lost time<sup>(1)</sup> (temporary staff included) was 4.80, compared with 5.52 in 2014, an improvement of 13%.

With respect to the severity rate<sup>(3)</sup> (temporary staff included), an improvement in the management of safety conditions and, in particular, the introduction of the "6 non-negotiables" helped keep the figure steady at 0.10 as in 2014.

(1) Tf2 = Number of workplace accidents with and without lost time, including temporary staff × 1,000,000 / Number of hours worked.

(2) Tf1 = Number of workplace accidents with lost time, including temporary staff × 1,000,000 / Number of hours worked.

(3) Tg = Number of days of workplace accident-related lost time x 1000/Number of hours worked.



### Safety indicators (including temporary staff)

	2013	2014	2015
Number of first aid cases	1,782	1,945	2,186
Number of workplace accidents without lost time	159	91	76
Number of workplace accidents with lost time	161	117	113
Number of days of workplace accident-related lost time	10,524*	3,928	3,803

\* Includes 6,000 days of lost time due to a fatal accident at a Group facility in Thailand.

### Accident Frequency and Severity Rates (temporary staff included)

	2013	2014	2015
Tf1: Frequency rate of workplace accidents with lost time in number of accidents per million hours worked	4.34	3.11	2.87
Tf2: Frequency rate of workplace accidents with and without lost time in number of accidents per million hours worked	8.62	5.52	4.80
Tg: Severity rate of workplace accidents in number of days lost per thousand hours worked	0.28*	0.10	0.10

\* Includes 6,000 days of lost time due to a fatal accident at a Group facility in Thailand.

### Accident Frequency and Severity Rates (excluding temporary staff)

	2013	2014	2015
Tf1: Frequency rate of workplace accidents with lost time in number of accidents per million hours worked	4.13	3.01	2.95
Tf2: Frequency rate of workplace accidents with and without lost time in number of accidents per million hours worked	8.54	5.51	4.87
Tg: Severity rate of workplace accidents in number of days lost per thousand hours worked	0.33*	0.12	0.11

\* Includes 6,000 days of lost time due to a fatal accident at a Group facility in Thailand.

Absenteeism related to workplace accidents was also stable compared with 2014, as a result of the continued mild severity of accidents.

	2013	2014	2015
Absenteeism rate due to workplace accidents	0.10%	0.10%	0.10%
Absenteeism rate due to other causes	2.78%	2.65%	2.67%
Total absenteeism rate	2.88%	2.76%	2.77%

Occupational illnesses rose compared with 2014. Each illness declared is analyzed according to the 8D method of root cause analysis (an eight-stage collaborative method that solves problems by fin-

ding the root causes). Most of these illnesses are linked to musculoskeletal disorders, which the Company aims to reduce through its policy to improve working conditions.

	2013	2014	2015
Number of occupational illnesses declared	19	23	34
Number of occupational illnesses recognized	18	26	32

### Health and safety over and above the workstation

In France, after a year of consultation, an agreement was signed by all the labor unions that now makes it possible for employees to obtain coverage of medical expenses. This collective Group-wide agreement

which establishes a supplemental guarantee of reimbursement of medical expenses, covers 3,200 employees (7,800 persons including beneficiaries), regardless of their professional category.

## Respect for people as a founding value

### Diversity and the fight against discrimination

The Group's joining of the UN Global Compact has affirmed its founding value: respect for Ethics to which its senior managers are firmly attached. It has also expressed the Group's commitment not to practice any form of discrimination whether for hiring employees or during their professional career path.

Membership of the Global Compact requires compliance with international labor standards as defined by the International Labor Organization International (ILO): respect freedom of association and recognize the right to collective bargaining, contribute to the abolition of all forms of forced or compulsory labor, the effective abolition of child labor and the elimination of all discrimination in employment and trades. The Company's Code of Conduct affirms this commitment: Compagnie Plastic Omnium undertakes to maintain, worldwide, a professional environment where employees are treated with respect. It unambiguously prohibits all forms of discrimination or harassment, whether linked to gender, race, age, color, origin, religion, sexual orientation or disability.

	2013	2014	2015
Number of incidents of discrimination <sup>(1)</sup>	0	0	1 <sup>(2)</sup>
Number of measures taken following incidents of discrimination	0	0	0

(1) The number of incidents of discrimination is reported within the global scope via the non-financial data reporting software application.

(2) The incident of discrimination, which occurred in the United States, is being investigated by the competent authorities.

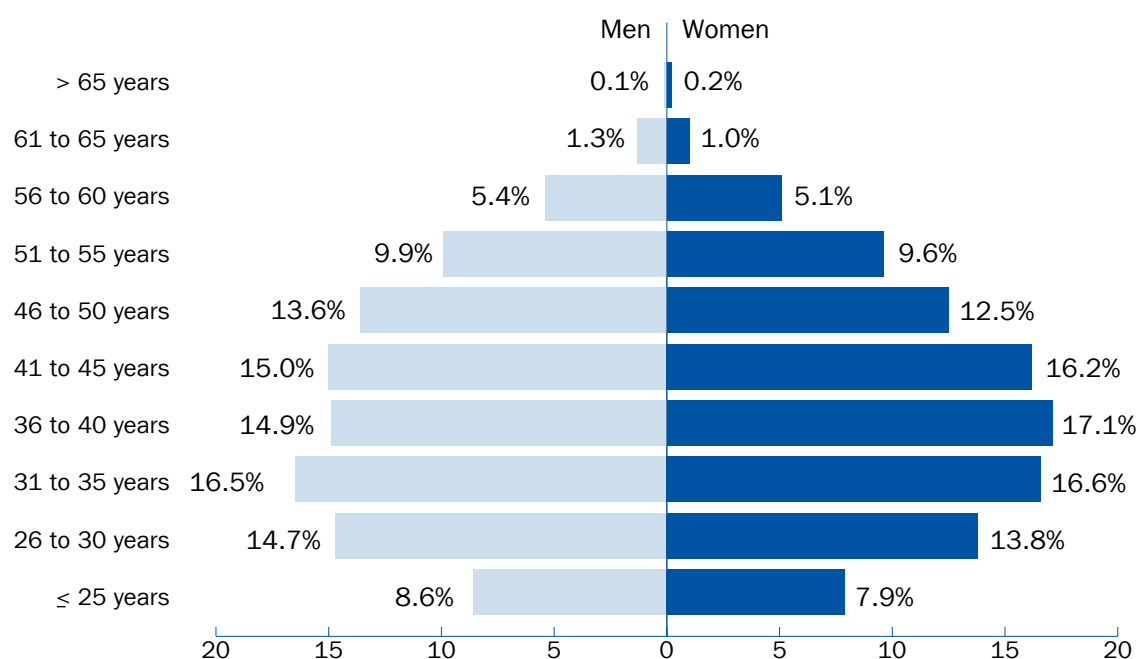
In France, the fight against discrimination has been reinforced by the signing of an agreement on gender equality that concerns 4,800 employees. Furthermore, since 2012, Plastic Omnium has

been a partner of the association "Elles bougent" created to promote female engineer and technician jobs.

	2013		2014		2015	
Men	12,648	77.2%	12,443	77.3%	12,737	76.6%
Women	3,729	22.8%	3,661	22.7%	3,891	23.4%

	2013		2014		2015	
Number of women Managers & Engineers at December 31	648	19.4%	695	20.3%	758	20.6%
Number of women Managers & Engineers hired during the year	95	22.1%	114	21.0%	125	20.5%

### Breakdown of employees by gender and by age range



In 2015, the taking into account of disability translated to the recruitment of 26 persons with disabilities. Many French sites use the services of workshops promoting the occupational integration of people with disabilities for their outsourced work (catering, reprography, etc.). The Bort-les-Orges site (Environment Division) called upon a service provider to further the professional integration of disabled workers.

The French subsidiaries Mixt Composites Reyclables and Plastic Omnium Composites have set an example by employing 26% of employees with disabilities in France, which exceeds the legal 6% target.

	2013	2014	2015
Number of disabled workers	284	310	310
Workstations adapted for disabled workers	38	33	31
Number of disabled workers recruited in the year	5	19	26

## Open social dialogue

Plastic Omnium has an employee relations policy which aims to develop dialogue and cooperation in all its business countries. For this purpose, 63% of employees around the world are covered under a collective agreement and 120 agreements have been signed this year. As part of the proactive approach toward health, safety and the environment, the Group has signed 15 agreements related to health and safety at work, in addition to the 31 agreements signed in 2014. A Group-wide agreement was signed in 2015. Today, 3,200 employees in France (71% of the French workforce of permanent and fixed-term contracts), Managers & Engineers and non-Managers & Engineers, benefit from the same healthcare coverage.

With respect to dialogue with Personnel Representative Bodies (IRP), the European Consultation Committee has met once a year since 1996. This consultative committee comprises of 31 employees representing eight countries.

The number of labor unions represented within the Group is relatively stable with 31 unions.

Aside from France, the Human Resources Divisions of each country, Division are in charge of labor relations. The Corporate Human Resources Division is involved in the implementation of defining social projects. The objective is, in particular, to ensure maximum uniformity of the decisions and practices implemented on sites within one and the same country.

	2013	2014	2015
Existing committees	153	154	165
Of which Works Councils	59	59	62
Other committees (training/ideas)	67	68	74
Number of trade unions represented	30	31	31
Number of Company agreements signed during the year	146	125 <sup>(1)</sup>	120
Agreements on health and safety at work	18	31	15
Percentage of employees covered by a collective agreement	58%	63%	63%

(1) The number of agreements signed during the year decreased due to a clarification of the definition: when an agreement has been signed at the Economic and Social Unit level (a grouping of distinct legal entities), this agreement is recorded at that level and not at each of the sites where it is applicable.

	2013	2014	2015
Total contribution to works council employee welfare programs (in € thousands)	1,517	1,439	1,456

## Organization of work

Because of its manufacturing business, the organization of Compagnie Plastic Omnium's activity requires shift work and night work.

### Total number of employees working in shifts

	2013	2014	2015
Employees working in shifts	9,364	9,615	9,873
Of which employees working only nights	987	1,026	1,025
Of which employees working only weekends	121	63	122
Part-time employees	300	290	295

Weekly working hours and the use of overtime to cope with peaks in business activity comply with applicable legislation in each different country. Operations remained strong in 2015, as shown by overtime

levels (999 after conversion into full-time equivalents) and the 16.8% increase in the average number of temporary workers compared with 2014.

### Overtime

	2013	2014	2015
Hours worked per week	35 to 48 hrs	35 to 48 hrs	35 to 48 hrs
Overtime (full-time equivalent)	1,168	1,027	999

## 3.4 Protection of the Environment

As a global leader of exterior components and modules, emission control systems and plastic fuel systems, as well as a global leader in leader waste management and containerization, Plastic Omnium designs and produces solutions to improve the environmental performance of vehicles together with solutions to optimize waste sorting and recycling. Contributing to reducing the environmental impacts of the sectors it serves lies at the heart of the Group's strategy, research and development and production facility. Environmental protection makes sense for a Company that has been conducting its business in compliance with Ethics for more than sixty years now. The reduction of the impact of its own activities on the environment is consequently a commitment that concerns all Group entities.

Environmental protection is broken down around three focal points:

- taking on board environmental impacts at Group level;
- the Top Planet program for responsible management of energy;
- the management of each site's environmental footprint.

### Taking on board environmental impacts at Group level

The taking into account of sustainable development issues is championed by the Senior management and adapted in each of the three Divisions worldwide and at each site, regardless of its business.

This involvement at the highest level of the Company is expressed by the implementation of defining actions for the entire Group.

The Code of Conduct, published for the first time in 2003, dedicates one chapter to the environment. It states that over and above regulatory compliance alone, Plastic Omnium wishes to develop and implement its own rules when there are no legal provisions or when its considers these provisions to be inadequate.

To do this, in 2001 Compagnie Plastic Omnium began the formalization of its environmental management. The Group's environmental management and reporting is based on the involvement of all players through the ISO 14,001 standards, with responsibilities decentralized to each unit. Only the general strategy and the consolidation of raw site data are centralized. Partners and suppliers are gradually being integrated into this comprehensive approach. The active involvement of senior management and the implementation of a safety and environmental management system since 2002 are reflected in sustained improvements of indicators, as seen once again with this year's results. Furthermore, the ISO 14001 certification program was continued in 2015, with 82 out of 93 sites currently certified, representing 88% of the scope of certification, versus 79 out of 87 sites at year-end 2014. The remaining 12% are the sites that joined the Company

recently and are currently implementing their environmental management system. The scope of certification covers all production sites in which Compagnie Plastic Omnium holds at least a 50% share. Supply-in-line sequence facilities (SILS) are included in the certification of the production sites to which they belong.

#### Number of sites certified to OHSAS 14001 standards

	2013	2014	2015
ISO 14001 certified sites	76	79	82

Since 2007, Compagnie Plastic Omnium has been pursuing a proactive policy to reduce its energy consumption and greenhouse gas emissions with the launch of the Top Planet program. This program was drawn up because the Company wanted to make its contribution to preserving the planet, complying with local and international regulations on sustainable practices, and also to reduce its energy expenditure. Since then, Top Planet has emerged as a priority for the entire Group. It benefits from the commitment of the Group's senior management and aims to optimize the energy performance of all Group sites.

### A dedicated operational organization

The Health, Safety and Environmental management organization launched in 2001 is supported by:

- a Group HSE Department, which implements the HSE strategy defined by the Executive Committee and leads and coordinates action plans related to the Safety management system;
- an HSE director for each of the three Divisions, who is in charge of a team of between two and four people;
- an HSE network of 100 dedicated correspondents on the reporting scope.

This agile structure enables regular and effective operational stewardship:

- the Group HSE directors and the three Division directors meet every month to analyze the indicators reported each month, the deployment of the HSE plan, the implementation of HSE awareness campaigns, the results of audits conducted for the Environmental Management System, etc.;
- monthly reporting of the main Safety and Environmental indicators, which are discussed, along with financial indicators, at each Group Executive Committee meeting;
- three Group HSE Committees held per year, with Executive Committee participation.

The deployment of the HSE plan introduced by the Executive Committee in 2012, which reflects Compagnie Plastic Omnium's commitment to developing its HSE strategy in all its activities worldwide (enhancing the safety of people and property and minimizing the environmental impact of its operations), increased by 4% in 2015 (77% of objectives reached in 2015 versus 74% in 2014).

A key success factor in the deployment of the HSE plan and the accounting for environmental impacts on all sites, ISO 14001 certification is based in particular on the raising of employee awareness. The 82 sites with ISO 14001 certification (88% of the reporting scope) must make sure that all employees are aware of the following:

- the Company's environmental policy;
- the significant environmental aspects and the real or potential environmental impacts related to their work;
- the importance of their contribution to the effectiveness of the environmental management system, including the positive effects of the improvement of environmental performance;
- the repercussions of non-compliance with the requirements of the environmental management system, including non-compliance with the organization's conformity obligations.

The Group also organized Safety & Environment information and awareness-raising sessions during the year under review. 80,061 hours were provided in 2015 (62,476 hours in 2014) to 54,249 participants (covering 100% of board members). 90,786 hours of HSE were provided in 2015 (96,790 hours in 2014) to 35,992 participants.

These sessions also included raising awareness to selective sorting. The Top Planet program aimed at reducing energy consumption consists of six best practices to be implemented. Four new actions will be added in the near future. These best practices are presented in the form of sheets and posters and are regularly sent to all employees.

### The Top Planet program for responsible energy management

The commitments made by governments during the Climate Conference (COP21) held in Paris in December 2015 invite all companies worldwide to participate actively in the fight against climate change by reducing their direct impacts and by assisting their clients to follow suit with sustainable products and services. With its position as leader in the automotive and waste sorting and collection sectors, Plastic Omnium contributes to the reduction of the indirect impacts of its clients. The Group decided to act on its direct impacts as far back as 2007, when it fell in with the momentum of the Grenelle Environment Forum by deciding to launch the Top Planet program.

From the raising of employee awareness to the sharing and implementation of best practices, the optimization of the energy performance of all its sites has, over the years, become established as a priority for the Group. Top Planet constitutes the solid foundations of its low carbon strategy and its commitment to reduce greenhouse gas effects for each of its businesses. It enables the Group to work ahead of the Energy Transition Act (Act No. 2015-992 published in the *Official Journal* of August 18). To do this, the Management has defined four undertakings:

- promote the deployment of the ISO 50001 standard to ensure that sites with a developed energy management system obtain certification;

- define annual Group targets of reduction in greenhouse gas effects (GHG) and energy use;
- integrate the concept of energy efficiency into the purchase of services, the design of products, production facilities and infrastructure;
- assess and control the quality of energy efficiency with the deployment of Top Planet Best Practice sheets.

The Top Planet program is sponsored by the Co-CEO and Chief Operating Officer and deployed by the Corporate HSE Division. A steering committee meets five times a year to monitor and analyze the program's deployment and results.

### Promote the deployment of the ISO 50001 standard

The Group's environmental strategy projects that all sites already certified to ISO 14001 will take a step further in this direction by aiming for ISO 50001 certification. To meet regulatory requirements, European sites that are obliged to conduct an energy audit have decided to go the extra mile by setting up an energy management system and aiming for ISO 50001 certification. Accordingly, in 2015 the eight entities certified in 2014 were joined by four sites in France for the Auto Exterior Division: Amiens, Guichen, Langres and Ruitz, and three sites in Germany (Eisenach, Rottenburg and Neu-Isenburg) for the Auto Inergy Division. The certification process will continue in all Divisions in 2016. Furthermore, European sites subject to energy audit regulations have met their obligations by demonstrating good energy management, with relevant avenues of improvement that will be implemented in the very near future.

### Define the annual targets for a reduction in greenhouse gas emissions (GHG) and energy use

The Group obligates sites that are not subject to energy audit regulations and are not sufficiently mature to deploy ISO 50001 certification to achieve annual energy efficiency targets (kWh/kg of processed material) set by each of the three Divisions. To help production sites to measure and manage their energy efficiency, the Group has decided to deploy measurement kits (INeco kit) that are used from site to site. Each kit contains 45 sensors that measure the electricity consumption of machines used over several weeks according to the products being manufactured; 10,000 items of consumption data are thus collected every day. At the end of this self-audit period, the sites analyze the data and then decide on the action plan to be implemented. It should be noted that some sites have decided to acquire this measurement kit in order to monitor the consumption of certain machines continuously and so improve their energy efficiency management.

87% of sites have implemented local improvement actions in order to reduce their energy consumption and thereby their greenhouse gas emissions. 3% of sites are now using renewable energies.

**Integrate the concept of energy efficiency into the purchase of services, the design of products, production equipment and infrastructure**

In 2015, the Divisions worked to define energy consumption targets per kilo of processed material with the aim of setting up Group-wide targets for 2016. They consisted of the following: 1,700 kWh of electricity per kilo of material processed and 0.500 kWh of gas per kilo of processed material. Energy efficiency criteria are therefore added to purchases with an impact on energy consumption such as production and infrastructure facilities. At the same time, as mentioned earlier, products are subjected to a life cycle analysis in order to assist clients in improving their own energy efficiency via lighter or more streamlined vehicles, for example.

**Assess and control the quality of energy efficiency with the deployment of Top Planet Best Practice sheets**

Energy audits and the deployment of measurement kits have enabled Compagnie Plastic Omnium to identify sources of reductions in energy consumption and greenhouse gas emissions. Best practice sheets are drawn up, updated and disseminated to all sites in order to encourage and boost the implementation of the Group's reduced consumption drive. This involves cutting off unused energy, the use of the consumption measurement kit by facilities, the installation of variable frequency drives, the setting up of an ISO 50001 energy management system, the recovery of heat from compressors and the replacement of combustion engines with electric engines.

The Top Planet Awards were created in 2008 to reward sites that have implemented the most effective reductions in energy consumption and greenhouse gas emissions in each Division. Two maturity levels have been defined to encourage emulation among sites: the Silver and Gold Awards. 15 criteria are used on four themes: energy management (including personnel awareness raising) – change in key performance indicators (KPIs) between the present and previous year – compliance with regulations – protection of the planet and initiatives for prevention (including the use of renewable energy). In 2016, the Award attribution criteria will be reviewed to adapt to changes in sites and in their results.

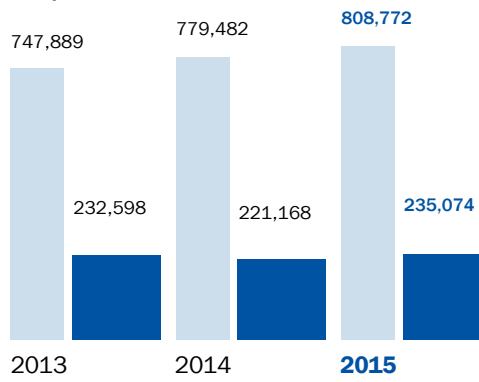
In 2015, 16 sites from the Auto Inergy Division were rewarded for their 2014 results:

- the Pfastatt, Compiègne, Rottenburg, Herentals, Stavrovo, Togliatti, Vigo Plastics and Yangzhen sites received Gold Awards;
- the Laval, Brits, Arevalo, Tanger, Delhi, Wuhan, Gyeongju and Rayong sites received a Silver Award.

These showcased sites are the reflection of a global policy, the results of which have steadily improved since 2012.

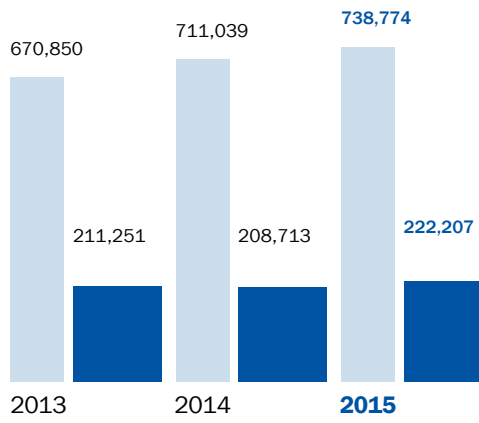
**Energy consumption**

**Group**



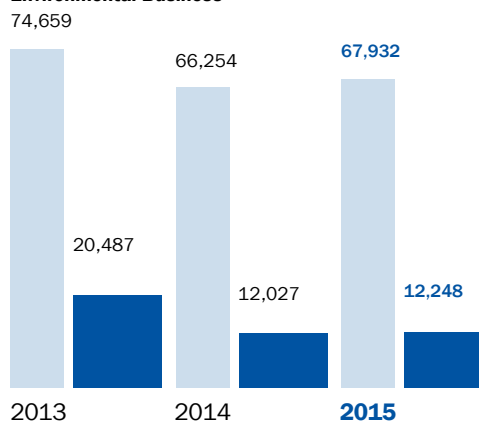
■ Group Electricity Consumption (MWh)  
■ Group Gas Consumption (MWh)

**Automotive Business**



■ Automotive Electricity Consumption (MWh)  
■ Automotive Gas Consumption (MWh)

**Environmental Business**



■ Environment Electricity Consumption (MWh)  
■ Environment Gas Consumption (MWh)

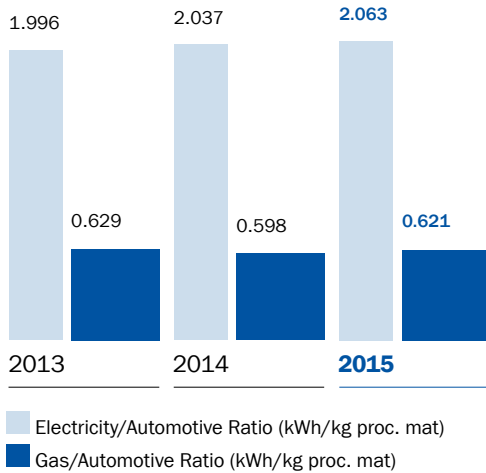


Ratio of energy consumption in kWh per kg of material processed

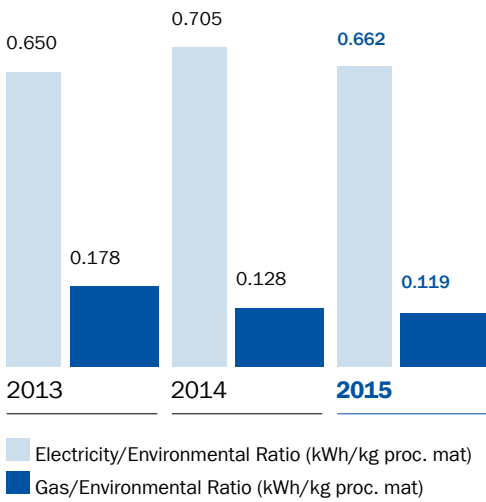
Group

	2013	2014	2015
Electricity	1.658	1.760	1.756
Gas	0.516	0.499	0.510
<b>Total</b>	<b>2.174</b>	<b>2.259</b>	<b>2.266</b>

Automotive business



Environmental business



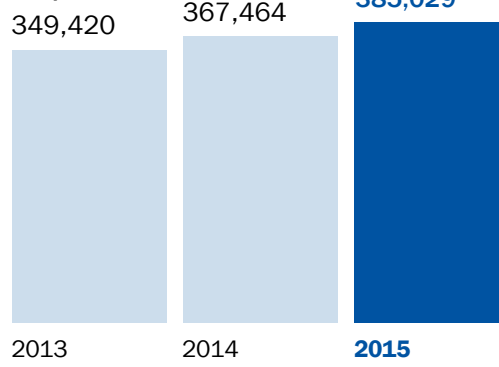
To calculate these ratios, we took into account all the processed raw materials that go into the manufacturing of products and that require energy consumption for implementation: plastics, paint, wood and metals.

When new plants are commissioned, energy consumption begins before production starts: this has a negative impact on the ratio of energy consumption per kilo of processed material. The same applies during the launch of products that use up a lot of energy at the beginning of production to make the necessary settings. The many launches made in 2015 combined with plant openings explain the stability of ratios of energy consumption per kilo of processed material. At the same time, CO2 emissions stem mostly from electricity consumption, the emission factors of which depend on the country's energy mix. In 2015, Compagnie Plastic Omnium expanded for the most part in countries where energy policies include a low proportion

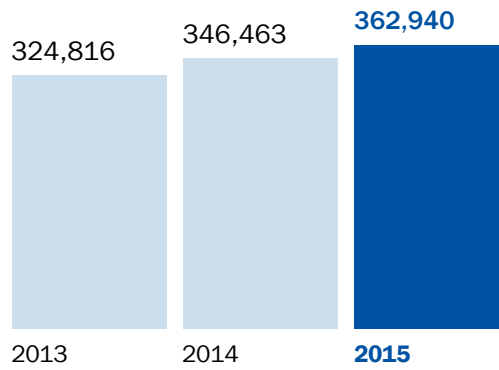
of low impact energies. Emission factors and, therefore CO2, emissions were consequently more significant. This, combined with site openings and numerous launches, explains the slight increase in emissions.

Greenhouse gas emissions in metric tons of CO<sub>2</sub> equivalent

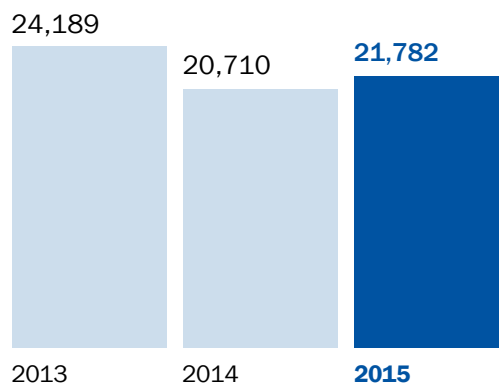
Group



Automotive business



Environmental business

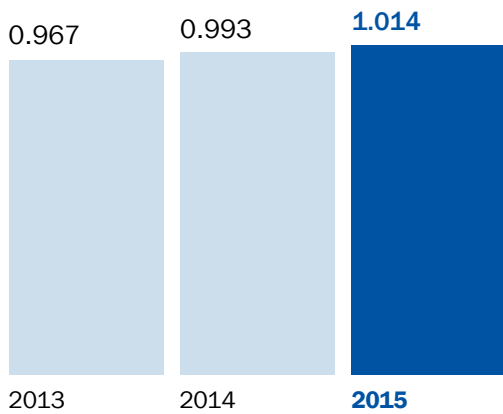


Ratio of greenhouse gas emissions in kg of CO<sub>2</sub> equivalent per kg of material processed

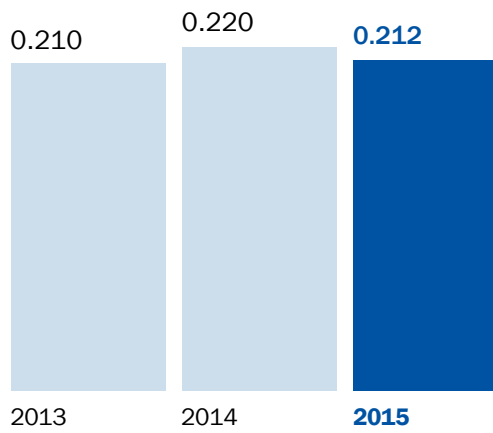
Group

	2013	2014	2015
Greenhouse gas emissions in kg of CO <sub>2</sub> eq per kg of processed material	0.775	0.830	0.836

Automotive business



Environmental business



Greenhouse gases (GHG) in 2015

In metric tons of CO <sub>2</sub> equivalent	2013	2014	2015
CO <sub>2</sub> *	348,807	367,175	384,289
N <sub>2</sub> O	0	0	0
CH <sub>4</sub>	12	16	5
HFCs	601	273	735
<b>Total GHG (in equivalent metric tons of CO<sub>2</sub>)</b>	<b>349,420</b>	<b>367,464</b>	<b>385,029</b>

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

In addition to greenhouse gas emissions related to energy consumption, some sites are likely to discharge VOCs (Volatile Organic Compounds) into the air. Generated primarily by the use of paints and solvents, these molecules, which are harmful for health, contribute to the formation of lower atmosphere ozone and therefore have an indi-

rect impact on global warming. To limit these discharges, sites that use paints and solvents now have incinerators that destroy VOCs. We also use, whenever possible, water soluble paints which give off fewer VOCs.

Consumption of paint and solvents and VOC emissions

Annual consumption of raw materials (metric tons)	2013	2014	2015
Paint	5,485	5,915	6,070
Solvents	6,166	7,011	7,676
<b>Total</b>	<b>11,651</b>	<b>12,925</b>	<b>13,745</b>
VOC emissions (metric tons)	2013	2014	2015
VOCs	1,714	1,611	1,170

Management of the environmental footprint of sites

The Top Planet program is emblematic in the drive to get sites to account for their environmental footprint. In addition to the control of energy consumption and greenhouse gas emissions, our sites are implementing actions to prevent, reduce and correct local impacts on the ground, biodiversity and water resources, in particular by way of

ISO 14001 certification. Complaints from residents are also monitored and processed because they reveal potential local environmental problems or nuisances related to our activity. In 2015, as was the case in 2014, there were no complaints thanks to our sound management of sites.

The management of raw material consumption lies at the heart of the Company's business and is a key theme for the Company's develop-

ment. Compagnie Plastic Omnium provides sites with resources adapted to their need to harness their environmental footprint and to prevent risks.

#### Environment- and safety-related spending and investments

- Safety and Environmental spending: €14.4 million.
- Specific Safety and Environmental spending: €11.7 million.
- Environmental risk provision: €9.7 million.

#### Adaptation to the impacts of climate change

The Risk Management Department, in collaboration with the HSE Department, has mapped the Group's industrial activities in order to establish the environmental challenges facing all its sites and to assess the risks of natural disasters such as typhoons or floods, which are on the rise because of global warming.

In addition to energy consumption, managed by the Top Planet program, the use of raw materials for product manufacturing contributes to the impact of Plastic Omnium's activity on climate change. It carries out actions to take into account and reduce these effects such as the maximization of recycled materials (see the section "Consumption of materials and waste management" on page 63).

#### Soil use and prevention of discharges into the soil

Sites also use up a lot of floor space. Each site is therefore responsible for the area where it is located. 62% of our sites say they have put in place measures to prevent, reduce, and/or remedy air, water and ground emissions that are harmful to the environment.

Sites have set up storage areas with containment areas for liquid products that can pollute soils or water, such as paints, solvents and oils. The products used are studied in order to replace CMR (Carcinogenic, Mutagenic and Reprotoxic) and SVHC (substance of very high concern) products, which are classified for their risk to health as well as their adverse impact on the environment. Restricting their use and replacing them as far as possible and whenever possible are priority issues. To do this, the Company works closely with a chemical hazard management agency which helps the sites to manage the product database according to CMR or SVCH content. Plastic Omnium has currently chosen to go further than the regulations by deciding to replace all these classified products, even when their use is permitted. As a result, of the 3,500 and more products used by Group entities, now fewer than 50 products remain on the replacement list.

Furthermore, the Company's environmental policy requires compliance with applicable environmental regulations in each business

country. It also compels sites to protect natural environments and the quality of life of residents as best as possible, with continuous improvement always an imperative. For example, an impact study is carried out before the construction or purchase of a site. A Phase 2 environmental assessment, also called a preliminary environmental characterization, makes it possible to confirm or refute the presence of contaminants in higher concentrations than the law allows. This information is essential for controlling knowledge of the environmental challenges faced by all our sites.

#### Preservation of biodiversity

The implementation of an environmental management system means that each ISO 14001 certified site must have identified all direct significant impacts on biodiversity.

We encourage sites to take local initiatives to protect biodiversity. In France, the construction of the  $\alpha$ -Alphatech site may be cited as an example: 2,839 trees and shrubs of 32 different species were planted as well as nearly 9,000 strains of grass, ground cover, ferns and wetland plants. In Spain, we can cite the awareness raising campaign on the importance of waste sorting and recycling that was carried out in Marbella, in the city and with 38 schools: efficient sorting enables optimized recycling leading to a drop in the consumption of biodiversity resources and a drop in the impacts of waste in the natural environment. In Mexico, Plastic Omnium is actively involved with other manufacturers in the reforestation project for the Izta-Popo national park. The site ensures the maintenance of 5 hectares (over 12 acres) of forest, has planted 300 Hartweg's pines and takes part in the wildlife inventory of its sphere of influence.

#### Water resource management

Plastic Omnium also monitors the impact on water resources: it manages water consumption by ascertaining the various sources of withdrawal. None of its sites are located in areas where there is a restriction on water consumption or which were subject to restrictions or water cuts in 2015. The widespread use of closed-loop water circuits for cooling has helped to reduce the use of water and to prevent the discharge of effluents. Only the Saint-Désirat site in France is in open circuits and accounts for 43% of the Group's water consumption. To operate, it withdraws water from the Rhône River to cool facilities and then discharges it back into the river. In agreement with the local authorities, measurements and checks are made regularly, in particular to check the quality and temperature of water when it leaves the plant. The results are compliant with applicable legislation.

On the sites with activities involving paint, the Group has set up paint sludge treatment facilities to eliminate any emissions that could be harmful to water.

Water consumption*	2013	2014	2015
Annual consumption (in m <sup>3</sup> )	2,071,920	1,898,100	1,636,441 <i>Of which 702,238 m<sup>3</sup> at Saint-Désirat</i>
Consumption in l/kg of processed material	4.594	4.285	3.552

\* Sources of water supply: of 96% of the water consumed in 2015, 92% came from urban water and 8% from groundwater.

### Consumption of materials and waste management

Plastic represents the main material used by all three Divisions. Aware of the need to control its consumption of resources, Compagnie Plastic Omnium is developing innovative technologies to reduce or even replace this component.

The Phoenix approach, conducted by the Environment Division, aims at increasing the proportion of recycled materials in the composition of wheeled bins. Regenerated materials from used products are integrated into the production of new bins, just like recycled material from household packaging. This process, which enables us to divide the carbon balance of a bin by 10, has a considerable impact since 45% of production costs are linked to the material used. With the integra-

tion of recycled materials, in 2014, the Division identified its primary source of productivity and wishes to improve this further in 2015. The Environment Division has also worked on the replacement of plastic of mineral origin by 100% vegetal polyethylene. This "green" or bio-sourced plastic obtained from sugarcane is used in two products: 2-wheeler and 4-wheeler bins.

With respect to the Automotive Divisions, the systematic recycling of faulty components or cuttings removed during the manufacturing of parts reduces the consumption of new feedstock and the production of waste. This internal recycling varies, depending on the parts manufactured, but can be as high as 60% of the weight of parts in the Auto Inergy Division.

#### Annual consumption of plastics (metric tons)

	2013	2014	2015
New plastics	332,968	337,678	343,229
Recycled plastics	43,478	43,627	50,807
Biosourced plastics	467	1,623	1,036
<b>Total plastics</b>	<b>376,913</b>	<b>382,928</b>	<b>395,072</b>

The other raw materials used by the Group are wood, aluminum, and steel. They are primarily used by the Environment Division for the pro-

duction of playgrounds, metal drums, buried containers and urban furniture.

#### Consumption of raw materials (metric tons)

	2013	2014	2015
Plastics Consumption	376,913	382,928	395,072
Paints/solvent Consumption	11,651	12,925	13,745
Steel/Aluminium Consumption	62,319	47,024	51,835
Wood Consumption	93	72	52

Compagnie Plastic Omnium has harnessed its manufacturing processes and the process of integration of recycled materials, resulting in the control over generated waste.

Waste generated annually per type of waste (metric tons)	2013	2014	2015
Plastic parts	20,029	20,937	29,141
Common industrial waste	10,255	9,938	11,035
Metals	10,209	9,383	8,477
Cardboard	5,422	4,567	4,666
Wood	3,031	2,878	3,456
Plastic packaging	624	992	1,122
Glass	5	0	21
Solvents	3,126	3,764	4,036
Paint sludge	3,090	3,805	3,968
Oils	593	570	908
Other waste*	2,779	4,142	6,008
<b>Waste generated annually per type of waste</b>	<b>59,162</b>	<b>60,978</b>	<b>72,837</b>

\* Other waste: washing and maintenance water, sundry special industrial waste

The increase in plastic parts waste in 2015 compared with 2014 is related to the increase in launches, which use up a lot of plastic material during the adjustment phases. However, these parts are

recycled in-house, as shown in the increase in recycled waste in 2015 compared with 2014.

Waste generated annually per treatment type (metric tons)	2013	2014	2015
Recycling	40,354	41,167	50,608
Recovery	9,387	11,782	13,461
Incineration or disposal in landfills	9,421	8,029	8,768
<b>Total waste</b>	<b>59,162</b>	<b>60,978</b>	<b>72,837</b>

Waste is reprocessed using several methods. A portion is resold for recovery by participating in the manufacture of new products. Proceeds from resale reached €9,475 million in 2015. Although waste recovery is on the rise, recycling remains the most common type of treatment within the company. Thus, 88% of waste is not disposed of or incinerated without energy recovery.

In 2015, the total cost of waste retreatment was €6,035 million.

## 3.5 Societal Commitment

Compagnie Plastic Omnium has placed its employees as well as the environment at the heart of its concerns. A key component of a global value chain, the Company also has a responsibility toward its stakeholders, not only locally but also at the Group level. This responsibility translates to a societal commitment that includes the taking into account of the Company's territorial, economic and social impact, the desire to build constructive and responsible relationships with stakeholders, especially suppliers through a responsible purchasing policy, and lastly the placing of ethics at the heart of its modus operandi.

### Territorial, economic and social impact of the Company's business on local residents and on employment and regional development

The Company has operations in 30 countries through its 120 plants and 21 R&D centers. The Company's development and the gaining of new markets have led to the creation of dynamic industrial areas where suppliers and clients all contribute to regional economic development and the creation of local jobs. This proximity-based strategy has resulted, on one hand, in the establishment of Plastic Omnium sites at the sites of its clients, in particular for the Automotive Division, and on the other hand the regular creation of new local production sites. Whenever possible, the Group endeavors to have local suppliers benefit from this economic momentum for non-centralized purchasing categories.

The deployment of a new business or the takeover of a site leads not only to the recruitment of local employees, but also to the sharing of skills through our internal mobility policy. With its skills management policy and "people review" process, Compagnie Plastic Omnium aims to develop motivating local career paths and identify local high potential executives for the region.

Parallel to the development of local jobs, the construction and management of new sites always proceed in compliance with applicable local regulations and laws. In particular, environmental impact studies are carried out upfront to ensure that the Group will avoid, reduce or offset impacts on the natural environment. The environmental strategy described in the previous chapter, and particularly the ISO 14001 certification process for all sites, whether acquired or built, attests to this determination to reduce environmental impacts. Local impacts are thus controlled and any complaints from local residents are monitored and taken into account (see page 61).

### Interactions with local associations

To contribute to the local development of the regions where it operates, the Company leaves country managers the latitude to engage in sponsorship activities that respond to local issues.

In France at the end of 2015, the Company launched a partnership with the association NQT (formerly *Nos Quartiers ont du Talent*) to invite employees to volunteer for a skills sponsorship program to assist young people from priority neighborhoods and/or underprivileged backgrounds. In the space of one month, 10 sponsors had registered for the program.

Plastic Omnium is also a partner to the "*Fondation de la 2<sup>e</sup> Chance*", which aims at providing human and financial support for people in highly vulnerable and unstable situations who have demonstrated a genuine wish to bounce back and undertake a realistic and sustainable professional project: skills training, creation or takeover of a business.

In France, Compagnie Plastic Omnium also supports exhibitions. In particular in 2014, it sponsored an exhibition at the "Bibliothèque Nationale" on the history of nautical charts.

In the United States, Plastic Omnium works with the association "Focus Hope" which acts in favor of deprived people in the region by providing them with educational projects and managing a food bank. In 2015, Plastic Omnium donated over €100,000 to the NGO to help it accomplish its missions, and has pledged to give a total of €1 million over five years. Each year, the association organizes a solidarity march: in 2015, 240 employees participated and helped us to win the "Corporate Cup" awarded to the Company with the largest number of participants.

At the beginning of 2015, Plastic Omnium's Indian subsidiary went into a partnership with the "Magic Bus foundation". It donated €18,000, which enabled 1,200 young girls to benefit from actions in the field of health and education.

In Spain, the Environment Division took part in awareness raising campaigns concerning the challenges and importance of selective

sorting and recycling with children from 38 schools, using an educational kit.

These actions carried out by the Company to assist local populations, in particular through educational projects, represent a part of all the actions carried out locally, at the initiative of countries, sites and employees.

Over and above local populations, Plastic Omnium maintains constructive relationships with all its stakeholders.

## Stakeholder relations

As front-running stakeholders, employees are particularly involved in the life of the Company. A collaborative area (TopShare) has been successfully created to promote a high degree of responsiveness in the execution of projects together with constant and meaningful dialogue. There are many actions of internal communication and exchanges, such as the "World Safety Day", the "Top 100 Managers" convention, Management Meetings, the biannual 30-page information magazine and open days for families. Every three years, a satisfaction survey is carried out enabling employees to anonymously express their views on a large range of themes such as working conditions, safety, professional careers, management, recognition and communication. The 2013 survey, which was conducted in 26 countries and received a 91% reply rate from the employees polled (from all professional categories), resulted in the setting up of two to three actions chosen and implemented per site, monitored by the Division's Human Resources Department. In 2015, a total of over 400 actions were carried out at some 100 sites.

Plastic Omnium actively participates in R&D clusters made up of clients, suppliers, federations, certifying bodies, laboratories, and schools (see section 3.1).

The Company also takes part in the work of professional organizations such as Institut de l'Entreprise, Plate-forme de l'Automobile, MEDEF and the AFEP.

As a leader in its sector, the Company is present at many international trade shows such as the Internationale Automobil Ausstellung, the Autoshow Frankfurt or the National Shanghai Center, the world's largest exhibition center. In March 2015, during an international composite trade show organized by JEC Europe (the largest network of composites worldwide), Plastic Omnium won two JEC Europe 2015 Innovation Awards for innovative and exclusive developments in composites for the automotive industry.

In its business, the Company employs the finest specialists who assist with specific themes: Eco Mundo participates in the assessment of chemical hazards through the management of the chemical product database or the database for CMR and SVHC products (see section 3.4); a law firm studies changes in international regulations for high risk substances; insurance companies are included in the fire prevention/protection policy and award the HRP label to new sites each year. Through this collaborative work, sites audited by insurers have an above-average prevention/protection rating.

Plastic Omnium also threads a very close relationship with its suppliers in the aim of creating genuine partnerships based on the long term, dialogue and transparency. For example, in the second half of 2015 the Auto Inergy Division launched a satisfaction survey with 150 in order to identify areas of improvement and organize dedicated information days. In 2015, there were four events in Europe, North America, South America and Asia.

Over and above constructive dialogue with suppliers, Compagnie Plastic Omnium is keen to put in place an advanced responsible purchasing approach built around ethical, social and environmental criteria.

## Responsible purchasing approach

Purchases are made primarily from suppliers listed at Group level for business-related components. This listing is based on economic and technical criteria as well as social and environmental factors.

The terms of purchase drawn up by the Plastic Omnium Divisions are an entry point in supplier relationships and comprise clauses related to the supplier's societal responsibility. The Company asks its suppliers to endeavor to comply with international texts that govern labor law such as the ILO conventions pertaining to refusal of forced labor, child labor, concealed work discrimination and respect for human rights. Compagnie Plastic Omnium also includes in its terms of purchase criteria relating to environmental protection (via the setting up of the environmental management system and compliance with ISO 14001) and the health and safety of employees (via compliance with OHSAS 18001). Of its suppliers, 638 have provided proof of their management of environmental impacts through ISO 14001 certification.

The suppliers concerned also undertake to respect the European REACH (Registration, Evaluation, Authorization and restriction of CHemicals) regulations and not to use CMR (carcinogenic, mutagenic or reprotoxic) substances in their products.

Through its purchasing terms, Compagnie Plastic Omnium reserves the right to conduct supplier audits on social and environmental themes. New suppliers are audited when first listed. Follow-up audits can then be conducted to ensure that a continuous improvement process has been established.

In 2015, over 128 audits were carried out, completing the 138 already conducted in 2014. 176 safety-specific audits were also carried out. This was 5% more than in 2014 (167).



## Ethics, the foundation of stakeholder relations

In 2003, the Plastic Omnium Group decided to formalize its ethics commitments through a Code of Conduct. This is a key element of corporate culture, which is distributed to all new managers. It governs the conduct of each employee within the Company and toward Company stakeholders. It is the responsibility of each manager to ensure that all employees have access to, understand and apply the guidelines set out in the code. To reach this objective, the Code of Conduct is available in seven languages on the intranet and training sessions are provided, specifically through an e-learning module. In 2015, this course was followed by 1,249 employees. The Internal Audit Department verifies, through site audits, that the Code of Conduct has been given to employees and that employees know and understand it. In 2015, over 37 sites were audited, completing the 36 sites audited in 2014. On average, sites are audited every three years.

Through this Code of Conduct, the Company affirms its commitment to comply with 13 undertakings including the fight against corruption, management of conflicts of interest as well as respect for safety and the environment.

A principle of the United Nations Global Compact of which Compagnie Plastic Omnium is a member, the fight against corruption includes the refusal to receive or give gifts likely to influence business relations, in particular in relations with government authorities, and to propose employment or a financial benefit. This undertaking is implemented through anti-corruption clauses included in the terms of purchase.

The Code of Conduct was rounded off in 2010 by a "competition" Code of Conduct distributed to the employees concerned such as buyers and sales personnel. This code, translated into 13 languages, is also the subject of instructor-led training and e-learning courses, which were followed by 323 employees in 2015.

## 3.6 Methodology

Compagnie Plastic Omnium, which is listed on NYSE Euronext Paris, is a company with industrial operations and employees.

The CSR indicators are collected separately by the HSE and Human Resources Departments from all sites included in the reporting scope, and are subject to consistency checks during the central data consolidation.

The Plastic Omnium Group's social, environmental and societal reporting approach is based on:

- the regulatory provisions related to Article R. 225-105-1 of the French Commercial Code;
- the 10 principles of the UN Global Compact;
- the HSE policy integrated into the Company's strategy and management.

## Scope of the report

The reporting scope aims to represent all the businesses of Compagnie Plastic Omnium. For the 2015 fiscal year therefore, social, environmental and societal reporting covered the entire 2015 consolidated revenue of Compagnie Plastic Omnium.

Only one point of service of the Environment Division is included, as the environmental impact of the other points of service is not considered to be material. The water and energy consumption of the Supply-in-line sequence facilities (SILS) managed by the Auto Exterior Division and the Auto Inergy Division are also taken into account, together with their CO<sub>2</sub> emissions.

The Group has 16 environmentally-regulated facilities (ICPE) subject to authorization. These facilities are integrated into the Group's HSE scope with the exception of one site of the Auto Exterior Division (Plastic Omnium Recycling) which is outside the IFRS scope.

1.1 The workforce by type of contract and temporary employees at December 31 includes all the legal entities in the management account scope of consolidation from the time they are consolidated.

1.2 Likewise, registered employees are divided up by men/women, by operators/employees/managers, as well as by age group, and temporary employees are included in all of the legal entities in the scope of consolidation.

Changes in scope of consolidation:

Site acquisitions and creations are included in the scope of HSE data as from the date of start of operations. The Auto Exterior Chattanooga, Auto Inergy Saint Petersburg, Auto Inergy α-Alphatech, Auto Inergy Fairfax, and Auto Inergy Ningbo sites were therefore consolidated.

For social reporting, the sites are integrated into the reporting scope as from the first recruitment. In 2015, the sites concerned were Auto Exterior Warrington and Auto Inergy Fairfax.

Sites disposed of during the year were not included in the scope.

## Indicator calculation methods

Indicators are approved on December 31 2015, except for the following indicators:

2.1 The indicators approved on November 30 2015 and extrapolated to December 31 based on the ratio of employees at December/employees at November: gender breakdown, breakdown by operators/employees/managers, employees working in shifts or part-time, number of women managers.

2.2 The indicators approved on November 30 2015 and extrapolated to December 31 based on the 12/11 ratio: internal and external training hours, invoices from training organizations, number of interns, number of employees trained since January 1, all environmental data (except for the number of ISO 14001-certified sites, approved on December 31).

2.3 The indicators approved on November 30 2015 and considered as valid for the entire year: hours worked per week, percentage of employees covered under a collective agreement, number of disabled workers, workstations adapted for disabled workers, expenses and investments related to the environment and safety.

2.4 The indicators approved on October 31 2015 and considered as valid for the entire year: number of discrimination incidents, number of measures taken following incidents of discrimination, committees, other commissions, number of labor unions represented, agreements on health and safety at work.

All the indicators for 2013 and 2014 were recalculated on the IFRS scope to enable comparability with 2015 data, calculated over the same scope.

## External procedures and controls

A specific reporting protocol for the HSE and Human Resources Departments was developed and provides information about the collection and validation procedure as well as definitions for the indicators identified, in a single document. This protocol is sent to all contributors and validators of non-financial data. The data is collected into a non-financial reporting software application, Enablon.

The CSR procedure and the consolidated results of the CSR data are reviewed by senior management.

For 2015, the non-financial indicator reporting procedures were checked externally by an independent third party, Mazars. In this context, audits were held based on a selection of social, environmental and societal indicators on 10 sites representative of Plastic Omnium's activities in order to validate the quality and overall credibility of the reporting system:

Sites audited in 2015 (AI: Auto Inergy, AE: Auto Exterior):

- Poland: AE Gliwice, AE Tulipan, AI Lublin;
- Slovakia: AE Lozorno plant + Technical Centre, AI Lozorno;
- Germany: AI Rottenburg;
- United Kingdom: AE Measham plant + Technical Centre;
- United States: AI Adrian, AE Anderson;
- France: AE Saint-Désirat

The nature of the audits and the related conclusions are presented in a specific certification at the end of this chapter.

