



2009
Sustainability Report
ACCORDING TO GRI GUIDELINES

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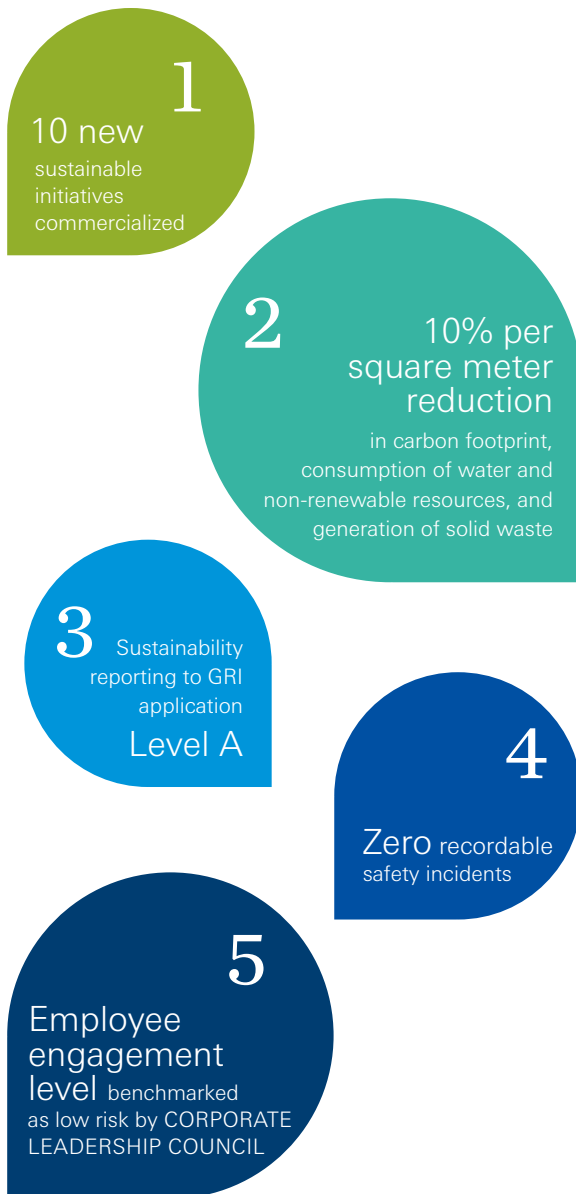
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Investing in Sustainability

Polymer Group, Inc. (PGI) is a leading global engineered materials company, focused primarily on the production of nonwovens for hygiene, healthcare, wipes and industrial markets.



PGI'S 2014 CORPORATE SUSTAINABILITY GOALS

At PGI, we are not like other nonwovens companies. The difference we provide can be seen in everything we do – from our innovative products and our exceptional people, to our outstanding customer service and sustainable business practices. We strive to be best-in-class in all aspects of our trade and we are committed to delivering the best total value to our customers.

Discover the PGI Difference

PGI is an \$883 million global engineered materials company that operates 15 manufacturing and converting facilities in nine countries worldwide. We employ more than 3,100 people around the globe, and the expertise among our people is key to our success in achieving leadership positions by creating value for our stakeholders.

Our profile as a manufacturer gives us important considerations for sustainability and environmental consciousness, which is why the topic has been a focus for PGI for so many years. Our approach is executed with the interpretation that sustainability goes far beyond having a portfolio of environmentally-advanced products – it is rooted in our company culture, from daily business operations to product design and manufacturing. We believe that sustainability is a continuing journey, focused on long-term objectives, short-term goals and measurable parameters.

In 2009, against the backdrop of economic uncertainty, PGI exceeded financial expectations and ended the year stronger than ever before. During this time, we also made significant progress by taking a leadership role in sustainability issues and initiatives:

- + PGI received high marks for its sustainability initiatives from third party customer satisfaction surveys.
- + PGI co-chairs a sustainability sub-committee for INDA – Association of the Nonwoven Fabrics Industry.
- + PGI is the only nonwoven company to participate in the Organisation for Economic Co-operation and Development (OECD) pilot of its sustainable manufacturing tool kit.