The glossary of indicators may be obtained upon request from the Group Human Resources and HSE divisions.

## 3.7 Cross-reference Table

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence between Article 225 and GRI G4	Correspondence with the UN Global Compact
<b>General reporting principles</b>				
Comparability	The information published is presented so as to enable a comparison of data (Law of July 7, 2010). The report from the Board of Directors or the Management Board presents the data observed during the year under review, and if necessary the previous year, to enable data comparison (decree of April 24, 2012)	66, 67	G4-22 ; G4-23	
Comply or explain	The report presents, among the information listed by the implementation decree, which disclosures cannot be produced or do not appear to be relevant, given the nature of the Company's activities or organization, and provides all the explanations stating why this is so (Decree of April 24, 2012).	68, 69, 70		
Voluntary compliance with a standard	Where a company complies voluntarily with a national or international social or environmental standard, the report may mention this by giving the recommendations of this standard that were chosen and how this standard may be consulted (decree of April 24, 2012)	44	G4-15	
Disclosure scope	When a company draws up the consolidated financial statements, the information provided is consolidated and concerns the Company itself together with all its subsidiaries or the companies that it controls (Act of July 12, 2010)	66, 67	G4-17 ; G4-18	
Verification by an independent third party	The social and environmental information presented or that must be presented under legal and regulatory obligations is verified by an independent third party [...]. This verification is confirmed by an opinion submitted to the shareholders' meeting at the same time as the report from the Board of Directors or Management Board (Act of July 12, 2010). The independent third party is appointed for a term that may not exceed six years. It is subject to incompatibilities provided for under Article L. 882-11 of the French Commercial Code (Auditors may not provide consultancy services to the companies whose accounts they certify, or their subsidiaries) (Decree of April 24, 2012)	72	G4-33	

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence between Article 225 and GRI G4	Correspondence with the UN Global Compact
<b>I. Social information</b>				
<b>I. a) Employment</b>	Total workforce and breakdown of the workforce by gender, age and region	48, 49, 55	G4-9; G4-10; LA1 partially, LA12	
	New hires and terminations	50, 51	EC6; LA1	
	Compensation and changes in compensation	51	G4-51 partially; G4-52; LA2	
<b>I. b) Organization of working hours</b>	Organization of working hours	56	G4-10	
	Absenteeism	54	LA6	
<b>I. c) Labor relations</b>	Organization of industrial dialogue, procedures for informing and consulting employees and negotiating with them	56		3. Companies are invited to uphold freedom of association and to recognize the right to collective bargaining
	Review of collective agreements	56	G4-11	
<b>I. d) Health and safety</b>	Conditions of occupational health and safety	52 to 54		
	Review of agreements signed with labor union organizations or employee representatives regarding occupational health and safety	56		
	Occupational accidents, in particular their frequency and severity, as well as occupational illnesses	54	LA6; LA7	
<b>I. e) Training</b>	Training policies	50, 51	LA10; LA11	
	Total number of training hours	50, 66	LA9; HR2	
<b>I. f) Equal treatment</b>	Measures taken in favor of gender equality	51, 55	LA12 (see also Section 2.1.1 Composition and independence of the Board of Directors)	2. Companies are asked to ensure that their own entities do not become party to violations of human rights 4. Elimination of all forms of forced or compulsory labor 5. The effective abolition of child labor 6. Elimination of discrimination in respect of employment and occupation
	Measures taken to promote the employment and inclusion of persons with disabilities	55, 56	LA12	
	Anti-Discrimination Policy	51, 55, 65	LA12; HR3	
<b>I. g) Promotion and enforcement of the provisions of the core conventions of the International Labour Organization (ILO) relating</b>	• to the upholding of freedom of association and the right to collective bargaining	55, 56	HR4 partially	
	• to the elimination of discrimination in respect of employment and occupation	51, 56	HR3	
	• to the elimination of forced or compulsory labor	55, 65	HR6 partially	
	• to the effective abolition of child labor	55, 65	HR5 partially	

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence between Article 225 and GRI G4	Correspondence with the UN Global Compact
<b>II. Environmental information</b>				
<b>II. a) General environmental policy</b>	Organization by the Company to take environmental issues into account and, where appropriate, take into consideration assessment or certification processes concerning the environment	44, 57 to 59	G4-1 partially; G4-44	7. Companies are invited to apply a precautionary approach to environmental issues 8. To take initiatives that will promote greater environmental responsibility
	Training and information of employees conducted on the subject of environmental protection	58	G4-43 partially	
	Resources devoted to the prevention of environmental risks and pollution	61 & 62	EN31 partially	
	Amount of provisions and guarantees for environmental risks, provided that such information is not likely to cause serious damage to the Company in an ongoing dispute	62	EN29; EN34	
<b>II. b) Pollution and waste management</b>	Measures for the prevention, reduction or compensation for air, water and soil emissions seriously affecting the environment	47, 58, 61 & 62	EN10 partially; EN20; EN21; EN27	7. Companies are invited to apply a precautionary approach to environmental issues 9. To favor the development and dissemination of environmentally friendly technologies
	Measures for prevention, recycling and disposal of waste	63 & 64	EN23; EN25	
	Accounting for noise pollution and other forms of pollution arising from a specific activity	47, 53, 61 & 62	EN27	
<b>II. c) Sustainable use of resources</b>	Water consumption and water supply according to local constraints	62	EN8	7. Companies are invited to apply a precautionary approach to environmental issues. 9. To favor the development and dissemination of environmentally friendly technologies
	Consumption of raw materials and measures to improve efficiency in their use	61, 63 & 64	EN1; EN2	
	Energy consumption, measures to improve energy efficiency and use of renewable energy	58 to 60	EN3; EN5; EN6	
	Land use	62		
<b>II. d) Climate change</b>	Greenhouse gas emissions	61	EN15; EN16; EN18; EN19	
	Adaptation to the impacts of climate change	62		
<b>II. e) Protection of biodiversity</b>	Measures taken to preserve or develop biodiversity	62	EN13 partially	

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence between Article 225 and GRI G4	Correspondence with the UN Global Compact
<b>III. Information relating to societal commitments to sustainable development</b>				
<b>III. a) Regional, economic and social impact of the Company's activity</b>	With respect to employment and regional development	64 & 65		
	On local or neighboring populations	64 & 65		
<b>III. b) 1 Relationships with persons or organizations with an interest in the Plastic Omnium Group's businesses, in particular vocational integration associations, educational institutions, environmental protection associations, consumer associations and local residents</b>	Conditions for dialogue with these people or organizations	65	G4-24; G4-26; G4-27	
	Partnership or sponsorship actions	64 & 65		
<b>III. c) Outsourcing and suppliers</b>	Taking social and environmental challenges into account in the purchasing policy	65	EN33; LA15; HR11; S010	1. Companies are invited to promote and protect international law relating to human rights within their sphere of influence 2. They must ensure that their own entities do not become party to infringements of human rights
	Importance of outsourcing and taking the social and environmental responsibility of suppliers and subcontractors into account	65	EN32; LA14; HR10; S09	
<b>III. d) Fair practices</b>	Measures taken in favor of consumer health and safety	47		
	Actions undertaken to prevent corruption	66	G4-56; G4-58; S03; S04; S05	1. Companies are invited to promote and protect international law relating to human rights within their sphere of influence
<b>III. e) Other actions carried out in favor of human rights</b>		54 to 56, 65 & 66	G4-56; G4-57; HR2; HR9	2. They must ensure that their own entities do not become party to infringements of human rights 4. Elimination of all forms of forced or compulsory labor 5. The effective abolition of child labor 10. Companies are invited to act against corruption in all its forms, including extortion and bribery



## 3.8 Independent Third-Party Report on the Consolidated Social, Environmental and Societal Information Published in the Management Report

### Financial year ended December 31, 2015

To the Shareholders,

As the independent third-party (members of the Mazars' network), Statutory Auditors of Plastic Omnium, whose accreditation was accepted by Cofrac under number 3-1058<sup>(1)</sup>, we hereby present our report on the consolidated social, environmental and societal information provided in the management report prepared for the year ended December 31, 2015, (hereinafter referred to as the "CSR information"), pursuant to article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

#### Responsibility of the Company

The Board of Directors is responsible for preparing a management report including the CSR information required under article R. 225-105-1 of the French Commercial Code, in accordance with the CSR reporting protocol used by the Company (hereinafter the "Reporting Criteria"), a summary of which is given in the management report and is available on request from the Company's head office.

#### Independence and quality control

Our independence is defined by regulatory texts, the profession's Code of Ethics and by the provisions of article L. 822-11 of the French Commercial Code. Furthermore, we have set up a quality control system that includes documented policies and procedures designed to ensure compliance with deontological rules, professional standards and applicable legal texts and regulations.

#### Responsibility of the independent third-party

Based on our work, our role is to:

- attest that the required CSR information is disclosed in the management report or that an explanation has been provided, if any information has been omitted, in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Attestation of completeness of the CSR information);
- provide limited assurance that, on the whole, the CSR information is fairly presented, in all material respects, in accordance with the adopted Reporting Criteria (Fairness report regarding CSR information).

Our work was carried out by a team of six people during a nine-week period between October 2015 and February 2016.

We conducted the work described below in accordance with the professional standards applicable in France and the legal order dated May 13, 2013 determining the methodology according to which the independent third-party body conducts its mission and, on the reasoned opinion, in accordance with ISAE 3000<sup>(2)</sup>.

### I – Attestation of completeness of the CSR Information

We got acquainted with the direction that the Group is taking, in terms of sustainability, with regard to the social and environmental consequences of the Company's business and its societal commitments and, where appropriate, the actions or programs that stemmed from it.

We compared the CSR Information presented in the management report to the list set forth in article R. 225-105-1 of the French Commercial Code.

In the event of omission of some consolidated information, we checked that explanations were provided in accordance with the third paragraph of the article R. 225-105 of the French Commercial Code.

We checked that the CSR information covers the consolidated scope, which includes the Company and its subsidiaries within the meaning of article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of article L. 233-3 of the French Commercial Code, subject to the limits set forth in the methodological Note presented in the Registration Document (Chapter 3 "Sustainable Development"), which includes the management report.

Based on our work, and taking into account the limitations mentioned above, we attest that the required CSR information has been disclosed in the management report.

(1) The scope of which is available on the website [www.cofrac.fr](http://www.cofrac.fr).

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

## II – Fairness report with respect to CSR Information

### Nature and scope of procedures

We conducted 20 or so interviews with those responsible for the preparation of CSR information from the departments in charge of the processed of gathering information and, where appropriate, those responsible for internal control and risk management to:

- assess the appropriateness of the Reporting Criteria in terms of relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- verify the set-up within the Group of a process to collect, compile, process and check the CSR information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the CSR information.

We determined the nature and extent of tests and controls depending on the nature and importance of CSR information in relation to the characteristics of the Company, the social and environmental issues of its operations, its strategic priorities in relation to sustainable development, and the industry best practices.

Concerning the CSR information that we considered to be most significant<sup>(3)</sup>:

- at Group level (Human Resources Development and HSE Departments), we consulted source documents and conducted interviews to corroborate the qualitative information (organization, policies, actions); we used analytical procedures and sampling techniques for the quantitative information and verified the calculations and consolidation of the information, as well as its consistency and correspondence with the other information contained in the management report;
- at the level of a representative sample of sites and departments selected<sup>(4)</sup> based on their activity, their contribution to consolidated indicators, their location and a risk analysis, we conducted interviews to verify the proper application of procedures and conducted substantive tests, using sampling techniques, to verify the calculations performed and reconcile the data with the supporting documentation.

The selected sites contribution to Group data equals to 24% of headcount and between 15% to 55% of the quantitative environmental information tested.

Regarding the other CSR consolidated information, we assessed its fairness and consistency based on our knowledge of the Group.

Finally, we assessed the relevance of the explanations relating to, where necessary, the omission of certain information.

We deem that the sampling methods and sample sizes we have learned by exercising our professional judgment allow us to formulate a conclusion providing limited assurance; a higher level of assurance would have required more extensive work. Because of the use of sampling techniques, and because of other limits inherent to any information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be completely eliminated.

### Conclusion

Based on our work, we did not identify any material misstatements that would lead us to believe that the CSR information, taken as a whole, has not been fairly presented, in all material respects, in accordance with the Reporting Criteria.

Done in Paris-la Défense, on February 24, 2016

The Independent third-party,

MAZARS

Jean-Luc Barlet

Partner

Emmanuelle Rigaudias

CSR & Sustainable Development Partner

(3) Social information: Workforce by type of employment contract, status, gender, age and region, training hours, absenteeism rate, workplace accident frequency rate with and without lost time, number of employees who have received Top Safety Training.

Environmental information: electricity consumption, gas consumption, water consumption, recycled and recovered waste, greenhouse gases (GHG).

Societal information: number of supplier CSR audits, number of people trained in the Code of Conduct.

(4) For all selected social and environmental data cited above: AE Gliwice AE Tulipan, AI Lublin, AE Lozorno, AI Lozorno, AI Rottenburg, AE Measham.

For the societal information: centrally from the AI and AE Human Resources and Supplier Quality Departments.

In addition, for information on electricity consumption, gas consumption, recycled and recovered waste, greenhouse gases (GHG): AI Adrian.

In addition, for social information: AE Anderson.

In addition, for information on the workforce (by type of employment contract, status, gender, age and region), training hours, absenteeism rate (by reason), water consumption and electricity consumption: AE Saint-Désirat.



REVIEW  
OF FINANCIAL  
POSITION  
AND RESULTS  
OF OPERATIONS



## 4.1 Significant events in 2015

### Record financial results

The year of 2015 was a record year. All of the Group's financial aggregates posted double-digit growth to reach historical highs. Revenue, operating margin and net income have all nearly doubled in the space of five years.

The year also saw strong sales growth as was evidenced by the unprecedented number of orders placed with Compagnie Plastic Omnium, thus cementing its business leadership, validating its technologies and giving the Group a clear view of future growth.

### A reinforced industrial presence in dynamic markets

The Plastic Omnium Group is committed to supporting carmakers worldwide and to developing its industrial capacity in high-growth regions for auto production. It continues to strengthen its footprint in these regions.

In **China**, four new plants became operational in 2015: the Wuhan Jiangxia, Hangzhou and Changsha sites for exterior body parts and the Beijing plant for front-end modules. In 2015, the Group had 25 plants in China, the leading automotive manufacturer worldwide.

In **South Korea**, the Pyeongtaek plant began the production of front-end modules for SsangYong. This brings the number of plants in South Korea to six (five for front-end modules and one for the Auto Inergy Division).

In **Germany**, the Regensburg plant began the production of front-end modules for BMW. This brings the number of Automotive plants in Germany to six (four for front-end modules and two for the Auto Inergy Division).

In the **United States**, two new plants became operational in 2015: the Chattanooga plant for exterior body parts for Volkswagen and the Fairfax plant for fuel systems for General Motors. This brings the number of plants in the United States to eight (four for the Auto Exterior Division and four for the Auto Inergy Division).

In **Russia**, the Saint Petersburg plant began the production of fuel systems for Nissan, Ford and Toyota. This brings the number of plants in Russia to three.

Three new plants will become operational in 2016: two in Mexico (one for the Auto Inergy Division and one for front-end modules) and one in the United Kingdom for the Auto Exterior Division.

### Continuing investment in R&D

With capital expenditure in high-growth regions, innovation is the Group's other driver of growth. Compagnie Plastic Omnium is continuing to pour significant resources into Research & Development.

Technological innovations contribute greatly to the Group's growth: they are supported by legislation which is becoming increasingly stringent worldwide in terms of polluting emissions (CO<sub>2</sub> and nitrogen oxide/NOx). Plastic Omnium is developing solutions to reduce these emissions through two main levers: making vehicles lighter and more aerodynamic, and emission control systems.

With regard to making vehicles lighter, in 2015 Compagnie Plastic Omnium won contracts for 10 different tailgate and spoiler programs for 6 carmakers.

Emissions control systems are based on the SCR system, which enables diesel vehicles to eliminate 95% of their NOx emissions and up to 8% of their CO<sub>2</sub> emissions. The Auto Inergy Division secured orders for this system in 2015 from six new customers (American, European and Japanese), bringing the total number of customers having opted for Plastic Omnium technology to 13.

### Confirmation of the success of the SCR offer

The SCR (selective catalytic reduction) system for pollution reduction in diesel engines, patented by Plastic Omnium, is based on the injection of an aqueous solution of urea in the exhaust and reduces emissions of nitrogen oxides from diesel engines by up to 95%.

Plastic Omnium today ranks as one of the leaders in SCR, a market that is growing strongly due to the tightening of environmental standards for NOx reduction (Euro 6 applicable in Europe since September 2014 and Tier 2 Bin 5 applicable in North America since 2007/2009). For this equipment, Plastic Omnium provides the urea tank and the pump which feeds urea into the injector that reduces NOx and meets the environmental standards in force in each country.

Today, this system has been adopted by 13 automakers including Audi, Fiat/Chrysler, Ford, General Motors, Nissan, Porsche and Toyota.

Plastic Omnium's production volumes, which rose to 600,000 units in 2015, should grow to 2.7 million systems in 2019, for a global market share of 33%.

### Strategic development of Plastic Omnium in Automobile External Systems

On December 14, 2015 Compagnie Plastic Omnium signed an MOU (Memorandum of Understanding) with the Faurecia group to acquire its External Systems business (bumper and front end modules) for an enterprise value of €665 million.

In 2014, Faurecia's External Systems business produced sales of €2 billion (¾ of which for production of bumpers and ¼ for front end modules) for an operating margin of EUR 69 million. It employs 7,700 persons in 22 industrial sites in Germany, France, Spain, Slovakia and North and South America. Half of the revenue comes from Germany where Plastic Omnium has no production site for this activity.

With this French global business, Plastic Omnium is giving rise to a global player with revenue of over €8 billion, among the leading 25 global automotive suppliers in a tried-and-tested approach of financial and industrial independence.

By its size, it significantly strengthens the offer and technological potential of Plastic Omnium faced with the environmental challenges of relief and reduction of emissions from motor vehicles. The Group's R&D budget will be increased by 100 million annually from about €300 million to about €400 million.

The transaction has to be submitted to the relevant competition authorities and to procedures in connection with staff representation bodies in the countries concerned. It could be finalized during 2016. The objective will be to double the profitability of this activity in three years.

This operation will be financed from the undertaking's own resources (cash and use of existing credit lines).

## Share buy-back

In 2015, Compagnie Plastic Omnium repurchased 800,000 of its own shares (0.52% of share capital) for €20.3 million at an average price of €25.34 per share. At December 31, 2015, it held 3.6% of its own shares.

## 4.2 Comments on the Consolidated Financial Statements

### 4.2.1 Comments on the consolidated financial statements

In 2015, Compagnie Plastic Omnium's revenue was €5,983 million, up by 13.9% from 2014 (up by 6.6% at constant scope and exchange rates) on the back of a strong second half of the year (up by 10.4% at constant scope and exchange rate from the second half of 2014).

The over €700 million increase in revenue was driven in equal parts by Europe (around €300 million) and North America (around €300 million), while Asia for the first time crossed the €1 billion revenue threshold.

There was a positive currency effect of €405 million. There was a positive consolidation scope effect of €21 million following the disposal of the Group's 50% stake in Signal AG's Environment Division.

In €m, by business segment	2014	2015	% change	At constant scope and exchange rates
Automotive	4,840	5,597	+15.6%	+7.3%
Environment	410	386	-6.0%	-1.6%
<b>Revenue<sup>(1)</sup></b>	<b>5,251</b>	<b>5,982</b>	<b>+13.9%</b>	<b>+6.6%</b>
<b>Consolidated revenue<sup>(2)</sup></b>	<b>4,437</b>	<b>5,010</b>	<b>+12.9%</b>	<b>+5.0%</b>

In €m and as a % of revenue, by region	2014	2015	% change	At constant scope and exchange rates
Europe/Africa	2,836 54%	3,136 52%	+10.6%	+10.2%
North America	1,401 27%	1,683 28%	+20.2%	+1.3%
South America	179 3%	162 3%	-9.3%	-2.8%
Asia	835 16%	1,001 17%	+19.9%	+5.6%
<b>Revenue<sup>(1)</sup></b>	<b>5,251</b> 100%	<b>5,982</b> 100%	<b>+13.9%</b>	<b>+6.6%</b>
<b>Consolidated revenue<sup>(2)</sup></b>	<b>4,437</b>	<b>5,010</b>	<b>+12.9%</b>	<b>+5.0%</b>

(1) Economic sales correspond to the consolidated sales of the Group and its joint ventures up to their percentage stake. BPO, HBPO and YFPO for Plastic Omnium Automotive. The figure reflects the operational and managerial realities of the Group.

(2) In accordance with IFRS 10-11-12, consolidated sales do not include the share of the joint ventures, consolidated under the equity method.

Revenue for Plastic Omnium Automotive was up by 15.6% to €5,597 million (an increase of 7.3% at constant exchange rates). With global automotive production up by 1.5%, the Group outperformed the market by nearly 6% with a particularly strong performance in the second half of the year.

This strong growth was the result of investment in new plants in the most dynamic regions and innovation through products such as SCR systems for reducing diesel vehicle emissions and lighter tailgates:

- Europe grew by 12.4% at constant exchange rates and benefited from the 51 new programs launched in 2015. Business was particularly good in France (Renault Espace), the United Kingdom (Jaguar XJ and XE) and Germany (SCR Audi);
- Asia grew by 5.4% at constant exchange rates driven by China, South Korea, Japan and India. Automotive revenue in China amounted to €491 million in 2015, or 8% of the Group's total revenue;
- North America grew by 1.2% at constant exchange rates in the year and by 9% at constant exchange rates in the second half of the year, confirming it as the main growth region for the Group going forward. The region benefited from the coming into operation of two new plants for Volkswagen and General Motors in the United States in the second half of the year. Three additional plants will be built in Mexico by 2017.

Volkswagen remains the Group's leading customer with 17% of Automotive revenue ahead of General Motors with 16% and PSA Peugeot Citroën with 12%.

In 2015, German carmakers remained the top contributors to Automotive revenue with 31% of the business (similar to 2014) ahead of American auto-makers with 28% (versus 27% in 2014), Asian manufacturers with 20% (versus 19% in 2014) and French manufacturers with 19% (versus 20% in 2014).

Revenue for Plastic Omnium Environment was down by 1.6% to €386 million at constant scope and exchange rates due to budget restrictions on the part of French local authorities.

**Consolidated gross profit** was €837 million, versus €732 million in 2014. It represented 16.7% of consolidated revenue, up from 16.5% in 2014.

**Gross Research & Development spend** was up 15% to €295 million versus €257 million in 2014. Net R&D spend, after deduction of capitalized development costs and amounts re-invoiced to customers, was €108 million (2.2% of consolidated revenue), versus €104 million (2.3% of consolidated revenue) in 2014.

**Selling costs** were €62 million (1.2% of consolidated revenue) versus €57 million (1.3% of consolidated revenue) in 2014.

**Administrative expenses** rose from €199 million in 2014 to €213 million in 2015 (from 4.5% of consolidated revenue in 2014 to 4.3% in 2015).

**Amortization of intangible assets acquired in business combinations** amounted to an expense of €19 million in 2015, versus €18 million in 2014.

The **share of profit/(loss) of associates and joint ventures** amounted to €35 million in 2015, versus €39 million in 2014.

**Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures** was up by 19.6% to €470 million. It represented a record 9.4% of revenue.

Operating income for the Automotive Division amounted to €447 million in 2015 (9.7% of revenue), versus €364 million in 2014 (9% of revenue). The Automotive Division benefited from a high utilization rate of its production capacity worldwide. The improved operating income was also supported by the operational excellence of the 132 new programs launched during the year together with strict cost control.

Operating income for the Environment Division amounted to €23 million in 2015 (6% of revenue, versus 7.3% in 2014) helped by an efficient industrial network and streamlined structures.

Consolidated revenue and operating margin by business Aggregates expressed in € millions	2014			2015		
	Revenue	Operating margin	%	Revenue	Operating margin	%
Plastic Omnium Automotive	4,048	364	9.0%	4,624	447	9.7%
Plastic Omnium Environment	389	28	7.3%	386	23	6.0%
<b>Total</b>	<b>4,437</b>	<b>393</b>	<b>8.8%</b>	<b>5,010</b>	<b>470</b>	<b>9.4%</b>

**Other operating income and expense** resulted in a net expense of €75 million in 2015 versus net income of €35 million in 2014. In 2015, Plastic Omnium intensified its efforts focusing on industrial efficiency and organization.

**Net finance costs** amounted to €56 million, versus €64 million in 2014. These costs account for 1.2% of revenue.

In 2015, the Group recorded income tax expense of €75 million, versus €64 million in 2014, an effective tax rate of 24.8%, (25.2% in 2014).

**Net profit, Group share** rose by 15% to €258 million, versus €225 million in 2014. It accounted for 5.2% of revenue.

**Earnings per share** amounted to €1.75, versus €1.52 in 2014 (+15.1%).



## Cash flow and capital

**Group EBITDA** was up by 13.4% to €691 million (13.8% of revenue) and cash flow from operations was up by 9.2% to €606 million (12.1% of revenue) in 2015.

The year 2015 saw substantial investments amounting to €323 million (6.4% of consolidated revenue), versus €326 million in 2014 (the 2014 figure includes the Lyon Gerland rental investment of €47 million, versus €7 million in 2015). Nine new plants came into operation in the year (four in China, two in the USA, one in Germany, one in South Korea and one in Russia) and 132 automotive programs were launched.

**Free cash flow** amounted to €202 million, up strongly from the €83 million figure for 2014. It significantly reduced debt to €268 million (versus €390 million as at end-2014) after €75 million in dividends and share buy-backs.

**Group net debt/equity** was 21% and net debt/EBITDA was 0.4 (versus 36% and 0.6 respectively in 2014).

## 4.2.2 Investments in 2014–2018

The €1.7 billion five-year investment program announced in December 2014 is intended to strengthen the Group's presence in high-growth regions and to speed up innovation with new product lines. It will be carried out as follows:

- €900 million invested into 20 new plants of which 12 in Asia (8 in China), 5 in North America and 3 in Europe and for which orders have already been confirmed;
- €200 million for the maintenance of existing plants;
- €600 million for R&D.

In January 2016, at the Detroit International Show, which Plastic Omnium attended for the first time, the Group set out its high growth potential in the North American market, borne by a sustained investment plan.

Over the 2015-2019 period, North America is the first region contributing to Plastic Omnium's total growth. Revenue is expected to grow by nearly \$1 billion to \$2.8 billion in 2019, an increase of more than 50%.

This strong growth is based on a sustained investment plan totalling \$650 million to increase the industrial fabric, diversify the client portfolio and develop innovative offerings.

## 4.3 Comments on the Company Financial Statements

### Balance Sheet

The main changes in the balance sheet were as follows.

- The 33,000 sq.m. office block built in Lyon Gerland was accepted and put into service by Compagnie Plastic Omnium during the year. The total investment excluding land amounted to €80,563 thousand as at December 31, 2015. A third-party tenant occupies over 80% of the building.
- Compagnie Plastic Omnium simplified the holding structure of entities in the Environment Division. The Company absorbed its subsidiary Plastic Omnium Environnement SAS by universal transfer of assets and liabilities and subscribed to the share capital increase of its subsidiary Plastic Omnium Environment BV, thus enabling the latter to directly or indirectly acquire entities of the division. Entities in the Environment Division are now held by Plastic Omnium Environment BV.

As at December 31, 2015, Compagnie Plastic Omnium ended the year with net cash of €150.4 million, versus €174.6 million as at December 31, 2014.

These changes were mainly as a result of:

- dividends received from subsidiaries of €199.6 million, versus €176.7 million in 2014;
- payment of a €54.8 million dividend, versus €48.7 million in 2014;
- the subscription to the share capital increase of its subsidiary Plastic Omnium Environment BV for €123 million;
- the completion of the office building in Lyon Gerland.

### Earnings Performance

Compagnie Plastic Omnium posted operating revenue of €38.4 million in 2015, versus €40.5 million the previous year. This revenue can be broken down as follows:

- €25.8 million in trademark license fees from subsidiaries;
- €23.7 million in rents and fitting-out from tenants;
- €13.8 million worth of changes in production held as inventory for the fitting-out.

Net operating loss came to €5.1 million in 2015, compared with a profit of €0.1 million in 2014, mainly due to fees incurred as part of the planned acquisition of the Exterior Systems business of Faurecia Group.

Net financial income for Compagnie Plastic Omnium was €220.8 million, versus €182.9 million in 2014. The change was largely due to:

- dividends from subsidiaries of €199.6 million, versus €176.7 million in 2014;
- a net surplus of €18.7 million following the universal transfer of assets and liabilities of the subsidiary Plastic Omnium Environment SAS;
- net interest gain of €4.8 million in 2015, versus net interest gain of €7.3 million in 2014;
- net provisions of €2.5 million in 2015, versus €0.8 million in 2014.

After factoring in €0.2 million in non-operating expense, income before tax amounted to €215.5 million, versus €185.8 million in 2014.

A net income tax profit of €7.4 million was recorded in 2015 compared with a tax charge of €1.5 million the previous year.

As a result, net income for 2015 was €222.9 million, compared with €184.3 million in 2014.

No non-deductible overhead expenses were added back to taxable income during 2015, in application of articles 223 quater and 223 quinquies of the French General Tax Code.

## 4.4 Outlook and Post-balance Sheet Events

Following a robust 2015, Plastic Omnium will continue on its path of profitable and cash-generating growth in 2016. In an expected global automotive market with growth of between 2% and 3% in 2016, the Group will:

- maintain its high operating performance;
- put three new plants (one in the UK and two in Mexico) into service;
- start building three new plants (one in Mexico, China and India) to come into operation in 2017 and 2018;
- launch 155 new automotive programs of which 37 on new product lines.

The Group is confirming its ability to outperform global automotive production by virtue of:

- a record number of orders in 2015;
- the growing success of SCR systems for reducing diesel vehicle emissions.

Furthermore, the planned acquisition of Faurecia's Exterior Systems business is proceeding. Employee representative bodies are being informed of developments according to schedule. Once these bodies are fully informed, the transaction must be submitted to the relevant competition authorities. It could be completed in the course of 2016.

During its meeting of February 24, 2016, and in accordance with the delegation of authority granted by the Shareholders' Meeting of April 30, 2014, the Board of Directors of Compagnie Plastic Omnium decided to cancel 1,100,000 treasury shares, i.e. 0.72% of the share capital. This operation was carried out on March 21, 2016.

Following this capital reduction through the cancellation of treasury shares, the share capital of Compagnie Plastic Omnium was reduced from 153,576,720 shares to 152,476,720 with a nominal value of €0.06, which corresponds to €9,148,603.20.

This operation increased the stake held by the controlling holding company, Burelle SA from 56.6% to 57.01% of the share capital.

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities as at December 31, 2015 has occurred since the closing date.



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## Financial Indicators

In the context of its financial communication, the Group uses financial indicators based on consolidated data from the consolidated financial statements issued in accordance with IFRS as adopted within the European Union.


As indicated in Note 3.1 to the consolidated financial statements as of December 31, 2015 relating to segment information, for operational management purposes the Group uses the concept of economic sales, which corresponds to the consolidated sales of the Group and its joint ventures up to the Group's percentage stake: HBPO, a German company and world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, BPO, a major player in the Turkish market for exterior equipment, and Plastic Recycling, a specialist company in plastics recycling.

Reconciliation between economic sales and consolidated sales:

<b>In thousands of euros</b>	<b>2015</b>	<b>2014</b>
<b>Economic sales</b>	<b>5,982,499</b>	<b>5,250,775</b>
<i>Including Sales from joint ventures at the Group's percentage stake</i>	972,604	813,570
<b>Consolidated sales</b>	<b>5,009,895</b>	<b>4,437,205</b>



05



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## 5.1 Balance Sheet - Consolidated Financial Statements

### Assets

In thousands of euros	Notes	December 31, 2015	December 31, 2014
Goodwill	3.1.2 – 3.2 – 5.1.1 – 5.1.2	287,496	284,570
Other intangible assets	3.1.2 – 3.2 – 5.1.2	381,164	351,718
Property, plant and equipment	3.1.2 – 3.2 – 3.3 – 5.1.3 – 5.1.4	1,149,215	1,008,470
Investment property	3.1.2 – 3.2 – 5.1.5	93,263	88,825
Investments in associates and joint ventures	5.1.6	159,073	144,793
Available-for-sale financial assets <sup>(1)(2)</sup>	5.1.7 – 5.2.7.5 – 6.4.2 – 6.7	1,528	1,841
Other non current financial assets <sup>(1)</sup>	5.1.8 – 5.2.7.5 – 6.7	64,740	45,147
Deferred tax assets	5.1.12	87,310	78,067
<b>Total non current assets</b>		<b>2,223,789</b>	<b>2,003,431</b>
Inventories	3.1.2 – 5.1.9	347,413	313,476
Finance receivables <sup>(1)</sup>	5.1.10 – 5.2.7.5 – 6.7	18,833	31,213
Trade receivables	3.1.2 – 5.1.11.2 – 5.1.11.4 – 6.3.1 – 6.4.2 – 6.7	577,855	501,602
Other	3.1.2 – 5.1.11.3 – 5.1.11.4	225,689	194,281
Other financial assets and financial receivables <sup>(1)</sup>	5.1.10 – 5.2.7.5 – 6.4.2 – 6.7	27,010	8,104
Hedging instruments <sup>(1)</sup>	3.1.2 – 5.2.7.5 – 5.2.8 – 6.4.2 – 6.7	1,558	374
Cash and cash equivalents <sup>(1)</sup>	3.1.2 – 5.1.13.1 – 5.1.13.2 – 5.2.7.5 – 6.4.2 – 6.7	663,156	535,412
<b>Total current assets</b>		<b>1,861,514</b>	<b>1,584,462</b>
<b>Assets held for sale</b>	<b>5.1.16</b>	<b>5,780</b>	<b>-</b>
<b>Total assets</b>		<b>4,091,083</b>	<b>3,587,893</b>



## Equity and liabilities

In thousands of euros	Notes	December 31, 2015	December 31, 2014
Capital	5.2.1.1	9,215	9,215
Treasury stock		(52,502)	(33,948)
Additional paid-in capital		38,637	38,637
Consolidated reserves		1,012,773	815,782
Net income for the period		258,374	224,553
<b>Equity attributable to owners of the parent</b>		<b>1,266,497</b>	<b>1,054,239</b>
Attributable to non-controlling interests		20,822	17,749
<b>Total equity</b>		<b>1,287,319</b>	<b>1,071,988</b>
Current borrowings <sup>(1)</sup>	3.1.2 – 5.2.7.5 – 6.7	921,148	901,649
Provisions for pensions and other post-employment benefits	5.2.5 – 5.2.6.5	101,991	93,165
Provisions for liabilities and charges	5.2.5	34,498	24,451
Current grants	5.2.4	13,875	11,287
Deferred tax liabilities	5.1.12	59,704	47,778
<b>Total non current liabilities</b>		<b>1,131,216</b>	<b>1,078,330</b>
Bank overdrafts <sup>(1)</sup>	3.1.2 – 5.1.13.2 – 5.2.7.5 – 6.4.2 – 6.7	15,891	4,148
Current borrowings <sup>(1)</sup>	3.1.2 – 5.2.7.5 – 6.7	94,188	88,688
Current debt <sup>(1)</sup>	3.1.2 – 5.2.7.5 – 6.4.2 – 6.7	4	17
Hedging instruments <sup>(1)</sup>	3.1.2 – 5.2.7.5 – 5.2.8 – 6.4.2 – 6.7	12,757	16,658
Provisions for liabilities and charges	5.2.5	35,019	49,395
Current grants	5.2.4	281	273
Trade payables	5.2.9.1 – 5.2.9.3 – 6.4.2 – 6.7	1,010,431	803,993
Other operating liabilities	5.2.9.2 – 5.2.9.3	503,977	474,403
<b>Total current liabilities</b>		<b>1,672,548</b>	<b>1,437,575</b>
<b>Liabilities related to assets held for sale</b>	<b>5.1.16</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>4,091,083</b>	<b>3,587,893</b>

(1) Components of net debt. Net debt stood at €267.5 million at December 31, 2015 compared with €389.5 million at December 31, 2014 (see Note 5.2.7.5).

(2) Of which €1,172 thousand at December 31, 2015 and €1,372 thousand at December 31, 2014, respectively, are included in the calculation of net debt (see Notes 5.1.7 and 5.2.7.5).

## 5.2 Income Statement - Consolidated Financial Statements

In thousands of euros	Notes	2015	%	2014	%
<b>Consolidated sales (Revenue)</b>	<b>3.1.1 - 3.1.4.1 - 3.1.4.2</b>	<b>5,009,895</b>	<b>100.0%</b>	<b>4,437,205</b>	<b>100.0%</b>
Cost of goods and services sold	4.2	(4,172,415)	-83.3%	(3,705,041)	-83.5%
<b>Gross profit</b>		<b>837,480</b>	<b>16.7%</b>	<b>732,164</b>	<b>16.5%</b>
Net research and development costs	4.1 - 4.2	(108,079)	-2.2%	(104,035)	-2.3%
Selling costs	4.2	(62,215)	-1.2%	(57,297)	-1.3%
Administrative expenses	4.2	(213,423)	-4.3%	(199,276)	-4.5%
<b>Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures</b>	<b>3.1.1</b>	<b>453,763</b>	<b>9.1%</b>	<b>371,557</b>	<b>8.4%</b>
Amortization of intangible assets acquired in business combinations <sup>(1)</sup>	3.1.1 - 4.4	(18,795)	-0.4%	(18,297)	-0.4%
Share of profit/loss of associates and joint ventures	3.1.1 - 4.5	34,749	0.7%	39,321	0.9%
<b>Operating margin<sup>(2)</sup></b>	<b>3.1.1</b>	<b>469,717</b>	<b>9.4%</b>	<b>392,581</b>	<b>8.8%</b>
Other operating income	3.1.1 - 4.6	20,943	0.4%	3,373	0.1%
Other operating expenses	3.1.1 - 4.6	(96,441)	-1.9%	(38,010)	-0.9%
Finance costs, net	3.1.1 - 4.7	(53,646)	-1.1%	(51,244)	-1.2%
Other financial income and expenses, net	3.1.1 - 4.7	(2,532)	-0.1%	(13,050)	-0.3%
<b>Profit from continuing operations before income tax and after share of profits of associates and joint ventures</b>	<b>3.1.1</b>	<b>338,041</b>	<b>6.7%</b>	<b>293,650</b>	<b>6.6%</b>
Income tax	3.1.1 - 4.8	(75,200)	-1.5%	(64,168)	-1.4%
<b>Net income</b>	<b>3.1.1</b>	<b>262,841</b>	<b>5.2%</b>	<b>229,482</b>	<b>5.2%</b>
Net profit attributable to non-controlling interests	4.9	4,467	0.1%	4,929	0.1%
<b>Net profit attributable to owners of the Parent Company</b>		<b>258,374</b>	<b>5.2%</b>	<b>224,553</b>	<b>5.1%</b>
<b>Earnings per share attributable to owners of the Parent Company</b>	<b>4.10</b>				
• Basic earnings per share (in euros) <sup>(3)</sup>		1.75		1.52	
• Diluted earnings per share (in euros) <sup>(4)</sup>		1.72		1.49	

(1) Intangible assets acquired in business combinations.

(2) Basic earnings per share are calculated using the weighted average number of ordinary shares outstanding, less the average number of shares held in treasury stock.

(3) Diluted earnings per share takes into consideration the average number of treasury shares deducted from equity and shares which might be issued under stock option programs.

(4) Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures: The Group has changed the way the share of profit/(loss) of associates and joint ventures is now shown at the operating level in the income statement; it is now shown at the operating margin level.

## 5.3 Statement of Comprehensive Income - Consolidated Financial Statements

In thousands of euros	2015			2014		
	Total	Gross	Tax	Total	Gross	Tax
<b>Net profit for the period – Group share<sup>(1)</sup></b>	<b>258,374</b>	<b>332,453</b>	<b>(74,079)</b>	<b>224,553</b>	<b>287,804</b>	<b>(63,251)</b>
<b>Reclassified to the income statement</b>	<b>25,858</b>	<b>27,404</b>	<b>(1,546)</b>	<b>37,015</b>	<b>37,962</b>	<b>(947)</b>
<b>Reclassified in the period</b>	<b>1,626</b>	<b>2,620</b>	<b>(994)</b>	<b>3,233</b>	<b>4,816</b>	<b>(1,583)</b>
Exchange differences on translating foreign operations – reclassified to the income statement	–	–	–	642	642	–
Cash flow hedges – Interest rate instruments reclassified to the income statement	1,626	2,620	(994)	2,591	4,174	(1,583)
<b>Reclassified at a later date</b>	<b>24,232</b>	<b>24,784</b>	<b>(552)</b>	<b>33,782</b>	<b>33,146</b>	<b>636</b>
Exchange differences on translating foreign operations	23,374	23,374	–	33,682	33,682	–
Cash flow hedges	858	1,410	(552)	100	(536)	636
Gains/(losses) for the period – Interest rate instruments	858	1,410	(552)	568	218	350
Gains/losses for the period – Currency instruments	–	–	–	(468)	(754)	286
<b>Cannot be reclassified to the income statement at a later date</b>	<b>(2,455)</b>	<b>(1,745)</b>	<b>(710)</b>	<b>(14,750)</b>	<b>(20,264)</b>	<b>5,514</b>
Actuarial gains/(losses) recognized in equity	(2,455)	(1,745)	(710)	(16,180)	(22,570)	6,390
Fair value adjustments to property, plant and equipment	–	–	–	1,430	2,306	(876)
<b>Other comprehensive income</b>	<b>23,403</b>	<b>25,659</b>	<b>(2,256)</b>	<b>22,265</b>	<b>17,698</b>	<b>4,567</b>
<b>Comprehensive income – Group share<sup>(2)</sup></b>	<b>281,777</b>	<b>358,112</b>	<b>(76,335)</b>	<b>246,818</b>	<b>305,502</b>	<b>(58,684)</b>
<b>Net profit for the period attributable to non-controlling interests</b>	<b>4,467</b>	<b>5,588</b>	<b>(1,121)</b>	<b>4,929</b>	<b>5,845</b>	<b>(916)</b>
<b>Reclassified to the income statement</b>	<b>409</b>	<b>409</b>	<b>–</b>	<b>(679)</b>	<b>(679)</b>	<b>–</b>
<b>Reclassified at a later date</b>	<b>409</b>	<b>409</b>	<b>–</b>	<b>(679)</b>	<b>(679)</b>	<b>–</b>
Exchange differences on translating foreign operations	409	409	–	(679)	(679)	–
<b>Cannot be reclassified to the income statement at a later date</b>	<b>(5)</b>	<b>(5)</b>	<b>–</b>	<b>(119)</b>	<b>(119)</b>	<b>–</b>
Actuarial gains/(losses) recognized in equity	(5)	(5)	–	(119)	(119)	–
<b>Other comprehensive income</b>	<b>404</b>	<b>404</b>	<b>–</b>	<b>(798)</b>	<b>(798)</b>	<b>–</b>
<b>Comprehensive income attributable to non-controlling interests</b>	<b>4,871</b>	<b>5,992</b>	<b>(1,121)</b>	<b>4,132</b>	<b>5,048</b>	<b>(916)</b>
<b>Total comprehensive income</b>	<b>286,648</b>	<b>364,104</b>	<b>(77,456)</b>	<b>250,949</b>	<b>310,550</b>	<b>(59,600)</b>

(1) Net profit for the period amounted to €151,691 thousand at December 31, 2015 compared with €132,082 thousand at December 31, 2014.

(2) Total net profit attributable to owners of the parent amounted to €165,431 thousand at December 31, 2015 compared with €145,178 thousand at December 31, 2014.

## 5.4 Change in Equity - Consolidated Financial Statements

In thousands of euros In thousand units for the number of shares	Number of shares	Capital	Additional paid-in capital	Treasury stock	Other reserves <sup>(1)</sup>	Translation adjustment	Net profit for the period	Shareholders' equity		Total equity
								Attributable to owners of the parent	Attributable to non-controlling interests	
<b>Equity at December 31, 2013</b>	<b>154,977</b>	<b>9,299</b>	<b>65,913</b>	<b>(44,348)</b>	<b>675,275 (1)</b>	<b>(28,991)</b>	<b>193,211</b>	<b>870,358</b>	<b>15,570</b>	<b>885,928</b>
Appropriation of net profit at December 2013	-	-	-	-	193,211	-	(193,211)	-	-	-
Net profit at December 31, 2014	-	-	-	-	-	-	224,553	224,553	4,929	229,482
Other comprehensive income	-	-	-	-	(12,686)	34,951	-	22,265	(798)	21,467
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	(627)	34,951	-	34,324	(679)	33,645
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	(16,180)	-	-	(16,180)	(119)	(16,299)
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	3,159	-	-	3,159	-	3,159
<i>Cash flow hedges - currency instruments</i>	-	-	-	-	(468)	-	-	(468)	-	(468)
<i>Fair value adjustments to property, plant and equipment</i>	-	-	-	-	1,430	-	-	1,430	-	1,430
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180,525</b>	<b>34,951</b>	<b>31,342</b>	<b>246,818</b>	<b>4,132</b>	<b>250,949</b>
Treasury stock transactions	-	-	-	(16,960)	3,038	-	-	(13,922)	-	(13,922)
Capital reduction (cancellation of treasury stock) <sup>(1)</sup>	(1,400)	(84)	(27,276)	27,360	-	-	-	-	-	-
Tax effect of treasury stock transactions	-	-	-	-	(1,154)	-	-	(1,154)	-	(1,154)
Change in scope of consolidation and reserves <sup>(2)</sup>	-	-	-	-	(221)	(1,248)	-	(1,469)	-	(1,469)
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	(48,746)	-	-	(48,746)	-	(48,746)
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	(1,953)	(1,953)
Stock option costs	-	-	-	-	2,354	-	-	2,354	-	2,354
<b>Equity at December 31, 2014</b>	<b>153,577</b>	<b>9,215</b>	<b>38,637</b>	<b>(33,948)</b>	<b>811,071 (1)</b>	<b>4,712</b>	<b>224,553</b>	<b>1,054,239</b>	<b>17,749</b>	<b>1,071,988</b>
Appropriation of net profit at December 2014	-	-	-	-	224,553	-	(224,553)	-	-	-
<b>Net profit at December 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>258,374</b>	<b>258,374</b>	<b>4,467</b>	<b>262,841</b>
Other comprehensive income	-	-	-	-	(39)	23,442	-	23,403	404	23,807
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	(68)	23,442	-	23,374	409	23,783
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	(2,455)	-	-	(2,455)	(5)	(2,460)
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	2,484	-	-	2,484	-	2,484
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>224,514</b>	<b>23,442</b>	<b>33,821</b>	<b>281,777</b>	<b>4,871</b>	<b>286,648</b>
Treasury stock transactions	-	-	-	(18,554)	1,278	-	-	(17,276)	-	(17,276)
Change in scope of consolidation and reserves <sup>(2)</sup>	-	-	-	-	(435)	-	-	(435)	797	362
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	(54,833)	-	-	(54,833)	-	(54,833)
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	(2,595)	(2,595)
Stock option costs	-	-	-	-	3,025	-	-	3,025	-	3,025
<b>Equity at December 31, 2015</b>	<b>153,577</b>	<b>9,215</b>	<b>38,637</b>	<b>(52,502)</b>	<b>984,620 (1)</b>	<b>28,154</b>	<b>258,374</b>	<b>1,266,497</b>	<b>20,822</b>	<b>1,287,319</b>

(1) See Note 5.2.1.2 for details of "Other reserves and retained earnings".

(2) See Note 5.2.1.3 for details of "Changes in scope of consolidation and reserves".

The dividend per share distributed in 2015 by Compagnie Plastic Omnium in respect of the 2014 fiscal year was €0.37 compared with €0.33 in 2014 in respect of the 2013 fiscal year (see Note 5.2.2 on dividends voted and paid).

## 5.5 Statement of Cash Flows - Consolidated Financial Statements

In thousands of euros	Notes	2015	2014
<b>I – Cash flows from operating activities</b>			
Net income	3.1.1	262,841	229,482
Dividends received from associates and joint ventures		24,887	22,685
Non-cash items		318,389	302,589
Share of profit/(loss) of associates and joint ventures	4.5	(34,749)	(39,321)
Stock option plan expense		3,025	2,354
Other adjustments		(1,715)	10,420
Depreciation and provisions for impairment of fixed assets	3.1.3 – 5.1.3	144,809	122,343
Depreciation and provisions for impairment of intangible assets	3.1.3 – 5.1.2	80,852	78,138
Changes in provisions		2,384	16,411
Net (gains)/losses on disposals of non current assets	4.6 a	887	1,058
Proceeds from operating grants recognized in the income statement		(2,388)	(1,392)
Current and deferred taxes	4.8.1	75,200	64,168
Interest expense		50,084	48,410
<b>Net operating cash generated by operations before impact of financial expenses and income tax cash payments (A)</b>		<b>606,117</b>	<b>554,756</b>
Change in inventories and work-in-progress – net		(24,649)	(37,253)
Change in trade receivables – net		(81,644)	22,576
Change in trade payables		133,961	22,155
Change in other operating assets and liabilities – net		5,958	(24,447)
<b>Change in working capital requirements (B)</b>		<b>33,626</b>	<b>(16,969)</b>
<b>Taxes paid (C)</b>		<b>(65,262)</b>	<b>(80,990)</b>
Interest paid		(52,465)	(53,411)
Interest received		2,625	5,871
<b>Net financial interest paid (D)</b>		<b>(49,840)</b>	<b>(47,540)</b>
<b>Net cash generated by operating activities (A + B + C + D)</b>		<b>524,641</b>	<b>409,257</b>
<b>II – Cash flows from investing activities</b>			
Acquisitions of property, plant and equipment	3.1.3 – 3.2 – 5.1.3	(269,311)	(253,736)
Acquisitions of intangible assets	3.1.3 – 5.1.2	(108,891)	(92,697)
Disposals of property, plant and equipment	4.6 a	4,625	8,519
Disposals of intangible assets	4.6 a	7,973	3,559
Net change in advances to suppliers of fixed assets		38,034	7,905
Government grants received		4,916	643
<b>Net cash used in operations-related investing activities (E)</b>		<b>(322,654)</b>	<b>(325,807)</b>
<b>Free cash flow (A + B + C + D + E)<sup>(1)</sup></b>		<b>201,987</b>	<b>83,450</b>
Acquisitions of shares in subsidiaries and associates, investments in associates and joint ventures and related investments	5.1.14.1	101	(208)
Proceeds from disposals of shares in subsidiaries and associates	4.6 a – 5.1.14.2	4	16,610
Impact of changes in scope of consolidation – Cash and cash equivalents contributed by companies entering the scope of consolidation	5.2.1.3	797	–
<b>Net cash from financial investing activities (F)</b>		<b>901</b>	<b>16,402</b>
<b>Net cash from investing activities (E + F)</b>		<b>(321,753)</b>	<b>(309,405)</b>

In thousands of euros	Notes	2015	2014
<b>III - Cash flows from financing activities</b>			
(Purchases)/sales of treasury stock, net		(17,276)	(13,922)
Dividends paid to Burelle SA <sup>(2)</sup>		(32,161)	(28,684)
Dividends paid to other shareholders <sup>(3)</sup>		(25,267)	(22,015)
Increase in financial debt		41,561	68,394
Repayment of borrowings		(52,950)	(60,311)
<b>Net cash provided by (used in) financing activities (G)</b>		<b>(86,094)</b>	<b>(56,538)</b>
<b>Effect of exchange rate changes (H)</b>		<b>(793)</b>	<b>5,119</b>
<b>Net change in cash and cash equivalents (A + B + C + D + E + F + G + H)</b>		<b>116,001</b>	<b>48,433</b>
Net cash and cash equivalents at beginning of period	5.1.13.2	531,264	482,831
<b>Cash and cash equivalents at end of period</b>	<b>5.1.13.2</b>	<b>647,265</b>	<b>531,264</b>

(1) "Free Cash Flow" is an important concept for the Plastic Omnium Group. It is used in all of the Group's external financial communication (press releases) and, in particular, for annual and interim results presentations.