This is the second sustainability report that PGI has published using the Global Reporting Initiative (GRI) guidelines. In early 2009, John Heironimus assumed the role of Chief Sustainability Officer. He worked with a team to develop PGI’s Global Sustainability Scorecard, which is the primary component of this report.

Our 2014 Sustainability Goals—first published in our 2008 Sustainability Report—include benchmarks for water usage, energy usage, carbon footprint, renewable materials usage, safety, customer and employee satisfaction, and development of sustainable product and materials. In 2009, PGI accomplished the following achievements that brought us closer to meeting our 2014 sustainability goals:

- + 11% reduction in average basis weight
- + 19% reduction in carbon footprint
- + 32% reduction in water consumption
- + 3% increase in usage of recycled materials
- + 5% decrease in generation of solid waste
- + Addition of 16 new GRI Indicators for a total of 37
- + 25% reduction in lost time injury rate
- + Moved from a “high risk” employee engagement level to a “moderate risk” employee engagement level

PGI intends to continue publishing annual sustainability reports utilizing GRI guidelines, reflecting the approach being taken by leading companies.



PGI'S 2009 ACCOMPLISHMENTS

Using PGI's 2009 Sustainability Report

This is PGI's second sustainability report based on GRI guidelines. Given the size and complexity of this report, we have made every effort possible to make it easy for users to read and navigate.

Following a statement from our CEO, Veronica Hagen, and questions and answers with CSO, John Heironimus, you will find GRI indices for Profile Disclosures and Performance Indicators.

These indices indicate the Disclosures of Management Approach and Performance Indicators that comprise the reporting requirements we have pursued in meeting the requirements of GRI B-level reporting. In this report we have almost doubled the number of indicators reported last year.

The indices also provide page references for each section of the report, so you can find relevant information easily.




GRI
APPLICATION LEVELS

We are pleased to have achieved an application level of B in reporting against the GRI guidelines and reporting framework.

PGI is open to your feedback. Please submit any suggestions to:

Clifford D. Bridges
Global Communication Director
Polymer Group, Inc.

Telephone: +1 704 697 5168
Email: bridgesc@pginw.com

		C	C+	B	B+	A	A+
MANDATORY	Self-declared						
	Third Party Checked		Report externally assured		Report externally assured		Report externally assured
OPTIONAL	GRI Checked						

More information on the GRI can be found at www.globalreporting.org



STATEMENT FROM THE CEO

PGI's corporate strategy separates us from our competition. Our roadmap for growth is driven by a formal strategic planning process that led to a four-pronged vision for the company – focusing our investment into global capabilities, innovation, operational excellence, and corporate social responsibility.

Veronica M. Hagen (Chief Executive Officer)

Our efforts to publish annual sustainability reports using GRI guidelines are indicative of our depth of commitment. While this is our second report, the subject and associated initiatives have long been rooted in the culture of PGI.

In the next five years, our vision is to achieve:

- + Global leadership in hygiene and healthcare market segments – through our ability to consistently serve customers worldwide better via our physical presence, partnerships and logistics.
- + Superior economic returns in each of our core markets of Hygiene, Healthcare, Wipes, and Industrial by pursuing creative ways to capture more value. PGI will meet specific market needs with innovative materials by capitalizing on advanced market insights, inventive manufacturing processes, and expertise in spunlaid and hybrid technologies.
- + World-class operational efficiency and best-in-class total customer value – utilizing globally standardized business systems, market-driven priorities and highly respected professionals.
- + Recognition as a leader in health, safety, and sustainability – through the products we manufacture, and by attaining world-class safety metrics, reducing consumption of resources, and minimizing environmental impacts.

We led our industry in environmental efforts by publishing our inaugural sustainability report (2008) using the GRI guidelines. Through this second report, you can read about our progress in working towards sustainability goals that were established last year to deliver significant improvements by 2014.