(2) Compagnie Plastic Omnium paid the dividend to Burelle SA in full over the two periods.

(3) In 2015, the dividend paid to other shareholders amounting to €22,672 thousand (compared with €20,062 thousand in 2014) was paid by Compagnie Plastic Omnium, bringing the total dividends paid by Compagnie Plastic Omnium to €54,833 thousand (compared with €48,746 thousand in 2014). See Note 5.2.2 "Dividends voted and paid by Compagnie Plastic Omnium".



## 5.6 Notes to the Consolidated Financial Statements

The consolidated financial statements of the Plastic Omnium Group for the fiscal year ended December 31, 2015 were approved by the Board of Directors of February 24, 2016. They will be submitted to the Combined Shareholders' Meeting of April 28, 2016 for approval.

### Group Overview

Compagnie Plastic Omnium, a company governed by French law, was set up in 1946. The bylaws set its duration until April 24, 2112. The Company is registered in the Lyon Trade and Companies Register under number 955 512 611 and its registered office is at 19, boulevard Jules-Carteret, 69007 Lyon, France.

The terms "Compagnie Plastic Omnium", "the Group" and "the Plastic Omnium Group" all refer to the group of companies comprising Compagnie Plastic Omnium and its consolidated subsidiaries.

The Plastic Omnium Group is a world leader in the transformation of plastic materials for the automotive market (body component modules, fuel storage and distribution systems) representing 92.3% of its consolidated sales (93.6% of its economic sales) and for local authorities (waste collection containers and highway signage) for the remainder of its sales revenue.

Plastic Omnium Group shares have been traded on the Paris Stock Exchange since 1965. Listed on Eurolist in compartment A since January 17, 2013, the Group is part of the SBF 120 and the CAC Mid 60 indices. The Group's main shareholder is Burelle SA, which owned 56.60% of the Group's shares (58.71% excluding treasury stock) at December 31, 2015.

The unit of measurement used in the Notes to the consolidated financial statements is thousands of euros, unless otherwise indicated.

### 1. Accounting policies, accounting rules and principles

#### 1.1. Basis of preparation

The accounting policies used to prepare the consolidated financial statements are those applied by the Group at December 31, 2014. They comply with the International Financial Reporting Standards (IFRS) standards and interpretations adopted for use in the European Union at December 31, 2015 and are available on the website: [http://ec.europa.eu/internal\\_market/accounting/ias\\_fr.htm#adopted-commission](http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission). IFRS includes the International Accounting Standards (IAS),

International Financial Reporting Standards (IFRS) and interpretations published by the International Financial Reporting Interpretations Committee (IFRIC). These principles are not materially different from the mandatory standards and interpretations published by the IASB and applicable with effect from December 31, 2015.

The accounting policies applied by the Group are described in Note 1 "Basis of Preparation" to the 2014 consolidated financial statements, except for those affected by the new standards and amendments mandatory from January 1, 2015. In fact, the Group applied IFRIC 21 which specifies the accounting rules for various taxes, duties and other levies falling within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" as well as other standards mandatory from January 1, 2015 ("Annual improvements" – 2011-2013 cycle), without any material impact on the Group's 2015 financial statements.

Furthermore, the Group has changed the way the share of profit of associates and joint ventures is shown in the consolidated income statement in order to provide more relevant information; because these companies' operations impact the continuing business activity of the Group, the share of their profits is now shown at the operating margin level.

#### Standards, interpretations and amendments applicable after January 1, 2016:

The impact of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers", published in 2015 by the IASB with an application date of January 1, 2018 but not yet adopted by the European Union, is currently being analyzed by the Group. At this stage, the analyses have not revealed any material impact.

#### 1.1.1. Consolidation principles

Entities in which the Group owns more than 50% of the voting rights are fully consolidated. Entities in which the Group owns less than 50% but that are controlled in substance are also fully consolidated.

The companies over which the Group exercises joint control with other shareholders, regardless of the shareholding percentage, treated as "joint ventures" insofar as the Group does not have joint operations, in addition to the companies over which the Group exercises significant influence, and treated as "Investments in associates" (significant influence is assumed when the Group holds more than 20% of the voting rights in a company) are recognized using the equity method.

#### 1.1.2. Attributable to non-controlling interests

Non-controlling interests correspond to the share of the Group's interest attributable to outside shareholders. They are presented as a separate item in the income statement and under equity in the consolidated balance sheet, separately from profit and equity attributable to owners of the parent.

Non-controlling interests may be measured either at fair value at the acquisition date (i.e. including a share of goodwill) or at their proportionate share of the fair value of the identifiable net assets acquired. The option is available on a transaction-by-transaction basis.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are recognized as equity transactions. Accordingly, when the Group's interest in a controlled entity is increased (or reduced), without control being acquired (or lost), the difference between the acquisition price (or disposal value) and the carrying amount of the share of the net assets acquired (sold) share is recorded in equity.

### 1.1.3. Segment information

Segment information is presented on the basis of the segments identified in the Group's internal reporting and notified to the management in order to decide on the allocation of resources and for performance analysis.

The Group is managed on the basis of two operational segments:

- "Automotive", which covers activities from design and manufacture to sales of body components and modules, and fuel storage and distribution systems;
- "Environment", which covers activities for local authorities, *i.e.* pre-collection products and services and waste management activities, and "Signature" for road and highway signage.

### 1.1.4. Business combinations

Business combinations are recognized by applying the acquisition method. Under this method, assets, liabilities and identifiable contingent liabilities acquired are recognized at their fair value on the acquisition date.

Goodwill is recognized as the excess of (i) the consideration transferred to the vendor plus (ii) the amount of any non-controlling interest in the company acquired over (iii) the net balance of the identifiable assets and liabilities acquired.

In a business combination carried out in stages, the consideration also includes the acquisition-date fair value of the acquirer's previously held equity interest in the acquired company. The previously held equity interest is measured at fair value through profit or loss.

Acquisition-related costs are recorded as expenses.

The fair value adjustments of assets and liabilities acquired are offset against goodwill adjustments for a period of twelve months after the acquisition date. After that date, any changes in value are recognized in profit or loss, including any changes in tax assets.

### 1.1.5. Translation of foreign subsidiaries' financial statements

Plastic Omnium Group uses the euro as its presentation currency in the consolidated financial statements. Financial statements of foreign subsidiaries are prepared in their functional currency *i.e.* the currency of the economic environment in which an entity operates; it is usually the local currency, except for certain subsidiaries that carry out the majority of their transactions in another currency. These accounts are translated into the Group's presentation currency, as follows:

- balance sheet items, other than equity, are translated at the exchange rate on the balance sheet date;

- income statement items are translated at the average exchange rate for the period;
- differences arising from translation are recognized in consolidated equity under "Translation reserves".

Goodwill arising from business combinations with foreign entities is recognized in the functional currency of the acquired entity. They are then translated into the Group's presentation currency at the closing rate, with the translation difference recorded in equity. On disposal of the entire interest in a foreign operation, the related translation differences initially recognized in equity, are reclassified in profit or loss.

### 1.1.6. Translation of transactions in foreign currencies

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate in force on the transaction date. When the accounts are being drawn up, foreign currency monetary items are translated using the rate at the balance sheet date.

The resulting translation difference is recognized in the income statement under "Other operating income and expense" for transactions related to operating activities, and under "Other financial income and expenses" for financial transactions.

Borrowings in foreign currencies obtained from the Group by a subsidiary, for which repayment is neither planned nor likely in the foreseeable future, are considered as part of the net investment of the Plastic Omnium Group in this foreign business. The corresponding translation adjustments are recorded under equity.

### 1.1.7. Sales/Revenue

Revenue is recognized when control and the risks and rewards of ownership are transferred, and it is likely that future economic benefits associated with the transaction will flow to the Group and the amount of this revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of any trade discounts and volume rebates as well as any other sales taxes or customs duties.

#### Sales of goods

Revenue from the sale of goods and from wholesale transactions is recognized when the material risks and rewards of ownership of the goods are transferred to the buyer, generally on delivery.

#### Sales of services and tooling

##### Automotive Division

Revenue generated during the project phase of automotive contracts (development work and production of tooling) is recognized when the main risks and rewards of ownership have been transferred to the customer. A determining factor in the Group's analysis is whether or not the customer has formally agreed to the price.

When a contractual agreement has been signed with the customer concerning the sale price of the tooling, the tooling is considered as having been sold and the related revenue is recognized on the basis of the stage of completion validated by the customer and, at the latest, on the first day of series production of the model concerned. Similarly, when the Group has a contractual agreement with cus-

tomers, development revenue billed on a time-spent basis is gradually recognized using the stage of completion method.

Where there is no such agreement with the customer (e.g.: where the customer finances the project by "development unit" with no volume guarantee), the Group does not believe the material risks and rewards are transferred to the client; the tooling and/or development time expenses are then recognized in the Group's property, plant and equipment and/or intangible assets, and amortized over the life of the series. Where necessary, income from the customer is recognized in revenue over the lifetime of the series.

#### Environment

Most lease-maintenance contracts are operating leases. Revenue from lease-maintenance contracts classified as operating leases is recognized on a straight-line basis over the lease term. Services provided under contracts classified as finance leases are recognized as a sale, for an amount corresponding to the sum of the survey and equipment installation costs and the estimated sale price of the equipment made available.

#### 1.1.8. Receivables

Receivables are initially recognized at fair value. Fair value generally represents the nominal amount of the receivable when the corresponding sale is subject to routine payment terms. Provisions for doubtful accounts are recorded when there is objective evidence that the receivables are impaired. Their amount is determined separately for each customer.

Finance receivables mainly correspond to lease-financing sales in the Environment business, and development and tooling sales for which the Group has signed an agreement enabling customers to pay in installments (for example: "development unit" prices contractually agreed by customers.) These latter receivables are originally due in more than one year and may be interest-bearing in the framework of an asset financing agreement with the customer. The corresponding finance income is recognized in revenue. Finance receivables are deducted from the calculation of net debt.

Sold receivables, which are removed from the balance sheet, meet the following criteria:

- the contractual rights to the receivable are transferred to the buyer;
- substantially all the risks and rewards of ownership are transferred to the buyer.

The risks taken into account are:

- credit risk;
- risks related to payment delay both for the amount and duration;
- interest rate risk, which is transferred in full to the buyer.

#### 1.1.9. Operating margin

Operating margin corresponds to profit from fully consolidated companies, before other operating income and expenses which consist mainly of:

- gains from disposals of property, plant and equipment and intangible assets;
- impairment losses on non current assets (property, plant and equipment and intangible assets) including any impairment of goodwill;
- translation differences, corresponding to the difference between the exchange rates used to account for operating receivables and payables and the rates used to account for the related settlements;
- income and expenses that are unusual in nature, frequency or amount, such as profits and losses related to changes in scope, start-up costs of new plants, restructuring costs and downsizing costs.

Amortization of contractual customer relationships acquired in business combinations is recognized as a separate component of operating margin.

Since the 2015 fiscal year, a share of profit of associates and joint ventures has also been shown in the operating margin as a separate line item (see Note 1.1).

Consequently, the Group shows an operating margin prior to taking into account amortization of intangible assets from acquisitions within the framework of business combinations and the share of profit of associates and joint ventures, and an operating margin after taking these factors into account.

The operating margin, after taking these factors into account, is the main performance indicator used by the Group.

#### 1.1.10. Research tax credit

Certain research expenditure by Group subsidiaries qualifies for French tax credits. These credits are included under operating margin as a deduction from "Net research and development costs", see Notes 4.1 "Analysis of research and development costs" and 4.2 "Cost of sales, development, selling and administrative costs".

#### 1.1.11. Intangible assets

##### 1.1.11.1 Research and development costs

Material development costs are recognized as an intangible asset when the entity can demonstrate in particular:

- its intention is to complete the project and the availability of adequate technical and financial resources to do so;
- that the development costs will generate probable future economic benefits;
- the ability to reliably value the cost of the assets.

#### Automotive Division development costs

Development hours devoted to an Automotive Division project subject to a customer contractual payment agreement are considered as sold and expensed on the basis of the stage of completion. The revenue recognition policy is described in Note 1.1.7 "Sales/Revenue".

Costs incurred on orders for specific tooling and molds subject to a customer contractual payment agreement are considered as sold and recognized in inventories. Related income is recognized in "Revenue" based on the percentage of the total cost incurred on the date of technical acceptance, or, at the latest, on the first day of series production. Amounts received prior to these dates are recorded under "Customer prepayments".

Development hours financed by the customer under "development unit" pricing and not covered by a customer contractual volume undertaking or payment guarantee are recognized under intangible assets in progress during the development phase.

These capitalized development amounts are amortized when daily output reaches 30% of estimated production and, at the latest, three months after the first day of series production. Amortization is calculated on a straight-line basis over the estimated period of series production, which averages three years for body parts and five years for fuel systems.

#### Other research and development costs

Other research and development costs are recognized under expenses for the period in which they are incurred.

##### 1.1.11.2 Other intangible assets

Other intangible assets are measured at cost less accumulated amortization and impairment losses. They are amortized on a straight-line basis over their estimated useful lives.

They mainly include "Plastic Omnium Auto Inergy" and "Ford-Milan" customer contractual relationships.

These assets are tested for impairment whenever there is objective evidence that they are impaired.

#### 1.1.12. Start-up costs

Costs corresponding to start-up phases, including organization costs, are included in expenses in accordance with the pace at which they are incurred. They correspond to the use of new production capacities or techniques. As indicated in Note 1.1.9, pre-start-up costs for new plants are recognized under other operating expenses.

#### 1.1.13. Goodwill and impairment tests

Plastic Omnium Group goodwill is not amortized but is tested for impairment at least once a year, at the year end, and on the interim balance sheet date if there is objective evidence of impairment.

Impairment tests are carried out at the level of each cash generating unit (CGU) or groups of units generating cash and cash equivalents, namely:

- "Automotive";
- "Environment" excluding "Signature";
- "Signature".

The Group presents its segment information in two "reportable segments", Automotive and Environment (see Note 3 "Segment information"), and information on Goodwill is presented on the same basis (see Note 5.1.1 "Goodwill").

The carrying amount of each CGU's assets (including goodwill) is compared with its recoverable amount. Recoverable amount is the higher of fair value less the costs to sell and value in use, determined by the discounted cash flow method.

Future cash flows are estimated based on the Group's four-year business plan, revised where necessary to take into account the most recent market conditions. The terminal value is calculated by capitalizing projected cash flows for the last year covered by the business plan, using a long-term growth rate that reflects the outlook for the market concerned. The cash flow projections are then discounted.

The assumptions used to determine the discount rates take into account:

- an industry risk premium;
- an industry financing "spread" to value the cost of debt;
- the rates used by comparable companies in each segment concerned.

Sensitivity tests of a 0.5% increase in the discount rate or a reduction of 0.5% on the long-term growth rate or a reduction of 0.5% in the operating margin rate are regularly carried out.

Negative goodwill (badwill) is recorded in the income statement during the year of acquisition.

Goodwill is measured annually at cost, less any accumulated impairment losses. Impairment losses recognized on goodwill are irreversible.

#### 1.1.14. Property, plant and equipment

##### Gross

Property, plant and equipment are initially recorded at acquisition cost, or production cost for assets manufactured by the Group (or by a subcontractor) for its own use, or at fair value in the case of assets acquired without consideration.

Gains and losses on intra-group sales or acquisitions of property, plant and equipment are eliminated in the consolidated financial statements.

Property, plant and equipment are subsequently recognized at their cost less accumulated amortization and accumulated impairment losses.

After initial recognition, property and industrial buildings are measured at depreciated cost. Maintenance and repair costs to restore or maintain the future economic benefits expected based on the asset's estimated level of performance at the time of acquisition are recognized as an expense as incurred.

Assets acquired under finance leases are recognized in property, plant and equipment at the lower of their fair value and the present value of future minimum lease payments. They are depreciated at the same rate as assets that are owned outright. Contracts classified as finance leases primarily concern industrial buildings, major functional assemblies such as paint lines and presses, and containers leased by Plastic Omnium Environment.

#### Depreciation

Property, plant and equipment are depreciated by the straight-line method over the following estimated useful lives:

Buildings and fixtures	20-40 years
Presses, blow molding and transformation	7-12 years
Machining, finishing and other equipment	3-7 years
Containers (Plastic Omnium Environment)	8 years

Each significant part of a property asset or major functional assembly, such as a paint line, press or blow molding machine, is depreciated separately over its specific estimated useful life.

#### Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment when the decision is made to cease production, to withdraw a product manufactured using the assets concerned or to close a facility.

#### 1.1.15. Investment property

The elements in the "Investment property" section of the assets on the Group's balance sheet are not included in ordinary operations. These assets, which belong to the Group, correspond to real estate as follows:

- properties that are not occupied on the balance sheet date and whose use has yet to be decided;
- or properties held by the Group for their long-term appreciation, which are leased to third parties under operating leases.

The Group may select to use all or part of a property whose use has yet to be decided (in which case the relevant part is reclassified as owner-occupied property) or to lease it under one or more operating leases.

Investment property is measured at fair value at the balance sheet date, with changes in fair value recognized in profit or loss. The same accounting treatment is applied to the land on which the property is constructed. The land and buildings are valued at regular intervals as part of the year-end closing process by an independent valuer. Between two valuations, the Group is kept informed of any material changes in the real estate market. The fair value determined by the valuer is calculated by direct reference to observable prices in an active market (fair value level 2).

Properties or parts of properties previously classified under investment property and reclassified as operating property when the Group decides to use them for its own occupation are recognized at their carrying amount on the transfer date.

When properties are moved from the "Property, plant and equipment" category to the "Investment property" category, any difference between their carrying amount and their fair value on that date is accounted for as a revaluation.

#### 1.1.16. Inventories and goods in process

##### 1.1.16.1 Raw materials inventories and other supplies

Raw materials and supplies are measured at the lower of cost and net realizable value.

A provision for impairment is recorded when the estimated selling price of the related finished products in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale, is less than the carrying amount of the raw materials or supplies.

##### 1.1.16.2 Finished and semi-finished product inventories

Finished and semi-finished products are measured at standard production cost, adjusted annually. Cost includes raw materials and direct and indirect production costs. It does not include any administrative overheads or IT costs that are unrelated to production or any research and development or distribution costs. In addition, it does not include the cost of any below normal capacity utilization.

At each balance sheet date, the gross value of finished and semi-finished products is compared to their net realizable value, determined as explained above, and a provision for impairment is recorded when necessary.

#### 1.1.17. Long-term borrowings

Current and non current debt are valued using the amortized cost method and the effective interest rate.

### 1.1.18. Provisions for liabilities and charges

Provisions for contingencies and charges are recorded when the Group has obligations to third parties involving a likely outflow of resources in favor of these third parties, and no equivalent benefit is expected to be received by the Group. Losses identified on onerous contracts, i.e. contracts where the unavoidable costs of meeting the obligations under the contract exceed the expected economic gains from said contracts, are recognized under provisions. These provisions for contingencies and charges are recognized in current or non-current liabilities according to whether they are short- or medium-long term in nature.

The cost of downsizing plans is recognized in the period in which a detailed plan is drawn up and announced to the employees concerned or their representatives.

### 1.1.19. Provisions for pensions and other post-employment benefits

All Group employees are covered by pension and other long-term post-employment benefit plans. Pension plans comprise both defined contribution and defined benefit plans.

#### 1.1.19.1 Defined contribution plans

The cost of defined contribution plans, corresponding to salary-based contributions to government-sponsored pension and death/disability insurance plans made in accordance with local laws and practices in each country is recognized in operating expense. The Group has no legal or constructive obligation to pay any additional contributions or any future benefits. Consequently, no benefit obligation is recognized in respect of these defined contribution plans.

#### 1.1.19.2 Defined benefit plans

The Group's defined benefit plans are mainly post-employment benefit plans, consisting of length-of-service awards payable to employees of the French companies in the Group and:

- other pension and supplementary pension plans, mainly in the United States and France;
- plans for health insurance coverage in the United States.

Provisions for employee defined benefit plans are calculated on an actuarial basis by independent actuaries using the projected unit credit method.

The calculations take into account:

- retirement age assumptions based on legislation and, in particular for French employees, voluntary retirement when full benefit rights have been acquired;
- mortality assumptions;
- the probability of active employees leaving the Group before retirement age;
- estimated salary increases up to retirement;
- discount rate and inflation rate assumptions.

In the case of funded defined benefit plans, the obligations are deducted from the fair value of plan assets at the reporting date. This valuation builds in long-term profitability assumptions of invested assets calculated on the basis of the discount rate used to value Company commitments.

Changes in provisions for defined benefit obligations are recognized over the benefit vesting period, under "Operating expenses" in the income statement, except for:

- the effect of discounting the commitments, which is recognized in financial expense;
- actuarial gains and losses on post-employment benefit obligations, which are recognized in equity.

#### 1.1.19.3 Other long-term benefits

Other long-term benefits mainly correspond to long-service awards payable to employees of French companies in the Group.

Actuarial gains and losses on "Other long-term benefit plans" (mainly long-service awards) are recognized immediately in profit or loss.

### 1.1.20. Current government grants

Government grants are recognized as a liability in the balance sheet and correspond to grants to finance investments in new facilities, production equipment or research and development programs.

They are reclassified in gross profit over the periods and in the proportions in which the acquired assets are depreciated.

### 1.1.21. Treasury stock

Treasury stock is recorded as a deduction from equity, regardless of the purpose for which the shares are being held.

Proceeds from sales of treasury stock are recorded directly as an increase in the Group's equity and gains or losses on the sales therefore have no impact on profit for the year.

### 1.1.22. Share purchase plans

Options allocated under stock option plans are measured at their fair value at the date of grant by the Board of Directors, using the Black & Scholes option pricing model.

The fair value is recognized in "Employee benefits expense" on a straight-line basis over the option vesting period, with a corresponding adjustment to reserves.

When options are exercised, the cash amount received by the Group for the exercise price is recorded in cash and cash equivalents with a corresponding adjustment to consolidated reserves.



### 1.1.23. Financial assets (other than derivatives)

Financial assets include equity interests in companies that are not consolidated because they are not controlled by the Group (either alone or jointly with a partner) or because the Group does not exercise significant influence over their management, as well as loans and securities.

Financial assets are classified as non current assets, except for assets maturing within twelve months of the balance sheet date which are recorded under current assets or cash equivalents, as appropriate.

#### 1.1.23.1 Available-for-sale financial assets

Equity interests in companies over which the Group does not exercise control or significant influence are classified as available-for-sale financial assets. They are measured at their fair value at the closing date. Changes in fair value are directly recorded in equity. An impairment is recorded in the income statement when there is objective evidence that these securities have lost value. A significant or prolonged drop in the fair value with reference to the acquisition value is objective evidence of a loss in value. This impairment cannot be written back.

#### 1.1.23.2 Other financial assets

Other financial assets comprise loans, security deposits and surety bonds. They are measured at amortized cost. Whenever there is any objective evidence of impairment – i.e. the carrying amount is lower than the recoverable amount – an impairment provision is recognized through profit or loss. These provisions may be reversed if the recoverable amount subsequently increases.

### 1.1.24. Derivative instruments and hedge accounting

In order to manage its interest rate risk, the Group uses over the counter derivatives. These hedging instruments are recognized and measured in the balance sheet at fair value.

Changes in the fair value of instruments described as “Cash flow hedges” are recorded under “Other comprehensive income” (equity) for the efficient parts and under “Net financial income” for the inefficient parts.

Changes in the fair value of instruments that do not qualify for hedge accounting are recognized directly in profit or loss.

### 1.1.25. Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows are short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash comprises cash at bank and in hand, short-term deposits and bank balances in credit, except for funds used to cover short- or medium-term cash needs arising in the ordinary course of business. The latter are considered to represent sources of financing and, as such, are excluded from cash and cash equivalents.

Cash equivalents correspond to the temporary investment of surplus cash in instruments with short maturities (money market mutual funds, negotiable debt securities, etc.). Changes in their fair value are recognized in profit or loss.

### 1.1.26. Assets held for sale and discontinued operations

The following items are classified as “Assets held for sale” on the balance sheet, as soon as the assets or groups of assets are available for sale in their current state and the sale is highly probable:

- the value of non current assets that are being held pending their sale;
- the value of a group of assets that is being held pending its sale rather than for continuing use (disposal groups); and
- the value of businesses and entities acquired with a view to their subsequent sale.

Liabilities related to these assets, groups of assets, activities or entities held for sale are also presented as a separate item under liabilities in the balance sheet: “Liabilities directly related to assets held for sale”.

Assets (or disposal groups) classified as held for sale are no longer depreciated. They are measured at the lower of their carrying amount and selling price, less costs to sell. Any impairment losses are recognized by the Group in “Other operating expense”.

In the balance sheet, data related to “Assets held for sale and discontinued operations” shown separately in the financial statements do not give rise to a restatement of prior years in terms of presentation.

In the income statement, the profit/loss (from the period and from sale) of business operations or entities that meet the definition of a discontinued operation are reported as a separate line item entitled “Net income from discontinued operations” in each of the fiscal years presented.

### 1.1.27. Income tax

Deferred taxes related to temporary differences between the carrying amount of assets and liabilities on the balance sheet and their tax base are recognized by the Plastic Omnium Group without discounting.

Deferred taxes are calculated using the liability method based on the most recent enacted tax rate (or the rate substantively enacted) at the balance sheet date that is applicable to the period in which the temporary differences reverse.

Tax credits and deferred tax assets on tax loss carryforwards and other temporary differences are only recognized when it is probable in the relative near term that sufficient taxable earnings will be generated to permit their utilization.

## 1.2. Use of estimates

In order to prepare its financial statements, the Plastic Omnium Group uses estimates and assumptions to value certain assets, liabilities, income, expenses and commitments. These estimates and assumptions are reviewed by senior management at regular intervals. The amounts shown in the future financial statements of the Group may reflect changes in these estimates or assumptions in consideration of experience or changes in circumstances or economic conditions.

As a general rule, estimates and assumptions used during the fiscal year are based on the latest available information on the balance sheet date. Estimates may be revised depending on developments in the underlying assumptions. The assumptions used mainly concern:

### Deferred taxes

The recognition of deferred tax assets depends on the probability of sufficient taxable earnings being generated to permit their utilization. The Group makes regular estimates of future taxable earnings, mainly in its medium-term business plans. These estimates take account of the recurring or non-recurring nature of certain losses and expenses.

### Provisions for pensions and other post-employment benefits

The Group, assisted by independent actuaries, adopts assumptions for actuarial valuations in respect of its defined benefit pension plans (see Notes 1.1.19 and 5.2.6 “Provisions for pensions and other post-employment benefits”) concerning:

- discount rates for pension and other long-term benefit plans,
- rates of growth in healthcare costs for the United States;
- expected employee turnover and future salary increases.

### Asset impairment tests

Asset impairment tests are conducted notably on goodwill and on development costs for automotive projects recognized as intangible assets. Within the framework of these tests, in order to determine the recoverable value, the concepts of fair value net of disposal costs and value in use obtained by the discounted cash flow method are used. These tests are based on assumptions concerning future flows of operational cash and cash equivalents and the discount rate. Assumptions that could significantly impact the financial statements concern in particular the discount rate and growth rates.

## 2. Significant events of the period

### 2.1. Proposed acquisition of the “Exterior Systems” business of the Faurecia Group

On December 14, 2015, Compagnie Plastic Omnium signed an MOU (Memorandum of Understanding) with the Faurecia Group to acquire its Exterior Systems business (bumpers and front-end modules) for an enterprise value of €665 million.

This consolidation of the French automotive sector creates a global leader in automotive equipment.

The Exterior Systems business of Faurecia Group has €2 billion in sales and employs 7,700 people at 22 industrial sites in Germany, France, Spain, Slovakia and North and South America. Half of the sales come from Germany where Plastic Omnium has no production sites for this business.

The transaction will firstly be reviewed by employee representative bodies in the countries concerned and then be submitted to the Competition Authorities for approval. The transaction should be completed in the second half of 2016.

The impact of the transaction on the 2015 consolidated financial statements only affects consultancy fees. They are recognized under other operating expenses (see Note 4.6).

### 2.2. Delivery and official opening of the Lyon Gerland real estate project

The official opening of the Lyon Gerland site took place on March 30, 2015. The project consisted of the construction of 33,000 sq.m. of office buildings by the Group (including 3,000 sq.m. of service buildings) for the rental market.

Total investment stands at €80.6 million (excluding the land value) since the start of the project, including:

- €7.0 million in 2015;
- €46.8 million in fiscal year 2014;
- and €26.8 million in fiscal year 2013.

The site is currently more than 80% occupied by a third-party tenant. The Plastic Omnium Group uses around 900 sq.m.

This property is classified as investment property. See Note 5.1.5 “Investment Property”.

## 2.3. Investments in production capacity

### Plant in Chattanooga, United States

Construction of the plant in Chattanooga in the state of Tennessee, United States, was completed in spring 2015. Part of the Auto Exterior Division of the Automotive Division, it produces exterior body parts for Volkswagen and should ultimately accommodate nearly 180 employees. Investment stands at €46.2 million (US\$54.5 million) of which:

- €31.5 million (US\$35.0 million) in 2015;
- €14.7 million (US\$19.5 million) in 2014.

### Plant in Fairfax, United States

The construction of the General Motors plant in Fairfax in the state of Kansas, United States, was completed in the fall of 2015. Part of the Inergy Division of Automotive Division, it produces fuel systems for the General Motors assembly plant. The site should ultimately employ nearly 50 people.

The investment has been financed by the customer, General Motors, except for the industrial equipment.

To this end, the Group:

- invested €1.9 million (US\$2.1 million) in 2015;
- and had invested €1.7 million (US\$2.3 million) in 2014.

### Plant in Warrington in the United Kingdom

The Group started construction on a plant in Warrington in the United Kingdom in the first half of 2015, which should be completed in 2016. It is part of the Auto Exterior Division of the Automotive Division and will produce exterior body parts for the carmaker Jaguar Land-Rover.

Investments amounted to €60.9 million (£44.9 million), of which:

- €52.8 million (£38.3 million) in 2015;
- €8.1 million (£6.6 million) in 2014.

## 3. Segment information

### 3.1. Information by operating segment

The Group is divided into two operating segments: Automotive and Environment.

For operational management purposes the Group uses the concept of economic sales, which corresponds to the consolidated sales of the Group and its joint ventures up to the Group's percentage stake: HBPO, a German company and world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, BPO, a major player in the Turkish market for exterior equipment and Plastic Recycling, a specialist company in plastics recycling.

The columns in the tables below show the amounts for each segment. The "Unallocated items" column groups together inter-segment eliminations and amounts that are not allocated to a specific segment (e.g. holding company activities) so as to reconcile segment information to the Group's financial statements. Financial results, taxes and the share of profit/(loss) of associates are monitored by the Group and not allocated to the segments. Inter-segment transactions are carried out on an arm's length basis.

**3.1.1. Consolidated income statement by operating segment**

In thousands of euros	2015			
	Automotive	Environment	Unallocated items <sup>(3)</sup>	Total
<b>Economic sales<sup>(1)</sup></b>	<b>5,596,732</b>	<b>385,767</b>	-	<b>5,982,499</b>
<i>Including Sales from joint ventures at the Group's percentage stake</i>	972,604	-	-	972,604
<b>Sales to third parties</b>	<b>4,624,217</b>	<b>385,828</b>	<b>(150)</b>	<b>5,009,895</b>
Sales between segments	(89)	(61)	150	-
<b>Consolidated revenue</b>	<b>4,624,128</b>	<b>385,767</b>	-	<b>5,009,895</b>
<i>% of segment revenue - Total</i>	92.3%	7.7%		100.0%
<b>Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures</b>	<b>430,774</b>	<b>22,989</b>	-	<b>453,763</b>
<i>% of segment revenue</i>	9.3%	6.0%		9.1%
Amortization of intangible assets acquired in business combinations	(18,795)	-	-	(18,795)
Share of profit/(loss) of associates and joint ventures	34,749	-	-	34,749
<b>Operating margin<sup>(2)</sup></b>	<b>446,728</b>	<b>22,989</b>	-	<b>469,717</b>
<i>% of segment revenue</i>	9.7%	6.0%		9.4%
Other operating income	19,551	1,392	-	20,943
Other operating expenses	(89,936)	(6,505)	-	(96,441)
<i>% of segment revenue</i>	-1.5%	-1.3%		-1.5%
Finance costs, net				(53,646)
Other financial income and expenses, net				(2,532)
<b>Profit from continuing operations before income tax and after share in associates and joint ventures</b>				<b>338,041</b>
Income tax				(75,200)
<b>Net income</b>				<b>262,841</b>

(1) Economic sales correspond to the consolidated sales of the Group and of its joint ventures up to the Group's percentage stake.

(2) Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures: the Group has changed the way the share of profit of associates and joint ventures is shown in the consolidated income statement; it is now shown at the operating margin level.

(3) "Unallocated items" correspond to inter-segment eliminations and amounts that are not allocated to a specific segment (for example, holding company activities). This column is included to enable segment information to be reconciled to the Group's financial statements.

In thousands of euros	2014			Total
	Automotive	Environment	Unallocated items <sup>(3)</sup>	
<b>Economic sales<sup>(1)</sup></b>	<b>4,840,342</b>	<b>410,432</b>	-	<b>5,250,775</b>
<i>Including Sales from joint ventures at the Group's percentage stake</i>	<i>792,278</i>	<i>21,292</i>	-	<i>813,570</i>
<b>Sales to third parties</b>	<b>4,048,150</b>	<b>389,397</b>	<b>(342)</b>	<b>4,437,205</b>
Sales between segments	(86)	(256)	342	-
<b>Consolidated revenue</b>	<b>4,048,064</b>	<b>389,141</b>	-	<b>4,437,205</b>
<i>% of segment revenue – Total</i>	<i>91.2%</i>	<i>8.8%</i>		<i>100.0%</i>
<b>Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures</b>	<b>344,363</b>	<b>27,194</b>	-	<b>371,557</b>
<i>% of segment revenue</i>	<i>8.5%</i>	<i>7.0%</i>		<i>8.4%</i>
Amortization of intangible assets acquired in business combinations	(18,297)	-	-	(18,297)
Share of profit/(loss) of associates and joint ventures	38,163	1,158	-	39,321
<b>Operating margin<sup>(2)</sup></b>	<b>364,229</b>	<b>28,352</b>	-	<b>392,581</b>
<i>% of segment revenue</i>	<i>9.0%</i>	<i>7.3%</i>		<i>8.8%</i>
Other operating income	2,804	569	-	3,373
Other operating expenses	(28,956)	(9,054)	-	(38,010)
<i>% of segment revenue</i>	<i>-0.6%</i>	<i>-2.2%</i>		<i>-0.8%</i>
Finance costs, net				(51,244)
Other financial income and expenses, net				(13,050)
<b>Profit from continuing operations before income tax and after share in associates and joint ventures</b>				<b>293,650</b>
Income tax				(64,168)
<b>Net income</b>				<b>229,482</b>

(1) Economic sales correspond to the consolidated sales of the Group and of its joint ventures up to the Group's percentage stake.

(2) Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures: the Group has changed the way the share of profit of associates and joint ventures is shown in the consolidated income statement; it is now shown at the operating margin level.

(3) "Unallocated items" correspond to inter-segment eliminations and amounts that are not allocated to a specific segment (for example, holding company activities). This column is included to enable segment information to be reconciled to the Group's financial statements.

### 3.1.2. Consolidated balance sheet data by operating segment

In thousands of euros Net amounts	Automotive	Environment	Unallocated items	Total
<b>December 31, 2015</b>				
Goodwill	168,225	119,271	–	287,496
Intangible assets	355,491	15,943	9,730	381,164
Property, plant and equipment	1,035,158	63,783	50,274	1,149,215
Investment property	–	–	93,263	93,263
Inventories	305,564	41,849	–	347,413
Trade receivables	522,801	46,778	8,276	577,855
Other	175,748	10,955	38,986	225,689
Finance receivables <sup>(1)</sup> (C)	51,439	4,091	–	55,530
Current accounts and other financial assets (D)	(270,706)	(17,395)	343,154	55,053
Available-for-sale financial assets – FMEA 2 (F)	–	–	1,172	1,172
Hedging instruments (E)	253	–	1,305	1,558
Net cash and cash equivalents <sup>(2)</sup> (A)	115,245	6,071	525,949	647,265
<b>Total segment assets</b>	<b>2,459,218</b>	<b>291,346</b>	<b>1,072,109</b>	<b>3,822,673</b>
Borrowings (B)	101,907	3,695	922,495	1,028,097
<b>Segment liabilities</b>	<b>101,907</b>	<b>3,695</b>	<b>922,495</b>	<b>1,028,097</b>
<b>Segment net debt = (B – A – C – D – E – F)<sup>(3)</sup></b>	<b>205,676</b>	<b>10,928</b>	<b>50,915</b>	<b>267,519</b>
<b>December 31, 2014</b>				
Goodwill	165,378	119,192	–	284,570
Intangible assets	323,543	17,319	10,856	351,718
Property, plant and equipment	892,763	68,327	47,380	1,008,470
Investment property	–	–	88,825	88,825
Inventories	257,796	41,850	13,830	313,476
Trade receivables	443,221	43,365	15,016	501,602
Other receivables	151,873	9,126	33,282	194,281
Finance receivables <sup>(1)</sup> (C)	56,034	5,619	–	61,653
Current accounts and other financial assets (D)	(326,310)	636	348,486	22,811
Available-for-sale financial assets – FMEA 2 (F)	–	–	1,372	1,372
Hedging instruments (E)	–	–	374	374
Net cash and cash equivalents <sup>(2)</sup> (A)	132,915	6,536	391,813	531,264
<b>Total segment assets</b>	<b>2,097,213</b>	<b>311,970</b>	<b>951,234</b>	<b>3,360,417</b>
Borrowings (B)	86,706	6,450	913,856	1,007,012
<b>Segment liabilities</b>	<b>86,706</b>	<b>6,450</b>	<b>913,856</b>	<b>1,007,012</b>
<b>Segment net debt = (B – A – C – D – E – F)<sup>(3)</sup></b>	<b>224,067</b>	<b>(6,341)</b>	<b>171,811</b>	<b>389,537</b>

(1) At December 31, 2015, "Finance receivables" included €36,697 thousand reported in the balance sheet under "Other non current financial assets" against €30,440 thousand at December 31, 2014, and €18,833 thousand reported under "Finance receivables – current portion" against €31,213 thousand at December 31, 2014.

(2) Net cash and cash equivalents as reported in the statement of cash flows. See also Note 5.1.13.2 "Net cash and cash equivalents at end of period".

(3) See Note 5.2.7.1 "Net debt indicator used by the Group" and Note 5.2.7.5 "Reconciliation of gross and net debt".



### 3.1.3. Other consolidated information by operating segment

2015 In thousands of euros	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	106,961	740	1,190	108,891
Capital expenditure including acquisitions of investment property	242,613	14,034	12,664	269,311
Depreciation and amortization expense <sup>(1)</sup>	(201,882)	(16,091)	(7,688)	(225,661)

2014 In thousands of euros	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	90,620	671	1,406	92,697
Capital expenditure including acquisitions of investment property	191,291	13,184	49,261	253,736
Depreciation and amortization expense <sup>(1)</sup>	(177,898)	(16,454)	(6,129)	(200,481)

(1) This item corresponds to depreciation, amortization and impairments of property, plant and equipment and intangible assets, including the amortization of intangible assets (brands and client contracts) acquired in business combinations.

### 3.1.4. Revenue – Information by geographic region and by country of sales

The following table shows revenue generated by the Group's subsidiaries in the regions or market countries indicated below:

#### 3.1.4.1 Information by sales region

2015			2014		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
France	746,508	12.5%	France	666,901	12.7%
North America	1,683,288	28.1%	North America	1,400,946	26.7%
Europe excluding France	2,333,553	39.0%	Europe excluding France	2,115,459	40.3%
South America	162,317	2.7%	South America	178,880	3.4%
Africa	55,497	0.9%	Africa	53,368	1.0%
Asia	1,001,336	16.7%	Asia	835,221	15.9%
<b>Economic sales</b>	<b>5,982,499</b>	<b>100%</b>	<b>Economic sales</b>	<b>5,250,775</b>	<b>100%</b>
<i>Including Sales from joint ventures at the Group's percentage stake</i>	972,604		<i>Including Sales from joint ventures at the Group's percentage stake</i>	813,570	
<b>Consolidated revenue</b>	<b>5,009,895</b>		<b>Consolidated revenue</b>	<b>4,437,205</b>	

#### 3.1.4.2 Revenue for the first ten contributing countries

2015			2014		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
United States	1,161,243	19.4%	United States	947,803	18.1%
Germany	748,501	12.5%	Germany	694,025	13.2%
France	746,508	12.5%	France	666,901	12.7%
China	510,958	8.5%	China	428,904	8.2%
Mexico	472,154	7.9%	Mexico	380,933	7.3%
United Kingdom	427,310	7.1%	Spain	369,364	7.0%
Spain	384,507	6.4%	United Kingdom	351,288	6.7%
South Korea	244,124	4.1%	Slovakia	207,329	3.9%
Slovakia	233,974	3.9%	South Korea	200,115	3.8%
Hungary	129,430	2.2%	Brazil	106,060	2.0%
Others	923,790	15.4%	Other	898,053	17.1%
<b>Economic sales</b>	<b>5,982,499</b>	<b>100%</b>	<b>Economic sales</b>	<b>5,250,775</b>	<b>100%</b>
<i>Including Sales from joint ventures at the Group's percentage stake</i>	972,604		<i>Including Sales from joint ventures at the Group's percentage stake</i>	813,570	
<b>Consolidated revenue</b>	<b>5,009,895</b>		<b>Consolidated revenue</b>	<b>4,437,205</b>	

### 3.1.4.3 Information by automotive manufacturer

2015			2014		
Automotive manufacturers			Automotive manufacturers		
In thousands of euros	Totals	% of total Automotive revenue	In thousands of euros	Totals	% of total Automotive revenue
Volkswagen – Porsche	954,310	17.1%	Volkswagen – Porsche	787,975	16.3%
General Motors	886,897	15.8%	General Motors	747,506	15.4%
PSA Peugeot Citroën	651,540	11.6%	PSA Peugeot Citroën	601,729	12.4%
Renault/Nissan	555,357	9.9%	Renault/Nissan	471,580	9.7%
BMW	508,216	9.1%	BMW	491,368	10.2%
<b>Total – main manufacturers</b>	<b>3,556,320</b>	<b>63.5%</b>	<b>Total – main manufacturers</b>	<b>3,100,158</b>	<b>64.0%</b>
Other automotive manufacturers	2,040,412	36.5%	Other automotive manufacturers	1,740,184	36.0%
<b>Total Automotive Segment – Economic sales</b>	<b>5,596,732</b>	<b>100%</b>	<b>Total Automotive Sector – Economic sales</b>	<b>4,840,342</b>	<b>100%</b>
<i>Including Sales from joint ventures at the Group's percentage stake Sub-total Automotive Segment</i>	972,604		<i>Including Sales from joint ventures at the Group's percentage stake Sub-total Automotive Segment</i>	792,278	
<b>Total Automotive Segment – Consolidated revenue</b>	<b>4,624,128</b>		<b>Total Automotive Segment – Consolidated revenue</b>	<b>4,048,064</b>	

## 3.2. Non-current assets by country

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Other <sup>(1)</sup>	Total
<b>December 31, 2015</b>							
Goodwill	149,951	109,785	27,496	264	–	–	287,496
Intangible assets	82,258	145,249	108,296	39,244	3,062	3,055	381,164
Property, plant and equipment, of which	233,297	363,320	339,547	183,620	22,079	7,352	1,149,215
<i>Capital expenditure for the year</i>	31,050	102,399	94,363	33,493	573	495	262,373
Investment property, of which	93,263	–	–	–	–	–	93,263
<i>Investment property</i>	6,938	–	–	–	–	–	6,938
<b>Total non current fixed assets</b>	<b>558,769</b>	<b>618,354</b>	<b>475,339</b>	<b>223,128</b>	<b>25,141</b>	<b>10,407</b>	<b>1,911,138</b>

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Other <sup>(1)</sup>	Total
<b>December 31, 2014</b>							
Goodwill	149,951	109,707	24,664	248	–	–	284,570
Intangible assets	108,918	127,006	75,552	34,355	4,188	1,699	351,718
Property, plant and equipment, of which	252,805	301,924	247,730	164,530	32,673	8,808	1,008,470
<i>Capital expenditure for the year</i>	73,282	55,566	46,186	25,904	5,492	534	206,964
Investment property, of which	88,825	–	–	–	–	–	88,825
<i>Investment property</i>	46,772	–	–	–	–	–	46,772
<b>Total non current fixed assets</b>	<b>600,499</b>	<b>538,637</b>	<b>347,946</b>	<b>199,133</b>	<b>36,861</b>	<b>10,507</b>	<b>1,733,583</b>

(1) "Others" includes South Africa and Morocco.

### 3.3. Property, plant and equipment (excluding investment property) by operating segment

In thousands of euros	Automotive	Environment	Unallocated items	Total
<b>December 31, 2015</b>				
Property, plant and equipment owned outright – carrying amount	1,024,088	46,610	50,274	1,120,972
Property, plant and equipment owned outright and under operating leases where the Group is lessor – carrying amount <sup>(1)</sup>	–	14,005	–	14,005
Property, plant and equipment leased under finance leases where the Group is lessee – carrying amount <sup>(2)</sup>	11,070	–	–	11,070
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor – carrying amount <sup>(1)(2)</sup>	–	3,168	–	3,168
<b>Total Property, plant and equipment (excluding investment property)</b>	<b>1,035,158</b>	<b>63,783</b>	<b>50,274</b>	<b>1,149,215</b>

In thousands of euros	Automotive	Environment	Unallocated items	Total
<b>December 31, 2014</b>				
Property, plant and equipment owned outright – carrying amount	877,995	49,455	47,380	974,830
Property, plant and equipment owned outright and under operating leases where the Group is lessor – carrying amount <sup>(1)</sup>	–	13,241	–	13,241
Property, plant and equipment leased under finance leases where the Group is lessee – carrying amount <sup>(2)</sup>	14,768	–	–	14,768
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor – carrying amount <sup>(1)(2)</sup>	–	5,632	–	5,632
<b>Total Property, plant and equipment (excluding investment property)</b>	<b>892,763</b>	<b>68,327</b>	<b>47,380</b>	<b>1,008,470</b>

(1) The sum of "Owned property, plant and equipment leased under operating leases where the Group is lessor" and "Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor" corresponds to the value of "Property, plant and equipment leased under operating leases where the Group is lessor" (see corresponding sub-section of Note 5.1.3).

(2) See sub-section "Property, plant and equipment leased under finance leases where the Group is lessee" in Note 5.1.3.

## 4. Notes to the income statement

### 4.1. Analysis of research and development costs

The percentage of research and development costs is expressed in relation to revenue.

In thousands of euros	2015	%	2014	%
Research and development costs	(295,404)	-5.9%	(256,763)	-5.8%
Of which capitalized development costs and research and development costs billed to customers	187,325	3.7%	152,728	3.4%
<b>Net research and development costs</b>	<b>(108,079)</b>	<b>-2.2%</b>	<b>(104,035)</b>	<b>-2.4%</b>

### 4.2. Cost of sales, development, selling and administrative costs

In thousands of euros	2015	2014
<b>Cost of sales includes:</b>		
Raw materials (purchases and changes in inventory) <sup>(1)</sup>	(3,109,711)	(2,747,510)
Direct production outsourcing	(13,389)	(10,899)
Utilities and fluids	(79,395)	(78,781)
Employee benefits expense	(502,094)	(452,607)
Other production costs	(337,006)	(282,890)
Proceeds from the sale of waste containers leased to customers under operating leases <sup>(2)</sup>	2,095	998
Carrying amount of waste containers leased to customers under operating leases <sup>(2)</sup>	(1,586)	(732)
Depreciation	(122,181)	(115,983)
Provisions for liabilities and charges	(9,148)	(16,637)
<b>Total</b>	<b>(4,172,415)</b>	<b>(3,705,041)</b>
<b>Research and development costs include:</b>		
Employee benefits expense	(136,216)	(125,391)
Amortization of capitalized development costs	(59,968)	(56,013)
Other	88,105	77,369
<b>Total</b>	<b>(108,079)</b>	<b>(104,035)</b>
<b>Selling costs include:</b>		
Employee benefits expense	(40,414)	(36,976)
Depreciation, amortization and provisions	(175)	(274)
Other	(21,626)	(20,047)
<b>Total</b>	<b>(62,215)</b>	<b>(57,297)</b>
<b>Administrative costs include:</b>		
Employee benefits expense	(120,863)	(110,286)
Other administrative expenses	(84,720)	(79,579)
Depreciation	(9,949)	(8,806)
Provisions for liabilities and charges	2,109	(605)
<b>Total</b>	<b>(213,423)</b>	<b>(199,276)</b>

(1) Of which charges, reversals and provisions for impairment on inventories amounting to:

- -€2,174 thousand in 2015;
- -€1,078 thousand in 2014.

(2) See "Gains/(losses) on disposals of non current assets" in Note 4.6 "Other operating income and expenses".

### 4.3. Employee benefits expense

In thousands of euros	2015	2014
Wages and salaries	(585,620)	(536,711)
Payroll taxes <sup>(1)</sup>	(160,296)	(149,722)
Non-discretionary profit-sharing	(12,418)	(10,052)
Share-based compensation	(3,025)	(2,354)
Pension and other post-employment benefit costs	(798)	(661)
Other employee benefits expenses	(37,432)	(25,759)
<b>Total employee benefits expense excluding temporary staff costs</b>	<b>(799,589)</b>	<b>(725,259)</b>
Temporary staff costs	(109,540)	(87,231)
<b>Total employee benefits expenses</b>	<b>(909,129)</b>	<b>(812,490)</b>

- (1) This item combines payroll taxes on stock purchase and option plans in the amount of:
- -€1,811 thousand (including -€592 thousand for executive corporate officers) in 2015;
  - no new stock purchase and option plans were granted in 2014.

### 4.4. Amortization of intangible assets acquired in business combinations

This item refers to recurring effects related to the recognition of the acquisition cost of 50% of Inergy Automotive Systems (acquired in 2010) and Ford's fuel tank business in the United States (acquired in 2011).