Looking ahead, the biggest change we face in the coming year is volatility in several critical areas including demand, currencies and raw material costs. This inevitably creates uncertainty. However, continuing our commitment and approach, we will manage and grow the business prudently and diligently – recognizing that sustainability matters.

At PGI, we are proud of our accomplishments to date, but recognize that in today's world, success is very much a continuing journey. Our entire organization is positioned to design and deliver exceptional products and services while remaining vigilantly cognizant of our corporate social responsibility.

We welcome feedback as we continue on our path.

Veronica M. Hagen – *Chief Executive Officer*



Q&A WITH CHIEF SUSTAINABILITY OFFICER

John Heironimus (Chief Sustainability Officer)

Our market positioning is based on customer intimacy, personnel excellence, leadership in development, delivery on commitments, and—of course—integrity.

What changes occurred in 2009 that impacted your structured sustainability program?

For us, sustainability is not a program. It is systemic and embedded in our core management processes and objectives, which represents the big change. It is not a special initiative – it's the way we operate. In our 2009 planning process, we established goals to reduce resource usage and accelerate product development and stakeholder engagement. We have specific initiatives implemented throughout our company that reflect these goals.

Did 2009 cause you to change or redirect any emphasis in your sustainability goals?

PGI's 2014 Sustainability Goals were published in our 2008 report and they remain consistent. They are focused mainly on reducing our resource consumption. The only thing that I would add is our intention to be a leader in our community and our industry, which will mean partnering actively with key driver organizations like the OECD.

How does your sustainability positioning link to your other company values?

Our market positioning is based on customer intimacy, personnel excellence, leadership in development, delivery on commitments, and – of course – integrity. We didn't make these up – it is how customers see PGI today and consequently where we are investing to make a difference. Sustainability is a key theme in this positioning and many customers rely on our knowledge and experience to help them understand the topic and define their own approach.

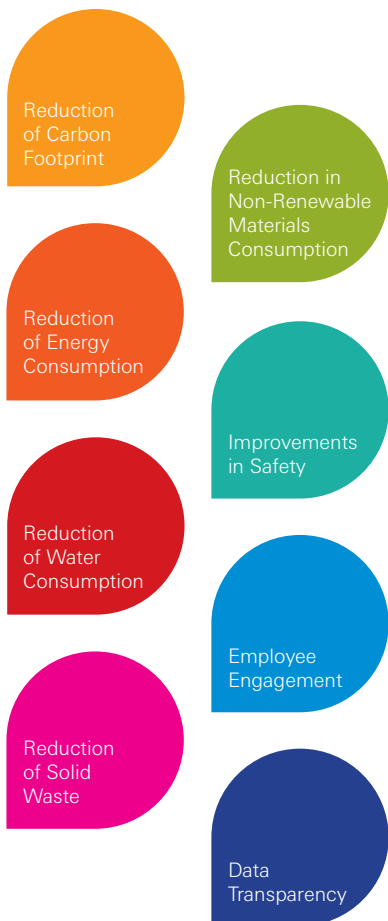
Beyond current activities, what do you see as future opportunities in the continuous process of long-term sustainability?

World resource management will become more acute over time. In the short-term, the process of conservation is helpful but conserving is not a viable long-term strategy. Eventually, renewability and recyclability will be key. There are many good renewability initiatives in early stages now, but recyclability requires many stakeholders and I believe that government incentives and support may be necessary to galvanize efforts and bridge the gap in short-term economics.

For us, sustainability is not a program. It is systemic and embedded in our core management processes and objectives, which represents the big change. It is not a special initiative – it's the way we operate.

Did consumer interest in PGI's sustainability initiatives accelerate during 2009, and was there any specific data that seemed to particularly resonate with customers?

We aren't that visible to consumers because we are primarily a business-to-business supplier. However, there is no question that customers' interest has intensified and that they view us as the partner of choice in developing solutions while maintaining transparency.



Index of GRI Standard Disclosures

For this 2009 Sustainability Report, PGI is using the disclosures outlined in this index. These are consistent with our application level of B in reporting against the GRI guidelines and framework.

- *Reported*
- ◐ *Partially or indirectly reported*

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1. Strategy and Analysis

1.1

Statement from senior decision-makers

Please see our CEO's statement on page 5, and our CSO's statement on page 6.

PGI views sustainability as the new global standard of corporate social responsibility that reflects very real trends in:

- + Consumer & customer behavior
- + Government initiatives
- + Supply/demand limitations in key resources
- + Environmental challenges

PGI's primary sustainability objectives are to:

1. Be the leader in corporate social responsibility in our industry.
2. Gain marketplace advantage in opportunities presented by sustainability trends.
3. Inspire our employees to increase engagement, drive innovation, and reduce costs

In pursuing these objectives, PGI has established the following five-year goals to be achieved by 2014.

- + Commercialize 10 new sustainable initiatives
- + Reduce our carbon footprint by 10%
- + Reduce the use of water in manufacturing by 10%
- + Reduce the use of non-renewable materials in delivered products by 10%
- + Reduce solid waste from manufacturing processes by 10%
- + Report at an "A" GRI application level
- + Reduce recordable safety incidents to zero
- + Achieve a "Low Risk" employee engagement benchmark level

1.2

Impacts

PGI's business activities have three main impacts:

+ Environmental

PGI consumes primarily non-renewable raw materials, and uses water and direct energy to convert those materials into products or product components, which are in turn ultimately disposed of in landfills or incinerators

+ Health

PGI's materials are key components of products which contribute to improved medical treatment and personal protection, limit the spread of disease and infection, and improve the cultivation of food staples

+ Safety

While PGI strives for continuous improvement in the prevention and limitation of employee injury, PGI's operations entail manual labor in sophisticated manufacturing environments which continually challenge personal safety

Opportunities

Many of PGI's customers rely on us as material providers to indirectly substantiate their own sustainability positions with consumers. As such, PGI has opportunities to improve in each of its main impact areas:

+ Environmental

PGI's R&D and Operations groups are spearheading efforts to transition to renewable raw materials, minimize the water and energy required for our conversion processes, and alter formulations to enhance material biodegradability

+ Health

PGI's product innovation efforts are squarely focused on partnering with customers to facilitate advancements in maintaining and improving global health

+ Safety

PGI's Operations group is leading the implementation of a behavior-based safety protocol designed to further enhance our ability to prevent employee injury



Risks

Among PGI's business risks potentially impacting future financial performance, three are directly related to sustainability trends, impacts, and opportunities:

- + Increases in prices for raw materials or the unavailability of raw materials could reduce our profit margins
- + We generate most of our revenue from the sale of manufactured products that are used in a wide variety of consumer and industrial applications and the potential of product liability exposure could be significant
- + We could incur substantial costs to comply with environmental laws, and violations of such laws may increase costs or require us to change certain business practices

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

PGI pursues risk management using an Enterprise Risk Management (ERM) process, which is currently in implementation stage. This process provides a complete system for assessing, responding to, and reporting on all company risks, including but not limited to strategic, environment, process, financial reporting and compliance risks.

Operations risks are mitigated through programs such as:

- + **P.A.S.S. (Pro-Active Safety System)** – this requires each plant to have a documented inspection plan and to conduct area safety inspections on a routine basis. Corrective actions to address exposures are tracked to completion.
- + **Near-Miss Reporting** – this informal process encourages all employees to report any unsafe conditions they uncover through an easy-access web page accessible via the company's intranet home page. PGI had well over 2,000 near-miss reports submitted in the year-to-date and 99% were closed to completion.
- + **Capital Project Handover Safety Review** – a series of 35 safety-related checkpoints are reviewed with each new asset installation or significantly-modified piece of equipment. This review requires signature approval by the plant manager and project leader.
- + **FM Global Audits** – Factory Mutual Insurance conducts annual audits of PGI's facilities to make certain appropriate and adequate protections are in place and that properties are being managed effectively. Reviews also exist for PGI's Lockout/Tag-out procedures, Safe Job Procedures and Emergency Evacuation Plans.