In thousands of euros	2015	2014
Brands	(350)	(350)
Contractual customer relationships	(18,445)	(17,947)
<b>Total amortization of intangible assets acquired in business combinations</b>	<b>(18,795)</b>	<b>(18,297)</b>

### 4.5. Share of profit/(loss) of associates and joint ventures

In thousands of euros	% Interest	2015	2014
JV HBPO GmbH and its subsidiaries and sub-subsidiaries	33.33%	12,731	10,999
JV Yanfeng Plastic Omnium and its subsidiaries	49.95%	12,668	17,398
B.P.O. AS	49.98%	9,543	10,030
Signal AG	50.00%	-	1,158
JV Valeo Plastic Omnium (SNC and SL)	50.00%	(4)	(8)
Plastic Recycling SAS	50.00%	(189)	(256)
<b>Total share of profit/(loss) of associates and joint ventures</b>		<b>34,749</b>	<b>39,321</b>

## 4.6. Other operating income and expenses

In thousands of euros	2015	2014
Pre-start-up costs at new plants <sup>(1)</sup>	(20,211)	(623)
Employee downsizing plans <sup>(2)</sup>	(9,928)	(22,418)
Impairment of non current assets <sup>(3)</sup>	(14,498)	(1,322)
Provisions for charges <sup>(4)</sup>	(4,268)	(1,525)
Litigation	(613)	64
Foreign exchange gains and losses on operating activities <sup>(5)</sup>	(13,585)	(6,695)
Impact of acquisitions: related fees and expenses <sup>(6)</sup>	(7,654)	46
Other <sup>(7)</sup>	(3,345)	(839)
Gains/losses on disposals of non current assets <sup>(a)</sup>	(1,396)	(1,325)
<b>Total operating income and expenses</b>	<b>(75,498)</b>	<b>(34,637)</b>
• of which total other operating income	20,943	3,373
• of which total other operating expense	(96,441)	(38,010)

### For the 2015 Fiscal Year

#### (1) Pre-start-up costs at plants:

In the 2015 fiscal year, the Group opened three new plants in Russia and North America (see Notes 2.3 "Investments in manufacturing capacity" and 5.1.3 "Property, plant and equipment excluding investment property"). Pre-start-up costs concern the Automotive sector and are broken down as follows:

- 91% for the Auto Exteriors Division;
- and the remainder for the Fuel Systems Division.

#### (2) Costs of employee downsizing plans:

These primarily involve:

- the continued reorganization of the Automotive Division's Compiègne-Laval site in France;
- the restructuring of the Automotive Division's "Composite" business in China;
- the restructuring of the Environment Division's Neustadt sites in Germany;
- and the unreplaced start-up costs for a French subsidiary of the Environment Division.

#### (3) Impairment of non-current assets:

This essentially covers depreciation of the property, plant and equipment of the Division's Composites business Automotive in France and China.

#### (4) Provisions for charges:

Provisions for charges cover the risk of customer returns under warranty for the Automotive Division in Europe and Asia.

#### (5) Foreign exchange gains and losses on operating activities:

In fiscal year 2015, foreign exchange gains on transactions concerned:

- the "Auto Exteriors" Division of the Automotive segment 34.5%;
- and the "Fuel Systems" Division of the Automotive segment 62.4%.

The sharp variations were due to the fall in some currencies, mainly in South America.

#### (6) Impacts of acquisitions: related fees and expenses:

The Group embarked upon several acquisitions (see Notes 2.1 "Proposed acquisition of the Exterior Systems business of the Faurecia Group" and 7.6 "Subsequent events", etc.). The costs recognized reflect the expenses incurred.

#### (7) Other:

It includes various non-material amounts.

### For the 2014 Fiscal Year

#### (2) Costs of employee downsizing plans:

These primarily involve:

- the Automotive Division with respect to the Compiègne-Laval site in France, whose reorganization begun last year is ongoing;
- and the Environment Division with respect to the Neustadt site in Germany.

#### (7) Other:

They include various non-material amounts.



(a) *Gains/losses on disposals of non-current assets:*

The detail on disposals of non current assets shown below explains the impact on non current operating income of transactions in non current assets and reconciles them with changes in the statement of cash flows:

- proceeds from disposals of property, plant and equipment and intangible assets in the statement of cash flows include proceeds from disposals of assets reported under "Other operating income and expenses" and proceeds from waste containers leased to customers under operating leases reported under "Cost of sales" (see Note 4.2);
- and net (gains)/losses on disposals of non current assets in the statement of cash flows include gains and losses from disposals of property, plant and equipment and intangible assets reported under "Other operating income and expenses" and gains and losses from waste containers leased to customers under operating leases (see Note 4.2). Details below:

In thousands of euros	2015		2014	
	Disposal proceeds	Gain/loss	Disposal proceeds	Gain/loss
Sales of waste containers included in operating margin	2,095	509	998	266
<b>Total amount of waste containers included in operating margin (see Note 4.2)</b>	<b>2,095</b>	<b>509</b>	<b>998</b>	<b>266</b>
Disposals of intangible assets	7,973	(195)	3,559	(113)
Disposals of property, plant and equipment	2,530	(1,197)	7,521	(425)
<b>Total from disposals of non-current assets excluding non current financial assets (see table above)</b>	<b>10,503</b>	<b>(1,392)</b>	<b>11,080</b>	<b>(538)</b>
Disposals of non current financial assets	4	(4)	16,610	(786)
<b>Total proceeds from disposal of non-current financial assets (see table above)<sup>(1)</sup></b>	<b>4</b>	<b>(4)</b>	<b>16,610</b>	<b>(786)</b>
<b>Total</b>	<b>12,602</b>	<b>(887)</b>	<b>28,688</b>	<b>(1,058)</b>

2014:

- (1) The entire income from the disposal of non current financial assets corresponded to the proceeds from the disposal of the 50% stake in Signal AG.

## 4.7. Net financial income

In thousands of euros	2015	2014
Finance costs	(43,037)	(39,252)
Interest cost of post-employment benefit obligations <sup>(1)</sup>	(2,505)	(2,429)
Financing fees and commissions	(8,104)	(9,563)
<b>Finance costs, net</b>	<b>(53,646)</b>	<b>(51,244)</b>
Exchange gains or losses on financing activities	(1,150)	3,074
Gains or losses on interest rate and currency hedges <sup>(2)</sup>	(2,502)	(15,062)
Other	1,120	(1,062)
<b>Other financial income and expenses, net</b>	<b>(2,532)</b>	<b>(13,050)</b>
<b>Total</b>	<b>(56,178)</b>	<b>(64,294)</b>

(1) See Notes 5.2.6.5 on the "Changes in net balance sheet amounts".

(2) See Notes 5.2.8.1.3 on the "Impact of hedging on the Income statement" and 5.2.8.2.2 on the "Impact of non-unwound currency hedging on profit or loss".

## 4.8. Income tax

### 4.8.1. Income tax recorded in the income statement

Income tax expense breaks down as follows:

In thousands of euros	2015	2014
<b>Current taxes</b>	<b>(78,683)</b>	<b>(80,390)</b>
Current income tax (expense)/benefit	(83,682)	(74,802)
Tax (expense)/benefit on non-recurring items	4,999	(5,588)
<b>Deferred taxes</b>	<b>3,483</b>	<b>16,222</b>
Deferred tax (expense)/benefits on timing differences arising or reversing during the period	5,965	15,950
Effect of changes in tax rates or the introduction of new taxes	(2,482)	272
<b>Income tax recorded in the consolidated income statement</b>	<b>(75,200)</b>	<b>(64,168)</b>

#### 4.8.2. Analysis of income tax expense – Tax proof

The analysis of the income tax expense reveals the following factors:

<b>Income tax analysis</b>		<b>2015</b>	<b>2014</b>
Consolidated profit before tax and share of profit/(loss) of associates and joint ventures (A)	<i>(in thousands of euros)</i>	303,292	254,328
Actual income tax expense reported in the income statement (B)	<i>(in thousands of euros)</i>	(75,200)	(64,168)
<b>Effective tax rate (C) = (B) / (A)</b>	<b><i>(in %)</i></b>	<b>24.8%</b>	<b>25.2%</b>
French standard tax rate (D)	<i>(in %)</i>	38%	38%
Theoretical cost of income tax (E) = (A) × (D)	<i>(in thousands of euros)</i>	(115,251)	(96,645)
<b>Difference (F)</b>	<b><i>(in thousands of euros)</i></b>	<b>40,051</b>	<b>32,477</b>
<b>Net actual cost of income tax (B) – Theoretical cost of income tax (E)</b>			

<b>Analysis of the difference between actual and theoretical income tax expense (F)</b>	<b>Totals</b>	<b>%</b>	<b>Totals</b>	<b>%</b>
Tax credits and other tax savings	28,435	9.4%	22,636	8.9%
Permanent differences between recorded profits and taxable profits	(4,653)	-1.5%	(4,651)	-1.8%
Recognition and/or utilization of tax loss carryforwards and other deferred taxes (change in unrecognized deferred taxes)	(230)	-0.1%	(6,046)	-2.4%
Impact on opening deferred taxes of a tax rate change	(2,482)	-0.8%	272	0.1%
Impact of differences in foreign tax rates	22,481	7.4%	18,407	7.2%
Other	(3,500)	-1.2%	1,859	0.7%
<b>Total difference (F)</b>	<b>40,051</b>	<b>13.2%</b>	<b>32,477</b>	<b>12.8%</b>

The effective tax rate levied on the Group for 2015 was 24.8% (against 25.2% for 2014). The factors determining this tax rate have remained relatively stable.

At December 31, 2015, the actual income tax expense was €75 million (versus €64 million in 2014) compared with a theoretical tax expense of €115 million (versus €97 million in 2014) based on a tax rate of 38% in 2015 (unchanged from 2014).

The difference between actual income tax expense and theoretical income tax expense is accounted for by:

- €22 million (€18 million in 2014) due to the impact of lower foreign tax rates, particularly in Europe (Spain, the United Kingdom, Slovakia and Poland) and Asia (China, Thailand);

- €28 million (€23 million in 2014) to the use of specific tax reductions or credits, mainly in the United States, Asia and France;
- and for -€2 million due to the impact of the change in the tax rate on company deferred taxes (French companies essentially, bringing the tax rate down from 38% to 34.4%).

#### 4.9. Net profit attributable to non-controlling interests

The net profit attributable to non-controlling interests corresponds to that share of minority interests in the profit/loss of fully consolidated entities controlled by the Group. It breaks down as follows:

<b>In thousands of euros</b>	<b>2015</b>	<b>2014</b>
Inergy Automotive Systems Manufacturing (Beijing) Co. Ltd	3,987	4,175
Inergy Automotive Systems Manufacturing India Pvt Ltd	846	559
RMS Rotherm Maschinenbau GmbH	(10)	195
DSK Plastic Omnium Inergy	(215)	86
DSK Plastic Omnium BV	(141)	(86)
<b>Total attributable to non-controlling interests</b>	<b>4,467</b>	<b>4,929</b>

#### 4.10. Earnings per share and diluted earnings per share

<b>Net profit attributable to owners of the parent</b>	<b>2015</b>	<b>2014</b>
Basic earnings per share (in euros)	1.75	1.52
Diluted earnings per share (in euros)	1.72	1.49
<b>Weighted average number of ordinary shares outstanding</b>	<b>153,576,720</b>	<b>154,731,489</b>
Treasury stock	(5,592,866)	(7,158,328)
<b>Weighted average number of ordinary shares, undiluted</b>	<b>147,983,854</b>	<b>147,573,161</b>
Impact of dilutive instruments (stock options)	2,534,828	3,092,705
<b>Weighted average number of ordinary shares, diluted</b>	<b>150,518,682</b>	<b>150,665,866</b>
<b>Weighted average price of the Plastic Omnium share during the period</b>		
Weighted average share price	25.06	21.52

### 5. Notes to the balance sheet

#### 5.1. Assets

##### 5.1.1. Goodwill

For 2015, the following assumptions were used for impairment tests (see Note 1.1.13) conducted on cash generating units (CGU) or groups of cash generating units (business segments):

- Automotive: a 1.5% perpetual growth rate and a 9.0% after-tax discount rate;
- Environment: a 1.5% perpetual growth rate and a 7.5% after-tax discount rate.

These assumptions are unchanged from 2014.

At December 31, 2015, the tests conducted did not lead to the recording of any impairment in respect of the Group's goodwill. A 0.5% increase in the discount rate or a reduction of 0.5% in the long-term growth rate or a reduction of 0.5% in the operating margin rate would not have any impact on the test results.

Concerning the Automotive and Environment CGUs, only unreasonable assumptions might jeopardize the test results. Unreasonable assumptions means a negative long-term growth rate combined with a discount rate increased by more than two points. For the Signature CGU, an increase of one point in the discount rate combined with a 0.5 point drop in the long-term growth rate could result in an impairment of approximately €1 million.

<b>Goodwill In thousands of euros</b>	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
<b>Value at January 1, 2014</b>	<b>301,521</b>	<b>(20,000)</b>	<b>281,521</b>
Allocation of prior impairment losses	(20,000)	20,000	-
Translation adjustment	3,049	-	3,049
<b>Value at December 31, 2014</b>	<b>284,570</b>	<b>-</b>	<b>284,570</b>
Translation adjustment	2,926	-	2,926
<b>Value at December 31, 2015</b>	<b>287,496</b>	<b>-</b>	<b>287,496</b>

<b>Goodwill by reporting segment In thousands of euros</b>	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
Automotive	168,225	-	168,225
Environment	119,271	-	119,271
<b>Value at December 31, 2015</b>	<b>287,496</b>	<b>-</b>	<b>287,496</b>
Automotive	165,377	-	165,377
Environment	119,193	-	119,193
<b>Value at December 31, 2014</b>	<b>284,570</b>	<b>-</b>	<b>284,570</b>

### 5.1.2. Goodwill and intangible assets

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
<b>Carrying amount at January 1, 2015</b>	<b>284,570</b>	<b>26,154</b>	<b>16,989</b>	<b>251,210</b>	<b>56,063</b>	<b>1,302</b>	<b>636,288</b>
Acquisitions	-	518	6,925	101,354	-	94	108,891
Disposals – net	-	(19)	(172)	(7,976)	-	-	(8,167)
Reclassifications	-	929	(3,956)	(7,506)	-	2,054	(567)
Depreciation for the period	-	(1,845)	(9,281)	(50,586)	(18,451)	(569)	(80,732)
Impairments recognized and reversed	-	(120)	-	-	-	-	(120)
Translation adjustment	2,926	(19)	53	8,193	1,660	254	13,067
<b>Carrying amount at December 31, 2015</b>	<b>287,496</b>	<b>25,598</b>	<b>18,470</b>	<b>294,689</b>	<b>39,272</b>	<b>3,135</b>	<b>668,660</b>

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
<b>Carrying amount at January 1, 2014</b>	<b>281,521</b>	<b>26,774</b>	<b>17,623</b>	<b>212,625</b>	<b>72,132</b>	<b>1,117</b>	<b>611,792</b>
Acquisitions	-	71	5,353	86,639	-	634	92,697
Disposals – net	-	-	487	(4,250)	-	-	(3,763)
Reclassifications	-	1,203	1,679	(4,184)	-	119	(1,183)
Depreciation for the period	-	(1,767)	(8,252)	(49,269)	(17,947)	(783)	(78,018)
Impairments recognized and reversed	-	(120)	-	-	-	-	(120)
Translation adjustment	3,049	(7)	99	9,649	1,878	215	14,883
<b>Carrying amount at December 31, 2014</b>	<b>284,570</b>	<b>26,154</b>	<b>16,989</b>	<b>251,210</b>	<b>56,063</b>	<b>1,302</b>	<b>636,288</b>

The significant changes under the sub-section “Goodwill and intangible assets” during the two periods 2015 and 2014 correspond essentially to increased Automotive Division development assets.

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
<b>Analysis of carrying amount at January 1, 2015</b>							
Cost	284,570	39,677	100,409	519,839	132,799	6,772	1,084,066
Accumulated amortization	-	(13,158)	(83,420)	(268,629)	(76,736)	(5,470)	(447,413)
Accumulated impairment (losses)	-	(365)	-	-	-	-	(365)
<b>Carrying amount at January 1, 2015</b>	<b>284,570</b>	<b>26,154</b>	<b>16,989</b>	<b>251,210</b>	<b>56,063</b>	<b>1,302</b>	<b>636,288</b>
<b>Analysis of carrying amount at December 31, 2015</b>							
Cost	287,496	41,081	113,972	613,288	135,655	6,794	1,198,286
Accumulated amortization	-	(14,998)	(95,502)	(318,287)	(96,383)	(3,659)	(528,829)
Accumulated impairment (losses)	-	(485)	-	(312)	-	-	(797)
<b>Carrying amount at December 31, 2015</b>	<b>287,496</b>	<b>25,598</b>	<b>18,470</b>	<b>294,689</b>	<b>39,272</b>	<b>3,135</b>	<b>668,660</b>

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
<b>Analysis of carrying amount at January 1, 2014</b>							
Cost	301,521	38,410	93,935	444,419	129,832	6,837	1,014,954
Accumulated amortization	-	(11,391)	(76,312)	(231,794)	(57,700)	(5,720)	(382,917)
Accumulated impairment (losses)	(20,000)	(245)	-	-	-	-	(20,245)
<b>Carrying amount at January 1, 2014</b>	<b>281,521</b>	<b>26,774</b>	<b>17,623</b>	<b>212,625</b>	<b>72,132</b>	<b>1,117</b>	<b>611,792</b>
<b>Analysis of carrying amount at December 31, 2014</b>							
Cost	284,570	39,677	100,409	519,839	132,799	6,772	1,084,066
Accumulated amortization	-	(13,158)	(83,420)	(268,629)	(76,736)	(5,470)	(447,413)
Accumulated impairment (losses)	-	(365)	-	-	-	-	(365)
<b>Carrying amount at December 31, 2014</b>	<b>284,570</b>	<b>26,154</b>	<b>16,989</b>	<b>251,210</b>	<b>56,063</b>	<b>1,302</b>	<b>636,288</b>

### 5.1.3. Property, plant and equipment excluding investment property

Property, plant and equipment owned or leased by the Group mainly pertain to plants and research and development centers.

These plants and development centers break down as follows by number and region:

Number of plants and research and development centers In units	December 31, 2015	December 31, 2014
Western Europe	53	52
Eastern Europe	16	15
North America	19	17
Asia	44	39
South America	7	7
Africa	2	2
<b>Total</b>	<b>141</b>	<b>132</b>
<i>of which total plants managed under joint ventures</i>	39	33

Asset breakdowns over the two periods are such that no factory site represents a material portion of the total property, plant and equipment over each period.

In thousands of euros	Land	Buildings	Revalued buildings	Tech. eq. & tools	Assets under construction		Other	Total
					Transferred to "Investment property"	Transferred to "Operating assets"		
<b>Carrying amount at January 1, 2015</b>	<b>77,117</b>	<b>330,476</b>	<b>14,736</b>	<b>324,383</b>	-	<b>154,178</b>	<b>107,580</b>	<b>1,008,470</b>
Acquisitions <sup>(1)</sup>	1,079	40,056	-	45,275	-	145,051	30,912	262,373
Disposals	(13)	(14)	-	(1,891)	-	(1)	(3,396)	(5,315)
Reclassifications <sup>(2)</sup>	3,303 <sup>(3)</sup>	43,857	(14,736) <sup>(4)</sup>	58,660	-	(121,125)	27,328	(2,713) <sup>(5)</sup>
Impairments recognized and reversed	-	(2,874)	-	(7,064)	-	-	(2,099)	(12,037)
Depreciation for the period	(1,061)	(21,380)	-	(72,211)	-	-	(38,120)	(132,772)
Translation adjustment	1,866	8,569	-	10,901	-	7,926	1,947	31,209
<b>Carrying amount at December 31, 2015</b>	<b>82,291</b>	<b>398,690</b>	<b>-</b>	<b>358,053</b>	<b>-</b>	<b>186,029</b>	<b>124,152</b>	<b>1,149,215</b>

In thousands of euros	Land	Buildings	Revalued buildings	Tech. eq. & tools	Assets under construction		Other	Total
					Transferred to "Investment property"	Transferred to "Operating assets"		
<b>Carrying amount at January 1, 2014</b>	<b>68,068</b>	<b>245,908</b>	<b>13,745</b>	<b>304,879</b>	<b>(996)</b>	<b>149,692</b>	<b>109,846</b>	<b>891,142</b>
Acquisitions <sup>(1)</sup>	697	50,722	-	26,456	-	110,133	18,956	206,964
Disposals	-	(167)	-	(3,700)	-	-	(4,720)	(8,587)
Reclassifications	8,195	38,247	2,496	48,796	996	(113,199)	15,652	1,183 <sup>(5)</sup>
Revaluations	-	2,306	-	-	-	-	-	2,306
Impairments recognized and reversed	-	-	-	34	-	-	18	52
Depreciation for the period	(820)	(17,876)	(1,505)	(67,062)	-	-	(35,132)	(122,395)
Translation adjustment	977	11,336	-	14,980	-	7,552	2,960	37,805
<b>Carrying amount at December 31, 2014</b>	<b>77,117</b>	<b>330,476</b>	<b>14,736</b>	<b>324,383</b>	<b>-</b>	<b>154,178</b>	<b>107,580</b>	<b>1,008,470</b>

"Tech. eq. & tool": technical equipment and tooling.

"Assets": non-current assets.

- (1) At December 31, 2015, property, plant and equipment reported in the "Statement of cash flows" corresponded to acquisitions of property, plant and equipment excluding investment property for €262,373 thousand, against €206,964 thousand at December 31, 2014.
- (2) At December 31, 2015, practically all depreciation of buildings, technical equipment, tooling and other property, plant and equipment concerned the assets of the Automotive Division's Composites business in France and in China.
- (3) From now on, the Group uses the Nanterre site, which was previously classed as "investment property" for a value of €2.5 million, as the Environment Division's exhibition center (see Note 5.1.5). At December 31, 2015, this land was reclassified as "Operating buildings".
- (4) After reclassifying the Nanterre land to "Operating buildings", the entire Nanterre site, reclassified as an operating site, was switched to "Land" and "Buildings" at December 31, 2015.
- (5) At December 31, 2015, the net balance of -€2,713 thousand is due to the following reclassifications:
  - -€5,780 thousand in "Assets held for sale" (see Note 5.1.16);
  - €2,500 thousand in "Investment property" (see Note 5.1.5);
  - and €567 thousand in "Intangible assets".

At December 31, 2014, the net balance of an amount of €1,183 thousand is due to reclassifications under "Intangible assets".

In thousands of euros	Land	Buildings	Tech. eq. & tools	Assets under construction	Other	Total
<b>Analysis of carrying amount at January 1, 2015</b>						
Cost	84,369	557,961	1,223,536	154,178	411,705	2,431,749
Depreciation	(7,245)	(212,749)	(899,065)	–	(304,102)	(1,423,161)
Accumulated impairment (losses)	(7)	–	(88)	–	(23)	(118)
<b>Carrying amount at January 1, 2015</b>	<b>77,117</b>	<b>345,212</b>	<b>324,383</b>	<b>154,178</b>	<b>107,580</b>	<b>1,008,470</b>
<b>Analysis of carrying amount at December 31, 2015</b>						
Cost	90,727	635,223	1,331,283	186,029	436,425	2,679,687
Depreciation	(8,428)	(233,659)	(966,082)	–	(310,489)	(1,518,658)
Accumulated impairment (losses)	(8)	(2,874)	(7,148)	–	(1,784)	(11,814)
<b>Carrying amount at December 31, 2015</b>	<b>82,291</b>	<b>398,690</b>	<b>358,053</b>	<b>186,029</b>	<b>124,152</b>	<b>1,149,215</b>

In thousands of euros	Land	Buildings	Tech. eq. & tools	Assets under construction	Other	Total
<b>Analysis of carrying amount at January 1, 2014</b>						
Cost	74,445	438,312	1,128,789	148,696	396,135	2,186,377
Depreciation	(6,371)	(178,659)	(823,788)	–	(286,249)	(1,295,067)
Accumulated impairment (losses)	(6)	–	(122)	–	(40)	(168)
<b>Carrying amount at January 1, 2014</b>	<b>68,068</b>	<b>259,653</b>	<b>304,879</b>	<b>148,696</b>	<b>109,846</b>	<b>891,142</b>
<b>Analysis of carrying amount at December 31, 2014</b>						
Cost	84,369	557,961	1,223,536	154,178	411,705	2,431,749
Depreciation	(7,245)	(212,749)	(899,065)	–	(304,102)	(1,423,161)
Accumulated impairment (losses)	(7)	–	(88)	–	(23)	(118)
<b>Carrying amount at December 31, 2014</b>	<b>77,117</b>	<b>345,212</b>	<b>324,383</b>	<b>154,178</b>	<b>107,580</b>	<b>1,008,470</b>

"Tech. eq. & tool": technical equipment and tooling.

"Assets": non-current assets.

#### Property, plant and equipment leased under operating leases where the Group is lessor

In thousands of euros	December 31, 2015	December 31, 2014
Cost	60,742	64,205
Accumulated depreciation	(43,565)	(45,312)
Accumulated impairment	(5)	(20)
<i>Of which depreciation for the year</i>	<i>(4,844)</i>	<i>(4,666)</i>
<i>Of which provisions for the year</i>	<i>15</i>	<i>20</i>
<b>Accumulated net depreciation and impairment</b>	<b>17,173</b>	<b>18,873</b>

The above figures correspond to waste containers leased to customers by the Environment Division under contracts that do not qualify as finance leases.

#### Minimum lease payments receivable under non-cancelable operating leases and/or lease-maintenance contracts

In thousands of euros	December 31, 2015	December 31, 2014
Due within one year	44,847	56,772
Due in one to five years	93,674	115,722
Due beyond five years	42,895	69,290
<b>Total</b>	<b>181,416</b>	<b>241,784</b>

#### Property, plant and equipment under finance leases where the Group is lessee

These assets, which are included in the tables above on property, plant and equipment, correspond to plants, research and development centers and production equipment.



Changes in capital assets under finance leases where the Group is lessee

In thousands of euros	Land and Buildings	Technical equipment and tooling	Total
Gross value at December 31, 2015	27,059	12,280	39,339
Accumulated depreciation and provisions at December 31, 2015	(20,302)	(4,799)	(25,101)
<b>Carrying amount at December 31, 2015<sup>(1)</sup></b>	<b>6,757</b>	<b>7,481</b>	<b>14,238</b>
Gross value at December 31, 2014	36,412	14,880	51,292
Accumulated depreciation and impairment and provisions at December 31, 2014	(24,513)	(6,379)	(30,892)
<b>Carrying amount at December 31, 2014<sup>(1)</sup></b>	<b>11,899</b>	<b>8,501</b>	<b>20,400</b>

(1) See Note 3.3. "Property, plant and equipment (excluding Investment property) by operating segment".

Changes in payments and discounted value relating to assets under finance leases where the Group is lessee

In thousands of euros	Minimum payments at December 31, 2015	Discounted value at December 31, 2015
Due within one year	2,463	2,503
Due in one to five years	4,718	4,137
<b>Carrying amount at December 31, 2015<sup>(1)</sup></b>	<b>7,181</b>	<b>6,640</b>

In thousands of euros	Minimum payments at December 31, 2014	Discounted value at December 31, 2014
Due within one year	3,039	3,191
Due in one to five years	5,333	5,490
<b>Carrying amount at December 31, 2014<sup>(1)</sup></b>	<b>8,372</b>	<b>8,681</b>

(1) See Note 5.2.7.5 "Reconciliation of gross and net debt".

5.1.4. Property, plant and equipment (excluding Investment property) by category

Property, plant and equipment by category In thousands of euros	Cost	Depreciation	Impairment	Total
<b>At december 31, 2015</b>				
Property, plant and equipment owned outright	2,587,051	(1,454,270)	(11,808)	1,120,972
Owned property, plant and equipment leased under operating leases where the Group is lessor <sup>(1)</sup>	53,298	(39,289)	(5)	14,005
Property, plant and equipment leased under finance leases where the Group is lessee <sup>(2)</sup>	31,895	(20,825)	-	11,070
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor <sup>(1)(2)</sup>	7,444	(4,276)	-	3,168
<b>Total Property, plant and equipment (excluding Investment property)</b>	<b>2,679,688</b>	<b>(1,518,660)</b>	<b>(11,813)</b>	<b>1,149,215</b>

Property, plant and equipment by category In thousands of euros	Cost	Depreciation	Impairment	Total
<b>At december 31, 2014</b>				
Property, plant and equipment owned outright	2,327,212	(1,352,285)	(101)	974,830
Owned property, plant and equipment leased under operating leases where the Group is lessor <sup>(1)</sup>	53,248	(39,987)	(20)	13,241
Property, plant and equipment leased under finance leases where the Group is lessee <sup>(2)</sup>	40,335	(25,566)	-	14,768
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor <sup>(1)(2)</sup>	10,957	(5,325)	-	5,632
<b>Total Property, plant and equipment (excluding Investment property)</b>	<b>2,431,749</b>	<b>(1,423,160)</b>	<b>(118)</b>	<b>1,008,470</b>

(1) The sum of "Property, plant and equipment owned outright and leased under operating leases where the Group is lessor" and "Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor" corresponds to the value of "Property, plant and equipment leased under operating leases where the Group is lessor".

(2) See sub-section "Property, plant and equipment leased under finance leases where the Group is lessee".

### 5.1.5. Investment property

The item "Investment property" saw the following movements over the two periods:

In thousands of euros	Land	Buildings	Total
Fair value at December 31, 2014	15,200	73,625	88,825
Lyon Gerland building	–	6,938	6,938
Nanterre building – reclassification as operating building <sup>(1)</sup>	(2,500)	–	(2,500)
<b>Fair value at December 31, 2015</b>	<b>12,700</b>	<b>80,563</b>	<b>93,263</b>

In thousands of euros	Land	Buildings	Total
Fair value at December 31, 2013	15,200	26,853	42,053
Buildings under construction in Lyon Gerland	–	46,772	46,772
<b>Fair value at December 31, 2014</b>	<b>15,200</b>	<b>73,625</b>	<b>88,825</b>

(1) See reclassification of non current assets in Note 5.1.3 "Property, plant and equipment excluding investment property".

These cumulative movements break down as follows:

#### In financial years 2014 and 2015

In thousands of euros	Land	Buildings	Total
Lyon Gerland complex	12,700	80,563	93,263
<b>Fair value at December 31, 2015<sup>(1)</sup></b>	<b>12,700</b>	<b>80,563</b>	<b>93,263</b>

In thousands of euros	Land	Buildings	Total
Nanterre site in Île-de-France in Hauts-de-Seine	2,500	–	2,500
Lyon Gerland complex	12,700	73,625	86,325
<b>Fair value at December 31, 2014<sup>(1)</sup></b>	<b>15,200</b>	<b>73,625</b>	<b>88,825</b>

(1) See Note 2.2 "Delivery and inauguration of the Lyon Gerland building project".

At December 31, 2015, the balance of investment property covered the following components:

- Lyon Gerland construction project: the Lyon Gerland real estate project for the construction of 33,000 sq.m. of office buildings (including 3,000 sq.m. of service buildings) for the rental market was delivered and inaugurated on March 30, 2015. Total investment (including the value of the land) was €93.3 million, €7.0 million of which was spent in 2015.

The primary tenant took occupancy of two-thirds of the offices (18,977 sq.m.) on April 1, 2015 as initially planned in the contract on a twelve year lease. On October 1, 2015, the same tenant signed an additional lease for a firm term of six years (5,684 sq.m.), increasing its occupancy rate to 82%. The Plastic Omnium Group uses around 900 sq.m.

The entire building complex is classified under investment property. The portion used by the Group for its own occupation is 3%, and deemed to be immaterial.

- Land attached to the Nanterre site in Île-de-France in Hauts-de-Seine: the land in Nanterre, which was classified as an investment property at December 31, 2014 was reclassified as operating property at December 31, 2015. It is now used by the Group as an exhibition center for the Environment Division's exterior fittings products.

### 5.1.6. Investments in associates and joint ventures

Investments in associates and joint ventures correspond to investments by the Group in the following companies:

In thousands of euros	% interest	December 31, 2015	December 31, 2014
JV HBPO GmbH and its subsidiaries and sub-subsidiaries	33.33%	33,100	30,446
JV Yanfeng Plastic Omnium and its subsidiaries	49.95%	105,121	93,995
B.P.O. AS	49.98%	20,983	20,292
JV Valeo Plastic Omnium (SNC and SL)	50.00%	(34)	(30)
Plastic Recycling SAS	50.00%	(97)	90
<b>Total investments in associates and joint ventures</b>		<b>159,073</b>	<b>144,793</b>

Investments in these entities include goodwill by segment in the following amounts:

In thousands of euros	December 31, 2015	December 31, 2014
Goodwill in associates and joint ventures – Automotive	21,333	21,044
<b>Total goodwill in associates and joint ventures</b>	<b>21,333</b>	<b>21,044</b>

The tables below provide summary balance sheet and income statement data for all of the associates and joint ventures.

The associates Chengdu Faway YFPO, Dongfeng Plastic Omnium AE and Hicom HBPO are included in the YFPO and HBPO joint ventures respectively.

The following presentation covers 100% of the data from the consolidated balance sheet and income statement before elimination of internal operations:

In thousands of euros	December 31, 2015	December 31, 2014
Non-current assets	478,157	406,940
Current assets	1,200,402	999,619
<b>Total assets</b>	<b>1,678,559</b>	<b>1,406,559</b>
Shareholders' equity	515,202	464,981
Non-current liabilities	6,472	6,300
Current liabilities	1,156,885	935,278
<b>Total equity and liabilities</b>	<b>1,678,559</b>	<b>1,406,559</b>
Revenue	3,195,096	2,631,984
Net income	210,106	162,242

### 5.1.7. Available-for-sale financial assets

In thousands of euros	December 31, 2015	December 31, 2014
Shell companies and dormant companies	356	469
Contribution to the "FMEA 2" fund <sup>(1)</sup>	1,172	1,372
<b>Available-for-sale financial assets</b>	<b>1,528</b>	<b>1,841</b>

(1) Contributions to the "FMEA 2" fund are listed with long-term financial receivables in Note 5.2.7.5 "Reconciliation of gross and net debt".

### 5.1.8. Other non-current financial assets

In thousands of euros	December 31, 2015	December 31, 2014
Loans	220	228
Negotiable debt securities <sup>(1)</sup>	5,000	–
Deposits and bonds	22,775	14,436
Other	48	43
<b>Other non-current assets and financial receivables (see Note 5.2.7.5)</b>	<b>28,043</b>	<b>14,707</b>
Finance receivables related to Environment finance leases (see Note 6.4.1)	2,620	4,064
Finance receivables related to Automotive contracts (see Note 6.4.1)	34,077	26,376
<b>Non-current financial receivables (see Note 5.2.7.5)</b>	<b>36,697</b>	<b>30,440</b>
<b>Total</b>	<b>64,740</b>	<b>45,147</b>

(1) See Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets".

Deposits and bonds correspond mainly to guarantee deposits on leased offices and sold receivables sales programs.

Finance receivables mainly concern work in progress on automotive projects for which the Group has received a firm commitment on the selling price of developments and/or tooling. These receivables are discounted.

### 5.1.9. Inventories and goods in process

In thousands of euros	December 31, 2015	December 31, 2014
<b>Raw materials and supplies</b>		
At cost	115,743	103,953
Net realizable value	107,481	96,788
<b>Molds, tooling and engineering</b>		
At cost	128,648	102,933
Net realizable value	128,583	102,844
<b>Other work in progress</b>		
At cost	63	13,940
Net realizable value	63	13,847
<b>Maintenance inventories</b>		
At cost	41,381	36,144
Net realizable value	33,617	29,168
<b>Goods</b>		
At cost	8,010	9,104
Net realizable value	7,072	8,335
<b>Semi-finished products</b>		
At cost	33,019	30,468
Net realizable value	31,008	28,910
<b>Finished products</b>		
At cost	42,758	36,286
Net realizable value	39,589	33,584
<b>Total, net</b>	<b>347,413</b>	<b>313,476</b>

### 5.1.10. Current financial receivables

In thousands of euros	December 31, 2015		December 31, 2014	
	Undiscounted values	Carrying amount	Undiscounted values	Carrying amount
<b>Current financial receivables (see Note 5.2.7.5)</b>	<b>19,205</b>	<b>18,833</b>	<b>31,456</b>	<b>31,213</b>
<i>Of which Environment Division finance lease receivables</i>	1,653	1,471	1,791	1,555
<i>Of which Automotive Division finance receivables</i>	17,552	17,362	29,665	29,658
<b>Other current financial assets and financial receivables (see Note 5.2.7.5)</b>	<b>27,010</b>	<b>27,010</b>	<b>8,194</b>	<b>8,104</b>
<i>Of which "Current accounts"</i>	1,852	1,852	1,934	1,934
<i>Of which "Negotiable debt securities"<sup>(1)</sup></i>	19,030	19,030	-	-
<i>Of which "Other"</i>	6,128	6,128	6,260	6,170
<b>Total current financial receivables</b>	<b>46,215</b>	<b>45,843</b>	<b>39,650</b>	<b>39,317</b>

(1) See Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets".

### 5.1.11. Trade and other receivables

#### 5.1.11.1 Sales of receivables

Compagnie Plastic Omnium and some of its European and North American subsidiaries have set up several receivables sales programs with French banks. These programs are due within more than two years on average.

Nearly all of these non-recourse programs transfer substantially all the risks and rewards of ownership to the buyer, with only the non-material dilution risk retained by the Group, and the sold receivables are therefore derecognized.

Receivables sold under these programs, and which are therefore no longer included on the balance sheet, totaled €260 million at December 31, 2015, against €235 million at December 31, 2014.

5.1.11.2 Trade receivables – Cost, impairment and carrying amounts

In thousands of euros	December 31, 2015			December 31, 2014		
	Cost	Impairment	Carrying amount	Cost	Impairment	Carrying amount
Trade receivables	582,264	(4,409)	577,855	506,713	(5,111)	501,602

The Group has not identified material customer risk that has not been given an accounting provision in the two periods.

5.1.11.3 Other

In thousands of euros	December 31, 2015	December 31, 2014
Sundry receivables	54,293	53,656
Prepayments to suppliers of tooling and prepaid development costs	36,536	12,890
Prepaid and recoverable income taxes	61,591	60,656
Other prepaid and recoverable taxes	68,046	60,470
Employee advances	951	3,369
Prepayments to suppliers of non current assets	4,272	3,240
<b>Other</b>	<b>225,689</b>	<b>194,281</b>

5.1.11.4 Trade and other receivables by currency

In thousands of currency units	Receivables at December 31, 2015			Receivables at December 31, 2014		
	Local currency	Euro	%	Local currency	Euro	%
EUR Euro	395,988	395,988	49%	373,648	373,648	54%
USD US dollar	200,324	184,003	23%	187,162	154,157	22%
CNY Chinese yuan	568,412	80,502	10%	441,297	58,560	8%
GBP Pound sterling	41,282	56,246	7%	24,145	30,999	4%
Other Other currencies		86,805	11%		78,519	11%
<b>Total</b>		<b>803,544</b>	<b>100%</b>		<b>695,883</b>	<b>100%</b>
Of which:						
• Trade receivables		577,855	72%		501,602	72%
• Other receivables		225,689	28%		194,281	28%

Sensitivity tests on exchange rate movements for “Trade and other receivables” give the following results:

In thousands of currency units	Sensitivity tests on Receivables at December 31, 2015						Sensitivity tests on Receivables at December 31, 2014						
	Base		Increase – all currencies		Decrease – all currencies		Base		Increase – all currencies		Decrease – all currencies		
	Local currency	Translation rate	+10%	+20%	-10%	-20%	Local currency	Translation rate	+10%	+20%	-10%	-20%	
			%	%	%	%			%	%	%	%	
EUR Euro	395,988	1.00000	47%	45%	52%	55%	373,648	1.00000	51%	49%	56%	59%	
USD US dollar	200,324	0.91853	24%	25%	22%	20%	187,162	0.82366	23%	24%	21%	20%	
CNY Chinese yuan	568,412	0.14163	10%	11%	9%	9%	441,297	1.28386	9%	9%	8%	7%	
GBP Pound sterling	41,282	1.36249	7%	8%	7%	6%	24,145	0.13270	5%	5%	4%	4%	
Other Other currencies			12%	11%	10%	10%			12%	13%	11%	10%	
<b>Total in euros</b>			<b>803,544</b>	<b>844,300</b>	<b>885,056</b>	<b>762,788</b>	<b>722,033</b>	<b>695,883</b>	<b>728,107</b>	<b>760,330</b>	<b>663,660</b>	<b>631,436</b>	
Of which:													
Trade receivables			577,855	607,164	636,473	548,547	519,238		501,602	524,830	548,057	478,375	455,148
Other receivables			225,689	237,136	248,583	214,241	202,795		194,281	203,277	212,273	185,285	176,288

Currency sensitivity tests on “Trade and other receivables” and “Trade payables and other operating liabilities” (see Note 5.2.9.3) give practically the same net exposure for the Group by currency as the exposure calculated based on actual data in 2015.

#### 5.1.12. Deferred taxes

As explained in Note 1.1.27 to the accounting rules and methods above, deferred tax assets corresponding to tax loss carryforwards, deductible temporary differences and tax credits are measured based on the probability of sufficient taxable earnings being generated to permit their utilization. To this end, new estimates were made for the year-end closing of accounts, leading to the recognition of assets based on probable use within a relatively short period. This reflects a prudent approach given the current economic context.

Recognized deferred taxes relate to the following items:

In thousands of euros	December 31, 2015	December 31, 2014
Property, plant and equipment	(46,150)	(42,697)
Post-employment benefit obligations	33,704	31,435
Provisions for liabilities and charges	42,916	31,192
Financial instruments	4,790	7,311
Tax loss carryforwards and tax credits	91,639	91,199
Other	(18,164)	(11,843)
Impairment of deferred tax assets	(81,129)	(76,308)
<b>Total</b>	<b>27,606</b>	<b>30,289</b>
of which:		
Deferred tax assets	87,310	78,067
Deferred tax liabilities	59,704	47,778

Unrecognized deferred tax assets on tax loss carryforwards amounted to €55 million at December 31, 2015 against €58 million at December 31, 2014, as follows:

In thousands of euros	December 31, 2015	December 31, 2014
Evergreen tax loss carryforwards	45,743	50,115
Tax loss carryforwards available for more than 5 years	2,281	3,290
Tax loss carryforwards available for up to 5 years	3,165	2,613
Tax loss carryforwards available for up to 4 years	1,865	1,240
Tax loss carryforwards available for up to 3 years	1,115	605
Tax loss carryforwards available for less than 3 years	1,156	-
<b>Total</b>	<b>55,325</b>	<b>57,863</b>

The change during the year stems essentially from changes in France and Germany.

#### 5.1.13. Cash and cash equivalents

##### 5.1.13.1 Gross cash and cash equivalents

In thousands of euros	December 31, 2015	December 31, 2014
Cash at bank and in hand	212,968	182,972
Short-term deposits	450,188	352,440
<b>Total cash and cash equivalents on the balance sheet</b>	<b>663,156</b>	<b>535,412</b>

Group cash and cash equivalents breaks down as follows:

In thousands of euros	December 31, 2015	December 31, 2014
Cash and cash equivalents of the Group's captive reinsurance company	51,189	45,613
Cash and cash equivalents in countries with exchange controls on remittances and transfers <sup>(1)</sup>	70,100	85,225
Cash equivalents	541,867	404,574
<b>Total cash and cash equivalents on the balance sheet</b>	<b>663,156</b>	<b>535,412</b>

(1) The “countries with exchange controls on remittances and transfers” include Brazil, China, India, Chile and Argentina.

The above amounts are presented in the balance sheet as current assets as they are not subject to any general restrictions.



#### 5.1.13.2 Net cash and cash equivalents at end of period

In thousands of euros	December 31, 2015	December 31, 2014
Cash and cash equivalents	663,156	535,412
Short-term bank loans and overdrafts	(15,891)	(4,148)
<b>Net cash and cash equivalents at end of period in the statement of cash flows</b>	<b>647,265</b>	<b>531,264</b>

#### 5.1.14. Statement of cash flows – Acquisitions and disposals of non current financial assets and non-controlling interests

##### 5.1.14.1 Acquisitions of shares in subsidiaries and associates and non-controlling interests

Financial acquisitions made by the Group are broken down into the following two categories:

##### Acquisitions of shares in subsidiaries and associates, investments leading to a change in control, equity investments in associates, joint ventures and related investments

These are recorded under “Cash flows from investments” in the Consolidated statement of cash flows.

At December 31, 2015, the -€101 thousand under “Acquisitions of interests in non-consolidated companies” relates to the repatriation of amounts set aside in prior years for the creation of non-consolidated shell companies.

At December 31, 2014, the total was €208 thousand for transactions, which, taken individually, were not significant.

##### 5.1.14.2 Disposals of shares in subsidiaries and associates and non-controlling interests

##### Disposals of shares in subsidiaries and associates

The proceeds from disposals of shares in subsidiaries and associates are recorded under “Cash flows from investments” in the consolidated statement of cash flows.

##### 2015

In 2015, the Group disposed of €4 thousand in non-Group securities belonging to Compania Plastic Omnium SA.

##### 2014

In 2014, the Group had disposed of its 50% interest in Signal AG for €16,610 thousand (see Note 2.4 of the 2014 Consolidated Financial Statements on the “Disposal of the Group’s stake in Signal AG”).

#### 5.1.15. Consolidated funds from operations and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid

Consolidated funds from operations and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid, break down as follows:

In thousands of euros	2015	2014
<b>Consolidated financial statements</b>		
Funds from operations	606,117	554,756
Tax paid	(65,262)	(80,990)
Interest paid	(49,840)	(47,540)
<b>Funds from operations after payment of taxes and interest</b>	<b>491,015</b>	<b>426,226</b>
<b>Associates and joint ventures</b>		
<b>Share of funds from operations</b>	<b>58,408</b>	<b>75,253</b>
Share of tax paid	(7,958)	(13,302)
Share of interest received/paid	1,255	1,927
Elimination of dividends paid	(24,887)	(22,685)
<b>Share of funds from operations after payment of taxes and interest received, net of dividends paid</b>	<b>26,818</b>	<b>41,193</b>
<b>Total</b>	<b>517,833</b>	<b>467,419</b>

#### 5.1.16. Assets and liabilities held for sale

After opening its new α-Alphatech Research and Development Center for fuel systems on September 1, 2014, the Group put its old technical center in the Oise department up for sale, as well as the one in Laval in the Mayenne department (see Note 2.1 “Investments in the Research and Development Center” of the Consolidated Financial Statements at December 31, 2014).

In addition, the Group put the assets of its Environment Division’s former Neustadt (Germany) site up for sale. The plant produced metal drums and has been shut down since May 2015, following the transfer of activities to the Herford plant in Germany.

The breakdown by site of assets reclassified to “Assets and liabilities held for sale” is given below:

In thousands of euros	December 31, 2015 Total
<b>Compiègne technical center in the Oise department</b>	<b>846</b>
of which Land	167
of which Buildings, equipment, building improvements, fixtures and fittings	679
<b>Laval technical center in the Mayenne department</b>	<b>1,893</b>
of which Land	178
of which Buildings, equipment, building improvements, fixtures and fittings	1,715
<b>Environment division's Neustadt site in Germany</b>	<b>3,041</b>
of which, Land	2,780
of which Buildings, equipment, building improvements, fixtures and fittings	261
<b>Net assets held for sale</b>	<b>5,780</b>

## 5.2. Equity and liabilities

### 5.2.1. Equity attributable to owners of the parent

#### 5.2.1.1 Share capital of Compagnie Plastic Omnium

In euros	December 31, 2015	December 31, 2014
Share capital at January 1	9,214,603	9,298,621
Capital reduction during the year	–	(84,018)
<b>Share capital at end of period (ordinary shares with a par value of €0.06)</b>	<b>9,214,603</b>	<b>9,214,603</b>
Treasury stock	331,350	347,417
<b>Total share capital net of treasury stock</b>	<b>8,883,254</b>	<b>8,867,186</b>

Shares registered in the name of the same holder for at least two years carry double voting rights.

#### Structure of capital at December 31, 2015

At December 31, 2015, Compagnie Plastic Omnium held 5,522,492 treasury shares, i.e. 3.60% of the share capital, against 5,790,280 or 3.77% of share capital at December 31, 2014.

#### Structure of capital at December 31, 2014

The Board of Directors' meeting of October 24, 2014 had decided to reduce the share capital of Compagnie Plastic Omnium by €84,018.06, as authorized by the twelfth resolution of the Combined Shareholders' meeting of April 30, 2014. The capital reduction was done by cancelling 1,400,301 shares with a par value of €0.06, thus reducing the capital to €9,214,603.20 for 153,576,720 shares, versus €9,298,621.26 for 154,977,021 shares before the transaction.

#### 5.2.1.2 Details of “Other reserves and retained earnings” in the consolidated statement of changes in equity

In thousands of euros	Actuarial gains/(losses) recognized in equity	Cash flow hedges – interest rate instruments	Cash flow hedges – currency instruments	Fair value adjustments to property, plant and equipment	Retained earnings and other reserves	Attributable to owners of the parent
<b>December 31, 2013</b>	<b>(22,764)</b>	<b>(7,303)</b>	<b>419</b>	<b>16,726</b>	<b>688,197</b>	<b>675,275</b>
Movements for 2014	(16,180)	3,159	(468)	1,430	147,855	135,796
<b>At December 31, 2014</b>	<b>(38,944)</b>	<b>(4,144)</b>	<b>(49)</b>	<b>18,156</b>	<b>836,052</b>	<b>811,071</b>
Movements for 2015	(2,455)	2,484	–	–	173,520	173,549
<b>At December 31, 2015</b>	<b>(41,399)</b>	<b>(1,660)</b>	<b>(49)</b>	<b>18,156</b>	<b>1,009,572</b>	<b>984,620</b>

5.2.1.3 Details of "Changes in scope of consolidation and reserves" in the consolidated statement of changes in equity

In thousands of euros	Shareholders' equity		Total equity
	Attributable to owners of the parent	Attributable to non-controlling interests	
Adjustment of opening balance sheet for Ford's United States' fuel tank business	(1,469)	-	(1,469)
<b>Other changes in scope of consolidation at December 31, 2014</b>	<b>(1,469)</b>	<b>-</b>	<b>(1,469)</b>
Impact IFRIC 21 <sup>(1)</sup>	(435)	-	(435)
Partner's subscription to the DSK Plastic Omnium BV capital increase	-	797	797
<b>Other changes in scope of consolidation at December 31, 2015</b>	<b>(435)</b>	<b>797</b>	<b>362</b>

(1) See Note 1.1. "Basis of preparation" on IFRIC 21.

5.2.2. Dividends voted and paid by Compagnie Plastic Omnium

Dividend per share in euros In thousands of euros Number of shares, in units	December 31, 2015		December 31, 2014	
	Number of shares in 2014	Dividend	Number of shares in 2013	Dividend
<b>Dividend per share (in euros)</b>		<b>0.37<sup>(1)</sup></b>		<b>0.33<sup>(1)</sup></b>
Total number of shares outstanding at the end of the previous year	153,576,720		154,977,021	
Total number of shares held in treasury on the ex-dividend date	5,379,571 <sup>(2)</sup>		7,262,537 <sup>(2)</sup>	
Total number of shares held in treasury at the year end (for information)	5,790,280 <sup>(2)</sup>		8,528,162 <sup>(2)</sup>	
Dividends on ordinary shares		56,823		51,142
Dividends on treasury stock (unpaid)		(1,990) <sup>(2)</sup>		(2,396) <sup>(2)</sup>
<b>Total net dividend</b>		<b>54,833</b>		<b>48,746</b>

(1) In 2015, Compagnie Plastic Omnium paid a dividend of €0.37 per share on profits from 2014.

In 2014, Compagnie Plastic Omnium paid a dividend of €0.33 per share on profits from 2013.

(2) December 31, 2015: the number of treasury shares taken into account for the determination of the provisional total dividend was 5,790,280 at December 31, 2014. On the 2015 ex-dividend date, there were only 5,379,571 shares in treasury and the dividends attached to treasury shares therefore fell from €2,142 thousand to €1,990 thousand.