Risk management results are communicated to the Chief Financial Officer on a monthly basis and to the Audit Committee on a quarterly basis.

2. Organizational Profile

2.1

Name of Reporting Organization

Polymer Group, Inc.

2.2

Primary Brands, Products and or Services

Please see the Polymer Group, Inc. Form 10-K in our 2009 Annual Report for a complete description of the operating segments, including a representative listing of products for each business.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

Corporate Profile

Polymer Group, Inc. (PGI) is a leading global innovator, manufacturer and marketer of engineered materials focused primarily on the production of nonwovens. These are high value-added, high performance and low-cost alternative materials developed as an outgrowth of paper, textile and chemical technologies, with critical characteristics including absorbency, tensile strength, softness and barrier properties.

PGI's products, which typically comprise only a small percentage of the final product's total cost, are critical substrates and components for disposable consumer applications such as baby diapers, feminine hygiene products, household and personal wipes, disposable medical applications including surgical gowns and drapes, and for various durable industrial applications including furniture and bedding, filtration and protective apparel.

Nonwovens are categorized as either disposable (estimated to be 65% of worldwide industry sales) or durable (estimated to be 35% of worldwide industry sales). PGI primarily competes in markets for disposable products, which account for approximately 70% of its total nonwoven sales.

PGI has one of the largest global platforms in our industry, with 15 manufacturing and converting facilities throughout the world, and a presence in nine countries. Operations are strategically located near many key customers in order to increase effectiveness in addressing local and regional demand as many PGI products do not ship over long distances economically. This logistical structure reduces the company's effective carbon footprint.

PGI works closely with customers in over 50 countries, which include well-established multi-national and regional manufacturers of consumer and industrial products. The company uses innovative technologies to provide engineered solutions to meet increasing consumer demand for more sophisticated products. PGI is one of the leading participants in the majority of the markets in which it competes and has one of the broadest and most advanced technology portfolios in the industry.

PGI's consolidated net sales for fiscal 2009 and 2008 were US \$888,653,000 and \$1,073,272,000 respectively. The descriptions of the company's business segments on the following pages reflect a representation of product applications and associated brands.

Patents and trademarks

PGI considers its global patents and trademarks, in the aggregate, to be important to its business and seeks to protect this proprietary know-how in part through United States and foreign patents and trademark registrations. The company holds over 450 trademarks, pending trademark applications and domain registrations worldwide. It also holds over 400 patents and pending patent applications worldwide.



SuperSoft™

Hygiene Applications



PGI's substrates are critical components in diapers, training pants, feminine sanitary protection and adult incontinence products— providing superior absorbency, barrier, strength, fit and softness.

Primary Brands: SuperSoft™, Comfortsilk®, Reticulon®



MediSoft®

Healthcare Applications



PGI's healthcare products are the principal, high-performance materials used in disposable surgical packs, medical apparel such as operating room gowns and drapes, face masks, shoe covers, and wound care sponges and dressings.

Primary Brands: MediSoft®, Pentamax®, Poly-breathe®.

Wipes Applications



W

WIPES

PGI produces nonwoven products for the consumer wipes market, which includes personal care and facial wipes, baby wipes, and household wipes. We also market a branded line of converted wipes directly to industrial, food service, automotive, floor & surface, and janitorial markets.

Primary Brands: Boxer®, Chicopee®, C pro-Chlor®, C pro Quat®, Chix®, Chux®, C-Tex®, Durawipe®, Durawipe® Xtra, Fresh Guy®, Marine Island®, Pick It Up®, Quix®, Stretch'n Dust®, Worxwell®, B-Clean®, Cartex®, Chifonet®, Dusty®, I-Solve®, J-Cloth®, Lavette®, Masslinn®, Morana®, Sur-Prep®, Swansoft®, Ultra-Tex®.