December 31, 2014: the number of treasury shares taken into account for the determination of the provisional total dividend was 8,528,162 at December 31, 2013. On the 2014 ex-dividend date, there were only 7,262,537 shares in treasury, reducing the dividends attached to those shares from €2,814 thousand to €2,396 thousand.

The recommended dividend in respect of 2015 to be proposed to the Combined Shareholders' Meeting of April 28, 2016, amounts to €0.41 per share, representing a total payout of €62,966 thousand based on the 153,576,720 shares outstanding at December 31, 2015 before deducting treasury stock.

5.2.3. Share-based payments

On July 21, 2015, the Board of Directors allocated share purchase options (see minutes of the Shareholders' Meeting of April 25, 2013) with effect as from August 6, 2015 and exercisable as from August 7, 2019 for a three-year period. The exercise of the stock options granted to corporate officers is subject to market and performance conditions, details of which are given in Note 7.3.1 "Compensation paid to Senior Executives and Corporate Officers".

This plan has been assessed according to the method described in Note 1.1.22. The main assumptions used for this assessment are as follows:

<b>Other information</b>	<b>August 6, 2015 plan</b>
Plastic Omnium share price at the plan grant date	26.33
Exercise price	24.72
Zero-coupon interest rate	0.92%
Expected volatility	39.00%
Expected dividend rate	1.75%
Maturity	August 7, 2019
Total number of recipients	172
<i>subject to the achievement of certain market performance criteria</i>	10
<i>not subject to the achievement of certain market performance criteria</i>	162

On this basis, the plan was valued at €8,510,740. The cost will be amortized on a straight-line basis over the four-year vesting period.

The social contributions amounting to €1,810,846 relating to the implementation of this new plan were recognized in full as expenses in 2015. They were calculated on the basis of 25% of the share price on the stock option allocation date and represent 30% of the total value of the stock options allocated to French beneficiaries (917 thousand stock options).

<b>Valuation of the August 6, 2015 plan In euros In units for the number of options</b>	<b>Stock options of the August 6, 2015 plan</b>		<b>Total</b>
	<b>Subject to market conditions</b>	<b>Not subject to market conditions</b>	
Average value of one stock option	4.34	8.68	6.79
<i>Number of options</i>	545,000	708,000	1,253,000
Accounting expense (with adjustment to reserves)	2,365,300	6,145,440	8,510,740

#### Outstanding stock option plans

Grant date	Options exercisable for	Grantees	Vesting conditions	Maximum number of options available under the plan	Multiplier following the division by three of the par value of the share on May 10, 2011	Maximum number of options available under the plan as adjusted for the stock split <sup>(1)</sup>	Multiplier following the division by three of the share par value on September 10, 2014	Maximum number of options available under the plan as adjusted for the stock split <sup>(2)</sup>
July 22, 2008	Stock options	39	Employment contract in force on the option exercise date, except in the case of transfer by the employer, early retirement or retirement	350,000	3	1,050,000	3	3,150,000
April 1, 2010	Stock options	124		375,000	3	1,125,000	3	3,375,000
March 21, 2012	Stock options	208		N/A	N/A	889,500	3	2,668,500
August 7, 2013	Stock options	184		N/A	N/A	424,000	3	1,272,000
August 6, 2015	Stock options	172		N/A	N/A	N/A	N/A	1,253,000

(1) On April 28, 2011, the Extraordinary Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from May 10, 2011. The share price went from €0.50 to €0.17. Since all the plans outstanding at December 31, 2011 preceded that decision, the number of options granted to each employee in each plan as of that date, was multiplied by three and the exercise price divided by three.

(2) On April 25, 2013, the Combined Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from September 10, 2013. The share price went from €0.17 to €0.06. The number of stock options for every employee in every plan preceding that decision was multiplied by three and the exercise price divided by three.

<b>Successive effects of the three-to-one split of the Plastic Omnium share</b>	<b>Plan of July 22, 2008</b>	<b>Plan of April 1, 2010</b>	<b>Plan of March 21, 2012</b>	<b>Plan of August 7, 2013</b>
<b>Effects of division by three of the par value of the share</b>				
Voted by the Extraordinary Shareholders' Meeting of April 28, 2011:				
Effective as from May 10, 2011:				
Number of stock options at January 1, 2011 before division by three of the par value of the share	340,800	371,500	N/A	N/A
Number of stock options at May 10, 2011 after division by three of the par value of the share	1,022,400	1,114,500	N/A	N/A
<b>Effects of division by three of the par value of the share</b>				
Voted by the Shareholders' Meeting of April 25, 2013:				
Effective as from September 10, 2013 following the Meeting of the Board of Directors on July 23, 2013:				
Number of stock options before division by three of the par value of the share in 2013	773,422	1,030,500	842,000	424,000
Number of stock options at September 10, 2013 after three-to-one split of the par value of the share <sup>(1)</sup>	2,320,266	3,091,500	2,526,000	1,272,000

(1) The number of share purchase options was multiplied by three following the division by three of the par value of the Plastic Omnium share on September 10, 2013.

#### Outstanding options at the year-end and cost for the period related to the stock option plans

The vesting period for each plan is four years.

<b>Outstanding options In euros In units for the number of options</b>	<b>Options outstanding at January 1, 2015</b>	<b>Revaluations/ adjustments</b>	<b>Increases</b>		<b>Decreases</b>		<b>Cost for the period</b>	<b>Options outstanding at December 31, 2015</b>	
			<b>Options granted during the period</b>	<b>Options forfeited during the period</b>	<b>Options that expired during the period</b>	<b>Options exercised during the period</b>		<b>Total</b>	<b>Of which, options exercisable at December 31, 2015</b>
<b>July 22, 2008 plan</b>									
Number of options	144,000	72,000				(216,000)			
Share price at the grant date	1.99						1.99		
Exercise price	2.95						2.95		
Term	7 years						7 years		
Unrecognized cost at period-end	–						–		
Remaining life	–						–		
<b>April 1, 2010 plan</b>									
Number of options	1,511,000			(18,000)		(867,000)		626,000	626,000
Share price at the grant date	3.2						3.2		
Exercise price	2.84						2.84		
Term	7 years						7 years		
Unrecognized cost at period-end	–						–		
Remaining life	2.5 years						1.5 years		

Outstanding options In euros In units for the number of options	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases		Decreases		Cost for the period	Options outstanding at December 31, 2015	
			Options granted during the period	Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015
<b>March 21, 2012 plan</b>									
Number of options	2,401,500			(63,000)				2,338,500	None
Share price at the grant date	7.3							7.3	
Exercise price	7.38							7.38	
Term	7 years							7 years	
Unrecognized cost at period-end	1,151,355			(127,787)		(837,673)		185,895	
Remaining life	4.25 years							3.25 years	
<b>August 7, 2013 plan</b>									
Number of options	1,233,000			(33,000)				1,200,000	None
Share price at the grant date	17.71							17.71	
Exercise price	16.17							16.17	
Term	7 years							7 years	
Unrecognized cost at period-end	3,674,990			(210,419)		(1,331,125)		2,133,446	
Remaining life	5.6 years							4.6 years	
<b>August 6, 2015 plan</b>									
Number of options			1,253,000					1,253,000	None
Share price at the grant date			26.33					26.33	
Exercise price			24.72					24.72	
Term			7 years					7 years	
Unrecognized cost at period-end			8,510,740			(855,731)		7,655,009	
Remaining life			7 years					6.6 years	
<b>Total cost for the year</b>							<b>(3,024,529)</b>		

At December 31, 2015, the shares intended for grant but not yet allocated amounted to 303,000 shares, against 189,000 shares at December 31, 2014.



#### 5.2.4. Government grants

In thousands of euros	December 31, 2015	December 31, 2014
Grants recognized in non current liabilities	13,875	11,287
Grants recognized in current liabilities	281	273
<b>Total grants recognized as liabilities</b>	<b>14,156</b>	<b>11,560</b>

#### 5.2.5. Provisions for liabilities and charges

In thousands of euros	December 31, 2014	Charges	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2015
Customer warranties	7,840	10,564	(4,755)	(383)	4,057	-	(27)	17,296
Reorganization plans <sup>(1)</sup>	17,153	644	(13,879)	(828)	46	-	(120)	3,017
Taxes and tax risks	6,117	222	(2,985)	-	-	-	7	3,362
Contract risks <sup>(2)</sup>	33,241	23,208	(10,049)	(4,681)	(4,860)	-	6	36,865
Claims and litigation <sup>(3)</sup>	4,708	592	(1,044)	(1,541)	-	-	(58)	2,657
Other <sup>(4)</sup>	4,787	4,208	(2,908)	(530)	757	-	7	6,321
<b>Provisions for liabilities and charges</b>	<b>73,846</b>	<b>39,438</b>	<b>(35,619)</b>	<b>(7,963)</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>69,517</b>
Provisions for pensions and other post-employment benefits <sup>(5)</sup>	93,165	7,010	(3,413)	-	-	1,751	3,478	101,991
<b>Total</b>	<b>167,011</b>	<b>46,448</b>	<b>(39,032)</b>	<b>(7,963)</b>	<b>-</b>	<b>1,751</b>	<b>3,293</b>	<b>171,508</b>

(1) See 2014 Note reference. This refers to the ongoing reorganization plans for the Compiègne-Laval and Saint-Désirat sites.

(2) These are impacts of onerous contracts and losses on completion of development contracts and various risks contracts in the Automotive Division referred to as of 2014.

(3) Charge/reversal for the period mainly concerns ongoing litigation in the Automotive Division.

(4) The sub-section "Other" is made up of non-material individual amounts.

(5) The actuarial gains/losses refer to the lower rates in the Eurozone and the American. Outsourcing of the North American retirement plan (see Note 5.2.6.2) had no impact on changes in retirement provisions for the period, since the reduction in the amount was offset by the reduction in hedging assets.

In thousands of euros	December 31, 2013	Charges	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2014
Customer warranties	8,714	9,869	(7,512)	(1,950)	(1,302)	-	21	7,840
Reorganization plans <sup>(1)</sup>	16,201	12,660	(11,389)	(299)	-	-	(20)	17,153
Taxes and tax risks	6,465	1,856	(2,161)	(32)	-	-	(11)	6,117
Contract risks <sup>(2)</sup>	14,325	33,118	(6,661)	(9,094)	1,536	-	17	33,241
Claims and litigation	5,117	507	(913)	(167)	-	-	164	4,708
Other <sup>(3)</sup>	6,305	2,383	(3,003)	(711)	(234)	-	47	4,787
<b>Provisions for liabilities and charges</b>	<b>57,127</b>	<b>60,393</b>	<b>(31,639)</b>	<b>(12,253)</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>73,846</b>
Provisions for pensions and other post employment benefits <sup>(4)</sup>	65,347	5,147	(3,311)	-	-	22,685	3,297	93,165
<b>Total</b>	<b>122,474</b>	<b>65,540</b>	<b>(34,950)</b>	<b>(12,253)</b>	<b>-</b>	<b>22,685</b>	<b>3,515</b>	<b>167,011</b>

(1) Charges/reversals for the period mainly concerned the Automotive Division for the Compiègne-Laval site in France, which were still undergoing the reorganization started in prior years, and the Saint-Désirat site in France.

(2) Charges/reversals for the period mainly concerned the risks related to onerous contracts, losses on completion of development contracts and various contract risks on Automotive Division contracts.

(3) The sub-section "Other" was made up of non-material individual amounts.

(4) The actuarial loss corresponds to the fall in interest rates in the Eurozone and the United States, as well as changes to the mortality table in the United States.

## 5.2.6. Provisions for pensions and other post-employment benefits

### Post-employment benefit plans

The generic term “post-employment benefits” is used to refer to both pension benefits and other employee benefits.

### Provisions for pensions

Provisions for pensions mainly cover:

- benefits payable to employees on retirement;
- supplementary pension plans; and
- plans for the payment of healthcare costs of retired employees.

In France, supplementary pension plans only concern executive corporate officers and consist of termination benefits. In other countries, any supplementary pension plans concern all employees.

Plans for the payment of healthcare costs of retired employees mainly concern the North America region (United States).

### Other long-term benefit plans

Other long-term benefits concern other length-of-service awards.

Post-employment benefit plans are set up in accordance with the regulations applicable in each of the Group’s host countries. Consequently, the costs recorded in the accounts are not a function of the number of employees in each country.

The regions identified and presented are those for which the regulations are consistent, allowing data to be aggregated. Where no such aggregation is possible, no reference actuarial rates are provided as the differences in parameters are too great to allow an average rate to be calculated. Similarly, sensitivity tests are performed on country data that can be reliably aggregated.

### 5.2.6.1 Actuarial assumptions

The main actuarial assumptions used to measure post-employment and other long-term benefit obligations are as follows:

	December 31, 2015		December 31, 2014	
	France	United States	France	United States
	Managers and non-managers		Managers and non-managers	
Minimum age for receiving a full pension	60 to 62 years	65 years	60 to 62 years	65 years
Age from which no reduction applies	65 to 67 years		65 to 67 years	
Discount rate – post-employment benefits	2.00%	4.50%	1.75%	4.30%
Discount rate – length-of-service awards	1.50%		1.60%	
Inflation rate	1.70%		1.70%	
Rate of future salary increases	1.70% to 4.70%	3.25%	1.70% to 4.70%	3.25%
Rate of growth in healthcare costs <sup>(1)</sup>	7.50%		8.00%	
Expected long-term rate of return on pension plan assets	2.00%	4.50%	1.75%	4.30%

(1) In the United States, rates are expected to decline by 0.5% per year to reach 5% in 2019.

### Discount rates – post-employment benefits

The Group uses as a reference the bond rates issued by good quality (AA) industrial and commercial companies with maturity equal to the estimated commitment.

### Inflation rates

In France, benefits are indexed to inflation.

In the United States, the impact of inflation is not material.

### Average rate of future salary increases

The average rates of future salary increases are weighted between “managers” and “other employees” and depending on employees’ ages.

### Estimated long-term return on pension plan assets

These rates are based on long-term market forecasts and take account of each plan’s asset allocation.

For other foreign subsidiaries, rate differentials are determined based on local conditions.

5.2.6.2 Changes in balance sheet commitments and benefit costs corresponding to the defined benefit plans

The amounts reported in the balance sheet for defined benefit plans are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31			December 31,			December 31,		
	2015	2014	2013	2015	2014	2013	2015	2014	2013
<b>Projected benefit obligation at January 1</b>	<b>125,733</b>	<b>86,910</b>	<b>89,593</b>	<b>6,989</b>	<b>7,056</b>	<b>7,241</b>	<b>132,722</b>	<b>93,966</b>	<b>96,834</b>
Service cost	8,300	6,212	6,337	371	316	309	8,671	6,529	6,646
Interest cost	4,068	3,700	3,457	99	169	150	4,167	3,869	3,607
Curtailments, settlements and other	(6,652)	(244)	488	(1,299)	(82)	110	(7,951)	(326)	598
Actuarial gains and losses	6,307	25,152	(7,999)	(20)	(205)	(434)	6,287	24,948	(8,433)
of which, experience adjustments	1,676	221	374	(37)	(180)	(413)	1,639	41	(39)
Benefits paid from plan assets	(13)	8	(256)	17	6	6	4	14	(250)
Benefits paid by the Company	(9,529)	(2,903)	(2,429)	(574)	(342)	(300)	(10,103)	(3,246)	(2,729)
Translation adjustment	6,910	6,898	(2,282)	95	71	(25)	7,005	6,968	(2,307)
<b>Projected benefit obligation at December 31</b>	<b>135,123</b>	<b>125,733</b>	<b>86,910</b>	<b>5,678</b>	<b>6,989</b>	<b>7,056</b>	<b>140,802</b>	<b>132,722</b>	<b>93,966</b>
Change in projected benefit obligation	9,390	38,823	(2,683)	(1,311)	(68)	(185)	8,080	38,756	(2,868)
<b>Fair value of plan assets at January 1</b>	<b>39,557</b>	<b>28,619</b>	<b>21,439</b>	–	–	–	<b>39,557</b>	<b>28,619</b>	<b>21,439</b>
Return on plan assets	1,663	1,440	901	–	–	–	1,663	1,440	901
Employer contributions	4,757	4,005	5,209	–	–	–	4,757	4,005	5,209
Actuarial gains and losses	4,556	2,406	2,933	–	–	–	4,556	2,406	2,933
Benefit payments funded by plan assets	(7,091)	77	(260)	–	–	–	(7,091)	77	(260)
Curtailments, settlements and other	(8,158)	(660)	(581)	–	–	–	(8,158)	(660)	(581)
Translation adjustment	3,527	3,670	(1,022)	–	–	–	3,527	3,670	(1,022)
<b>Fair value of plan assets at December 31</b>	<b>38,811</b>	<b>39,557</b>	<b>28,619</b>	–	–	–	<b>38,811</b>	<b>39,557</b>	<b>28,619</b>
Change in fair value of plan assets	(746)	10,937	7,180	–	–	–	(746)	10,937	7,180
<b>Excess of projected benefit obligation over plan assets = provision recorded in the balance sheet</b>	<b>96,312</b>	<b>86,176</b>	<b>58,290</b>	<b>5,679</b>	<b>6,989</b>	<b>7,056</b>	<b>101,991</b>	<b>93,165</b>	<b>65,347</b>
• of which France	49,185	44,860	36,603	4,226	4,162	3,815	53,411	49,022	40,418
• of which Europe excluding France and Switzerland	11,105	9,998	5,054	916	445	887	12,021	10,442	5,941
• of which United States	28,142	26,742	14,203	537	383	474	28,679	27,125	14,677
• of which other regions	7,880	4,576	2,431	–	1,999	1,879	7,880	6,575	4,310

The present value of partially funded obligations was €80,801 thousand at December 31, 2015, including €9,216 thousand for French plans and €54,942 thousand for US plans. The present value of partially funded obligations was €74,092 thousand at December 31, 2014, including €8,068 thousand for French plans and €59,326 thousand for American plans.

**For the United States**

The American retirement plan was affected by two events that resulted in the outsourcing of all entitlements of retirees and deferred retirees (persons who are no longer employed by the American company, but have not yet reached the age for liquidating their entitlements):

- deferred members were able to opt for the payment of their entitlements in cash;
- entitlements of retirees and deferred members who had not opted for the first scheme were outsourced with an insurer, in return for a cash payment.

The obligation recognized for entitlements of retirees and deferred members is \$15.3 million; the two events described above resulted in a reduction of the obligation and a proportional reversal of the corresponding provision. Hedging assets were used to fund these two events. A \$0.2 million charge was recognized in the 2015 income statement under “Other operating expenses”.

The remaining obligation under this plan concerns employees who joined the company before January 1, 2015, since this plan has been closed since that date.

**For Europe excluding France**

The Group also carried out a valuation of the defined contribution plans for which the employer’s obligation does not end after the premiums have been paid. This is because some defined contribution plans fall within the scope of the definition of defined benefit plans under IAS 19 R due to the existence of legal minimum yields. The impact is a €4 million increase in net obligations in respect of the plans of two Belgian subsidiaries.

### 5.2.6.3 Breakdown of net obligations by region

The following table shows the net projected benefit obligation by country:

In thousands of euros	December 31, 2015				December 31, 2014			
	France	Europe excluding France	United States	Other	France	Europe excluding France	United States	Other
<b>Post-employment benefit plans</b>								
Length-of-service awards payable on retirement	47,217	354	–	7,880	43,985	6,775	2,951	4,575
Supplementary pension plans	1,968	10,751	24,576	–	875	3,223	23,315	–
Healthcare plans	–	–	3,566	–	–	–	476	–
<b>Total post-employment benefit obligations</b>	<b>49,185</b>	<b>11,105</b>	<b>28,142</b>	<b>7,880</b>	<b>44,860</b>	<b>9,998</b>	<b>26,742</b>	<b>4,575</b>
Other long-term benefits	4,226	916	537	–	4,162	445	383	1,999
<b>Total other post-employment benefit obligations</b>	<b>4,226</b>	<b>916</b>	<b>537</b>	<b>–</b>	<b>4,162</b>	<b>445</b>	<b>383</b>	<b>1,999</b>
<b>Net obligations recognized in the balance sheet</b>	<b>53,411</b>	<b>12,021</b>	<b>28,679</b>	<b>7,880</b>	<b>49,022</b>	<b>10,442</b>	<b>27,125</b>	<b>6,575</b>

	December 31, 2015		December 31, 2014	
	France	United States	France	United States
Average maturity of obligations (in years)	13	20	13	21
Amount of obligations (in thousands of euros)	57,200	54,942	53,150	58,444
of which:				
Pension obligations	–	1,677	–	4,851
Deferred obligations	–	200	–	8,357
Asset obligations	57,200	53,065	53,150	45,236

### 5.2.6.4 Sensitivity tests – retirement obligations

For retirement obligations, the results of sensitivity tests on the main external variable – discount rates – in 2015 and 2014 were as follows:

In thousands of euros	December 31, 2015					December 31, 2014				
	Basis	Increase		Decrease		Basis	Increase		Decrease	
		+0.25%		–0.25%			+0.25%		–0.25%	
		Amount	%	Amount	%	Amount	%	Amount	%	
<b>France</b>										
Effect on service cost and interest cost	4,616	4,597	-0.42%	4,634	0.39%	5,096	5,083	-0.27%	5,109	0.23%
Effect on projected benefit obligation	57,200	55,408	-3.12%	59,059	3.26%	58,442	56,791	-2.83%	60,159	2.94%
<b>United States</b>										
Effect on service cost and interest cost	6,302	6,137	-2.62%	6,469	2.65%	5,699	5,550	-2.61%	5,848	2.61%
Effect on projected benefit obligation	54,942	52,317	-4.78%	57,705	5.03%	59,324	56,268	-5.15%	62,330	5.07%

#### 5.2.6.5 Changes in net balance sheet amounts

Changes in net balance sheet amounts for defined benefit plans are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31,			December 31,			December 31,		
	2015	2014	2013	2015	2014	2013	2015	2014	2013
<b>Net projected benefit obligation at January 1</b>	<b>86,176</b>	<b>58,290</b>	<b>68,151</b>	<b>6,989</b>	<b>7,056</b>	<b>7,241</b>	<b>93,165</b>	<b>65,347</b>	<b>75,394</b>
<b>Expense/income for the year</b>									
Service cost	8,300	6,210	6,337	371	317	309	8,671	6,527	6,646
Curtailments, settlements and other	1,504	420	1,070	(1,300)	(76)	110	204	344	1,180
Benefits paid by the Company	(9,529)	(2,904)	(2,429)	(574)	(342)	(299)	(10,103)	(3,246)	(2,728)
Actuarial gains and losses				(20)	(143)	(434)	(20)	(143)	(434)
Benefit payments funded by plan assets	7,078	(69)	4	17	-	6	7,096	(69)	10
Employer contributions	(4,757)	(4,005)	(5,209)	-	-	-	(4,757)	(4,005)	(5,209)
<b>Net non-recurring post-employment benefit plan costs recorded in operating expense<sup>(2)</sup></b>	<b>2,596</b>	<b>(347)</b>	<b>(227)</b>	<b>(1,505)</b>	<b>(245)</b>	<b>(308)</b>	<b>1,091</b>	<b>(593)</b>	<b>(535)</b>
Interest cost	4,068	3,700	3,454	100	169	150	4,168	3,869	3,604
Expected return on plan assets	(1,663)	(1,440)	(901)	-	-	-	(1,663)	(1,440)	(901)
<b>Interest costs of post-employment benefit obligations<sup>(1)</sup></b>	<b>2,405</b>	<b>2,259</b>	<b>2,552</b>	<b>100</b>	<b>169</b>	<b>150</b>	<b>2,505</b>	<b>2,429</b>	<b>2,702</b>
<b>Balance sheet impact</b>									
Actuarial gains and losses	1,751	22,746	(10,932)	-	(61)	-	1,751	22,685	(10,932)
Translation adjustment	3,383	3,227	(1,257)	95	71	(26)	3,478	3,297	(1,283)
<b>Balance sheet impact</b>	<b>5,135</b>	<b>25,972</b>	<b>(12,188)</b>	<b>95</b>	<b>9</b>	<b>(26)</b>	<b>5,230</b>	<b>25,982</b>	<b>(12,214)</b>
<b>Net projected benefit obligation at December 31</b>	<b>96,312</b>	<b>86,176</b>	<b>58,290</b>	<b>5,679</b>	<b>6,989</b>	<b>7,056</b>	<b>101,991</b>	<b>93,165</b>	<b>65,347</b>

(1) See "Interest cost – post-employment benefit obligations" in Note 4.7 on "Net financial income".

(2) Including -€293 thousand recorded as other operating income and expenses for 2015 versus €1,254 thousand for 2014.

#### 5.2.6.6 Healthcare cost sensitivity tests in the United States

The following table shows the impact of a 1-point change in the healthcare cost trend rate in the United States:

In thousands of euros	December 31, 2015		December 31, 2014	
	Increase	Decrease	Increase	Decrease
Effect on provisions for post-employment benefit obligations	520	(655)	448	(569)

#### 5.2.6.7 Breakdown of plan assets by investment category

The funded plan assets at fair value – mainly in the United States – broke down as follows by investment category:

In thousands of euros	December 31, 2015	December 31, 2014
Equities	24,713	26,146
Bonds	4,998	9,794
Real estate	194	206
Other	8,905	3,412
<b>Total</b>	<b>38,811</b>	<b>39,557</b>

#### 5.2.6.8 Contributions paid in respect of defined contribution plans

Contributions paid in respect of defined contribution plans amounted to €4,681 thousand in 2014, compared with €3,960 thousand in 2013.

## 5.2.7. Current and non-current debt

### 5.2.7.1 Net debt indicator used by the Group

Net debt is an important indicator for day-to-day cash management purposes. It is used to determine the Group's debit or credit position outside of the operating cycle. Net debt is defined as:

- long-term borrowings:
  - drawdowns on lines of credit,
  - private placement notes,
  - bonds;

- less loans, negotiable debt securities and other non-current financial assets (see Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets");
- plus short-term debt;
- plus overdraft facilities;
- less cash and cash equivalents.

### 5.2.7.2 Borrowings: private placement notes and bonds

The history of the Group's private placement notes and bonds is as follows:

#### Bond issue of €500 million in 2013

On May 21, 2013, the Group issued bonds to the value of €500 million on the European market, without covenants or ratings, as described below:

Bond issue		Issued in 2013
Issue – fixed rate	(in euros)	500,000,000
Maturity		May 29, 2020
Interest rate		2.875%
Listed		Euronext Paris

#### €250 million "EuroPP" private placement bond issue

"EuroPP" private bond placement of €250 million without financial "covenant" or "rating" with French banks, as described below:

Private placement notes		Euro PP
Issue – fixed rate	(in euros)	250,000,000
Maturity		December 12, 2018
Interest rate		3.875%
Listed		Euronext Paris

#### "Schuldschein" private placement for €119 million

A €119 million "Schuldschein" private placement notes issue placed mainly with foreign private investors (Asian, German, Canadian and Belgian) but also with French investors, with the following characteristics:

Private placement – Schuldschein		Amount	Interest rate
Issue – fixed rate	(in euros)	45,000,000	3.72%
			6-month Euribor
			+
Issue – variable rate	(in euros)	74,000,000	240 bps
Maturity			June 27, 2017

### 5.2.7.3 Loans, Negotiable debt securities and Other financial assets

Other financial assets mainly comprise loans, security deposits and surety bonds and negotiable debt securities. They are measured at amortized cost. Whenever there is any objective evidence of impairment – i.e. the carrying amount is lower than the recoverable amount – an impairment provision is recognized through profit or loss. These provisions may be reversed if the recoverable amount subsequently increases.

Other financial assets also include short-term investment securities that do not meet the criteria to be classified as cash equivalents. They are measured at their fair value at the closing date, with changes in fair value recognized in net financial income.

In 2015, the Group subscribed to four negotiable medium-term bank notes with a credit institution.



<b>Negotiable medium-term notes (non-current portion)<sup>(1)</sup></b>		
Subscription date		February 24, 2015
Nominal	in euros	5,000,000
Maturity ( <i>not available for 8 quarters following the subscription date</i> )		February 24, 2020
Quarterly coupon		Sets the first eight quarters following the issue 3-month Euribor + spread as of the ninth quarter

(1) See Note 5.1.8 "Other non current financial assets".

<b>Negotiable medium-term notes (current portion)<sup>(2)</sup></b>			
Subscription date	February 24, 2015	July 11, 2014 <sup>(3)</sup>	July 13, 2015
Nominal	5,000,000	10,000,000	4,000,000
Maturity ( <i>not available for 4 quarters following the subscription date</i> )	February 25, 2019	July 11, 2018	July 15, 2019
Quarterly coupon	Sets the first four quarters after the issue 3-month Euribor + spread as of the fifth quarter	Sets the first four quarters after the issue 3-month Euribor + spread as of the fifth quarter	Sets the first four quarters after the issue 3-month Euribor + spread as of the fifth quarter

(2) See Note 5.1.10 "Current financial receivables".

(3) On July 13, 2015, the Group subscribed, on a secondary market, to this investment for which the first issue date was July 11, 2014.

#### 5.2.7.4 Utilization of medium-term credit lines

At December 31, 2015 and December 31, 2014, the Plastic Omnium Group had access to several confirmed bank lines of credit with an average maturity of more than four years.

These confirmed bank lines of credit exceeded the Group's requirements. At December 31, 2015, they amounted to €1,269 million, against €1,197 million at December 31, 2014.

### 5.2.7.5 Reconciliation of gross and net debt

In thousands of euros	December 31, 2015			December 31, 2014		
	Total	Income before non-operating items	Non-current portion	Total	Income before non-operating items	Non-current portion
Finance lease liabilities	6,640	2,503	4,137	8,681	3,191	5,490
Bonds and bank loans	1,008,696	91,685	917,011	981,656	85,497	896,159
<i>of which bond issue in 2013</i>	504,103	8,507	495,596	503,187	8,507	494,680
<i>of which EuroPP private placement notes issue</i>	248,811	504	248,307	248,281	504	247,777
<i>of which Schuldschein private placement notes issue</i>	119,000	-	119,000	119,000	-	119,000
<i>of which bank lines of credit</i>	136,782	82,674	54,108	111,188	76,486	34,702
Non current and current borrowings (+)	1,015,336	94,188	921,148	990,337	88,688	901,649
Other current debt (+)	4	4	-	17	17	-
Hedging instruments – liabilities (+) <sup>(1)</sup>	12,757	12,757	-	16,658	16,658	-
<b>Total borrowings (B)</b>	<b>1,028,097</b>	<b>106,949</b>	<b>921,148</b>	<b>1,007,012</b>	<b>105,363</b>	<b>901,649</b>
Available-for-sale financial assets – FMEA 2 fund (-) <sup>(2)</sup>	(1,172)	-	(1,172)	(1,372)	-	(1,372)
Other financial assets (-)	(83,573)	(18,833)	(64,740)	(76,360)	(31,213)	(45,147)
<i>of which non current financial receivables<sup>(3)</sup></i>	(23,043)	-	(23,043)	(14,707)	-	(14,707)
<i>of which negotiable debt securities<sup>(3)</sup></i>	(5,000)	-	(5,000)	-	-	-
<i>of which finance receivables<sup>(3)</sup></i>	(55,530)	(18,833)	(36,697)	(61,653)	(31,213)	(30,440)
Other current financial assets and financial receivables (-)	(27,010)	(27,010)	-	(8,104)	(8,104)	-
<i>of which negotiable debt securities</i>	(19,030)	(19,030)	-	-	-	-
Hedging instruments, assets (-) <sup>(1)</sup>	(1,558)	(1,558)	-	(374)	(374)	-
<b>Total financial receivables (C)</b>	<b>(113,313)</b>	<b>(47,401)</b>	<b>(65,912)</b>	<b>(86,210)</b>	<b>(39,691)</b>	<b>(46,519)</b>
<b>Gross debt (D) = (B) + (C)</b>	<b>914,784</b>	<b>59,548</b>	<b>855,236</b>	<b>920,801</b>	<b>65,672</b>	<b>855,129</b>
Cash and cash equivalents (-) <sup>(4)</sup>	663,156	663,156	-	535,412	535,412	-
Short-term bank loans and overdrafts (+)	(15,891)	(15,891)	-	(4,148)	(4,148)	-
<b>Net cash and cash equivalents as recorded in the statement of cash flows (A)**</b>	<b>(647,265)</b>	<b>(647,265)</b>	<b>-</b>	<b>(531,264)</b>	<b>(531,264)</b>	<b>-</b>
<b>Net debt (E) = (D) + (A)<sup>(5)</sup></b>	<b>267,519</b>	<b>(587,717)</b>	<b>855,236</b>	<b>389,537</b>	<b>(465,592)</b>	<b>855,129</b>

(1) See Note 5.2.8 "Interest rate and foreign exchange hedges".

(2) See Note 5.1.7 "Available-for-sale financial assets".

(3) See Note 5.1.8 "Other non current financial assets".

(4) See Note 5.1.13.1 "Cash and cash equivalents – gross".

(5) See Note 5.1.13.2 "Net cash and cash equivalents at close".

### 5.2.7.6 Analysis of debt by currency

As a % of total debt	December 31, 2015	December 31, 2014
Euro	88%	89%
US dollar	5%	4%
Chinese yuan	4%	3%
Pound sterling	1%	2%
Brazilian real	1%	1%
Other currencies <sup>(1)</sup>	1%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

(1) "Other currencies" concerns various currencies, which, taken individually, account for less than 1% of total financial debt over the two periods.

### 5.2.7.7 Analysis of debt by type of interest rate

As a % of total debt	December 31, 2015	December 31, 2014
Hedged variable rates	12%	18%
Unhedged variable rates	8%	0%
Fixed rates	80%	82%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## 5.2.8. Interest rate and currency hedges

In thousands of euros	December 31, 2015		December 31, 2014	
	Assets	Liabilities and Shareholders' Equity	Assets	Liabilities And Shareholders' Equity
Interest rate derivatives	–	(8,145)	10	(11,911)
Foreign exchange derivatives	1,558	(4,612)	364	(4,747)
<b>Total balance sheet</b>	<b>1,558</b>	<b>(12,757)</b>	<b>374</b>	<b>(16,658)</b>

### 5.2.8.1 Interest rate hedges

Interest rate hedges used in first-half 2013 included swaps and caps. Their purpose is to hedge variable rate debt against increases in interest rates.

The total notional amount of derivative instruments used to manage interest rate risks was €255 million at December 31, 2015 (€355 million at December 31, 2014).

At December 31, 2015, the nominal value of cash-flow hedges as per IAS 39 amounted to €60 million (€135 million at December 31, 2014). In 2015, €100 million of interest rate swaps reached maturity and no interest rate derivatives were set up, settled or restructured.

Non-hedging instruments nonetheless form part of the Group's interest rate hedging strategy, as it obtains financing at variable rates of interest, in particular under the framework of its sales of receivables.

The derivatives are recognized in the balance sheet at fair value under "Hedging instruments" in assets or in liabilities.

For derivatives that qualify for hedge accounting under IFRS:

- the effective portion of the gain or loss on the hedging instrument is recognized in equity (in "Other comprehensive income");
- it is reclassified to the income statement in the same period as the hedged cash flows (i.e. interest payments) affect profit;
- the time value of options is excluded from the hedging relationship. Changes in the time value of options and the ineffective portion of the gain or loss on the hedging instrument are recognized in profit or loss.

Changes in fair value of instruments that do not qualify for hedge accounting are recognized directly in profit or loss.

#### 5.2.8.1.1 Derivative portfolio

In thousands of euros	December 31, 2015			December 31, 2014		
	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities
Interest rate derivatives (fair value)	(8,145)	–	(8,145)	(11,901)	10	(11,911)
Outstanding premiums	(1,035)	–	(1,035)	(1,717)	–	(1,717)
<b>Total fair value and outstanding premiums</b>		<b>–</b>	<b>(9,180)</b>		<b>10</b>	<b>(13,628)</b>

Composition of interest rate derivatives portfolio:

In thousands of euros	December 31, 2015								
	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI <sup>(1)</sup>	Nominal	Maturity	Reference interest rate	Outstanding premiums <sup>(2)</sup>	Nature of derivative
Caps	–	–	–	–	60,000	May 2017	2-month Euribor	–	CFH <sup>(3)</sup>
Caps	–	–	–	–	90,000	June 2017	1-month Euribor	–	Not considered
Swaps	(8,145)	–	(8,145)	–	105,000	February 2019	1-month Euribor	N/A	Not considered
<b>Total</b>	<b>(8,145)</b>	<b>–</b>	<b>(8,145)</b>	<b>–</b>	<b>255,000</b>			<b>–</b>	

(1) OCI: Other comprehensive income.

(2) Cap premiums are paid out in installments over the duration of the instruments. Outstanding premium amounts are classified under liabilities and shareholders' equity in the consolidated balance sheet under "Non-current debt" and "Current debt".

(3) CFH: Cash flow hedges.

In thousands of euros	December 31, 2014								
	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI <sup>(1)</sup>	Nominal	Maturity	Reference interest rate	Outstanding premiums <sup>(2)</sup>	Nature of derivative
Caps	7	7	–	–	60,000	May 2017	2-month Euribor	(715)	CFH <sup>(3)</sup>
Caps	3	3	–	–	90,000	June 2017	1-month Euribor	(1,002)	Not considered
Swaps	(1,414)	–	(1,414)	(1,414)	75,000	June 2015	6-month Euribor	N/A	CFH <sup>(3)</sup>
Swaps	(261)	–	(261)	–	25,000	August 2015	1-month Euribor	N/A	Not considered
Swaps	(10,236)	–	(10,236)	–	105,000	February 2019	1-month Euribor	N/A	Not considered
<b>Total</b>	<b>(11,901)</b>	<b>10</b>	<b>(11,911)</b>	<b>(1,414)</b>	<b>355,000</b>			<b>(1,717)</b>	

(1) OCI: Other comprehensive income.

(2) Cap premiums are paid out in installments over the duration of the instruments. Outstanding premium amounts are classified under liabilities and shareholders' equity in the consolidated balance sheet under "Non-current debt" and "Current debt".

(3) CFH: Cash flow hedges.

#### 5.2.8.1.2 Amounts recognized in equity under "Other comprehensive income"

The following amounts are expressed as gross values before tax.

In thousands of euros	Balance before tax recorded in OCI <sup>(1)</sup> at December 31, 2014	Transactions in the period	Change in fair value of derivatives	Fair value adjustments reclassified in profit or loss	Balance before tax recorded in OCI <sup>(1)</sup> at December 31, 2015
Effective portion of gains and losses on derivatives in the portfolio	(1,414)	–	1,414	–	–
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio <sup>(2)</sup>	3,303	–	–	(676)	2,627
Effect of June 2013 restructuring of the derivatives portfolio	(8,453)	–	–	3,296	(5,157)
<b>Total</b>	<b>(6,564)</b>	<b>–</b>	<b>1,414</b>	<b>2,620</b>	<b>(2,530)</b>

In thousands of euros	Balance before tax recorded in OCI <sup>(1)</sup> at December 31, 2013	Transactions in the period	Change in fair value of derivatives	Fair value adjustments reclassified in profit or loss	Balance before tax recorded in OCI <sup>(1)</sup> at December 31, 2014
Effective portion of gains and losses on derivatives in the portfolio	(1,630)	–	216	–	(1,414)
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio <sup>(2)</sup>	3,258	–	–	45	3,303
Effect of June 2013 restructuring of the derivatives portfolio	(12,582)	–	–	4,129	(8,453)
<b>Total</b>	<b>(10,954)</b>	<b>–</b>	<b>216</b>	<b>4,174</b>	<b>(6,564)</b>

(1) OCI: Other comprehensive income.

(2) Restructuring of derivatives portfolio with no impact on cash flow, so as to extend maturity of hedging instruments.

#### 5.2.8.1.3 Impact of hedging on the Income statement

In thousands of euros	December 31, 2015	December 31, 2014
Effective component of hedging instruments related to derivatives portfolio ( <i>hedging of interest rates accruing over the period</i> )	(4,217)	(4,643)
Reclassification in profit or loss of accumulated gains and losses following past restructurings <sup>(1)</sup>	(2,620)	(4,174)
Time value of caps	674	256
Changes in fair value of instruments that do not qualify for hedge accounting	2,332	(2,118)
<b>Total<sup>(2)</sup></b>	<b>(3,831)</b>	<b>(10,679)</b>

(1) See Note 5.2.8.1.2 "Reclassified in profit or loss".

(2) See "Gains or losses on interest rate and currency hedges" in Note 4.7 "Net financial income".  
See also the impact of currency hedges in Note 5.2.8.2.

### 5.2.8.2 Currency hedges

The Group uses derivatives to hedge its exposure to currency risks. Changes in the fair value of financial instruments are recorded in profit or loss since January 1, 2014.

#### 5.2.8.2.1 Portfolio of currency hedges:

	December 31, 2015				December 31, 2014			
	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate	Exchange rate at December 31, 2015	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate	Exchange rate at December 31, 2014
			Currency/Euro	Currency/Euro			Currency/Euro	Currency/Euro
<b>Net sell position (net buy position if &lt;0)</b>								
USD – Forward exchange contract	+221	(31,891)	1.1024	1.0887	(147)	(6,347)	1.2557	1.2141
GBP – Forward exchange contract	+510	(30,561)	0.7280	0.7340	–	–	–	–
HUF – Forward exchange contract	+1	(59,396)	313.5869	315.9800	+5	(54,035)	306.6140	315.5400
CNY – Forward exchange contract	+253	(48,000)	7.0550	7.0608	–	–	–	–
MYR – Forward exchange contract	–	(1,060)	4.6942	4.6959	–	–	–	–
PLN – Forward exchange contract	–	–	–	–	+15	+12,000	4.3074	4.2732
USD – Forward currency swap	(4,596)	(191,950)	1.1200	1.0887	(4,776)	(180,000)	1.2553	1.2141
GBP – Forward currency swap	(62)	(11,617)	0.7368	0.7340	+19	+7,800	0.7804	0.7789
CZK – Forward currency swap	–	+834	26.9350	27.0230	+15	(71,531)	27.5830	27.7350
PLN – Forward currency swap	–	–	–	–	+14	(4,112)	4.2493	4.2732
RUB – Forward currency swap	+619	(900,000)	76.7620	80.6736	+471	(700,000)	72.2350	72.337
SEK – Forward currency swap	–	–	–	–	+1	+436	9.4435	9.3930
<b>Total</b>	<b>(3,054)</b>				<b>(4,383)</b>			

#### 5.2.8.2.2 Impact of unsettled foreign exchange hedges on income

In thousands of euros	December 31, 2015	December 31, 2014
Value of unsettled currency hedges	1,329	(4,383)
<b>Total<sup>(1)</sup></b>	<b>1,329</b>	<b>(4,383)</b>

(1) See "Gains or losses on interest rate and currency hedges" in Note 4.7 "Net financial income".  
See also Note 5.2.8.1.3 "Impact of interest rate hedging on the Income statement".

### 5.2.9. Operating and other liabilities

#### 5.2.9.1 Trade payables and other operating liabilities

In thousands of euros	December 31, 2015	December 31, 2014
Trade payables	897,404	734,023
Due to suppliers of fixed assets	113,027	69,970
<b>Total</b>	<b>1,010,431</b>	<b>803,993</b>

#### 5.2.9.2 Other operating liabilities

In thousands of euros	December 31, 2015	December 31, 2014
Accrued employee benefits expense	119,769	111,941
Accrued income taxes	30,877	25,167
Other accrued taxes	67,090	53,290
Other payables	141,497	125,890
Customer prepayments	144,744	158,115
<b>Total</b>	<b>503,977</b>	<b>474,403</b>

### 5.2.9.3 Trade payables and other operating liabilities by currency

In thousands of currency units		Liabilities at December 31, 2015			Liabilities at December 31, 2014		
		Local currency	Euro	%	Local currency	Euro	%
EUR	Euro	689,143	689,143	46%	629,548	629,548	49%
USD	US dollar	426,623	391,865	26%	374,742	308,658	24%
GBP	Pound sterling	109,647	149,393	10%	72,839	93,515	7%
CNY	Chinese yuan	720,017	101,974	7%	643,506	85,393	7%
BRL	Brazilian real	62,169	14,419	1%	90,831	28,202	2%
Other	Other currencies		167,614	10%		133,080	11%
<b>Total</b>			<b>1,514,408</b>	<b>100%</b>		<b>1,278,396</b>	<b>100%</b>
Of which:							
• Trade payables			1,010,431	67%		803,993	63%
• Other operating liabilities			503,977	33%		474,403	37%

Sensitivity tests on exchange rate movements for “Trade payables and other liabilities” give the following results:

In thousands of currency units		Sensitivity tests on liabilities at December 31, 2015						Sensitivity tests on liabilities at December 31, 2014						
		Base		Increase - all currencies		Decrease - all currencies		Base		Increase - all currencies		Decrease - all currencies		
				+10%	+20%	-10%	-20%			+10%	+20%	-10%	-20%	
		Local currency	Translation rate	%	%	%	%	Local currency	Translation rate	%	%	%	%	
EUR	Euro	689,143	1.00000	43%	41%	48%	51%	629,548	1.00000	49%	47%	45%	52%	
USD	US dollar	426,623	0.91853	27%	28%	25%	23%	374,742	0.82366	24%	25%	26%	23%	
GBP	Pound sterling	109,647	1.36249	10%	11%	9%	9%	72,839	1.28386	7%	8%	8%	7%	
CNY	Chinese yuan	720,017	0.14163	7%	7%	6%	6%	643,506	0.13270	7%	7%	7%	6%	
BRL	Brazilian real	62,169	0.23193	1%	1%	1%	1%	90,831	0.31049	2%	2%	2%	2%	
Other	Other currencies			12%	12%	11%	10%			11%	11%	12%	10%	
<b>Total in euros</b>		<b>1,514,408</b>		<b>1,596,935</b>	<b>1,679,462</b>	<b>1,431,882</b>	<b>1,349,355</b>	<b>1,278,396</b>		<b>1,343,281</b>	<b>1,408,166</b>	<b>1,213,511</b>	<b>1,148,627</b>	
Of which:														
• Trade payables				1,010,431	1,065,493	1,120,556	955,368	900,305		803,993	844,800	885,606	763,187	722,380
• Other operating liabilities				503,977	531,442	558,906	476,514	449,050		474,403	498,481	522,560	450,324	426,247

Currency sensitivity tests on “Trade payables and other operating liabilities” and “Trade and other receivables” (see Note 5.1.11) gives practically the same net exposure for the Group by currency as the exposure calculated based on actual data in 2014.

## 6. Capital management and market risks

Compagnie Plastic Omnium has set up a global cash management system with its subsidiary Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on behalf of all subsidiaries. The market risks strategy, which may involve entering into balance sheet and off-balance sheet commitments, is approved every quarter by the Chairman and Chief Executive Officer.

### 6.1. Capital management

Plastic Omnium raises equity and debt capital on the markets to meet its objective of maintaining ready access to sufficient financial resources to carry out its business operations, fund the investments required to drive growth and respond to exceptional circumstances.

It seeks funding from the capital markets, leading to capital and financial liabilities management.

Under its capital management, the Group pays dividends to its shareholders and may adjust its strategy in line with changes in economic conditions.

The capital structure may also be adjusted by paying ordinary or special dividends, buying back and canceling Company shares, returning a portion of the share capital to shareholders or issuing new shares and/or securities carrying rights to shares.



The Group uses the gearing ratio – corresponding to the ratio of consolidated net debt to equity – as an indicator of its financial condition. Net debt includes all of the Group’s interest-bearing financial liabilities (other than operating payables) less cash and cash

equivalents and other financial assets (other than operating receivables), such as loans and marketable securities. At December 31, 2015 and December 31, 2014, the gearing ratio stood at:

In thousands of euros	December 31, 2015	December 31, 2014
Net debt <sup>(1)</sup>	267,519	389,537
Equity (including non current government grants)	1,301,194	1,083,275
<b>Gearing ratio</b>	<b>20.56%</b>	<b>35.96%</b>

(1) See Note 5.2.7.5 “Reconciliation of gross and net debt”.

None of the Group’s bank loans or financial liabilities contains acceleration clauses based on compliance with financial ratios.

As part of its capital management strategy, the Group has made the following changes to its liquidity contract with financial institutions:

Compagnie Plastic Omnium ended the liquidity agreement signed with CM-CIC Securities.

It signed a new liquidity agreement (0 share and €3,000 thousand in cash) on January 2, 2015 with Kepler Capital Markets SA, with a one-year term, renewable automatically. The agreement is compliant with the Code of Ethics drawn up by AMAFI (French Association of Financial Markets) and approved by the AMF (decision of March 21, 2011) and relates to Compagnie Plastic Omnium ordinary shares. The liquidity account shows the following positions:

- at December 31, 2015:
  - 15,712 shares;
  - and €2,902,327 in cash;
- at December 31, 2014 just before the new liquidity contract was signed:
  - 0 share;
  - and €1,393,432 in cash.

## 6.2. Commodities risk – Exposure to plastics risk

Plastic Omnium’s operations use large quantities of plastic, steel, paint and other raw materials which are subject to price changes that could have an impact on its operating margin.

To limit the risks of price fluctuations, the Group has negotiated price indexation clauses with most of its automotive customers or, failing that, regularly renegotiates selling prices.

The Environment Division, as part of its proactive sustainability policy, manufactures its products using over 50% recycled plastic, which by nature is scarcely affected by price swings. For the remainder, the Division negotiates annual price contracts with its suppliers. Lastly, inventories are managed to reduce the price impact as much as possible.

Taking these measures together, the Group considers that raw material price changes do not have a material impact on its operating margin.

### 6.3. Credit risk

Credit risk covers customer credit risk and bank counterparty risk.

#### 6.3.1. Customer credit risk

At December 31, 2015, 8.6% of the Group's Trade receivables were past due, against 8% at December 31, 2014. Trade receivables break down as follows:

##### Ageing analysis of receivables

December 31, 2015 In thousands of euros	Total outstanding	Not yet due	Due and past- due	Less than 1 month	1-2 months	2-4 months	4-6 months	6-12 months	More than 12 months
Automotive	522,799	484,679	38,120	19,621	9,980	2,083	618	2,754	3,064
Environment	46,780	35,394	11,386	6,377	779	1,078	596	576	1,980
Unallocated items	8,276	8,261	15	–	–	–	–	–	15 <sup>(1)</sup>
<b>Total</b>	<b>577,855</b>	<b>528,334</b>	<b>49,521</b>	<b>25,998</b>	<b>10,759</b>	<b>3,161</b>	<b>1,214</b>	<b>3,330</b>	<b>5,059</b>

December 31, 2014 In thousands of euros	Total outstanding	Not yet due	Due and past- due	Less than 1 month	1-2 months	2-4 months	4-6 months	6-12 months	More than 12 months
Automotive	443,221	413,546	29,675	15,418	2,611	3,797	366	6,175	1,308
Environment	43,365	32,641	10,724	5,362	1,521	712	267	367	2,495
Unallocated items	15,016	14,886	130	108	–	–	–	–	22 <sup>(1)</sup>
<b>Total</b>	<b>501,602</b>	<b>461,073</b>	<b>40,529</b>	<b>20,888</b>	<b>4,132</b>	<b>4,509</b>	<b>633</b>	<b>6,542</b>	<b>3,825</b>

(1) This item corresponds to receivables regarding disposed entities and definitively recognized as receivables with regard to external third parties.

The risk of non-recovery is low and involves only a non-material amount of receivables more than twelve months past due.