Durawipe® Xtra
made with
Spinlace®
Fabric

Industrial Applications



IN

INDUSTRIAL

PGI's industrial business serves a diverse collection of niche end-markets including cable wrap, furniture and bedding, home furnishings, filtration, and agriculture. Additionally, PGI is taking advantage of opportunities to utilize engineered materials in new applications where they have not traditionally been used.

Primary Brands: Agribon®, Agriforce®, Dominion®, Air-Gard®, Battalion®, Breezway®, Brigade®, Comfort Finish®, Crusader®, Lumber Gard®, Cladline®, Cleanswell®, Freeswell®, Liteswell®, Topswell®, Aquapex®, Durapex®, Kiara®, Geca Tapes.



Agribon®



As of December 31, 2009

The Board Committees are:

- + Audit Committee
- + Capital Projects Committee
- + Compensation Committee
- + Nominating and Corporate Governance Committee
- + Restricted Stock Committee

Board of Directors / Polymer Group, Inc.

- + William B. Hewitt
(Chairman of the Board)
- + Carlos Cavalle
- + Elizabeth A. Fessenden
- + Veronica M. Hagen
(Chief Executive Officer)
- + Keith B. Hall
- + James A. Ovenden
- + Mark R. Patterson
- + Jurriaan van der Schee

2.3

Operational structure of the organization, including main divisions

The Board of Directors is the ultimate authority of PGI in the management of its business operations. The Board's role is to govern the affairs of PGI to the extent appropriate under the corporate laws of the State of Delaware – for the benefit of its stockholders, employees, customers, suppliers and the communities in which it does business.

The Board of Directors appoints the company's officers and assigns responsibilities to them regarding the management of PGI operations. The Board of Directors also reviews the performance of the officers. An independent member of the Board of Directors serves as Chairman of the Board.

The responsibilities of a number of committees are also defined by the Board of Directors and are stated in the company bylaws and in the respective committee charters. The Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, elects members to each Committee of the Board of Directors. It also has the authority to change committee memberships or the responsibilities of any committee.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page:

<http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

2.4

Location of organization's headquarters

9335 Harris Corners Parkway
Suite 300
Charlotte, North Carolina, 28269
USA

Telephone: +1 704 697 5100

Fax: +1 704 697 5116

2.5

Countries of Operation

As of 3rd January 2010, PGI operates 15 facilities in 9 countries. The facilities are located as follows:

United States

- + North Little Rock, Arkansas
- + Benson, North Carolina
- + Mooresville, North Carolina
- + Waynesboro, Virginia
- + Clackamas, Oregon

Canada

- + North Bay, Ontario
- + Magog, Quebec
- + Montreal, Quebec (Sales)