This requirement is met primarily through medium-term bank lines of credit, but also through short-term bank facilities.

#### 6.3.2. Bank counterparty risk

The Group invests its cash surplus with first class banks and/or in senior securities.

The cash position of each division and the Group position are reviewed on a daily basis and a cash report is submitted to the Chairman and Chief Executive Officer and the Chief Operating Officers every week.

### 6.4. Liquidity risk

The Group needs access, at all times, to adequate financial resources not only to finance operations and the investments required to support its growth, but also to withstand the effects of any exceptional events.

#### 6.4.1. Other long-term financial receivables – Carrying amounts and undiscounted values

Undiscounted values can be reconciled to the information listed in the table in Note 6.4.2 on "Liquidity risk by maturity".

In thousands of euros	December 31, 2015		December 31, 2014	
	Undiscounted finance receivables	Carrying amount	Undiscounted finance receivables	Carrying amount
<b>Due in one to five years</b>	<b>37,979</b>	<b>36,530</b>	<b>31,406</b>	<b>30,107</b>
Other receivables (see Note 5.1.8)	48	48	19	19
Finance receivables related to Environment finance leases (see Note 5.1.8)	2,625	2,405	4,119	3,712
Automotive Division finance receivables (see Note 5.1.8)	35,306	34,077	27,268	26,376
<b>Due beyond five years</b>	<b>249</b>	<b>215</b>	<b>445</b>	<b>376</b>
Other receivables (see Note 5.1.8)	–	–	24	24
Finance receivables related to Environment finance leases (see Note 5.1.8)	249	215	421	352
<b>Total</b>	<b>38,228</b>	<b>36,745</b>	<b>31,851</b>	<b>30,483</b>

#### 6.4.2. Liquidity risk by maturity

Liquidity risk by maturity is calculated on the basis of the undiscounted contractual cash flows of financial liabilities. An analysis of liquidity risk yields the following:

At December 31, 2015

In thousands of euros	December 31, 2015	Less than 1 year	1 to 5 years	More than 5 years
<b>Financial assets</b>				
Available-for-sale financial assets	1,528	–	1,528	–
Other financial assets – Non-current	28,043	–	28,043	–
Finance receivables – Current portion <sup>(1)</sup>	57,385	19,205	37,931	249
Trade receivables <sup>(2)</sup>	577,855	572,796	5,059	–
Other financial assets and financial receivables – Current	27,010	27,010	–	–
Hedging instruments	1,558	1,558	–	–
Cash and cash equivalents	663,156	663,156	–	–
<b>Total financial assets</b>	<b>1,356,535</b>	<b>1,283,725</b>	<b>72,561</b>	<b>249</b>
<b>Financial liabilities</b>				
Non current debt <sup>(3)</sup>	1,037,995	28,546	1,005,728	3,721
Bank overdrafts	15,891	15,891	–	–
Current debt <sup>(4)</sup>	97,890	97,890	–	–
Other current debt	4	4	–	–
Hedging instruments	12,757	12,757	–	–
Trade payables	1,010,431	1,010,431	–	–
<b>Total financial liabilities</b>	<b>2,174,969</b>	<b>1,165,520</b>	<b>1,005,728</b>	<b>3,721</b>
<b>Financial assets and financial liabilities – net<sup>(5)</sup></b>	<b>(818,434)</b>	<b>118,205</b>	<b>(933,167)</b>	<b>(3,472)</b>

At December 31, 2014

In thousands of euros	December 31, 2014	Less than 1 year	1 to 5 years	More than 5 years
<b>Financial assets</b>				
Available-for-sale financial assets	1,841	–	1,841	–
Other financial assets – Non-current	14,707	–	14,683	24
Finance receivables – Current portion <sup>(1)</sup>	63,264	31,456	31,387	421
Trade receivables <sup>(2)</sup>	501,602	497,777	3,825	–
Other financial assets and financial receivables - Current	8,194	8,194	–	–
Hedging instruments	374	374	–	–
Cash and cash equivalents	535,412	535,412	–	–
<b>Total financial assets</b>	<b>1,125,394</b>	<b>1,073,213</b>	<b>51,736</b>	<b>445</b>
<b>Financial liabilities</b>				
Non current debt <sup>(3)</sup>	1,045,442	27,667	505,659	512,115
Bank overdrafts	4,148	4,148	–	–
Current debt <sup>(4)</sup>	92,215	92,215	–	–
Other current debt	17	17	–	–
Hedging instruments	16,658	16,658	–	–
Trade payables	803,993	803,993	–	–
<b>Total financial liabilities</b>	<b>1,962,473</b>	<b>944,699</b>	<b>505,659</b>	<b>512,115</b>
<b>Financial assets and financial liabilities – net<sup>(5)</sup></b>	<b>(837,079)</b>	<b>128,514</b>	<b>(453,923)</b>	<b>(511,670)</b>

(1) Undiscounted amounts (see Notes 5.1.10 “Current financial receivables” and 6.4.1 “Other long-term financial receivables”).

(2) “Trade receivables” includes €49,521 thousand past due at December 31, 2015, against €40,529 thousand at December 31, 2014. See Note 6.3.1 on “Customer credit risk”.

(3) Non-current borrowings include the amounts reported in the balance sheet and interest payable over the remaining life of the debt.

(4) Current borrowings include the amounts reported in the balance sheet and interest due within one year.

(5) See Note 5.2.7.4 on confirmed medium-term credit lines and drawdowns: in 2015 and 2014, confirmed and undrawn bank lines of credit comfortably covered the Group’s medium-term cumulative financing needs.

## 6.5. Currency risk

Plastic Omnium's activities are based for the most part on local plants: By producing locally what is sold locally, the Group has little exposure to currency fluctuations, aside from currency translation adjustments for the financial statements.

The Company's policy is to minimize the currency risk on transactions involving a future inflow or outflow of funds. Nonetheless, if a transaction does give rise to a material currency risk, it is hedged by a forward currency contract. The subsidiary involved places this hedge with the central treasury or, with the latter's approval, locally.

## 6.6. Interest rate risk

Interest rate risk relates to the effect of possible increases in variable rates on variable rate debt, which would have a negative impact on net financial income. Interest rate risk on debt is managed by the Group with the prime objective of keeping debt financing costs relatively low so as not to threaten profits.

At December 31, 2015, as at December 31, 2014, most of the Group's financing was at fixed rates (see Note 5.2.7.7 "Analysis of debt by type of interest rate" and Note 5.2.8.1 "Interest rate hedges").

Financial transactions, particularly interest rate hedges, are carried out with a number of leading financial institutions. A competitive bid-

ding process is used for all material transactions, one of the selection criteria being satisfactory resource and counterparty diversification.

### Sensitivity to interest rate changes

At December 31, 2015, an increase of 1% in the rate of interest charged on the variable-rate debt would result in a net increase of €0.3 million in interest expense, after taking into account the impact of hedging instruments, compared with an increase of €1.5 million (in interest expense, after the impact of hedging instruments, for a 1% increase in the rate charged on variable-rate debt) at December 31, 2014.

At December 31, 2015, a 1% reduction in the interest rate charged on the variable-rate debt would result in a net decrease of €0.1 million in interest expense, after taking into account the impact of hedging instruments, compared with a decrease of €0.04 million (in interest expense, after the impact of hedging instruments, for a 1% reduction in the rate charged on floating-rate debt) at December 31, 2014.

## 6.7. Additional information about financial assets and liabilities

Most of the derivatives are traded over-the-counter on which there are no listed prices. Accordingly, they are valued based on models commonly used by traders to evaluate financial instruments (future discounted cash flow models or option valuation models).

Financial assets and liabilities by category and fair value break down as follows:

In thousands of euros									
Assets	2015				Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
	At amortized cost	At fair value							
	Through the income statement	Through the shareholders' equity (AFS) <sup>(2)</sup>	Through the shareholders' equity (CFH hedge) <sup>(3)</sup>						
Available-for-sale financial assets	-	-	1,528	-	1,528	1,528	-	-	-
Other non-current financial assets	64,740	-	-	-	64,740	-	-	-	-
Finance receivables – current portion	18,833	-	-	-	18,833	-	-	-	-
Trade receivables	577,855	-	-	-	577,855	-	-	-	-
Other current financial assets and financial receivables	27,010	-	-	-	27,010	-	-	-	-
Hedging instruments	-	1,558	-	-	1,558	-	-	1,558	-
Cash and cash equivalents	-	663,156	-	-	663,156	-	444,614	218,542	-

In thousands of euros									
Liabilities	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) <sup>(2)</sup>	Through shareholders' equity (CFH hedge) <sup>(3)</sup>					
Non-current borrowings <sup>(1)</sup>	921,148	–	–	–	921,148	–	–	–	–
Bank overdrafts	15,891	–	–	–	15,891	–	–	–	–
Current debt	94,188	–	–	–	94,188	–	–	–	–
Other current debt	4	–	–	–	4	–	–	–	–
Hedging instruments	–	–	–	12,757	12,757	–	–	12,757	–
Trade payables	1,010,431	–	–	–	1,010,431	–	–	–	–

In thousands of euros									
Assets	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) <sup>(2)</sup>	Through shareholders' equity (CFH hedge) <sup>(3)</sup>					
Available-for-sale financial assets	–	–	1,841	–	1,841	1,841	–	–	–
Other non-current financial assets	45,147	–	–	–	45,147	–	–	–	–
Finance receivables – current portion	31,213	–	–	–	31,213	–	–	–	–
Trade receivables	501,602	–	–	–	501,602	–	–	–	–
Other current financial assets and financial receivables	8,104	–	–	–	8,104	–	–	–	–
Hedging instruments	–	374	–	–	374	–	–	374	–
Cash and cash equivalents	–	535,412	–	–	535,412	–	310,977	224,435	–

In thousands of euros									
Liabilities	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) <sup>(2)</sup>	Through shareholders' equity (CFH hedge) <sup>(3)</sup>					
Non-current borrowings <sup>(1)</sup>	901,649	–	–	–	901,649	–	–	–	–
Bank overdrafts	4,148	–	–	–	4,148	–	–	–	–
Current debt	88,688	–	–	–	88,688	–	–	–	–
Other current debt	17	–	–	–	17	–	–	–	–
Hedging instruments	–	–	–	16,658	16,658	–	–	16,658	–
Trade payables	803,993	–	–	–	803,993	–	–	–	–

(1) See Note 5.2.7.5 "Reconciliation of gross and net debt". This includes "Finance lease liabilities" and "Bonds and bank loans".

(2) AFS: "Available for sale".

(3) CFH: "Cash Flow Hedge".

There were no transfers between fair value levels in 2015, as in 2014.

The fair value of financial assets and liabilities at amortized cost was close to the carrying amount, except for current and non-current debt.

In thousands of euros	Balance sheet values at December 31, 2015			Fair value at December 31, 2015		
	Total	Income before non-operating items	Non-current portion	Total	Income before non-operating items	Non-current portion
Bonds and bank loans <sup>(1)</sup>	1,008,696	91,685	917,011	1,055,535	92,098	963,437

In thousands of euros	Balance sheet values at December 31, 2014			Fair value at December 31, 2014		
	Total	Income before non-operating items	Non-current portion	Total	Income before non-operating items	Non-current portion
Bonds and bank loans	981,656	85,497	896,159	997,126	85,354	911,773

(1) See Note 5.2.7.5 "Reconciliation of gross and net debt".

#### Means of measuring fair value

- The fair value of listed bonds is determined on the basis of listed prices (level 1). The fair value of other borrowings is determined in each case by discounting future cash flows at a rate corresponding to the Euribor yield curve at year-end, corrected for the Group's credit risk (level 2).
- The fair value of monetary and non-monetary UCITS is measured according to their last known liquidity value (level 1). The fair value of interest rate products (certificates of deposits, time-deposit accounts, negotiable medium term notes, etc.) is based on discounted future cash flows (nominal and interest) for the remaining duration of the product at year end (level 2). The discount rate used is the market rate matching the product's maturity and characteristics.
- Other non-current financial assets and finance receivables: items consisting mainly of finance receivables recorded based on a discounted value when their maturity is more than one year.
- Most of the derivatives are traded over-the-counter on which there are no listed prices. Accordingly, they are valued based on models commonly used by traders to evaluate financial instruments using future discounted cash flow models or option valuation models (level 2).

## 7. Additional information

### 7.1. Number of employees at year-end

	December 31, 2015			December 31, 2014			Change over total
	Excluding temporary staff	Temporary staff	Total	Excluding temporary staff	Temporary staff	Total	
France	4,494	1,039	5,533	4,500	723	5,223	6%
%	27.0%	28.4%	27.3%	27.9%	22.8%	27.1%	
Europe excluding France	5,495	1,238	6,733	5,109	1,215	6,324	6%
%	33.0%	33.8%	33.2%	31.7%	38.4%	32.8%	
North America	3,455	569	4,024	3,161	526	3,687	9%
%	20.8%	15.5%	19.8%	19.6%	16.6%	19.1%	
Asia and South America <sup>(1)</sup>	3,184	815	3,999	3,334	704	4,038	-1%
%	19.1%	22.3%	19.7%	20.7%	22.2%	21.0%	
<b>Total</b>	<b>16,628</b>	<b>3,661</b>	<b>20,289</b>	<b>16,104</b>	<b>3,168</b>	<b>19,272</b>	<b>5%</b>

(1) The "Asia and South America" region includes Turkey, South Africa and Morocco.



## 7.2. Off-balance sheet commitments

### 7.2.1. Commitments given and received

At December 31, 2015

In thousands of euros	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	(14,719)	–	(810)	(1,788)	(12,121)
Commitments to purchase assets <sup>(1)</sup>	(84,506)	–	(84,506)	–	–
Debt collateral (mortgages)	(4,151)	–	–	(4,151)	–
Other off-balance sheet commitments <sup>(2)</sup>	(10,085)	–	–	(5,200)	(4,885)
<b>Total commitments given</b>	<b>(113,461)</b>	<b>–</b>	<b>(85,316)</b>	<b>(11,139)</b>	<b>(17,006)</b>
Surety bonds received	2,298	–	799	781	718
Other commitments received	–	–	–	–	–
<b>Total commitments received</b>	<b>2,298</b>	<b>–</b>	<b>799</b>	<b>781</b>	<b>718</b>
<b>Total commitments – net</b>	<b>(111,163)</b>	<b>–</b>	<b>(84,517)</b>	<b>(10,358)</b>	<b>(16,288)</b>

At December 31, 2014

In thousands of euros	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	(17,526)	–	(865)	(5,695)	(10,966)
Commitments to purchase assets <sup>(3)</sup>	(59,633)	–	(59,633)	–	–
Debt collateral (mortgages)	(4,589)	–	(4,589)	–	–
Other off-balance sheet commitments	(2,284)	–	–	(1,000)	(1,284)
<b>Total commitments given</b>	<b>(84,032)</b>	<b>–</b>	<b>(65,087)</b>	<b>(6,695)</b>	<b>(12,250)</b>
Surety bonds received	1,359	–	1,097	–	262
Other commitments received	310	–	310	–	–
<b>Total commitments received</b>	<b>1,669</b>	<b>–</b>	<b>1,407</b>	<b>–</b>	<b>262</b>
<b>Total commitments – net</b>	<b>(82,363)</b>	<b>–</b>	<b>(63,680)</b>	<b>(6,695)</b>	<b>(11,988)</b>

(1) At December 31, 2015, the increase in commitments given on the acquisition of assets was mainly related to the investments made:

- in Mexico at the Ramos, Puebla and León plants (€15 million);
- and in China, at Guangzhou (€5 million).

(2) The increase in other off-balance sheet commitments given on assets and liabilities relates to a €4.7 million counter-guarantee (for an ARS60 million loan) to BNP Argentina in favor of the Automotive division's subsidiary Plastic Omnium SA.

(3) At December 31, 2014, the increase in commitments given on the acquisition of assets was mainly related to the investments made:

- in the United States for the Anderson and Huron sites in particular (€7 million); and
- in the United Kingdom for the Warrington site (€22 million).

### 7.2.2. Operating leases where the Group is lessee

In thousands of euros	December 31, 2015	December 31, 2014
Minimum lease payments under non cancelable operating leases		
Due within one year	37,151	33,510
Due in one to five years	83,135	76,715
Due beyond five years	32,076	8,987
<b>Total</b>	<b>152,362</b>	<b>119,212</b>

### 7.3. Related party transactions

#### 7.3.1. Compensation paid to senior executives and corporate officers

Senior managers are the "persons having authority and responsibility for planning, directing and controlling the activities" of Compagnie Plastic Omnium and its subsidiaries, as defined in IAS 24.

On July 21, 2015, the Board of Directors decided to allocate a share purchase option plan according to the terms set by the Combined Shareholders' meeting of April 25, 2013 on the basis of 300,000 share purchase options for Executive Corporate Officers according to cumulative criteria relative to the SBF 120 index and to the main automotive equipment manufacturers. This plan took effect on August 7, 2015. The share purchase options may be exercised as from August 7, 2019 for a three-year period. The exercise of the options granted is subject to market conditions and performance.

The total amount of compensation paid to members of the Board of Directors and Senior managers is presented in the table below:

In thousands of euros	Paid or payable by...	2015	2014
Directors' fees	Paid by Compagnie Plastic Omnium	121	102
Directors' fees	Paid by companies controlled by Compagnie Plastic Omnium (excl. Compagnie Plastic Omnium) and by Burelle SA	395	543
Gross compensation	Payable by the Plastic Omnium Group	6,089	5,620
Supplementary pension plans	Payable by the Plastic Omnium Group	886	886
Cost of stock option plans	Payable by the Plastic Omnium Group	1,476	718
	<i>Cost spread over the vesting period</i>	884	718
	<i>Social contributions related to the new plan over the period</i>	592	-
<b>Total compensation</b>		<b>8,966</b>	<b>7,869</b>

#### Analysis of the social contributions for the plan allocated on August 6, 2015

The rate of social contributions for the stock option plan of August 6, 2015 is 30%. The Group did not grant any new stock option plans in 2014.

The share of contributions related to the stock options of Executive Corporate Officers is presented in the table below and concerns only 2015:

In thousands of euros In units for the number of options	August 6 2015 plan
<i>Rate of contribution of payroll taxes on stock option plans</i>	30.00%
Total number of options forming part of the basis on which contributions are calculated	545,000
<b>Total contributions subject to performance conditions (in thousands of euros)<sup>(1)</sup></b>	<b>1,076</b>
Number of share options of Executive Corporate Officers	300,000
<b>Social contributions on stock options of Executive Corporate Officers (in thousands of euros)</b>	<b>592</b>

(1) All stock options granted to Senior Executives and Corporate Officers are subject to performance conditions. Contributions for all stock options subject to performance conditions were €1,076 thousand, and €735 thousand for the others.

#### 7.3.2. Transactions with Sofiparc SAS, Burelle SA and Burelle Participations SA

At December 31, 2015

In thousands of euros	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Long-term borrowings
Sofiparc SAS	862	(4,462)	10	1	1,059	25	2	-	-
Burelle SA	-	(8,206)	16	13	-	3,446	7	18	-
Burelle Participations SA	-	-	6	-	-	-	6	-	-

At December 31, 2014

In thousands of euros	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Long-term borrowings
Sofiparc SAS	(549)	(4,705)	10	2	1,058	48	2	-	-
Burelle SA	-	(7,794)	7	6	-	1,930	6	18	-
Burelle Participations SA	-	-	6	-	-	-	-	-	-

## 7.4. Fees paid to the Statutory Auditors

In thousands of euros	2015		
	Mazars	Ernst & Young	Total
<b>Audit services</b>	<b>(1,774)</b>	<b>(2,018)</b>	<b>(3,792)</b>
<i>Of which:</i>			
<i>Compagnie Plastic Omnium</i>	(384)	(357)	(741)
<i>Subsidiaries</i>	(1,390)	(1,661)	(3,051)
<b>Other fees and services related directly to the duties of the Statutory Auditor</b>	<b>(177)</b>	<b>(35)</b>	<b>(212)</b>
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	(51)	12	(39)
<i>Subsidiaries</i>	(126)	(47)	(173)
<b>Total</b>	<b>(1,951)</b>	<b>(2,053)</b>	<b>(4,004)</b>

In thousands of euros	2014		
	Mazars	Ernst & Young	Total
<b>Audit services</b>	<b>(1,629)</b>	<b>(1,695)</b>	<b>(3,324)</b>
<i>Of which:</i>			
<i>Compagnie Plastic Omnium</i>	(384)	(357)	(741)
<i>Subsidiaries</i>	(1,245)	(1,338)	(2,583)
<b>Other fees and services related directly to the duties of the Statutory Auditor</b>	<b>(213)</b>	<b>(183)</b>	<b>(396)</b>
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	(81)	(10)	(91)
<i>Subsidiaries</i>	(132)	(173)	(305)
<b>Total</b>	<b>(1,842)</b>	<b>(1,878)</b>	<b>(3,720)</b>

## 7.5. Consolidating entity

Burelle SA holds 58.71% of Compagnie Plastic Omnium after the impact of cancellation of Compagnie Plastic Omnium's treasury stock (56.60% prior to cancelation of treasury stock) and fully consolidates the Company.

Burelle SA – 19, boulevard Jules-Carteret  
69342 Lyon Cedex 07

## 7.6. Subsequent events

### Closure of the Laval fuel systems production site

On January 8, 2016, the Group announced its intention to close the fuel systems production site in Laval (Mayenne, France) during 2016. The site is part of the Automotive division and employs 93 people.

Business at the Laval site declined by 60% in the period 2011 to 2015, falling from an annual rate of production of 880,000 fuel systems to 350,000, with no recovery in sight.

The plan for the closure presented by Plastic Omnium provides for the transfer of fuel system production to two other sites in France, Pfattatt (Haut-Rhin) and Compiègne (Oise), and the takeover of part of the valves production activity by a local business.

All 93 employees will be offered redeployment support.

### Acquisition of the minority stake in the German company RMS Rotherm Maschinenbau GmbH

In a €3.3 million deal, on January 27, 2016 the Group acquired the 30% stake in the German-based RMS Rotherm Maschinenbau GmbH from its partners, brothers Egbert and Andreas Rotherm. Under the terms of the transaction, ownership is transferred immediately giving the Group 100% of the company.

Since the company was already controlled by the Group, the method of consolidation remains unchanged.

The impact of the acquisition of minority interests on 2016 consolidated equity – Group share will be –€1,812 thousand.

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at December 31, 2015 has occurred since the closing date.

## List of consolidated companies at December 31, 2015

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
<b>France</b>										
COMPAGNIE PLASTIC OMNIUM SA			*		Parent company			Parent company		1 – a
PLASTIC OMNIUM SYSTÈMES URBAINS SAS		*		FC	100	100	FC	100	100	1 – b
METROPLAST SAS		*		FC	100	100	FC	100	100	1 – b
LA RÉUNION VILLES PROPRES SAS		*		FC	100	100	FC	100	100	1 – b
PLASTIC OMNIUM CARAÏBES SAS		*		FC	100	100	FC	100	100	1 – b
INERGY AUTOMOTIVE SYSTEMS FRANCE SAS		*		FC	100	100	FC	100	100	1 – a
PLASTIC RECYCLING SAS		*		EM_IFRS_2014	50	50	EM_IFRS_2014	50	50	
PLASTIC OMNIUM AUTO EXTÉRIEUR SA		*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM AUTO EXTÉRIEUR SERVICES SAS		*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM GESTION SNC			*	FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM FINANCE SNC			*	FC	100	100	FC	100	100	1 – a
LUDOPARC SAS		*		FC	100	100	FC	100	100	1 – b
PLASTIC OMNIUM ENVIRONNEMENT SAS	d2015	*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM AUTO EXTERIORS SAS		*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM AUTO INERGY SAS	x2015a	*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM AUTO INERGY MANAGEMENT SAS	x2015b	*		FC	100	100	FC	100	100	1 – a
VALEO PLASTIC OMNIUM SNC		*		EM_IFRS_2014	50	50	EM_IFRS_2014	50	50	
BEAUVAIS DIFFUSION SAS		*		FC	100	100	FC	100	100	1 – b
PLASTIC OMNIUM VERNON SAS		*		FC	100	100	FC	100	100	1 – a
TECHNIQUES ET MATÉRIELS DE COLLECTE – “ TEMACO ” SAS		*		FC	100	100	FC	100	100	1 – b
PLASTIC OMNIUM COMPOSITES SA		*		FC	100	100	FC	100	100	1 – a
MIXT COMPOSITES RECYCLABLES – MCR SAS		*		FC	100	100	FC	100	100	1 – a
PLASTIC OMNIUM ENVIRONNEMENT HOLDING SAS		*		FC	100	100	FC	100	100	1 – b
SIGNALISATION FRANCE SA			*	FC	100	100	FC	100	100	1 – b
SULO FRANCE SAS		*		FC	100	100	FC	100	100	1 – b
PLASTIC OMNIUM AUTO EXTERIORS INDUSTRIES SAS	d2015	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM INTERNATIONAL SAS	d2015	*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYTEMS INDUSTRIES SAS		*		FC	100	100	FC	100	100	1 – a

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Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
PLASTIC OMNIUM AUTO INERGY SERVICES SAS	a2015	*		FC	100	100	-	-	-	
PLASTIC OMNIUM AUTO INERGY FRANCE SAS	a2015	*		FC	100	100	-	-	-	
<b>South Africa</b>										
PLASTIC OMNIUM AUTO INERGY SOUTH AFRICA (PROPRIETARY) LTD	x2015c	*		FC	100	100	FC	100	100	
<b>Germany</b>										
PLASTIC OMNIUM GmbH			*	FC	100	100	FC	100	100	2 – b
PLASTIC OMNIUM AUTO COMPONENTS GmbH		*		FC	100	100	FC	100	100	2 – b
PLASTIC OMNIUM ENTSORGUNGSTECHNIK GmbH			*	FC	100	100	FC	100	100	2 – c
PLASTIC OMNIUM AUTO INERGY GERMANY GmbH	x2015d	*		FC	100	100	FC	100	100	2 – b
HBPO BETEILIGUNG-SGESELLSCHAFT GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO RASTATT GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO GERMANY GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM ENVIRONNEMENT GmbH			*	FC	100	100	FC	100	100	2 – c
ENVICOMP SYSTEMLOGISTIK GmbH			*	FC	100	100	FC	100	100	2 – a
WESTFALIA INTRALOG GmbH			*	FC	100	100	FC	100	100	2 – a
SULO EISENWERK STREUBER & LOHMANN GmbH			*	FC	100	100	FC	100	100	2 – c
SULO UMWELTECHNIK GmbH			*	FC	100	100	FC	100	100	2 – c
SULO UMWELTECHNIK BETEILIGUNGS GmbH			*	FC	100	100	FC	100	100	
SULO EMBALLAGEN GmbH	a2015		*	FC	100	100	-	-	-	2 – b
PLASTIC OMNIUM URBAN SYSTEMS GmbH			*	FC	100	100	FC	100	100	2 – a
PLASTIC OMNIUM COMPOSITES GmbH		*		FC	100	100	FC	100	100	2 – b
RMS ROTHERM MASCHINENBAU GmbH			*	FC	70	70	FC	70	70	
HBPO INGOLSTADT GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO REGENSBURG GmbH		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SULO EA GmbH			*	FC	100	100	FC	100	100	2 – c
<b>Argentina</b>										
PLASTIC OMNIUM AUTO INERGY ARGENTINA SA	x2015e	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SA		*		FC	100	100	FC	100	100	
<b>Belgium</b>										
PLASTIC OMNIUM AUTOMOTIVE NV	e2015	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM NV			*	FC	100	100	FC	100	100	
PLASTIC OMNIUM ADVANCED INNOVATION AND RESEARCH NV	x2015f	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY BELGIUM SA	x2015g	*		FC	100	100	FC	100	100	

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
<b>Brazil</b>										
INERGY AUTOMOTIVE SYSTEMS DO BRAZIL LDA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM DO BRASIL Ltda		*		FC	100	100	FC	100	100	
<b>Canada</b>										
INERGY AUTOMOTIVE SYSTEMS CANADA INC.	e2014	*		-	-	-	FC	100	100	
HBPO CANADA INC.		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>Chile</b>										
PLASTIC OMNIUM SA			*	FC	100	100	FC	100	100	
<b>China</b>										
PLASTIC OMNIUM COMPOSITES (JIANGSU) Co Ltd		*		FC	100	100	FC	100	100	
WUHAN PLASTIC OMNIUM AUTO INERGY Co Ltd	x2015r	*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
PLASTIC OMNIUM INERGY (SHANGHAI) CONSULTING Co. Ltd		*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS CONSULTING (BEIJING) Co. Ltd		*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS MANUFACTURING (BEIJING) Co. Ltd		*		FC	60	60	FC	60	60	
CHONGQING YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR FAWAY Co. Ltd		*		EM_IFRS_2014	49.95	25.47	EM_IFRS_2014	49.95	25.47	
GUANGZHOU ZHONGXIN YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR TRIM Co. Ltd		*		EM_IFRS_2014	49.95	25.47	EM_IFRS_2014	49.95	25.47	
CHENGDU FAWAY YANFENG PLASTIC OMNIUM Co. Ltd		*		EM	24.48	24.48	EM	24.48	24.48	
HBPO CHINA Co Ltd		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
YANFENG PLASTIC OMNIUM (SHANGHAI) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
DONGFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	g2014	*		EM	24.98	24.98	EM	24.98	24.98	
GUANGZHOU PLASTIC OMNIUM AUTO INERGY Co. Ltd	x2015s	*		FC	100	100	FC	100	100	
SHENYANG PLASTIC OMNIUM AUTO INERGY Co. Ltd	x2015t	*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM YIZHENG AUTOMOTIVE EXTERIOR SYSTEM Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
PLASTIC OMNIUM HOLDING (SHANGHAI) Co. Ltd			*	FC	100	100	FC	100	100	



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	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
YANFENG PLASTIC OMNIUM (SHENYANG) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM NINGBO AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM WUHAN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_IFRS_2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
(NINGBO) PLASTIC OMNIUM AUTO INERGY Co. Ltd		*		FC	100	100	FC	100	100	
HBPO CHINA BEIJING Co. Ltd	a2014	*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
YANFENG PLASTIC OMNIM HARBIN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	a2015	*		EM_IFRS_2014	49.95	49.95	-	-	-	
(CHONGQING) PLASTIC OMNIUM AUTO INERGY Co. Ltd	a2015	*		FC	100	100	-	-	-	
<b>South Korea</b>										
SHB AUTOMOTIVE MODULES		*		EM_IFRS_2014	16.67	16.67	EM_IFRS_2014	16.67	16.67	
HBPO KOREA Ltd		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM Co. Ltd	x2015h	*		FC	100	100	FC	100	100	
HBPO PYEONGTAEK Ltd		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO ASIA HQ Ltd	a2014	*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>Spain</b>										
COMPANIA PLASTIC OMNIUM SA			*	FC	100	100	FC	100	100	3
PLASTIC OMNIUM EQUIPAMIENTOS EXTERIORES SA		*		FC	100	100	FC	100	100	3
PLASTIC OMNIUM SISTEMAS URBANOS SA			*	FC	100	100	FC	100	100	3
INERGY AUTOMOTIVE SYSTEMS VALLADOLID SL	e2014	*		-	-	-	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SPAIN SA	x2015i	*		FC	100	100	FC	100	100	3
VALEO PLASTIC OMNIUM SL	e2014	*		-	-	-	EM_IFRS_2014	50	50	
PLASTIC OMNIUM COMPOSITES ESPANA SA		*		FC	100	100	FC	100	100	3
HBPO IBERIA SL	d2015	*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SIGNATURE SENALIZACION SA			*	FC	100	100	FC	100	100	3
HBPO AUTOMOTIVE SPAIN SL		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM COMPONENTES EXTERIORES SL		*		FC	100	100	FC	100	100	3
<b>United States</b>										
PLASTIC OMNIUM AUTO EXTERIORS LLC		*		FC	100	100	FC	100	100	4
PLASTIC OMNIUM Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM INDUSTRIES Inc.			*	FC	100	100	FC	100	100	4

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
PLASTIC OMNIUM AUTO INERGY (USA) LLC	x2015u	*		FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTOMOTIVE SERVICES Inc.		*		FC	100	100	FC	100	100	4
HBPO NORTH AMERICA Inc.		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
INERGY AUTOMOTIVE SYSTEMS HOLDING Inc.	d2014	*		-	-	-	FC	100	100	
<b>Hungary</b>										
HBPO MANUFACTURING HUNGARY Kft		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO AUTOMOTIVE HUNGARIA Kft		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>India</b>										
PLASTIC OMNIUM AUTO EXTERIORS (INDIA) PVT Ltd		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDIA PVT Ltd	x2015v	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MANUFACTURING INDIA PVT Ltd	x2015w	*		FC	55	55	FC	55	55	
<b>Japan</b>										
PLASTIC OMNIUM KK	x2015j	*		FC	100	100	FC	100	100	
HBPO JAPAN KK	a2014	*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>Malaysia</b>										
HICOM HBPO SDN BHD		*		EM	13.33	13.33	EM	13.33	13.33	
<b>Morocco</b>										
INERGY AUTOMOTIVE SYSTEMS (MOROCCO) SARL		*		FC	100	100	FC	100	100	
<b>Mexico</b>										
PLASTIC OMNIUM AUTOMOVIL SA DE CV		*		-	-	-	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORES SA DE CV	d2014*	*		-	-	-	FC	100	100	
PLASTIC OMNIUM INDUSTRIAL AUTO EXTERIORES RAMOS ARIZPE SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM DEL BAJIO SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MEXICO SA DE CV	x2015k	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL MEXICO SA DE CV	x2015l	*		FC	100	100	FC	100	100	
INOPLAST COMPOSITES SA DE CV		*		FC	100	100	FC	100	100	
INOPLASTIC OMNIUM INDUSTRIAL SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SISTEMAS URBANOS SA DE CV		*	*	FC	100	100	FC	100	100	
HBPO MEXICO SA DE CV		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM MEDIO AMBIENTE SA DE CV		*	*	FC	100	100	FC	100	100	
PLASTIC OMNIUM TOLUCA SA DE CV		*		FC	100	100	FC	100	100	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015  
Notes to the Consolidated Financial Statements

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
PLASTIC OMNIUM AUTO INDUSTRIAL SRL DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL SA DE CV	x2015m	*		FC	100	100	FC	100	100	
<b>Netherlands</b>										
PLASTIC OMNIUM BV	xd2014		*	FC	100	100	FC	100	100	5
PLASTIC OMNIUM ENVIRONMENT BV	x2015n		*	FC	100	100	FC	100	100	5
SULO BV	xd2014		*	FC	100	100	FC	100	100	5
DSK PLASTIC OMNIUM BV		*		FC	51	51	FC	51	51	
<b>Poland</b>										
PLASTIC OMNIUM AUTO INERGY POLAND Sp Z.O.O	x2015o	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORS Sp Z.O.O		*		FC	100	100	FC	100	100	
SULO Sp Z.O.O			*	FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO Sp Z.O.O		*		FC	100	100	FC	100	100	
<b>Czech Republic</b>										
HBPO CZECH S.R.O.		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SULO S.R.O.			*	FC	100	100	FC	100	100	
<b>Romania</b>										
PLASTIC OMNIUM AUTO INERGY ROMANIA SRL	x2015p	*		FC	100	100	FC	100	100	
<b>United Kingdom</b>										
PLASTIC OMNIUM AUTOMOTIVE Ltd		*		FC	100	100	FC	100	100	6
PLASTIC OMNIUM URBAN SYSTEMS Ltd			*	FC	100	100	FC	100	100	6
SIGNATURE Ltd			*	FC	100	100	FC	100	100	6
SULO MGB Ltd			*	FC	100	100	FC	100	100	
HBPO UK Ltd		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>Russia</b>										
OOO STRAVROVO AUTOMOTIVE SYSTEMS		*		FC	100	100	FC	100	100	
DSK PLASTIC OMNIUM INERGY		*		FC	51	51	FC	51	51	
<b>Singapore</b>										
SULO ENVIRONMENTAL SYSTEMS PTE Ltd			*	FC	100	100	FC	100	100	
<b>Slovakia</b>										
PLASTIC OMNIUM AUTO EXTERIORS S.R.O.		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SLOVAKIA S.R.O.	x2015q	*		FC	100	100	FC	100	100	
HBPO SLOVAKIA S.R.O.		*		EM_IFRS_2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<b>Sweden</b>										
PLASTIC OMNIUM AB			*	FC	100	100	FC	100	100	
<b>Switzerland</b>										
PLASTIC OMNIUM AG			*	FC	100	100	FC	100	100	
PLASTIC OMNIUM RE AG			*	FC	100	100	FC	100	100	
SIGNAL AG	c2014		*	-	-	-	MEE_IFRS_2014	50	50	
<b>Thailand</b>										
PLASTIC OMNIUM AUTO INERGY THAILAND Co LTD	x2015x	*		FC	100	100	FC	100	100	

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Automotive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
PLASTIC OMNIUM AUTOMOTIVE Co Ltd	*			FC	100	100	FC	100	100	
<b>Turkey</b>										
B.P.O. AS	*			MEE_lfrs_2014	50	49,98	EM_IFRS_2014	50	49.98	

**Consolidation method and notes:**

FC: Fully consolidated.  
EM: Entities that were already consolidated by the equity method before the application of the new consolidation standards on January 1, 2014.  
EM\_IFRS\_2014: Companies consolidated by the equity method since the application of the new consolidation standards as of January 1, 2014.

**Movements during the period:**

**Creation of entities:**

a2014 Companies newly-formed and/or in start-up phase in 2014.  
a2015 Companies newly-formed and/or in start-up phase in 2015.

**Disposal of entities:**

c2014 Companies divested in 2014.

**Merging of entities:**

d2014 Companies merged in 2014.  
d2015 Companies merged in 2015.  
d2014\* Company legally absorbed by Inoplast Composites SA de CV in 2010 and recognized as such on the financial statements in June 2014.  
xd2014 "Sulo BV" absorbed "Plastic Omnium BV" and took over the "Plastic Omnium BV" company name.

**Liquidation of entities:**

e2014 Companies liquidated in 2014.  
e2015 Companies liquidated in 2015.

**Change in the percentage of Plastic Omnium ownership:**

g2014 Capital increase for "Dongfeng Plastic Omnium Automotive Exterior Systems Co. Ltd" fully subscribed by Plastic Omnium.

**Change in company name:**

x2015 Companies whose name was changed in 2015.  
x2015a "Plastic Omnium Auto Inergy SAS" is the new name of "Inergy Automotive Systems SAS".  
x2015b "Plastic Omnium Auto Inergy Management SAS" is the new name of "Inergy Automotive Systems Management SAS".  
x2015c "Plastic Omnium Auto Inergy South Africa (Proprietary) Ltd" is the new name of "Inergy Automotive Systems South Africa Ltd".  
x2015d "Plastic Omnium Auto Inergy Germany GmbH" is the new name of "Inergy Automotive Systems Germany GmbH".  
x2015e "Plastic Omnium Auto Inergy Argentina SA" is the new name of "Inergy Automotive Systems Argentina SA".  
x2015f "Plastic Omnium Advanced Innovation and Research NV" is the new name of "Inergy Automotive Systems Research NV".  
x2015g "Plastic Omnium Auto Inergy Belgium SA" is the new name of "Inergy Automotive Systems Belgium SA".  
x2015h "Plastic Omnium Co. Ltd" is the new name of "Inergy Automotive Systems Co. Ltd".  
x2015i "Plastic Omnium Auto Inergy Spain SA" is the new name of "Inergy Automotive Systems Spain SA".  
x2015j "Plastic Omnium K.K" is the new name of "Inergy Automotive Systems K.K.".   
x2015k "Plastic Omnium Auto Inergy Mexico SA de CV" is the new name of "Inergy Automotive Systems Mexico SA de CV".  
x2015l "Plastic Omnium Auto Inergy Industrial Mexico SA de CV" is the new name of "Inergy Automotive Systems Industrial Mexico SA de CV".  
x2015m "Plastic Omnium Auto Inergy Industrial SA de CV" is the new name of "Inergy Automotive Industrial SA de CV".  
x2015n "Plastic Omnium Environment BV" is the new name of "Plastic Omnium International BV".  
x2015o "Plastic Omnium Auto Inergy Poland Sp Z.O.O." is the new name of "Inergy Automotive Systems Poland Sp Z.O.O.".   
x2015p "Plastic Omnium Auto Inergy Romania SRL" is the new name of "Inergy Automotive Systems Romania SRL".  
x2015q "Plastic Omnium Auto Inergy Slovakia S.R.O." is the new name of "Inergy Automotive Systems Slovakia S.R.O.".   
x2015r "Wuhan Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive Systems (Wuhan) Co Ltd".  
x2015s "Guangzhou Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive Systems Guangzhou Co Ltd".  
x2015t "Shenyang Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive Systems Shenyang Co Ltd".  
x2015u "Plastic Omnium Auto Inergy (USA) LLC" is the new name of "Inergy Automotive Systems (USA)".  
x2015v "Plastic Omnium Auto Inergy India Pvt Ltd" is the new name of "Inergy Automotive Systems India Pvt Ltd".  
x2015w "Plastic Omnium Auto Inergy Manufacturing India Pvt Ltd" is the new name of "Inergy Automotive Systems Manufacturing India Pvt Ltd".  
x2015x "Plastic Omnium Auto Inergy Thailand Co Ltd" is the new name of "Inergy Automotive Systems (Thailand) Ltd".

**Tax group:**

1 - a Plastic Omnium France.  
1 - b France Plastic Omnium Environnement Holding.  
2 - a Germany Systèmes Urbains.  
2 - b Germany Plastic Omnium GmbH.  
2 - c Germany Plastic Omnium Environnement.  
3 Spain.  
4 United States.  
5 Netherlands.  
6 United Kingdom.

## 5.7 Statutory Auditors' Report on the Consolidated Financial Statements

### Year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2015 on:

- the audit of the accompanying/consolidated financial statements of Compagnie Plastic Omnium;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

### I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the following point stated in Note 1.1 to the consolidated financial statements which indicate the change in the presentation of the share of profit/(loss) of associates and joint ventures in the consolidated income statement.

### II. Justification of our assessments

Pursuant to the provisions of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we draw your attention to the following matters:

- Goodwill has been submitted to impairment tests under rules described in Note 1.1.13 of the financial statements. These tests are based on medium-term plans of the Group. We reviewed implementation methods of these impairment tests, hypothesis used and cash flow forecast retained and checked appropriateness of the information given in the Notes of the financial statements.
- Note 1.1.11 to the consolidated financial statements explains the accounting method of incurred costs at the demand of automotive manufacturers for the development of new car models equipment. These costs are accounted for depending on the financing terms with the customer and the profitability perspectives of the concerned projects. We assessed the adopted approach by the Company for the valuation of the profitability perspectives of these projects on the basis of evidence available to date.
- Note 1.2 to the consolidated financial statements specifies that the recognition of deferred tax assets depends on the probability of sufficient taxable earnings being generated to permit their utilization. We assessed the adopted approach by the Company for the valuation of the recoverable aspect of these tax assets on the basis of the evidence available to date and, we tested by sampling methods their correct application.

- Regarding risks, litigation and contingent liabilities, we examined the processes put in place by the Group in order to inventory them, evaluate them and enforce their accounting translation. We made sure the main litigations identified are described on an appropriate basis, especially in Note 5.2.5 to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### **III. Specific verification**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law of information pertaining to the Group, given in the management report.

Except for the impact of the facts stated in the first part of this report, we have no comments to make as to its fair presentation and consistency with the consolidated financial statements.

Paris-la Défense, February 24, 2016

The Statutory Auditors

MAZARS

Jean-Luc Barlet

ERNST & YOUNG et Autres

Gilles Rabier





COMPANY  
FINANCIAL  
STATEMENTS

## 6.1 Income Statement

In thousands of euros	Notes	2015	2014
<b>Net sales<sup>(1)</sup></b>	<b>K</b>	<b>26,408</b>	<b>2,954</b>
Production held as inventory		(13,829)	13,829
Provision reversals and expense transfers		6	1,102
Other operating revenue <sup>(1)</sup>		25,810	22,657
<b>Total operating revenue</b>	<b>K</b>	<b>38,395</b>	<b>40,542</b>
Purchases and other external charges	L	(36,982)	(36,050)
Taxes other than on income		(164)	(226)
Payroll taxes		(77)	(51)
Depreciation, amortization and provisions	M	(3,437)	(997)
Other expenses		(2,876)	(3,078)
<b>Net operating income (loss)</b>		<b>(5,141)</b>	<b>140</b>
<b>Net financial income</b>	<b>N</b>	<b>220,846</b>	<b>182,902</b>
<b>Income before non-operating items</b>		<b>215,705</b>	<b>183,042</b>
Non-operating items	O	(165)	2,734
Income before tax		215,540	185,776
Corporate income tax	P	7,353	(1,452)
<b>Net income</b>		<b>222,893</b>	<b>184,324</b>
(1) Net sales and other operating revenue		52,218	25,611

## 6.2 Balance Sheet

### Assets

In thousands of euros	Notes	2015			2014
		Gross	Depreciation, amortization and provisions	Net	Net
<b>Non-current assets</b>					
Intangible assets	A	8,857	905	7,952	7,921
Property, plant and equipment	B	95,127	6,385	88,742	80,258
Investments	C	1,703,197	20,036	1,683,161	1,530,637
<b>Total non-current assets</b>		<b>1,807,181</b>	<b>27,326</b>	<b>1,779,855</b>	<b>1,618,816</b>
<b>Current assets</b>					
Inventories and goods in process	D	0	0	0	13,829
Prepayments to suppliers	E	1,680	0	1,680	151
Trade receivables	E	7,566	0	7,566	10,553
Other receivables	E	60,575	4,668	55,907	54,450
Cash and cash equivalents	F	532,874	0	532,874	352,048
<b>Total current assets</b>		<b>602,695</b>	<b>4,668</b>	<b>598,027</b>	<b>431,031</b>
Prepaid expenses	G	846	0	846	630
Deferred charges (debt issuance costs)	G	2,671	0	2,671	3,313
Bond redemption premiums	G	3,425	0	3,425	4,230
Translation loss on FX payables and receivables	G	1,213	0	1,213	905
<b>Total</b>		<b>2,418,031</b>	<b>31,994</b>	<b>2,386,037</b>	<b>2,058,925</b>

### Liabilities and Shareholders' Equity

In thousands of euros	Notes	2015	2014
<b>Shareholders' equity</b>			
Share capital	H	9,215	9,215
Additional paid-in capital	H	38,637	38,637
Other reserves and retained earnings	H	979,608	850,117
<b>Net income for the year</b>		<b>222,893</b>	<b>184,324</b>
Tax-regulated provisions	H	605	561
<b>Total equity</b>	<b>H</b>	<b>1,250,958</b>	<b>1,082,854</b>
Provisions for contingencies and charges	I	38,259	33,851
<b>Liabilities</b>			
Bonds		759,011	759,011
Bank borrowings		33,409	23,479
Other borrowings		243,585	70,051
Customer prepayments		0	15,781
Trade payables		14,548	23,285
Accrued taxes and payroll costs		4,781	5,200
Other liabilities		36,337	41,164
<b>Total liabilities</b>	<b>J</b>	<b>1,091,671</b>	<b>937,971</b>
Translation adjustment on FX payables and receivables		5,149	4,249
<b>Total</b>		<b>2,386,037</b>	<b>2,058,925</b>

Note: Net cash and cash equivalents of Compagnie Plastic Omnium of €150.4 million in 2015 (including medium- and long-term loans) versus €174.6 million of net cash and cash equivalents in 2014.

## 6.3 Notes to the Company Financial Statements

In thousands of euros	2014	2015
<b>Financial position</b>		
Capital	9,215	9,215
Shareholders' equity	1,082,854	1,250,958
Net financial liabilities	174,641	150,422
Net non-current assets	1,618,816	1,779,855
<b>Total assets</b>	<b>2,058,925</b>	<b>2,386,037</b>
<b>Results of operations</b>		
Operating revenue	40,542	38,395
Net operating income (loss)	140	(5,141)
Income before non-operating items	185,776	215,705
Non-operating items	2,734	(165)
<b>Net income</b>	<b>184,324</b>	<b>222,893</b>
<b>Earnings per share (in euros)</b>	<b>1.20</b>	<b>1.45</b>

### Significant events of the year

#### Delivery and official opening of the Lyon Gerland real estate project

The Lyon Gerland site was officially opened on March 30, 2015. Compagnie Plastic Omnium built 33,000 sq.m. of office buildings (including 3,000 sq.m. of service buildings) for the rental market.

As at December 31, 2015, total investment since the start of the project stood at €80.6 million (excluding the land value) as follows:

- €7 million in 2015;
- €46.8 million in 2014;
- €26.8 million in 2013.

The site is currently more than 80% occupied by a third-party tenant. The Plastic Omnium Group is using around 900 sq.m. of the total area.

#### Organizational chart

In the course of the year the Plastic Omnium Group simplified the holding structure of entities in the Environment Division, following the universal transfer of assets and liabilities of the subsidiary Plastic Omnium Environnement. All of the subsidiaries in this division are now held by Plastic Omnium Environment BV, a wholly-owned subsidiary of Compagnie Plastic Omnium.

#### Planned acquisition of the Exterior Systems business of the Faurecia Group

On December 14, 2015, Compagnie Plastic Omnium signed an MOU (Memorandum of Understanding) with the Faurecia Group to acquire its Exterior Systems business (bumpers and front-end modules) for a corporate value of €665 million.

This consolidation of the French automotive sector creates a global leader in automotive equipment.

Faurecia's Exterior Systems business has €2 billion in revenue and 7,700 employees at 22 plants in Germany, France, Spain, Slovakia and North and South America. Half of its revenue comes from Germany where Plastic Omnium has no exterior systems production sites.

The transaction has to be reviewed by personnel representative bodies in the countries concerned and will then be submitted to the anti-trust & fair trade authorities for clearance. It should be completed in the second half of 2016.

The impact of the transaction on the 2015 Company financial statements was due to consultancy fees only.

#### Accounting policies

The financial statements of Compagnie Plastic Omnium have been prepared in accordance with French generally accepted accounting policies (ANC Regulation No. 2014-03 of June 5, 2014).

The accounting policies used to prepare the 2015 financial statements are the same as those used in the previous year. The significant accounting policies applied are described below:

#### Intangible assets

Intangible assets mainly comprise trademarks that are not amortized.

However, patent filing fees are recognized as costs in the income statement as incurred.

#### Property, plant and equipment

##### Nanterre office complex

Compagnie Plastic Omnium owns a multipurpose office complex in Nanterre, France. The Company decided to use this complex for its own operations from January 1, 2013. It was previously let.



Property, plant and equipment are initially recognized at cost and depreciated on a straight-line basis over their estimated useful lives, as follows:

- |                                  |             |
|----------------------------------|-------------|
| • Buildings                      | 20-40 years |
| • Fixtures and fittings          | 10 years    |
| • Office equipment and furniture | 5-10 years  |

#### Lyon Gerland office complex

The office complex was accepted on March 30, 2015 and will mostly be rented out.

Property, plant and equipment are initially recognized at cost and depreciated on a straight-line basis over their estimated useful lives, as follows:

- |                                  |             |
|----------------------------------|-------------|
| • Buildings                      | 20-40 years |
| • Fixtures and fittings          | 10 years    |
| • Office equipment and furniture | 5-10 years  |

#### Investments

Investments in subsidiaries and affiliates are initially recognized at cost or transfer value. Where applicable, impairment provisions are taken when the value in use is lower than the carrying amount.

Value in use is based on a proportional share of equity and profit outlook in view of current market conditions as set out in the subsidiaries' medium-term business plans.

#### Treasury stock

The Company has been authorized by shareholders to purchase its own shares to (i) maintain a liquid market for its shares under a liquidity contract with an investment firm, (ii) reduce the share capital by canceling shares, (iii) cover current or future stock option or stock grant plans for employees and officers of the Group, or (iv) hold in treasury for subsequent delivery in exchange or payment for acquisitions.

The accounting classification of treasury stock depends on its final purpose:

- treasury shares held to pay for external growth acquisitions, reduce share capital or maintain stock liquidity are classified as investments;
- treasury shares held for the exercising of current stock option plans or for future plans still pending allocation are classified as short-term investment securities.

Treasury shares are measured in line with their accounting classification (investments, stock option plans, acquired under liquidity contract) using a FIFO (first in, first out) method.

They are initially recognized at cost and impairment is recorded where the carrying amount is higher than the market value. For shares allocated to covering stock option plans, market value is the lower of the exercise price of the options granted and the stock market price.

For shares otherwise classified, market value is determined on the basis of the average quoted stock market price during the month before the balance sheet date.

#### Short-term investment securities

The short-term investment securities are valued by securities category (shares held to maintain stock liquidity, unallocated treasury stock, other short-term investment securities), using a FIFO (first in, first out) method.

#### Receivables

Receivables are valued at their nominal value. Depreciation is recorded where the inventory value is less than the carrying amount. Receivables are depreciated through provisions that take into account possible recovery problems.

#### Foreign currency transactions

Unhedged foreign currency payables and receivables are recorded at the transaction date exchange rate and remeasured on the balance sheet date at the applicable year-end rate of exchange.

Resulting gains and losses are recognized as translation losses/gains on FX payables and receivables. Provisions are recorded for unrealized translation losses.

Hedged foreign currency payables and receivables are recorded at the transaction date exchange rate. Gains and losses on foreign exchange derivatives are offset by gains or losses resulting from the revaluation of hedged foreign currency payables and receivables at closing rate, except for derivative swaps, which are spread in financial income/expense over the hedging term.

#### Long-term borrowings

Issuance costs and redemption premiums incurred at the time of borrowing are spread over the life of the bond using the compound interest rate method.

#### Inventories and goods in process

Inventories and leases are entered at their acquisition cost. Related income and costs are entered according to the percentage-of-completion method.

## Notes to the balance sheet

### A – Intangible assets

In thousands of euros	2014	+	-	2015
Patents, trademarks and licenses	8,818	39		8,857
<b>Total, gross</b>	<b>8,818</b>	<b>39</b>	<b>0</b>	<b>8,857</b>
Accumulated amortization	897	8		905
<b>Total, net</b>	<b>7,921</b>	<b>31</b>	<b>0</b>	<b>7,952</b>

### B – Property, plant and equipment

In thousands of euros	2014	+	-	2015
Land	2,287			2,287
Buildings	5,169	80,563		85,732
Fixtures and fittings	2,182	1,633		3,815
Office equipment and furniture	266	3,021		3,287
Property, plant and equipment in progress	69,951	13,515	83,460	6
Prepayments to suppliers of non-current assets	4,000		4,000	0
<b>Total, gross</b>	<b>83,855</b>	<b>98,732</b>	<b>87,460</b>	<b>95,127</b>
Accumulated amortization	3,597	2,788	0	6,385
<b>Total, net</b>	<b>80,258</b>	<b>95,944</b>	<b>87,460</b>	<b>88,742</b>

The €80,563,000 increase in the item “Buildings” corresponds to the acceptance of the office building of 33,000 sq.m. built in Lyon Gerland that will be rented out and put into service gradually over the year (see “Significant events of the year”).

The capitalized €4 million advance entered at December 31, 2014 corresponded to the payment made to the construction company responsible for the project.

### C – Investments

In thousands of euros	2014	+	-	2015
Shares in subsidiaries and affiliates	866,968	170,642	21,235	1,016,375
Other long-term investments	9,867	20,721	320	30,268
Loans	672,500	61,010	76,956	656,554
<b>Total, gross</b>	<b>1,549,335</b>	<b>252,373</b>	<b>98,511</b>	<b>1,703,197</b>
Provisions for impairment	18,698	1,338		20,036
<b>Total, net</b>	<b>1,530,637</b>	<b>251,035</b>	<b>98,511</b>	<b>1,683,161</b>

Changes in shares in subsidiaries and affiliates came about as a result of the transactions carried out under the legal restructuring mentioned in the section “Significant events of the year”:

- the subscription in full to the share capital increase of Plastic Omnium International BV to finance the acquisition of the entities in the Environment Division;
- the universal transfer of the assets and liabilities of Plastic Omnium Environment, a wholly-owned subsidiary of Compagnie Plastic Omnium, leading in the main to the holding by Compagnie Plastic Omnium of shares in Plastic Omnium International BV, the cancellation of Plastic Omnium Environment’s shares in subsidiaries and affiliates, and a net gain of €18.7 million (see Section N).

Other long-term investments include 1,127,492 treasury shares carried at €26,374,000 allocated to external growth acquisitions and €445,000 allocated to market making.

Loans only have to do with medium- and long-term financing provided to entities of Plastic Omnium Group.

As at December 31, 2015, provisions for impairment of shares in subsidiaries and affiliates amounted to €20 million following a provision for the additional impairment of shares acquired in Plastic Omnium Recycling.

#### D – Inventories and goods in process

In thousands of euros	2014	+	-	2015
Inventories and goods in process	13,829	0	13,829	0
<b>Total, net</b>	<b>13,829</b>	<b>0</b>	<b>13,829</b>	<b>0</b>

The work requested by the future tenant of the Lyon Gerland building, recognized in inventories at December 31, 2014 for an amount of €13.8 million, was fully recognized as income in 2015.

#### E – Receivables

In thousands of euros	2015	Maturity date Less than 1 year	Maturity date More than 1 year
Prepayments to suppliers	1,680	1,680	0
Trade receivables	7,566	7,566	0
Tax receivables	35,398	12,405	22,993
Short-term loans – Current accounts	1,992	1,992	0
Other	18,517	18,517	0
<b>Total, net</b>	<b>65,153</b>	<b>42,160</b>	<b>22,993</b>

Prepayments to suppliers amounting to €1.7 million included the €1.5 million progress payment to the construction company responsible for the Lyon Gerland project. The balance will be paid once the final account is agreed in 2016.

Trade receivables mainly consisted of €6.8 million accrued income of which €5.6 million in royalties and €800,000 in patent protection costs.

Tax receivables included €28.5 million in research tax credits, €5 million in deductible VAT and €1.6 million in deductible withholding tax.

Other receivables represent :

- an additional payment of €6 million following the disposal of the 3P – Performance Plastic Products business in 2008;
- tax current accounts totaling €12.1 million owed by various companies belonging to the tax group headed by Compagnie Plastic Omnium.

#### F – Cash and cash equivalents

In thousands of euros	2014	+	-	2015
Short-term investment securities	27,849		2,167	25,682
Other short-term investment securities	310,926	1,583,909	1,426,225	468,610
Bank accounts	13,273	25,309		38,582
<b>Total, gross</b>	<b>352,048</b>	<b>1,609,218</b>	<b>1,428,392</b>	<b>532,874</b>
Impairment provisions	0			0
<b>Total, net</b>	<b>352,048</b>	<b>1,609,218</b>	<b>1,428,392</b>	<b>532,874</b>

Short-term investment securities includes 4,395,000 treasury shares allocated to various stock option plans or intended to cover future plans but not yet allocated. These two categories are valued at €23,169,000 and €2,513,000 respectively.

As at December 31, 2015, Compagnie Plastic Omnium granted the following stock options:

- 626,000 stock options voted by the Board of Directors on March 16, 2010 acting on authorization granted at the Extraordinary Shareholders' Meeting of April 28, 2009;
- 2,338,500 stock options voted by the Board of Directors on March 6, 2012 acting on authorization granted at the Extraordinary Shareholders' Meeting of April 28, 2011;

- 1,200,000 stock options voted by the Board of Directors on July 23, 2013 acting on authorization granted at the Extraordinary Shareholders' Meeting of April 25, 2013;
- 1,253,000 stock options voted by the Board of Directors on July 21, 2015 acting on authorization granted at the Extraordinary Shareholders' Meeting of April 25, 2013.

The item "Other short-term investment securities" totaling €468 million consists of €429 million in money market funds, €24 million in negotiable medium-term notes and €15 million in short-term investments.

The item "Cash and cash equivalents" totaling €38.6 million consists mainly of interest-bearing bank accounts.



### G – Prepaid expenses and accrued income

In thousands of euros	2014	2015
Prepaid expenses	630	846
Deferred charges (debt issuance costs)	3,313	2,671
Bond redemption premiums	4,230	3,425
Translation loss on FX payables and receivables	905	1,213
<b>Total, net</b>	<b>9,078</b>	<b>8,155</b>

Issuance costs and the redemption premium on the Euro Bond and Euro PP bonds are spread over the life of the bonds using the compound interest rate method.

Prepaid expenses mainly consist of commitment and other fees on unused credit lines.

### H – Change in Equity

In thousands of euros	2014	+	-	2015
Capital	9,215			9,215
Additional paid-in capital	38,637			38,637
Revaluation reserve	245			245
Legal reserve	1,501			1,501
Other reserves	41,166			41,166
Retained earnings	807,205	184,324	54,833	936,696
Net income for the year	184,324	222,893	184,324	222,893
Tax-regulated provisions	561	44		605
<b>Total</b>	<b>1,082,854</b>	<b>407,261</b>	<b>239,157</b>	<b>1,250,958</b>

As at December 31, 2015, share capital amounted to €9,214,603.20 consisting of 153,576,720 shares of €0.06 each.

The number of shares held as treasury shares totals 5,522,492 and represents 3.60% of the Company's capital.

### I – Provisions for contingencies and charges

Provisions for contingencies and charges	2014	+	Utilized	Surplus	2015
Provisions for foreign exchange losses	903	1,213		903	1,213
Provisions for other contingencies	150	461	51		560
Provisions for taxes (see Note R)	32,798	3,688			36,486
<b>Total</b>	<b>33,851</b>	<b>5,362</b>	<b>51</b>	<b>903</b>	<b>38,259</b>

During the year, Compagnie Plastic Omnium recorded a €3.7 million provision for taxes to reflect use by the tax group of subsidiaries' tax losses that the subsidiaries themselves may use in the future, taking the amount of this provision to €36.5 million as at December 31, 2015.

### J – Liabilities

In thousands of euros	2015	Maturity date Less than 1 year	Maturity date 1 to 5 years	Maturity date More than 5 years
Bonds	759,011	9,011	750,000	0
Bank borrowings	33,409	927	32,482	0
Other borrowings	243,585	242,033	1,552	0
<b>Total net financial liabilities</b>	<b>1,036,005</b>	<b>251,971</b>	<b>784,034</b>	
Trade payables	14,548	14,548	0	0
Accrued taxes and payroll costs	4,781	4,781	0	0
Other liabilities	36,337	14,808	21,529	0
<b>Total</b>	<b>1,091,671</b>	<b>286,108</b>	<b>805,563</b>	<b>0</b>

## Net financial liabilities

### Bonds

The key features of bonds issued are as follows:

#### Bond issue of May 21, 2013

<b>Bond issue</b>	<b>Euro Bond</b>
Amount in euros	500,000,000
Maturity	May 29, 2020
Annual coupon – Fixed rate	2.875%
Listed	Euronext Paris

#### Bond issue of October 4, 2012

<b>Private bond placement</b>	<b>Euro PP</b>
Amount in euros	250,000,000
Maturity	December 12, 2018
Annual coupon – Fixed rate	3.875%
Listed	Euronext Paris

The accrued interest payable on bonds totaled €9 million at December 31, 2015.

Bank borrowings mainly consisted of foreign currency loans of CNY203 million (€28.8 million as at December 31, 2015) and medium-term loans of €4.1 million.

Other borrowings comprised €242 million in current accounts at Group entities.

### Trade payables, tax and other liabilities

The decrease in trade payables was due to the completion of the Gerland project in the first quarter of 2015.

Accrued taxes and payroll costs correspond to the €4.1 million tax liability of the tax group headed by Compagnie Plastic Omnium.

Other liabilities related mainly to current accounts corresponding to tax payable by the Company to other members of the tax group for €29 million (including €28.1 million relating to tax credits).

## Notes to the income statement

### K – Net sales and other operating revenue

Total operating revenue excluding expense transfers and provision reversals breaks down as follows:

In thousands of euros	2014	2015
<b>By business segment</b>		
• rental payments and other expenses re-invoiced	2,954	26,408
• production held as inventory	13,829	(13,829)
• license and service fees	22,657	25,810
<b>Total</b>	<b>39,440</b>	<b>38,389</b>
<b>By region</b>	<b>2014</b>	<b>2015</b>
• France <sup>(1)</sup>	22,674	18,515
• International	16,766	19,874
<b>Total</b>	<b>39,440</b>	<b>38,389</b>

(1) Of which €13,829,000 of changes in inventory in 2015.

The increase in revenue in the year was due to rent and fittings invoiced to the third-party tenant of the Gerland office complex which was completed in the first quarter of 2015.

Other operating revenue for the year, excluding transferred expenses, breaks down as follows:

- fees from the licensing of Compagnie Plastic Omnium trademarks to operating subsidiaries and affiliates;
- fees from the provision of services.

### L – Purchases and other external charges

In thousands of euros	2014	2015
General management services	1,732	1,853
Overheads and headquarters expenses	3,870	5,590
Professional fees	3,119	11,417
Advertising, print collateral and publication	2,147	1,564
Travel and entertainment	1,809	1,681
Bank charges	6,692	5,430
Other	16,681	9,447
<b>Total</b>	<b>36,050</b>	<b>36,982</b>

The increase in fees was largely due to services provided as part of the planned acquisition of the Exterior Systems business of Faurecia Group mentioned in the section “Significant events of the year”.

Changes in other purchases and external charges were due to a €10 million reduction in tenant fittings relating to the Gerland building project.

### M – Depreciation, amortization and impairment

Change in depreciation In thousands of euros	2014	+	-	2015
Trademarks, patents and software	897	8		905
Land development		169		169
Buildings	1,345	2,385		3,730
Fixtures and fittings	2,179	113		2,292
Office equipment and furniture	73	121		194
<b>Total</b>	<b>4,494</b>	<b>2,796</b>	<b>0</b>	<b>7,290</b>

Changes in provisions	2014	+	-	2015
<b>On assets</b>				
Investments	18,698	1,338		20,036
Other	2,934	1,734		4,668
<b>Total</b>	<b>21,632</b>	<b>3,072</b>	<b>0</b>	<b>24,704</b>
<b>On liabilities</b>				
Tax-regulated provisions	561	44		605
Provisions for contingencies and charges (see Note P)	33,851	4,459 <sup>(1)</sup>	51	38,259
<b>Total</b>	<b>34,412</b>	<b>4,503</b>	<b>51</b>	<b>38,864</b>

(1) Of which €460,000 related to the universal transfer of assets and liabilities.

## N – Net financial income

In thousands of euros	2014	2015
Dividend income	176,661	199,578
Other financial income and expenses	28	18,741
Interest income and expense	7,349	4,845
Net gain on disposal of short-term investment securities	413	344
Foreign exchange gains and losses	(762)	(209)
Provision charges and reversals	(787)	(2,453)
<b>Total</b>	<b>182,902</b>	<b>220,846</b>

Dividend income comprises €119.7 million in dividends from French subsidiaries and €79.9 million from international subsidiaries.

Other financial income and expenses largely consisted of a net surplus of €18.7 million relating to the universal transfer of assets and liabilities of Plastic Omnium Environment as part of the legal restructuring of the Environment Division.

The decrease in interest expense was related to the reduction in loans in the year (see Section C).

The provision for impairment of shares in subsidiaries and affiliates largely accounts for the item “Provision charges and reversals” (see Section C).

## O – Non-operating items

In thousands of euros	2015		
	Income	Expenses	Net
On revenue transactions		4	(4)
On capital transactions	4,511	2,945	1,566
Provision charges and reversals	51	1,778	(1,727)
<b>Total</b>	<b>4,562</b>	<b>4,727</b>	<b>(165)</b>

This total mainly resulted from the following transactions:

- a net gain of €1,279,000 on the disposal of treasury shares;
- a provision for the impairment of a loan of €1,734,000.

**P – Corporate income tax**

In thousands of euros	2015 net income		
	Income before non-operating items	Non-operating items	Net
* Income before tax	215,705	(165)	215,540
* Tax adjustments	(203,108)	4	(203,104)
= Tax base	12,597	(160)	12,436
Theoretical tax (38%)	(4,787)	61	(4,726)
<b>Income after tax at standard rate</b>	<b>210,918</b>	<b>(104)</b>	<b>210,814</b>
Impact of Group relief			18,290
Addition to provisions for taxes			(3,688)
Other impacts			(7,249)
<b>Total corporate income tax</b>			<b>7,353</b>
<b>Income after tax</b>			<b>222,893</b>

Compagnie Plastic Omnium is the parent company of a tax consolidation group comprising 15 entities.

The tax savings for 2015 due to this tax consolidation group amounted to €15 million.

During the year, Compagnie Plastic Omnium recorded a €3.7 million provision for taxes to reflect the use by the tax group of subsidiaries' tax losses that the subsidiaries themselves may wish to use in the future if they return to profit.

The tax group has tax loss carryforwards totaling €10.6 million, equivalent to future tax savings of €3.6 million.

In 2015, €5.1 million of tax loss carryforwards arising since 2000 were used to offset the consolidated taxable profits for the fiscal year.

Unrecognized deferred tax assets and liabilities, calculated at a tax rate of 38%, broke down as follows at December 31, 2015:

In thousands of euros	
Non-deductible provisions and accrued expenses:	(261)
Translation gain on FX payables and receivables 2015:	5,149
Share in accounting profit/(loss) SNC Group 2014:	(1,170)
Share in taxable profit/(loss) SNC Group 2015:	3,097
Translation loss on FX payables and receivables 2015:	(1,213)
<b>Net deferred tax asset</b>	<b>5,602</b>

**Other disclosures**

**Related companies**

Balance sheet items	Related parties
<b>Assets</b>	
Shares in subsidiaries and affiliates	997,043
Loans	656,554
Trade receivables	6,919
Short-term loans – Current accounts	1,992
Other	12,517
<b>Liabilities</b>	
Other borrowings – Current accounts	242,244
Trade payables	1,851
Other liabilities	29,025

Income statement items	Related parties
<b>Income</b>	
Net sales and other operating revenue	29,743
Financial income	250,464
Non-operating income	2,681
<b>Expenses</b>	
Operating expenses	(13,152)
Interest cost	(2,170)
Non-operating expenses	(2,366)

## Off-balance sheet commitments

### Commitments given

In thousands of euros	2015
Guarantee <sup>(1)</sup>	350,826
Collateral	4,170
<b>Total</b>	<b>354,996</b>

(1) Guarantees given to banks on behalf of subsidiaries.

## Information on payment deadlines

In accordance with the provisions of Article L. 441-6-1, paragraph 1 of the French Commercial Code, the balance of trade payables, by maturity, breaks down as follows:

Balance of trade payables In thousands of euros	at 30 days	at 60 days	at 90 days	at 120 days	Accrued invoices	Total
2014 Fiscal Year	13,231	26	0	170 <sup>(1)</sup>	9,858	23,285
2015 Fiscal Year	4,855	443	0	656 <sup>(1)</sup>	8,594	14,548

(1) Retention money for work in progress.

## Loans and advances to senior executives

No loans or advances were made to senior executives as defined in Article L. 225-43 of the French Commercial Code.

## Management compensation

The total compensation paid to the Board of Directors in 2015 amounted to € 382,277.

## Subsequent events

No significant events have occurred since December 31, 2015 that would be likely to have a material impact on the Company's business, financial position, results or assets.

## Other

The financial statements of Compagnie Plastic Omnium are consolidated by its parent company Burelle SA – 19, boulevard Jules-Carretet – 69342 Lyon Cedex 07, France.

At December 31, 2015, Burelle SA held 56.60% of the capital of Compagnie Plastic Omnium (58.71% excluding treasury stock).



## 6.4 Five-year Financial Summary

In thousands of euros	2011	2012	2013	2014	2015
<b>1 – Capital at year end</b>					
a) Share capital	8,939	8,782	9,299	9,215	9,215
b) Shares outstanding*	157,751,391	154,977,021	154,977,021	153,576,720	153,576,720
c) Convertible bonds outstanding	0	0	0	0	0
<b>2 – Revenue and profit/(loss) for the year</b>					
a) Total operating revenue	21,244	24,563	27,605	40,542	38,395
b) Profit before tax, depreciation, amortization and provisions	134,290	249,647	211,614	186,503	223,159
c) Corporate income tax before provisions	11,046	14,407	11,970	7,595	11,041
d) Net income	134,613	252,587	222,526	184,324	222,893
e) Dividends	36,283 <sup>(1)</sup>	39,261 <sup>(2)</sup>	51,142 <sup>(3)</sup>	56,823 <sup>(4)</sup>	62,996 <sup>(5)</sup>
<b>3 – Per share data*</b>					
a) Profit after tax, before depreciation, amortization and provisions	0.92	1.70	1.44	1.26	1.33
b) Earnings per share	0.85	1.63	1.43	1.20	1.45
c) Dividend per share	0.23	0.25	0.33	0.37	0.41
<b>4 – Employees</b>					
a) Number of employees	0	0	0	0	0
b) Total payroll	0	0	0	0	0
c) Social Security and other employee benefits	0	0	0	0	0

\* Restated for the three-for-one stock splits in 2011 and 2013.

(1) Including €2,717 thousand in respect of treasury shares that was not paid out as these shares do not carry dividend rights

(2) Before deducting dividends in respect of shares held in treasury at the date of the Shareholders' Meeting, which do not carry dividend rights.

(3) Before deducting dividends in respect of shares held in treasury at the date of the Shareholders' Meeting, which do not carry dividend rights.

(4) Before deducting dividends in respect of shares held in treasury at the date of the Shareholders' Meeting, which do not carry dividend rights.

(5) Before deducting dividends in respect of shares held in treasury at the date of the Shareholders' Meeting, which do not carry dividend rights.

## 6.5 Subsidiaries and Affiliates

<b>Subsidiaries</b>	<b>Share capital</b>	<b>% interest</b>
PLASTIC OMNIUM AUTO EXTERIORS SAS 19, boulevard Jules Carteret – 69007 Lyon – France	65,367,000 EUR	100.0%
PLASTIC OMNIUM VERNON SAS 19, boulevard Jules Carteret – 69007 Lyon – France	150,000 EUR	100.0%
PLASTIC OMNIUM AUTO INERGY SAS 19, boulevard Jules Carteret – 69007 Lyon – France	119,796,330 EUR	100.0%
PLASTIC OMNIUM GESTION SNC 19, boulevard Jules Carteret – 69007 Lyon – France	2,011,500 EUR	100.0%
PLASTIC OMNIUM FINANCE SNC 19, boulevard Jules Carteret – 69007 Lyon – France	247,500 EUR	100.0%
PO MANAGEMENT 4 SAS 19, boulevard Jules Carteret – 69007 Lyon – France	37,500 EUR	100.0%
PLASTIC OMNIUM ENVIRONMENT BV Beneluxstraat 4, 6014 CC Ittervoort – Netherlands	26,415,200 EUR	100.0%
PLASTIC OMNIUM GmbH Romanstrasse 35 – 80639 Munich – Germany	13,500,000 EUR	100.0%
COMPANÍA PLASTIC OMNIUM SA Calle Pouet de Nasio – Parcela No. 5 – Ribarroja del Turia – Valencia – Spain	30,350,500 EUR	100.0%
PLASTIC OMNIUM RE AG Schochenmühlestrasse 2 – 6340 Baar – Switzerland	16,167,000 CHF	100.0%
PLASTIC OMNIUM INC. 1209 Orange Street, Wilmington – Delaware 19801 – USA	60,100 USD	100.0%
PLASTIC OMNIUM INERGY (SHANGHAI) CONSULTING CO. LTD Room 2802, Tower B – New Cao He Jing International Business Building N° 391 Guiping Road – Xuhui District – 200233 Shanghai – PR China	250,000 EUR	100.0%
PLASTIC OMNIUM HOLDING (Shanghai) CO. LTD RM 3501, F35 Building 2 N° 391 Guiping Road Shanghai – PR China	50,000,000 EUR	100.0%
<b>Affiliates</b>		
BPO AS Y. Yalova Yolu 8 km, Panayir – Bursa – Turkey	5,000,000 TRL	50.0%
PLASTIC RECYCLING SAS ZA du Monay – Saint-Eusèbe – 71210 Montchanin – France	123,000 EUR	50.0%

<b>In thousands of euros</b>	<b>Subsidiaries</b>		<b>Affiliates</b>	
	<b>French</b>	<b>International</b>	<b>French</b>	<b>International</b>
Carrying amount of shares held				
• Gross	492,187	517,279	2,753	4,156
• Net	492,187	500,300	400	4,156
Loans and advances granted	270,153	173,022	1,839	
Dividends received	119,530	72,741	110	7,197

## 6.6 Statutory Auditors' Report on the Financial Statements

### Year ended December 31, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2015 on:

- the audit of the accompanying financial statements of Compagnie Plastic Omnium;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

#### I – Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2014 and of the results of its operations for the year then ended in accordance with French accounting principles.

#### II – Justification of our assessments

Pursuant to the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter(s):

- Note I to the financial statements describes the accounting policies and methods used to measure shares in subsidiaries and affiliates, and stock options. We verified the appropriateness of the accounting methods applied and reviewed the assumptions used, as well as the resulting values.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

#### III – Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given pursuant to the requirements of Article L. 225-102-1 of the French Commercial Code relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on these investigations, we attest to the accuracy and fair presentation of this information.

Pursuant to legislation, we have verified that the management report contains appropriate disclosures as to the acquisition of shares and controlling interests.

Made this day in Paris-la Défense, February 24, 2016

The Statutory Auditors

ERNST & YOUNG et Autres

Gilles RABIER

MAZARS

Jean-Luc BARLET

## 6.7 Special Report of the Statutory Auditors on Related party Agreements and Commitments

### Shareholders' Meeting's approval of the financial statements for the year ended December 31, 2015

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions and the reasons justifying the Company's interest in the agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the Shareholders' Meeting.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

### Agreements and commitments submitted for approval by the Shareholders' meeting

In accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*), we hereby inform you that we have not been advised of any related party agreements or commitments authorized in the course of the year and to be submitted to the of Shareholders' Meeting for approval.

### Agreements and commitments already approved by the Shareholders' meeting

In accordance with Article R. 225-30 of the French Commercial Code (*Code de Commerce*), we have been advised that the implementation of the following agreements and commitments which were approved by the General Meeting of Shareholders in prior years continued during the year.

#### Payments for assignment of trademarks Compagnie Plastic Omnium

Agreement concluded on April 11, 2007 between Compagnie Plastic Omnium and Yanfeng Plastic Omnium Automotive Systems CO. LTD, of which Jean-Michel Szczerba is also a director.

Compagnie Plastic Omnium indirectly holds 49.95% of the share capital of Yanfeng Plastic Omnium Automotive Systems CO. LTD.

Authorization: This agreement was authorized by the Board of Directors on February 26, 2013 and ratified by the Shareholders' Meeting of April 25, 2013.

Purpose: the agreement covers the use of brands belonging to Compagnie Plastic Omnium.

Practical implementation: 0.25% of the beneficiary company's revenue.

Term: the agreement runs for 30 years.

At December 31, 2015, Compagnie Plastic Omnium invoiced €1,488,135 to Yanfeng Plastic Omnium Automotive Systems CO. LTD.

#### Payments for assignment of trademarks Plastic Omnium Auto Inergy SAS

Agreement concluded on September 10, 2010 between Compagnie Plastic Omnium and Plastic Omnium Auto Inergy SAS, of which Laurent Burelle is also Chairman.

Compagnie Plastic Omnium directly owns all the share capital of Plastic Omnium Auto Inergy SAS.

Authorization: This agreement was authorized by the Board of Directors on March 15, 2011 and ratified by the Shareholders' Meeting of April 28, 2011.

Purpose: Compagnie Plastic Omnium declared its interest in having the portfolio of trademarks owned by Plastic Omnium Auto Inergy SAS and meanwhile, requested to be able to benefit from an assignment, in its favor, of a license for operating the Trademarks for manufacturing or having manufactured, and/or selling and having sold products covered by all the Trademarks.

Practical implementation: 0.1% of the revenue of all Inergy Division entities.

Term: the agreement came into effect on September 1, 2010, and ended on December 31, 2012 at the latest. Unless otherwise requested by the parties, this agreement is renewable automatically every year.

At December 31, 2015, Plastic Omnium Auto Inergy invoiced €2,019,190 to Compagnie Plastic Omnium.

### License royalties and technical assistance fees

Agreement concluded on December 21, 2001, between Compagnie Plastic Omnium and BPO-B.Plas-Plastic Omnium Otomotiv Plastik Yan Sanayi A.S, of which Jean-Michel Szczerba is also a director.

Compagnie Plastic Omnium holds 50% of the voting rights in B.Plas-Plastic Omnium Otomotiv Plastik.

Authorization: this agreement was authorized by the Board of Directors on February 26, 2013 and ratified by the Shareholders' Meeting on April 25, 2013.

Purpose: the agreement covers the use of Compagnie Plastic Omnium's designs, models, industrial processes, know-how and related technical assistance services.

Practical implementation: 1.5% of B.Plas-Plastic Omnium Otomotiv Plastik's net sales of licensed products.

Term: the agreement runs for a five-year period, and is renewable automatically from year to year.

At December 31, 2015 Compagnie Plastic Omnium invoiced €515,676 to B.Plas-Plastic Omnium Otomotiv Plastik.

### Agreement entered into with Burelle SA concerning management services supplied to the Group

Agreement amended in the second half of 2011 between Compagnie Plastic Omnium and Burelle SA, of which Jean Burelle is Chairman, Laurent Burelle and Paul Henry Lemarié are Chief Operating Officers, and Éliane Lemarié is a director.

Burelle SA directly owns 56.60% of Compagnie Plastic Omnium's share capital.

Purpose: the agreement covers the management and coordination of all Compagnie Plastic Omnium's activities by the Group's senior management.

Practical implementation: Burelle SA invoices Compagnie Plastic Omnium for general management services according to re-invoicing criteria.

Term: the agreement is renewable automatically every year.

At December 31, 2015 Compagnie Plastic Omnium booked a charge in the amount of €1,667,866 for Group general management services.

### Supplementary pension plans for Group senior management

Agreement concluded in 2003 between Compagnie Plastic Omnium and Burelle SA, of which Jean Burelle is Chairman and Laurent Burelle, Paul Henry Lemarié and Éliane Lemarié are directors.

Burelle SA directly owns 56.60% of Compagnie Plastic Omnium's share capital.

Authorization: This agreement was authorized by the Board of Directors on December 11, 2003 and ratified by the Shareholders' Meeting of April 22, 2004.

Purpose-Practical implementation: The agreement covers a supplementary pension plan granting corporate officers who are employees of the Company pension benefits representing up to 10% of their current compensation. Part of the related cost paid by Burelle SA is theoretically allocated to Compagnie Plastic Omnium on the basis of the same ratio as that used to calculate its share of management fees.

Term: the agreement is renewable automatically every year.

At December 31, 2015 Compagnie Plastic Omnium booked a charge in the amount of €185,580 for its share of the retirement plan cost.

Done in Courbevoie and Paris-la Défense, on February 24, 2016

The Statutory Auditors

ERNST & YOUNG et Autres

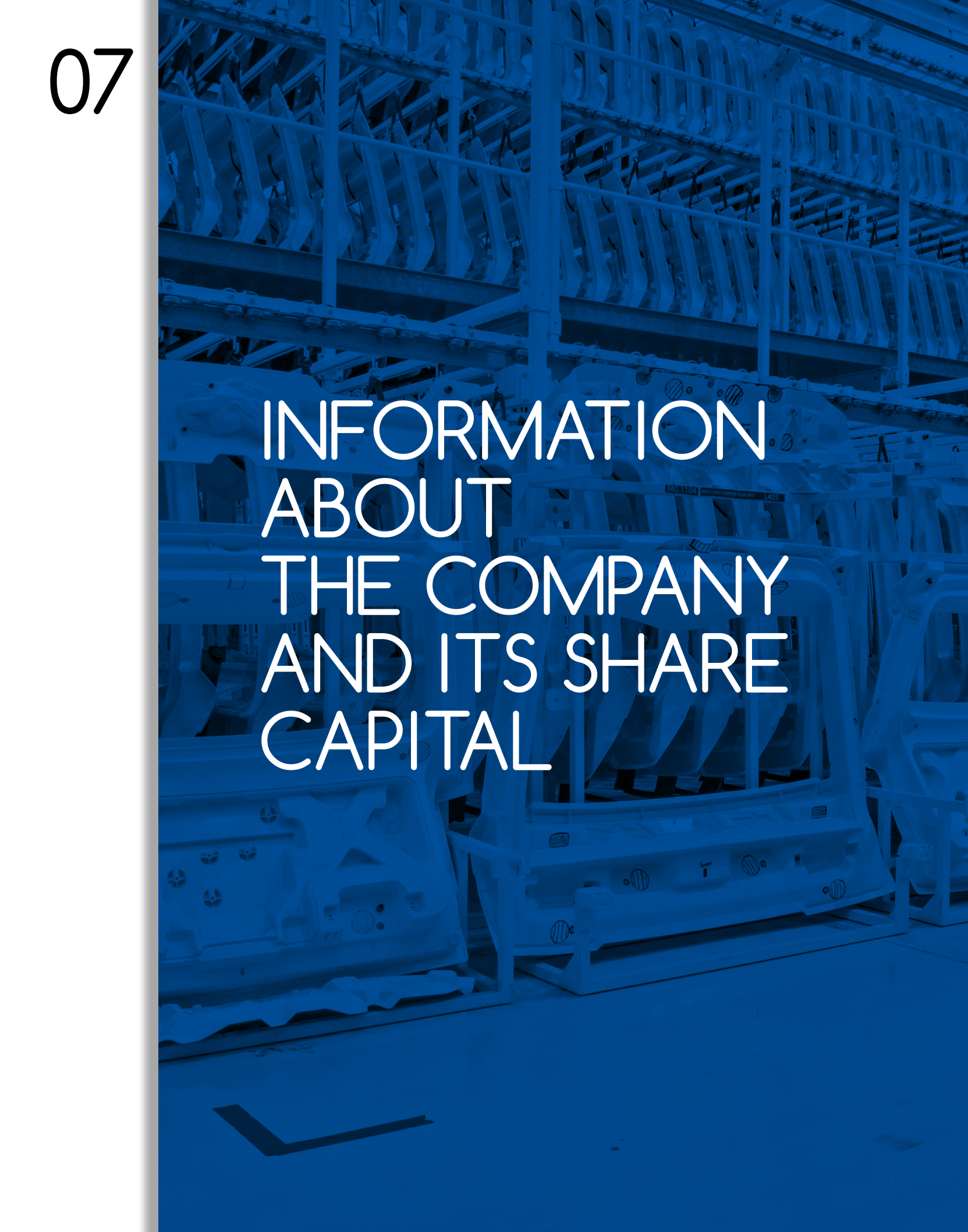
MAZARS

Gilles RABIER

Jean-Luc BARLET



07



INFORMATION  
ABOUT  
THE COMPANY  
AND ITS SHARE  
CAPITAL

## 7.1 Information about the Company

### General information

#### Company name and registered office

The full company name is Compagnie Plastic Omnium. Its registered office is located at 19, boulevard Jules Carteret, 69007 Lyon, France and its administrative headquarters is at 1, allée Pierre Burelle, 92300 Levallois-Perret, France.

#### Registration particulars

The Company is registered with the Lyon Trade and Companies Registry under number 955 512 611.

#### Legal form and governing law

Created in April 1946, Compagnie Plastic Omnium, created in April 1946, is a public limited company under French law (*Société Anonyme*) with a Board of Directors. It is governed by the French Commercial Code (*Code de commerce*).

#### Term

The Company's term ends will run until April 24, 2112.

#### Accounting period

The Company's accounting period runs for twelve months, from January 1 to December 31.

#### Corporate purpose

In accordance with Article 3 of the Company's bylaws, the Company's corporate purpose is to:

- process all forms of plastic, metal and other raw materials in order to manufacture all types of products and articles for all uses, particularly industrial;
- manage its property and capital assets;
- acquire, build, lease, develop, improve and exploit any land or buildings;
- acquire any equity or other interest in any company, enterprise or other entity, in France or abroad, irrespective of its corporate purpose in whatsoever form and in particular by acquiring or subscribing for any form of security, equity interest or other right in such entities;
- manage its investment portfolio of equity interests and securities;

- carry out all works and services relating to general administration and building maintenance (other than acting as a building manager); and
- in general, make any transaction (commercial, industrial, financial or related to property and capital assets) that is linked, directly or indirectly, to the Company's purpose; or that could be relevant to it; or that could make the purpose easier to achieve.

The Company may, both in France and abroad, create, acquire, use or grant licenses to use all trademarks, brands, commercial names, designs, models, patents and manufacturing processes related to the above purpose.

It may act directly or indirectly, on its own behalf or for a third party, in any country. It may do so either alone or with any other persons or companies in a partnership, joint venture, consortium or company, and may make any transaction within the scope of its corporate purpose.

#### The role of Compagnie Plastic Omnium in relation to its subsidiaries

Compagnie Plastic Omnium is a holding company with the following role:

- to hold shares in the holding companies for each business line. These holding companies own, directly or indirectly, shares in the operating subsidiaries;
- to finance Group subsidiaries to provide them with optimal market conditions, either directly or via Plastic Omnium Finance (the Group's central corporate treasury); and
- to grant Group subsidiaries the right to use the brands it owns. This is subject to a license fee paid by the licensees (see the Statutory Auditors' report on related-party agreements).

#### Statutory Auditors

The financial statements of Compagnie Plastic Omnium are audited by two sets of Principal Statutory Auditors, in compliance with article L. 225-228 of the French Commercial Code.

##### Principal Statutory Auditors

###### Ernst & Young et autres

Represented by Gilles Rabier

Tour First

1, place des Saisons

92037 Paris-la Défense Cedex, France

###### Mazars

Represented by Jean-Luc Barlet

61, rue Henri Régault

92075 Paris-la Défense Cedex, France



### Alternate Auditors

#### AUDITEX

Tour First – 1, place des Saisons, 92037 Paris-la Défense Cedex, France.

#### Gilles Rainaut

61, rue Henri Régnault, 92075 Paris-La Défense Cedex, France

The renewal of the term of office of the Principal and Alternate Auditors for a period of six fiscal years will be put to a vote at the Shareholders' Meeting of April 28, 2016.

The Statutory Auditors are members of the Versailles Auditors' Association (*Compagnie régionale de Versailles*).

### Agreements entered into by the Company which would change or end if control of the Company changed

The bonds issued in October 2012 and May 2013 are subject to a clause allowing the investor to demand redemption or re-purchase if the control of the Company changes. There is a similar clause in most other Group financing contracts.

### Agreements which if implemented could either provoke a change in the control of the Company, or could delay, postpone or prevent such a change

There is currently no bylaw, charter, regulation or provision that could delay, postpone or prevent a change in control.

### Factors that could have an impact in the event of a public offer

None.

### Material contracts

On December 14, 2015, Compagnie Plastic Omnium signed an MOU (Memorandum of Understanding) with the Faurecia Group with a view to acquiring its Exterior Systems business (bumpers and front-end modules) for a corporate value of €665 million. The transaction will be reviewed by personnel representative bodies in the countries concerned and then submitted to the anti-trust & fair trade authorities for clearance. It should be completed in the second half of 2016.

There are no other material contracts apart from those agreed in the normal course of business.

The Company's material financial contracts (contracts related to financing) are described in Note 5.2.7 to the consolidated financial statements page 131.

### Dependence

Compagnie Plastic Omnium is not currently dependent on any patents or manufacturing processes owned by third parties or on any special procurement contracts.

In the sector of the automotive industry in which Compagnie Plastic Omnium operates, sub-contractors do not generally define the specifications for sub-contracted parts. When, exceptionally, sub-contractors are capable of doing so, the Group's policy is to define contractually the arrangements for the sub-contractor to transfer the design work, in order that it can then be used with other services.

## Shareholders' Meeting (Article 16 of the Articles of Association)

### Notice of Meetings

The Shareholders' Meetings are convened, meet and deliberate under conditions set forth by law. The agenda of the Meetings is determined by the author of the notice; however, one or more shareholders may, under conditions set forth by law, require draft resolutions to be written into the agenda.

The Meeting takes place at the registered office, or at any other place indicated in the notice.

The notice of meeting for the General Meeting is published in the French Official Bulletin of Legal Notices ("BALO") under conditions set forth by law and regulations.

Meetings are chaired by the Chairman of the Board of Directors, or in his absence, by a director who is specially authorized for such purpose by the Board of Directors. Otherwise, the Meeting shall itself elect its Chairman.

The duties of the tellers shall be performed by the two members of the Meeting who are present and accept such duty, and who have the greatest number of votes. The officers of the meeting shall appoint a Secretary, who may be chosen from outside of the shareholders.

There shall be an attendance list kept under conditions set forth by law. The minutes of the General Meetings shall be drawn up, and copies thereof shall be delivered and certified under conditions set forth by law.

### Participation in the Meetings

Every shareholder has the right to participate in the meetings, provided that all payments due for such shares have been met.

The right to participate in the meetings, or arrange to be represented, is subject to the accounting entry of the shares in the name of the shareholder by the 2nd business day preceding the Meeting at 0:00 hours, Paris time, either in registered share accounts kept by the Company, or in bearer share accounts kept by an authorized intermediary.

The Board of Directors may, if it deems it useful, arrange for the delivery to the shareholders of admission cards with their names, and require the presentation of the same in order to access the General Meeting.

## Documents accessible to the public

Documents that must be made available to the public (Company's bylaws, reports from the Statutory Auditors, reports from the Board of Directors and past financial information relating to Compagnie Plastic Omnium and its subsidiaries, including that included in this Financial Report) may be consulted, while they remain valid, at the Registered

Office of Compagnie Plastic Omnium and also at its administrative headquarters (1, allée Pierre Burelle, 92300 Levallois-Perret, France). Some of these documents may also be available in electronic format on [www.plasticomnium.com](http://www.plasticomnium.com).

This document and the Compagnie Plastic Omnium Activity Report are both available in English.

## Timetable for financial communication

Publication of the annual results for 2015	February 25, 2016
Publication of revenue for the first quarter of 2016	April 21, 2016
Publication of the interim financial statements for 2016	July 27, 2016
Publication of revenue for the third quarter of 2016	October 20, 2016

## Shareholders' timetable

Shareholders' Meeting	April 28, 2016
Dividend payment date	May 12, 2016

Registrar: BNP Paribas Securities Services (tel.: +33 (0) 826 109 119).

**0 800 777 889** Service & appel gratuits

## 7.2 Equity capital

### Share capital

Shares in Compagnie Plastic Omnium are listed on Eurolist of Euronext Paris (compartment A). Plastic Omnium shares are included in the SBF 120 and CAC Mid 60 indices.

As at December 31, 2015, Compagnie Plastic Omnium's share capital amounted to €9,214,603.20, divided into 153,576,720 fully paid-up shares with a par value of €0.06 each.

At March 21, 2016, after the capital reduction through the cancellation of 1,100,000 treasury shares representing 0.72 % of the share capital, the share capital amounts to €9,148,603.20 divided into 152,476,720 fully paid-up shares with a par value of €0.06 each.

### Voting rights

Shareholders have the right to vote and speak at Shareholders' Meetings. Each shareholder has one vote per fully paid-up share he or she holds.

In accordance with Article 16 of the Company bylaws, all fully paid-up shares held on a registered basis in the name of the same shareholder for at least two years are entitled to a double voting right. For this purpose, the shareholder can have either inherited the shares under intestacy rules or is a spouse or a relative entitled to inherit the shares and who has received them as an inter vivos gift.

If the equity capital is increased by incorporating reserves, profits or share premiums, the double voting right is also attached to the registered bonus shares linked to the shares with double voting rights already held by the shareholder.

A double voting right shall cease for any share which has been the subject of a conversion to bearer form or a transfer.

It may also be cancelled by decision of an Extraordinary Shareholders' Meeting.

As at December 31, 2015, the Company had shares with the same number of voting rights, including 148,054,228 shares with voting rights and excluding treasury shares, including 88.590.203 shares with double voting rights.

### Potential equity capital and securities giving rights to equity capital

As at December 31, 2015, there were no securities or rights giving direct or indirect access to the share capital of Compagnie Plastic Omnium.

There were no stock option plans running as at December 31, 2015.

## Current authorizations relating to capital and securities carrying rights to the allocation of debt securities – use of authorizations

The Company's shareholders have delegated the following powers and financial authorizations to the Board of Directors:

### Authorizations and delegations given to the Board of Directors at the Combined Shareholders' Meeting on April 25, 2013

Resolution no.	Type of authorization and delegated power	Duration and expiry date	Maximum amount per authorization or delegated power	Use of the authorization or delegation of power
10	Authorization to grant stock options to corporate officers and/or employees of the Company and/or Group companies	38 months – through June 24, 2016	Maximum holding: 2.5% of the equity capital, to be deducted from the 2.5% in the eleventh resolution approved at the Shareholders' Meeting on April 25, 2013	424,000 stock options granted on August 7, 2013 to 184 grantees 1,253,000 stock options granted on August 6, 2015 to 172 grantees

### Authorizations and delegations given to the Board of Directors at the Combined Shareholders' Meeting on April 30, 2014

Resolution no.	Type of authorization and delegated power	Duration and expiry date	Maximum amount per authorization or delegated power	Use of the authorization or delegation of power
12	To reduce the equity capital by cancelling treasury shares	26 months – through June 30, 2016	10% of the share capital per 24-month period	Cancellation of 1,400,301 treasury shares on October 31, 2014
13	Delegation to increase the equity capital with cancellation of preferential subscription rights in favor of members of a company savings scheme	26 months – through June 30, 2016	4,649,310 shares i.e. €278,958.60	None

**Authorizations and delegations given to the Board of Directors at the Combined Shareholders' Meeting on April 30, 2015**

<b>Resolution no.</b>	<b>Type of authorization and delegated power</b>	<b>Duration and expiry date</b>	<b>Maximum amount per authorization or delegated power</b>	<b>Use of the authorization or delegation of power</b>
5	To trade in the Company's own shares	18 months – through October 30, 2017	Maximum purchase price: €60 – Maximum holding: 10% of share capital – Accumulated value of acquisitions: €921,460,320	As at December 31, 2015, Compagnie Plastic Omnium held 3.60% of its equity capital
20	Delegation of authority to issue ordinary shares and/or equity securities providing access to other equity securities, or granting entitlement to the allocation of debt securities and/or investment securities providing access to equity securities to be issued by the Company, with preferential subscription rights	26 months – through June 30, 2017	€100 million for shares – €50 million for debt securities	None
21	Delegation of authority to issue ordinary shares and/or equity securities providing access to other equity securities or entitling the allocation of debt securities and/or investment securities providing access to equity securities to be issued by the Company, without preferential subscription rights, through a public offer and/or as consideration for securities as part of a public exchange offer during the delegation	26 months – through June 30, 2017	€100 million for shares through a public offer – €50 million for debt securities	None
22	Delegation of authority to issue ordinary shares and/or equity securities providing access to other equity securities, or granting entitlement to the allocation of debt securities and/or investment securities providing access to equity securities to be issued by the Company, without preferential subscription rights by way of an offer referred to in par. II of article L. 411-2 of the French Monetary and Financial Code (Code monétaire et financier)	26 months – through June 30, 2017	€100 million for shares by way of an offer referred to in par. II of article L. 411-2 of the French Monetary and Financial Code – €50 million for debt securities	None
23	Delegation of authority to increase the number of shares or securities to be issued when a share issue with or without preferential subscription rights is made under the 20 <sup>th</sup> to 22 <sup>nd</sup> resolutions up to a maximum of 15% of the initial issue	26 months – through June 30, 2017	€100 million for shares – €50 million for debt securities	None
24	Authorization for free allocation of Company's shares to corporate officers and/or employees of the Company and/or Group companies	38 months – through June 30, 2018	Maximum holding: 2.5% of the equity capital, to be deducted from the 2.5% in the tenth resolution approved at the Shareholders' Meeting on April 30, 2015	None

## Changes in the Company's equity capital over the last five years

Year and type of corporate transaction	Amount of capital increase/ reduction		Share capital (in euros)	Number of shares comprising the equity capital	Par value of share (in euros)
	Nominal	Premium			
<b>April 2011</b> Capital increase resulting from the decision to round up the par value after the three-for-one share split reducing the par value from €0.50 to €0.17	176,455.99	–	8,998,745.49	52,933,797	0.17
<b>November 2011</b> Reduction in equity capital by cancelling 250,000 treasury shares	59,500	6,490,200	8,939,245.49	52,583,797	0.17
<b>September 2012</b> Reduction in equity capital by cancelling 924,790 treasury shares	157,214.30	17,055,373.45	8,782,031.19	51,659,007	0.17
<b>September 2013</b> Capital increase resulting from the decision to round up the par value after the three-for-one share split reducing the par value from €0.17 to €0.06	516,590.07	–	9,298,621.26	154,977,021	0.06
<b>October 2014</b> Reduction in equity capital by cancelling 1,400,301 treasury shares	84,018.06	27,275,732.44	9,214,603.20	153,576,720	0.06

## Purchase of own shares

Percentage of equity capital held directly and indirectly by the Company as at December 31, 2015 including:	3.60%
• backing existing stock option plans	2.66%
• intended for cancellation	None
Number of shares cancelled over the past 24 months	1,400,301
Number of securities in the portfolio	5,522,492
Carrying amount of portfolio on December 31, 2015	€52,502,492.82
Market value of portfolio on December 31, 2015	€161,974,690.36

## Shares repurchased during the 2015 fiscal year

	Aggregate gross movements		
	Purchases	Sales	Options exercised
Number of securities	2,517,325	1,701,613	1,083,500
Average transaction price	€24.85	€24.78	–
Average exercise price	–	–	€2.86
Totals	€62,544,246.26	€42,170,750	€3,098,740

Dealing fees of €56 thousand were incurred in buying back shares during the 2015 fiscal year.

The change in the number of outstanding shares between the opening date and the closing date of fiscal year 2015 is as follows:

	January 1, 2015	Movements during fiscal year 2015 <sup>(*)</sup>	December 31, 2015
Number of shares comprising the share capital	153,576,720		153,576,720
Number of treasury shares	5,790,280	-267,788	5,522,492
Number of outstanding shares	147,786 440	267,788	148,054,228

(\*) See purchase flows, sales flows, and options exercised, indicated above

The fifth resolution of the Combined Shareholders' Meeting on April 30, 2015 authorized the Company to trade in its own shares, subject to the following conditions:

Maximum purchase price	€60 per share (excluding acquisition costs)
Maximum shares that may be held	10% of the share capital on the date of the Combined Shareholders' Meeting on April 30, 2015
Maximum investment in the buyback program	€921,460,320

A new liquidity agreement was made with Kepler Capital Markets SA on January 1, 2015. It has a term of one year, renewable automatically, in accordance with the Code of Ethics drawn up by AMAFI and had an initial value of €3 million. The primary purpose of the agreement is to reduce the volatility of the Plastic Omnium share price, and thus the risk perceived by investors.

#### Information about share repurchases since January 1, 2016

Between January 1 and February 29, 2016, the Company acquired 310,712 shares for a total amount of €8,774,937 (€28.24 per share) under the liquidity agreement. Over the same period, the Company sold 297,000 shares under the liquidity contract for a total amount of €8,473,959 (€28.53 per share).

Between January 1 and February 29, 2016, the Company did not acquire any shares to cover its commitments to those benefiting from options, free shares and company savings schemes.

At February 29, 2016, Compagnie Plastic Omnium held 6,166,225 treasury shares (4.02% of share capital) broken down as follows:

29,424 shares	Liquidity agreement AMAFI
4,342,000 shares	Shares allocated to employees or corporate officers of the Company or of Group companies
1,794,801 shares	Acquisitions
None	Cancellation
None	Hedging of securities carrying rights to the allocation of shares

#### Description of the share repurchase program submitted for approval to the Combined Shareholders' Meeting on April 28, 2016

Under Articles 241-1 to 241-6 of the AMF General Regulations, this description defines the objectives of the Compagnie Plastic Omnium share repurchase program and how it will be implemented. The program will be submitted for approval to the Combined Shareholders' Meeting convened for April 28, 2016.

##### Objectives of the share buyback program

Compagnie Plastic Omnium intends to use the share repurchase program to achieve the following objectives:

- to use an investment service provider to maintain the secondary market or the liquidity of Compagnie Plastic Omnium's shares, via a liquidity agreement complying with the AMAFI Code of Ethics accepted by the AMF;
- to potentially cancel the shares purchased, in accordance with the authorization conferred by the Shareholders' Meeting on April 28, 2016 in its nineteenth extraordinary resolution;

- to cover stock option plans and/or free share plans (or similar) for Group employees and/or corporate officers, as well as any allocations of shares for a company or group savings scheme (or similar), in respect of employee profit sharing and/or all other forms of allocation of shares to employees and/or corporate officers of Compagnie Plastic Omnium;
- to retain the shares purchased and offer them at a later date in exchange or payment for external growth acquisitions, it being specified that shares purchased for this purpose may not exceed 5% of the Company's share capital;
- to implement all market practices currently accepted or accepted in the future by the market authorities.

##### Practical implementation

#### The maximum proportion of the equity capital that may be acquired and the maximum amount payable by Compagnie Plastic Omnium

Compagnie Plastic Omnium is authorized to acquire in total a maximum 10% of its equity capital on February 29, 2016, 15,357,672 shares, each with a par value of €0.06.

Since the Company held 5,522,492 treasury shares as at December 31, 2015, the maximum number of shares it could purchase under the share buyback program is 9,835,180. In the event that the treasury shares already held are cancelled or used, the maximum that the Company can pay out to acquire the 15,357,672 shares is €921,460,320.

Thus the total value of acquisitions (net of costs) may not exceed €921,460,320, based on the maximum purchase price of €60 provided in the sixth resolution to be proposed to the Combined Shareholders' Meeting on April 28, 2016.

Shares may be purchased, sold or transferred using any method, including by purchasing blocks of shares, on the stock market or over the counter. These methods include the use of any derivatives, traded on a regulated market or over the counter, and the setting up of option operations such as the purchase and sale of call and put options. Transactions may be made at any time.

##### Term of the share repurchase program

The share repurchase program may continue for a period of eighteen months from the approval of the sixth resolution to be voted by shareholders at the Combined Shareholders' Meeting on April 28, 2016, i.e. until October 27, 2017.



## Bonds

Details of the bonds issued by the Company in circulation on December 31, 2015 are given below:

Issuer	Currency	Coupon	Initial issue date	Maturity date	Amount outstanding (in millions of euros)	Listing market
Compagnie Plastic Omnium	EUR	3.875%	10/04/2012	12/12/2018	250	Paris
Compagnie Plastic Omnium	EUR	2.875%	05/21/2013	05/29/2020	500	Paris

## 7.3 Information about shareholders

### The Plastic Omnium share

#### Fact sheet

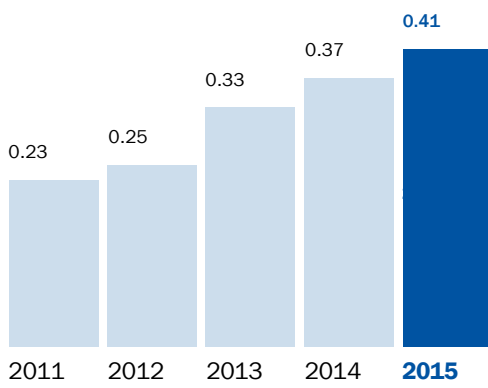
- ISIN code: FR0000124570
- Par value: €0.06
- Eligible for the Deferred Settlement Service (SRD)

#### Trading data

<b>Price as at December 31, 2015</b>	<b>€29.33</b>
Average closing price of the last 30 trading sessions in 2015	€27.50
Highest price in 2015	€29.50 on December 30, 2015
Lowest price in 2015	€20.10 on September 29, 2015
<b>Year on year increase as at December 31, 2015</b>	
Plastic Omnium	+31.7%
SBF 120	+9.4%
CAC Mid 60	+16.2%
Market capitalization as at December 31, 2015	€4,504,405

#### Shareholder dividends

- Dividend per share proposed to the Shareholders' Meeting of April 28, 2016: €0.41
- Change in dividend per share (in €) over five years:



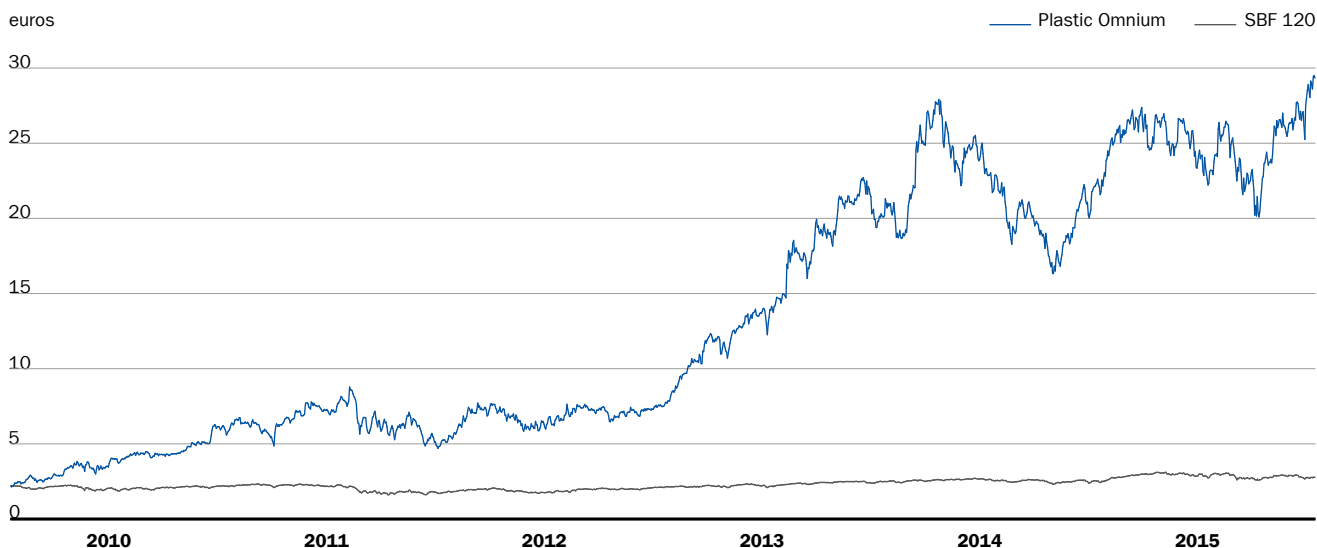
Dividends must be claimed within five years. Unclaimed dividends are paid back to the Caisse des Dépôt et Consignations.

### Trends in the price and volume of transactions in Compagnie Plastic Omnium shares

	Highest price (in euros)			Lowest price (in euros)			Transaction volume (daily average)		
	2013 <sup>(1)</sup>	2014	2015	2013 <sup>(1)</sup>	2014	2015	2013 <sup>(1)</sup>	2014	2015
January	9.61	21.005	25.605	7.70	18.71	21.580	28,056	355,925	240,114
February	10.95	25.095	27.205	9.67	18.66	25.055	23,471	371,267	211,298
March	12.33	27.21	27.380	10.33	24.415	24.540	34,286	311,719	258,106
April	12.56	27.91	26.960	10.70	24.025	24.830	24,616	268,292	245,568
May	13.74	24.915	26.645	12.47	22.38	24.180	18,067	286,540	198,070
June	14.01	25.40	25.830	12.26	22.93	22.855	26,747	179,514	235,133
July	17.86	23.04	26.380	13.75	19.955	22.220	46,975	261,310	271,674
August	18.03	21.225	26.455	16.00	18.28	22.490	36,237	309,526	199,236
September	19.93	21.095	26.875	16.96	18.825	20.100	211,323	197,293	288,633
October	21.48	19.005	26.510	18.16	16.32	21.220	251,006	369,563	266,072
November	22.84	21.01	27.710	20.91	18.42	25.455	161,563	203,965	172,779
December	22.48	22.615	29.500	19.39	20.035	25.250	300,472	211,235	200,810

(1) From the closing price adjusted by a three-for-one stock split on September 10, 2013.

### Trends in the Compagnie Plastic Omnium share price relative to the SBF 120 index from January 1, 2010 to December 31, 2015



## Compagnie Plastic Omnium shareholder structure

### Equity holdings in Compagnie Plastic Omnium as at December 31, 2015 comprising 153,576,720 shares

	December 31, 2015		December 31, 2014		December 31, 2013	
	% equity capital	% voting rights	% equity capital	% voting rights	% equity capital	% voting rights
Burelle SA	56.6	73.4	56.6	73.6	56.1	73.99
Employee shareholders	1.1	1.1	1.2	1.2	1.3	1.3
Held by Company	3.6	–	3.8	–	5.5	–
Public	38.7	25.5	38.4	25.2	37.1	24.71
	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

As at December 31, 2015, Burelle SA held 56.6% of the equity capital of Compagnie Plastic Omnium. To the Company's knowledge, no other shareholder owns 5% or more of the share capital.

At December 31, 2015, the 1,475 employee members of the Group stock ownership plan held 1,639,959 Compagnie Plastic Omnium shares purchased on the market, representing 1.1% of share capital.

Compagnie Plastic Omnium reviewed identifiable bearer securities as at December 31, 2015 and concluded that 14,662,265 shares were held by individual investors.

The Company has not been informed of any shareholders' agreement.

Following Compagnie Plastic Omnium's capital reduction carried out on March 21, 2016, Burelle SA holds 57.01% of the company's capital to date.

## Summary of transactions in 2015 by Executive Corporate Officers involving Plastic Omnium shares

Name and position of officer	Transaction	Number of securities	Total amount
Laurent Burelle Chairman and CEO	Sale of stock from options exercised	200,000	4,716,477.05
	Options exercised	54,000	158,760.00
Jean-Michel Szczerba Co-Chief Executive Officer and Chief Operating Officer	–	0	0
	Sale of stock from options exercised	80,000	1,810,254.73
Paul Henry Lemarié Chief Operating Officer	Options exercised	190,000	539,600.00

## Stock option plans

As at December 31, 2015, Compagnie Plastic Omnium had several stock option plans; key information about these plans is given below:

Shareholders' Meeting	Board of Directors	Original option price	Number of recipients	Total no. of options in the initial plan	Option price	Number of options	Total number of options exercised or expired at 12/31/2015
04/24/2008	07/22/2008	26.51	39	350,000	2.94	3,150,000	3,150,000
04/28/2009	03/16/2010	25.60	124	375,000	2.84	3,375,000	2,749,500
04/28/2011	03/06/2012	22.13	208	889,500	7.37	2,668,500	330,000
04/25/2013	07/23/2013	48.50	184	424,000	16.17	1,272,000	72,000
04/25/2013	07/21/2015	24.72	172	1,253,000	24.72	1,253,000	0

### History of allocation of stock options

Information on stock options	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5
Date of Shareholders' Meeting	04/24/2008	04/28/2009	04/28/2011	04/25/2013	04/25/2013
Date of Board meeting	07/22/2008	03/16/2010	03/06/2012	07/23/2013	07/21/2015
Total number of shares offered for purchase	3,150,000	3,375,000	2,668,500	1,272,000	1,253,000
Earliest exercise date	08/04/2012	04/01/2014	03/21/2016	08/07/2017	08/07/2019
Expiry date	08/03/2015	03/31/2017	03/20/2019	08/06/2020	08/06/2022
Purchase price	2.94	2.84	7.37	16.17	24.72
Arrangements for exercise (for plans with several tranches)	NA	NA	NA	NA	NA
Number of share subscriptions at 12/31/2015	3,150,000	885,500	0	0	0
Total number of stock options cancelled or expired	773,300	1,535,500	141,000	72,000	0
Options outstanding at the year end	0	626,000	2,338,500	1,200,000	1,253,000

### Executive Corporate Officers

Laurent Burelle Chairman and CEO	540,000	450,000	360,000	180,000	150,000
Jean-Michel Szczerba Co-Chief Executive Officer Chief Operating Officer and Director	360,000	270,000	240,000	120,000	150,000
Paul Henry Lemarié Chief Operating Officer and Director	270,000	360,000	180,000	60,000	0

### Number of stock options allocated to the ten employees (excluding corporate officers) granted most options; number of options exercised by the ten employees who have accordingly bought or subscribed for the highest number of shares

	No. of stock options allocated/no. of shares subscribed for or purchased	Weighted average exercise price (in euros)	Exercise date	Date of Board meeting
Number of options allocated during the period by Compagnie Plastic Omnium and any other company included in the option allocation scope to the ten employees of the issuer, or any company within the above scope, allocated the highest number of options	275,000	24,72	08/06/2022	07/21/2015
Number of stock options for Compagnie Plastic Omnium shares or shares of companies in the abovementioned scope, exercised during the period by the ten employees of the issuer or qualifying companies who bought or subscribed for the highest number of shares	60,000	-	-	-

08



COMBINED  
SHAREHOLDERS'  
MEETING



## 8.1 Agenda

### Ordinary resolutions

- First resolution: Approval of the Company financial statements for the year ended December 31, 2015
- Second resolution: Appropriation of net income and determination of the dividend
- Third resolution: Statutory Auditors' report on related-party agreements – Previous agreement being continued during the year
- Fourth resolution: Approval of related-party agreements renewed during the year
- Fifth resolution: Approval of the consolidated financial statements for the year ended December 31, 2015
- Sixth resolution: Authorization to be granted to the Board of Directors to trade in the Company's shares pursuant to the provisions of Article L. 225-209 of the French Commercial Code, duration of the authorization, purposes, terms, ceiling
- Seventh resolution: Ratification of the temporary appointment of a Director: Mrs. Lucie Maurel Aubert
- Eighth resolution: Renewal of Mrs. Amélie Oudéa-Castera's directorship
- Ninth resolution: Renewal of the term of office of the Principal Statutory Auditors (Mazars)
- Tenth resolution: Renewal of the term of office of an Alternate Auditor (Mr. Gilles Rainaut)
- Eleventh resolution: Renewal of the term of office of a Principal Statutory Auditor (Ernst & Young et Autres)
- Twelfth resolution: Renewal of the term of office of an Alternate Auditor (Auditex)

- Thirteenth resolution: Amount of directors' fees allocated to members of the Board of Directors
- Fourteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Laurent Burelle, Chairman and Chief Executive Officer, for the year ended December 31, 2015
- Fifteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Jean-Michel Szczerba, Co-Chief Executive Officer and Chief Operating Officer, for the year ended December 31, 2015
- Sixteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Paul Henry Lemarié, Chief Operating Officer, for the year ended December 31, 2015

### Extraordinary resolutions

- Seventeenth resolution: Authorization to be given to the Board of Directors to grant Company stock options to the employees and/or corporate officers of the Company and/or Group companies, duration of the authorization, ceiling, exercise price, maximum duration of the option
- Eighteenth resolution: Authorization to be given to the Board of Directors to allocate existing free shares in the Company to the employees and/or corporate officers of the Company and/or Group companies, duration of the authorization, ceiling, minimum duration of the vesting period and retention period
- Nineteenth resolution: Authorization to be given to the Board of Directors to cancel the shares bought back by the Company pursuant to the provisions of Article L. 229-209 of the Commercial Code, duration of the authorization, ceiling
- Twentieth resolution: Powers for the formalities

## 8.2 Text of the Resolutions Submitted for Approval by the Combined Shareholders' Meeting on April 28, 2016

### Ordinary resolutions

#### First resolution: Approval of the Company financial statements for the year ended December 31, 2015

After having read the Company financial statements for the year ended December 31, 2015, the reports of the Board of Directors, the Chairman of the Board of Directors and the Statutory Auditors' report

• Dividends on 153,576,720 existing shares as of December 31, 2015	€62,966,455
• Retained earnings	€1,096,622,379
	<b>€1,159,588,834</b>

Consequently, the Shareholders' Meeting sets the dividend for 2015 at €0.41 per share. Individual shareholders resident in France for tax purposes will qualify for the 40% tax relief provided for in Article 158-3-2. of the French General Tax Code (*Code général des impôts*) on the total dividend.

The ex-dividend date will be May 10, 2016.

The dividend will be paid on the date set by the Board of Directors, i.e. May 12, 2016.

on the Company financial statements for the year ended December 31, 2015, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the shareholders approve the Company financial statements for the year ended December 31, 2015 as presented, showing a net profit of €222,893,428, as well as the transactions reflected in the said financial statements or described in the said reports.

#### Second resolution: Appropriation of net income and determination of the dividend

Noting that the profit for the year ended December 31, 2015 shows a net balance of €222,893,428, that retained earnings totaled €936,695,406 and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the shareholders decide to appropriate the net sum of €1,159,588,834 as proposed by the Board of Directors, namely:

Compagnie Plastic Omnium shares held in treasury on the dividend payment date will be stripped of dividend rights and the related dividends will be credited to retained earnings.

In accordance with the law, the Shareholders' Meeting notes that, after deducting dividends not paid on treasury stock, dividends for the last three years were as shown in the table below. The information provided below takes account of the three-for-one stock split occurring on September 10, 2013.

Year	Number of shares with dividend rights	Total dividend (in euros)	Net dividend (in euros)
2012*	154,977,021 shares with dividend rights	38,744,255	0.25
2013*	147,714,484 shares with dividend rights	48,745,780	0.33
2014*	148,197,149 shares with dividend rights	54,832,945	0.37

\* The dividends for the years ended December 31, 2012, December 31, 2013 and December 31, 2014 were eligible for the 40% tax relief for individual shareholders resident in France for tax purposes, as provided for under Article 158-3-2. of the French General Tax Code.

#### Third resolution: Statutory Auditors' report on related party agreements – Previous agreement being continued during the year

After having read the special report of the Statutory Auditors on related party agreements referred to in Article L. 225-38 of the French Commercial Code, the Shareholders' Meeting notes the information mentioned in this report regarding the continuation, during the current year, of an agreement signed in the course of previous years.

#### Fourth resolution: Approval of related-party agreements renewed during the year

After having read the special report of the Statutory Auditors on related party agreements referred to in Article L. 225-38 of the French Commercial Code, the Shareholders' Meeting approves the agreements renewed tacitly in 2015 and mentioned in said report.



### **Fifth resolution: Approval of the consolidated financial statements for the year ended December 31, 2015**

After having read the reports of the Board of Directors, the Chairman of the Board of Directors and the Statutory Auditors' report on the consolidated financial statements, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the shareholders approve the consolidated financial statements for the year ended December 31, 2015 as presented, as well as the transactions reflected in the financial statements or summarized in these reports and from which a net Group share profit of €258,374 thousand resulted.

### **Sixth resolution: Authorization to be granted to the Board of Directors to trade in the Company's shares pursuant to the provisions of Article L. 225-209 of the French Commercial Code**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting authorizes the Board of Directors to purchase Company shares under the terms and conditions set forth in the provisions of Article L. 225-209 et seq. of the French Commercial Code (*Code de commerce*) in order:

- to use an investment service provider to maintain the secondary market or the liquidity of Plastic Omnium's shares, via a liquidity agreement complying with the AMAFI Code of Ethics accepted by the AMF;
- to cover stock option and/or bonus share (or similar) plans awarded to Group employees and/or corporate officers and all allocations of shares as part of a Company or Group savings (or similar) plan, or for purposes of Company profit-sharing and/or any other form of allocation of shares to Group employees and/or corporate officers;
- to retain the shares purchased and offer them at a later date in exchange or payment for any future external growth acquisitions, it being specified that shares purchased for this purpose may not exceed 5% of the Company's equity capital;
- to cancel the acquired shares, subject to the authorization to be granted by this Shareholders' Meeting in its nineteenth extraordinary resolution;
- to implement all market practices currently accepted or accepted in the future by the market authorities;

and as per the following terms:

- the maximum number of shares that may be purchased by the Company cannot exceed 10% of the Company's share capital on the date of this decision, i.e. a maximum of 15,357,672 shares as of this date;

- the shares may not be repurchased at a price of more than €60 per share. In the event of a transaction affecting capital, in particular, stock splits or reverse stock splits or free share allocations, the aforementioned amount will be adjusted in the same proportion (coefficient of the ratio between the number of shares comprising the equity capital before the transaction and the number of shares after the transaction).

As of December 31, 2015, the Company held 5,522,492 treasury shares. If these shares were canceled or used, the maximum amount that the Company would be allowed invest in the buyback program would be €921,460,320, for the acquisition of 15,357,672 shares.

Shares may be purchased, sold or transferred using any method, including by purchasing blocks of shares, on the stock market or over the counter. These methods include the use of any derivatives, traded on a regulated market or over the counter, and the setting up of option operations such as the purchase and sale of call and put options. Transactions may be made at any time, except during a public offer period concerning the Company.

This authorization takes effect at the end of this Shareholders' Meeting and is valid for a period of eighteen months from today. It cancels and supersedes the authorization granted by the Combined Shareholders' Meeting of April 30, 2015 in its fifth resolution for the unused portion.

Unless it takes this action itself, the Shareholders' Meeting authorizes the Board of Directors to adjust the aforementioned maximum number of shares and maximum purchase price as necessary to take into account the impact on the share price of any change in the par value of the shares or any capital increase by incorporation of reserves and bonus share issue, any stock split or reverse stock split, any return of capital or any other capital transaction, within the aforementioned limits of 10% of equity capital and €921,460,320.

The shareholders grant full powers to the Board of Directors to use this authorization, to conclude any agreements, carry out any filing and other formalities, notably with the Autorité des Marchés Financiers or any other authority that may replace it, and, more generally, take all necessary action.

### **Seventh resolution: Ratification of the temporary appointment of a Director: Mrs. Lucie Maurel Aubert**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting ratifies the temporary appointment of Mrs. Lucie Maurel Aubert as director, by the Board of Directors during its meeting held on December 15, 2015, replacing Mr. Jean-Pierre Ergas, who resigned as director.

Mrs. Lucie Maurel Aubert shall perform her duties for the remaining term of her predecessor, i.e. until the end of the Shareholders' Meeting held in 2018 which shall approve the accounts for the previous year.

### **Eighth resolution: Renewal of Mrs. Amélie Oudéa-Castera's directorship**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting renews the directorship of Mrs. Amélie Oudéa-Castera for a three-year term. Her term will expire at the close of the Shareholders' Meeting to be held in 2019 to approve the 2018 financial statements.

### **Ninth resolution: Renewal of the term of office of the Principal Statutory Auditors (Mazars)**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting renews the term of the Cabinet Mazars as the Principal Statutory Auditor.

The term of Cabinet Mazars will expire at the close of the Ordinary Shareholders' Meeting which will approve the accounts for 2021.

### **Tenth resolution: Renewal of the term of office of an Alternate Auditor (Mr. Gilles Rainaut)**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting renews the term of Mr. Gilles Rainaut as the Alternate Auditor.

The term of Mr. Gilles Rainaut will expire at the close of the Ordinary Shareholders' Meeting which will approve the accounts for 2021.

### **Eleventh resolution: Renewal of the term of office of the Principal Statutory Auditors (Ernst & Young et Autres)**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting renews the term of the Ernst & Young et Autres, as the Principal Statutory Auditor.

The term of Ernst & Young et Autres will expire at the close of the Ordinary Shareholders' Meeting which will approve the accounts for 2021.

### **Twelfth resolution: Renewal of the term of office of the Alternate Auditor (Auditex)**

After having read the Board of Directors' report, and voting in accordance with the quorum and majority rules applicable to Ordinary Shareholders' Meetings, the Shareholders' Meeting renews the term of Auditex, as the Alternate Auditor.

The term of Auditex will expire at the close of the Ordinary Shareholders' Meeting which will approve the accounts for 2021.

### **Thirteenth resolution: Amount of directors' fees allocated to members of the Board of Directors**

The shareholders resolve to increase the aggregate amount of directors' fees allocated to members of the Board of Directors from €400,000 to €460,000.

This decision applies from the current year until a new amount is set.

### **Fourteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Laurent Burelle, Chairman and Chief Executive Officer, for the year ended December 31, 2015**

Pursuant to the recommendation in §24.3 of the AFEP-MEDEF Corporate Governance Code dated November 2015, which serves as the code of reference for Compagnie Plastic Omnium in accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*), the Shareholders' Meeting issues a favorable opinion on the components of compensation due or allocated to Mr. Laurent Burelle, Chairman and Chief Executive Officer, for the year ended December 31, 2015, as presented in section 2.2 of the document.

### **Fifteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Jean-Michel Szczerba, Co-Chief Executive Officer and Chief Operating Officer, for the year ended December 31, 2015**

Pursuant to the recommendation in §24.3 of the AFEP-MEDEF Corporate Governance Code dated November 2015, which serves as the code of reference for Compagnie Plastic Omnium in accordance with Article L. 225-37 of the French Commercial Code (*Code de Commerce*), the Shareholders' Meeting issues a favorable opinion on the components of compensation due or allocated to Mr. Jean-Michel Szczerba, Co-Chief Executive Officer and Chief Operating Officer, for the year ended December 31, 2015, as presented in section 2.2 of the document.

### **Sixteenth resolution: Opinion on the components of the compensation due or allocated to Mr. Paul Henry Lemarié, Chief Operating Officer, for the year ended December 31, 2015**

Pursuant to the recommendation in §24.3 of the AFEP-MEDEF Corporate Governance Code dated November 2015, which serves as the code of reference for Compagnie Plastic Omnium in accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*), the Shareholders' Meeting issues a favorable opinion on the components of compensation due or allocated to Mr. Paul Henry Lemarié, Chief Operating Officer, for the year ended December 31, 2015, as presented in section 2.2 of the document.

## Extraordinary resolutions

### Seventeenth resolution: Authorization to be given to the Board of Directors to grant Company stock options to the employees and/or corporate officers of the Company and/or Group companies, duration of the authorization, ceiling, exercise price, maximum duration of the option

After having read the Board of Directors' report and the special report of the Statutory Auditors, and voting in accordance with the quorum and majority rules applicable to Extraordinary Shareholders' Meetings, the Shareholders' Meeting:

1. authorizes the Board of Directors, with the option to subdelegate under the terms and conditions set forth by law, to grant, in accordance with Articles L. 225-177 et seq. of the French Commercial Code (*Code de Commerce*), on one or more occasions, stock options of Company's existing shares for employees and corporate officers of the Company or companies or groupings associated with the Company, under the conditions referred to in Article L. 225-180 of the French Commercial Code and within the limits of applicable texts;
2. sets the validity of this authorization at thirty-eight months from the date of this meeting and supersedes, for the unused portion, the authorization with the same purpose previously granted by the Combined Shareholders' Meeting of April 25, 2013 in its 10<sup>th</sup> resolution;
3. resolves that the total number of options granted in accordance with this resolution may not give entitlement to the purchase of more than 1% of the shares from the share capital on the day of this Shareholders' Meeting, it being specified that this ceiling is an overall ceiling for all the allocations likely to be made in accordance with the 17<sup>th</sup> and 18<sup>th</sup> resolutions of this Shareholders' Meeting, subject to their adoption by the latter;
4. resolves that the price of existing shares will be set in accordance with the provisions of Articles L. 225-177 and L. 225-179 of the French Commercial Code, without any discount;
5. decides no option may be granted:
  - neither within the period of ten trading sessions before and after the date on which the consolidated financial statements are published,
  - nor within the period between the date on which the corporate bodies of the Company are aware of information, which, if it were published, could have a significant impact on the price of the Company's securities, and the date after ten trading sessions from the date on which this information is published,
  - fewer than twenty trading sessions after the ex-dividend date of shares entitling to a dividend or a capital increase;
6. resolves to grant all powers to the Board of Directors, within the limits set above and within the limits of the statutory provisions, necessary to implement this resolution, and most notably:
  - to determine the dates of each allocation, set the conditions under which the options will be granted, establish the list of beneficiaries and decide the number of shares that each of them may purchase,
  - to set, where applicable, the temporary suspension periods for the exercise of options imposed by certain financial transactions,
  - to set the conditions for exercising options and specifically the price of existing stock options as well as the periods for exercising the options during the validity thereof, which may not exceed ten years,
  - to potentially prohibit the resale of all or part of the shares resulting from the exercise of options for a period that may not exceed three years from the date of exercise of the option,
  - to set the number of shares to be retained as registered shares by the Company's corporate officers until the end of their appointment,
  - to decide the conditions under which the price and the number of shares to be bought will be adjusted under the conditions required by law,
  - and in general, to do everything that may be necessary;
7. entrusts the Board of Directors with the responsibility to inform the Ordinary Shareholders' Meeting every year of the transactions carried out by virtue of this authorization in accordance with all applicable legal and regulatory provisions;
8. grants full powers to the Board of Directors to decide, where applicable, all amendments and adaptations of the conditions relating to the entitlement to stock options that had been allocated prior to this Shareholders' Meeting.

### Eighteenth resolution: Authorization to be given to the Board of Directors to allocate existing free shares in the Company to the employees and/or corporate officers of the Company and/or Group companies, duration of the authorization, ceiling, minimum duration of the vesting period and retention period

Having considered the Board of Directors' report and the Statutory Auditors' special report, voting in accordance with the quorum and majority rules applicable to Extraordinary Shareholders' Meetings, and pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code (*Code de Commerce*), the Shareholders' Meeting:

1. authorizes the Board of Directors, with the option to subdelegate under the terms and conditions set forth by law, to carry out, on one or more occasions, free allocations of the Company's existing shares for employees or certain categories of them which it shall determine from among employees and/or corporate officers of the Company or companies or consortium associated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code;

2. sets the validity of this authorization at thirty-eight months from the date of this meeting and supersedes, for the unused portion, the authorization with the same purpose previously granted by the Combined Shareholders' Meeting of April 30, 2015 in its 24<sup>th</sup> resolution;
3. decides that the total number of shares that can be allocated free of charge by virtue of this authorization may not exceed 1% of the number of ordinary shares comprising the Company's share capital on the day of this Shareholders' Meeting; it being specified that this ceiling is an overall ceiling for all the allocations likely to be made in accordance with the 17<sup>th</sup> and 18<sup>th</sup> resolutions of this Shareholders' Meeting, subject to their adoption by the latter;
4. for each decision of allocation, the Board of Directors will determine, in accordance with the law, the period of acquisition, at the end of which the allocation of the shares will become final. The period of acquisition may not be less than one year from the date of allocation of shares;
5. for each decision of allocation, the Board of Directors will determine, in accordance with the law, the vesting period of the Company's shares, which commences on the date of the final allocation of shares. The vesting period may not be less than one year. However, if the period of acquisition were to be greater than or equal to two years, the Board of Directors may waive the vesting period.

Existing shares, which may be allocated pursuant to this resolution, should be acquired by the Company, either under Article L. 225-208 of the French Commercial Code, or, where applicable, under the share buyback program authorized by the sixth ordinary resolution adopted by this Meeting pursuant to Article L. 225-209 of the French Commercial Code or of any share buyback program applicable before or after the adoption of this resolution;

6. grants all powers to the Board of Directors to implement this authorization, within the limits set above, notably in order:
  - to determine the identity of the recipients of the allocations,
  - to determine the number of shares granted to each of the recipients,
  - to set the terms and, where applicable, the share allocation criteria, in particular the minimum vesting period and the minimum lock-up period,
  - to provide, if necessary, for the option to defer the definitive share allocation dates and the end of the lock-up period for these shares, for the same duration (in such a way that the date from which it is possible to dispose of the shares is unchanged),
  - proceed with the acquisition of shares necessary under the share buyback program and assign them to the allocation plan,
  - to adjust the share price and the number of shares allocated in the event of Company equity transactions the effect of which is to modify the value of the shares comprising equity capital,
  - to determine the dates and terms of the allocations and vesting conditions under applicable legal and regulatory provisions, and more generally, take all useful measures and make any agreements to successfully complete the planned allocations.

### **Nineteenth resolution: Authorization to be given to the Board of Directors to cancel the shares bought back by the Company pursuant to the provisions of Article L. 225-209 of the French Commercial Code, duration of authorization, ceiling**

Having considered the Board of Directors' report and the Statutory Auditors' report, voting in accordance with the quorum and majority rules applicable to Extraordinary Shareholders' Meetings, and pursuant to the provisions of Article L. 225-209 of the French Commercial Code (*Code de Commerce*), the Shareholders' Meeting:

- authorizes the Board of Directors to reduce the share capital, on one or more occasions, in the proportions and at the times that it may decide, through the cancellation of all or part of the shares acquired or that may be acquired by virtue of the authorization granted by the Ordinary General Meeting, the Company itself, by up to 10% of the share capital per 24-month period, it being specified that this limit is applicable to an amount of the share capital that will be, where applicable, adjusted to take into account transactions allocating the share capital after this Shareholders' Meeting;
- sets the validity of this authorization at twenty-six months from the date of this Shareholder's Meeting and notes that this authorization supersedes, for the unused portion, the authorization with the same purpose previously granted by the Combined Shareholders' Meeting of April 30, 2014 in its 12<sup>th</sup> resolution;
- grants full powers to the Board of Directors to carry out the transactions of cancellation and reduction of capital by virtue of this authorization, set the terms thereof, record the completion thereof, apply the difference between the book value of the cancelled shares and their nominal amounts against any reserve and premium account, consequently amend the bylaws and carry out all formalities and generally do what is necessary to implement this resolution.

### **Twentieth resolution: Powers for the formalities**

The Shareholders' Meeting grants full powers to the bearer of an original, a copy or an extract of the minutes of the meeting to carry out any and all legal filings and formalities.

## 8.3 Board of Directors' Report on the Resolutions Presented to the Combined Shareholders' Meeting on April 28, 2016

### Report of the Board of Directors on the resolutions presented at the Ordinary Shareholders' Meeting

#### Approval of the 2015 parent company financial statements (1<sup>st</sup> resolution)

The **first resolution** submits for your approval the parent company financial statements for the financial year ended December 31, 2015, which result in a profit of **€222,893,428**.

As a reminder, the following dividends have been distributed over the past three years. The information provided below takes account of the three-for-one stock split occurring on September 10, 2013.

Year	Number of shares with dividend rights	Total dividend (in euros)	Net dividend (in euros)
2012*	154,977,021 shares with dividend rights	38,744,255	0.25
2013*	147,714,484 shares with dividend rights	48,745,780	0.33
2014*	148,197,149 shares with dividend rights	54,832,945	0.37

\* The dividends in respect of the years ended December 31, 2012, December 31, 2013 and December 31, 2014 were eligible for the 40% tax relief for individual shareholders resident in France for tax purposes, as provided for in Article 158-3-2° of the French General Tax Code.

The Board of Directors recommends that this amount be appropriated as follows:

	In euros
<b>Total amount to be appropriated</b>	<b>1,159,588,834</b>
• Net dividend distributed for the 2015 fiscal year	62,966,455
• Carried forward	1,096,622,379
<b>Total appropriated</b>	<b>1,159,588,834</b>

#### Appropriation of net income and determination of the dividend in respect of 2015 (2<sup>nd</sup> resolution)

The **second resolution** concerns the proposed appropriation of net income and determination of the dividend for the year ended December 31, 2015.

	In euros
Retained earnings as of December 31, 2015	936,695,406
Net income for the year ended December 31, 2015	222,893,428
Total amount to be appropriated	1,159,588,834

If the Shareholders' Meeting adopts this resolution, the net dividend for the fiscal year ended December 31, 2015 will amount to €0.41 per share, corresponding to a total distributed dividend of €62,966,455.

Upon payment, the dividend attributable to treasury shares held by the Company will be transferred to "Retained earnings".

Shares will trade ex-dividend from May 10, 2016, and the dividend will be paid on May 12, 2016.

Individual shareholders resident in France for tax purposes will qualify for the 40% tax relief provided for in Article 158-3-2° of the French General Tax Code (*Code Général des Impôts*).

#### Statutory Auditors' report on related-party agreements pursued during the year (3<sup>rd</sup> resolution)

The purpose of the **3<sup>rd</sup> resolution**, in compliance with Article L. 225-38 of the French Commercial Code, is to acknowledge the agreements mentioned in the special report of the Statutory Auditors on related party agreements pursued by Compagnie Plastic Omnium during 2015.



### Approval of related-party agreements renewed during the past year (4<sup>th</sup> resolution)

The purpose of the 4<sup>th</sup> resolution is to submit the agreements mentioned in the special report of the Statutory Auditors on related-party agreements renewed by Compagnie Plastic Omnium during 2015 to your approval, in compliance with Article L. 225-38 of the French Commercial Code.

### Approval of the consolidated financial statements for the financial year 2015 (5<sup>th</sup> resolution)

The **fifth resolution** submits for your approval the consolidated financial statements for the fiscal year ended December 31, 2015, which show a Group share consolidated net profit of **€258,374 thousand**.

### Authorization to the Board of Directors to trade in the Company's shares (6<sup>th</sup> resolution)

At the Shareholders' Meeting of April 30, 2015, the shareholders authorized the Company to trade in its own shares under the following terms and conditions:

Maximum purchase price	€60 per share
Maximum shares that may be held	10% of share capital
Maximum investment in the buyback program	€921,460,320

Between May 2, 2015 and February 29, 2016, the Company:

- acquired 3,055,655 shares for a total value of €79,718,921 or €26.09 per share, 1,572,634 of which were shares designated for the liquidity contract and 1,483,021 were shares outside this contract;
- disposed of 1,574,510 shares as part of liquidity contract for a total sales value of €39,840,493 or €25.30 per share.

Details of these transactions and a description of the authorization submitted to your vote can be found in the section entitled "Share buyback program" in the management report.

The authorization to trade in the shares of the Company granted by the Shareholders' Meeting on April 30, 2015 expires on October 29, 2016.

You are being asked to grant the Board of Directors a new authorization to trade in the shares of the Company for a further period of **eighteen months**.

Share buybacks allow an investment service provider to make a market in the Company's shares under a liquidity contract complying with the Code of Ethics issued by the French Association of Financial Markets (AMAFI), while the subsequent cancellation of shares improves our return on equity and earnings per share.

Shares can also be repurchased to support external growth operations, to cover stock option and bonus share plans for employees or corporate officers, or for delivery in connection with financial transactions involving transfers, sales or exchanges, or for any market practice accepted by stock market authorities.

The Board would not be authorized to use this authorization during the course of a takeover bid for the Company's shares.

We are seeking to renew this authorization on the following terms:

Maximum purchase price:	€60 per share
Maximum shares that may be held:	10% of share capital
Maximum investment in the buyback program:	€921,460,320

### Ratification of a Director's appointment (7<sup>th</sup> resolution)

It is proposed that the Shareholders' Meeting ratify the temporary appointment of Mrs. Lucie Maurel Aubert as director, decided by the Board of Directors Meeting held on December 15, 2015, replacing Mr. Jean-Pierre Ergas, and this for the remaining term of her predecessor, i.e. until the end of the Ordinary Shareholders' Meeting to be held in 2018 to approve the 2017 financial statements.

The biographical details of Mrs. Lucie Maurel Aubert can be found in this document in paragraph 2.1.1.1. – Composition of the Board of Directors. After receiving the opinion of the Appointments Committee, the Board of Directors has deemed that Mrs. Lucie Maurel Aubert can be considered as an independent director as defined in the AFEP-MEDEF Code.

### Reappointment of a director (8<sup>th</sup> resolution)

At the Shareholders' Meeting, shareholders are being asked to renew the directorship of Mrs. Amélie Oudéa-Castera for a statutory term of three years.

Her term will expire at the close of the Shareholders' Meeting to be held in 2019 to approve the 2018 financial statements.

The biographical details of Mrs. Amélie Oudéa-Castera can be found in this document in paragraph 2.1.1.1. – Composition of the Board of Directors. After receiving the opinion of the Appointments Committee, the Board of Directors has deemed that Mrs. Amélie Oudéa-Castera can be considered as an independent director as defined in the AFEP-MEDEF Code.

### Renewal of the term of the Statutory Auditors (9<sup>th</sup> to 12<sup>th</sup> resolutions)

It is proposed to the Shareholders' Meeting to renew the terms of the Principal Statutory Auditors, audit firms Mazars and Ernst & Young et Autres as well as those of the Alternate Auditors Mr. Gilles Rainaut and audit firm Auditex for the statutory period of six fiscal years.

Their term will expire at the close of the Ordinary Shareholders' Meeting called to approve the accounts for 2021.



### Amount of directors' fees (13<sup>th</sup> resolution)

The 13<sup>th</sup> resolution asks the Shareholders' Meeting to increase the amount of directors' fees granted to the members of the Board of Directors to €460,000 from 2016.

### Opinion on the components of compensation due or allocated in respect of 2015 to the Chairman and Chief Executive Officer, and the Chief Operating Officers (14<sup>th</sup> to 16<sup>th</sup> resolutions)

The 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> resolutions ask the Shareholders' Meeting to express an opinion on the components of compensation due or allocated in respect of 2015 to Mr. Laurent Buelle, Chairman and Chief Executive Officer, to Mr. Jean-Michel Szczerba, Co-Chief Executive Officer, Chief Operating Officer, and to Mr. Paul Henry Lemarié, Chief Operating Officer in accordance with the recommendations of the AFEP-MEDEF Code (the "Say on Pay" principle). Details of the proposed compensation can be found as presented in section 2.2 of the document.

## Report of the Board of Directors on the extraordinary resolutions presented at the Annual Shareholders' Meeting

### Authorization to be given to the Board of Directors to grant Company stock options to the employees and/or corporate officers of the Company and/or Group companies (17<sup>th</sup> resolution)

Authorization given to the Board of Directors at the Combined Shareholders' Meeting of April 25, 2013 by its 10<sup>th</sup> resolution for granting stock options to employees and/or corporate officers of the Company and/or Group companies expiring in June 2016.

The purpose of the 17<sup>th</sup> resolution would be to ask the Shareholders' Meeting to grant authorization to the Board of Directors to allocate stock options for the existing shares held by the Company.

The beneficiaries of the stock-options would be members of the employed staff and some corporate officers of the Company and some companies associated with it. The total number of options that could be granted under this authorization may not give entitlement to the purchase of shares representing more than 1% of the share capital on the day of this Shareholders' Meeting, it being specified that, out of this number of shares likely to be purchased by exercising the stock options would be applied to the number of bonus shares likely to be allocated by virtue of the 18<sup>th</sup> resolution.

The price for the purchase of the shares by the grantees shall be fixed by the Board of Directors, in accordance with the provisions of Articles L. 225-177 and L. 225-179 of the French Commercial Code. This subscription price would correspond to the average share price quoted in twenty trading sessions preceding the day the options would be granted, without the option to use the legal discount, and may not be less than 80% of the average price of the shares held by

the Company pursuant to Articles L. 225-208 and L. 225-209 of the French Commercial Code.

The Board of Directors will have full powers specifically to approve the list of option grantees and to decide the number of shares that each one may acquire, as well as the conditions for the acquisition of shares.

This authorization would be granted for a period of 38 months starting from this Shareholders' Meeting and would consequently supersede any previous authorization with the same purpose starting from this date.

### Authorization to be granted to allocate existing bonus shares of the Company to the employees and/or corporate officers of the Company and/or Group companies (18<sup>th</sup> resolution)

The 18<sup>th</sup> resolution aims to renew the Board of Directors' authorization granted during the Shareholders' Meeting of April 30, 2015 in its 24<sup>th</sup> resolution. It aims to grant the Board of Directors a new authorization to allocate free shares to employees and/or corporate officers of the Company as well as of companies related to it, under the terms and conditions set forth by law and in accordance with the provisions of Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code.

Under this authorization, the number of bonus shares that may be allocated may not represent more than 1% of the share capital on the day of this the Shareholders' Meeting, being hereby specified that the number of shares likely to be purchased by exercising the stock options would be applied to the number of bonus shares likely to be allocated pursuant to the 17<sup>th</sup> resolution.

The allocation of bonus shares to their grantees would become final:

- either at the end of a minimum one-year vesting legal period, it being specified that the beneficiaries should then retain these shares for a minimum legal period of one years starting from the final allocation;
- or at the end of a minimum two-year vesting period and in this case, they would not have a minimum lock-up period.

In every case, the Board of Directors will have the option to set a longer vesting or lock-up period than these minimum periods.

If the Shareholders' Meeting votes this resolution, the possible allocation of bonus shares will be decided on the basis of the proposals of the General Management reviewed by the Compensation Committee.

The Board of Directors will determine the identity of the beneficiaries, the number of shares allocated to each of them and, where applicable, the criteria for allocating these shares.

It may use this authorization one or several times.

In compliance with Article L. 225-197-4 of the French Commercial Code, a special report will be created in order to inform the Shareholders' Meeting of transactions made by virtue of this authorization.

The renewal of this authorization would span a period of 38 months starting from this Shareholders' Meeting and accordingly supersedes the previous delegation granted by the Shareholders' Meeting of April 30, 2015, as from this date.

**Authorization to be granted to the Board to cancel the shares bought back by the Company pursuant to the provisions of Article L. 225-209 of the French Commercial Code (19<sup>th</sup> resolution)**

The **19<sup>th</sup> resolution** asks the Shareholders' Meeting to authorize the Board of Directors, in accordance with the provisions of Article L. 225-209 of the French Commercial Code, to reduce the share capital, on one or more occasions, in the proportions and at the times that it may decide, through the cancellation of all or part of the shares acquired or that may be acquired by virtue of the authorization granted by the Ordinary General Meeting, the Company itself, by up to 10% of the share capital per 24-month period, it being specified that this limit is applicable to an amount of the share capital that will be, where applicable, adjusted to take into account transactions allocating the share capital after the next Shareholders' Meeting.

This authorization will be valid for a period of 26 months from the next Shareholders' Meeting.

**Powers of Attorney to carry out formalities (20<sup>th</sup> resolution)**

The purpose of the **20<sup>th</sup> resolution** is to authorize the bearer of an original, a copy or an extract of the minutes of the Shareholders' Meeting to carry out any and all legal filings and formalities in relation to the execution of the decisions of this Shareholders' Meeting.

## 8.4 Statutory Auditors' Report on the Allocation of Stock Options

### Extraordinary Shareholders' Meeting of April 28, 2016

#### Seventeenth resolution

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Articles L. 225-177 and R. 225-144 of the French Commercial Code, we hereby report on the authorization to grant stock options to the salaried personnel and/or the corporate officers of your Company and companies associated with it within the meaning of Article L. 225-180 of the French Commercial Code, an operation upon which you are called to vote.

The total number of stock options likely to be allocated pursuant to this authorization may not give the right to purchase a number of shares representing more than 1% of the share capital on the day the decision of their allocation is taken by the Board of Directors, it being specified that this ceiling is common with the allocations likely to be made in accordance with the 18<sup>th</sup> resolution.

Your Board of Directors proposes that on the basis of its report it be authorized, for a period of 38 months as from the date of this Meeting, to grant stock options.

It is the responsibility of the Board of Directors to report on the reasons for granting stock options and the methods proposed for determining the stock option purchase price. Our responsibility is to report on the proposed methods for determining the subscription price for the shares.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted mainly in verifying that the methods proposed for determining the subscription price for the shares are specified in the Board of Directors' report and that they comply with legal and regulatory provisions.

We have no comments to make on the methods proposed for determining the purchase price of the shares.

Made in Courbevoie and Paris-La Défense, February 24, 2016

The Statutory Auditors

ERNST & YOUNG et Autres

Mr. Gilles RABIER

MAZARS

Mr. Jean-Luc BARLET

## 8.5 Statutory Auditors' Report on the Allocation of Existing Free Shares

### Extraordinary Shareholders' Meeting of April 28, 2016

#### Eighteenth resolution

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code, we hereby report on the proposed authorization to grant existing free shares to the salaried personnel and/or the corporate officers of your Company and companies associated with it within the meaning of Article L. 225-197-2 of the French Commercial Code, an operation upon which you are called to vote.

The total number of shares that may be allocated pursuant to this authorization shall not represent more than 1% of the share capital as of the date of the Board of Directors' decision to make the grant, it being specified that this ceiling is taken together with the allocations likely to be made pursuant to the 17<sup>th</sup> resolution.

Your Board of Directors proposes that on the basis of its report it be authorized, for a period of 38 months as from the date of this Meeting, to grant existing free shares.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. Our role is to report to you on any matters relating to the information provided to you regarding the proposed operation.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed authorization to grant existing free shares.

Made in Courbevoie and Paris-La Défense, February 24, 2016

The Statutory Auditors

ERNST & YOUNG et Autres

MAZARS

Mr. Gilles RABIER

Mr. Jean-Luc BARLET

## 8.6 Statutory Auditors' Report on the Reduction in Share Capital

### Extraordinary Shareholders' Meeting of April 28, 2016

#### Nineteenth resolution

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 225-209 of the French Commercial Code in the event of a reduction in share capital through the cancellation of the shares purchased, we have drawn up this report to inform you of our assessment of the reasons and conditions of the proposed reduction in share capital.

Your Board of Directors asks you to grant it, for a period of 26 months from the date of this meeting, full powers to cancel, within the limits of 10% of its capital and per 24 month period, the shares purchased pursuant to the implementation of an authorization granted to your Company to purchase its own shares under the provisions of the aforementioned Article.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie nationale des Commissaires aux Comptes) for this type of engagement. These procedures lead to an examination of whether the reasons and conditions for the proposed reduction in share capital, which should not affect the equality among shareholders, are fair.

We have no comments to make on the reasons and conditions of the proposed reduction in share capital.

Made this day in Courbevoie and Paris-La Défense, February 24, 2016

The Statutory Auditors

ERNST & YOUNG et Autres

Mr. Gilles RABIER

MAZARS

Mr. Jean-Luc BARLET

## Declaration by the person responsible for the Registration Document

**Laurent Burelle**, Chairman and Chief Executive Officer

I declare that, to the best of my knowledge, all reasonable care has been taken to ensure that the information contained in this Registration Document reflects the facts and contains no omission likely to affect its import.

I certify that to the best of my knowledge the financial statements are drawn up in accordance with the accounting standards applicable and give a true and fair view of the assets, financial position and results of the company and the companies the Group consolidates, and the information in the management report gives a fair view of the business development results and financial position of the Company and the companies the Group consolidates, and describes the main risks and uncertainties to which they are exposed.

I have received a completion letter from the Statutory Auditors in which they state that they have checked the information relating to the financial position and the financial statements appearing in this document and that they have read through the document in its entirety.

Historical financial information was included in the Statutory Auditors' reports, which contain the observations appearing on page 154 of this document, page 179 of the 2014 Registration Document and page 129 of the 2013 annual report.

Levallois, March 24, 2016

**Laurent Burelle**

Chairman and Chief Executive officer



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