France

- + Bailleul

The Netherlands

- + Cuijk

Spain

- + Barcelona (Sales)
- + Tarragona

Argentina

- + Buenos Aires

Colombia

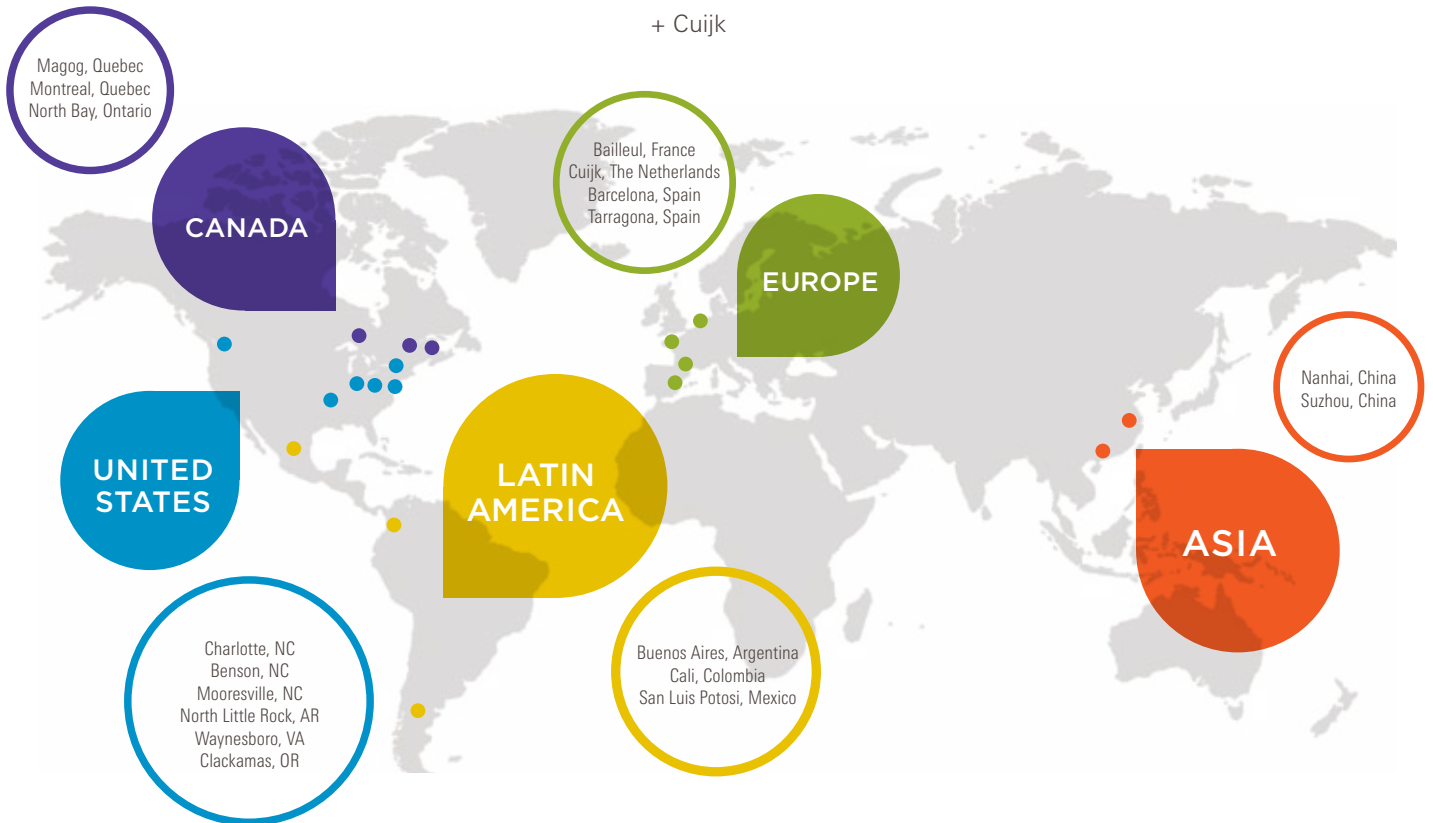
- + Cali

Mexico

- + San Luis Potosi

China

- + Nanhai
- + Suzhou



2.6

Nature of Ownership and Legal Form

PGI is a publicly traded company (OTC Bulletin Board: POLGA & POLGB). As of the 7th of March 2010, there were 20,999,940 total shares of PGI common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote. There were no shares of preferred stock outstanding as of the record date.

2.7

Markets Served

PGI manufactures nonwoven products for four market segments. In each of these markets, products are sold to manufacturers or contract manufacturers for production as retail or institutional goods.

By segment

- + Hygiene
- + Healthcare
- + Wipes
- + Industrial

At the time this Sustainability Report was published, PGI does not have the reporting systems to break down the volume of sales by market segment.

By region

+ US	35 %	+ Asia	12%
+ Latin America	27 %	+ Canada	9%
+ Europe	17%		

2.8

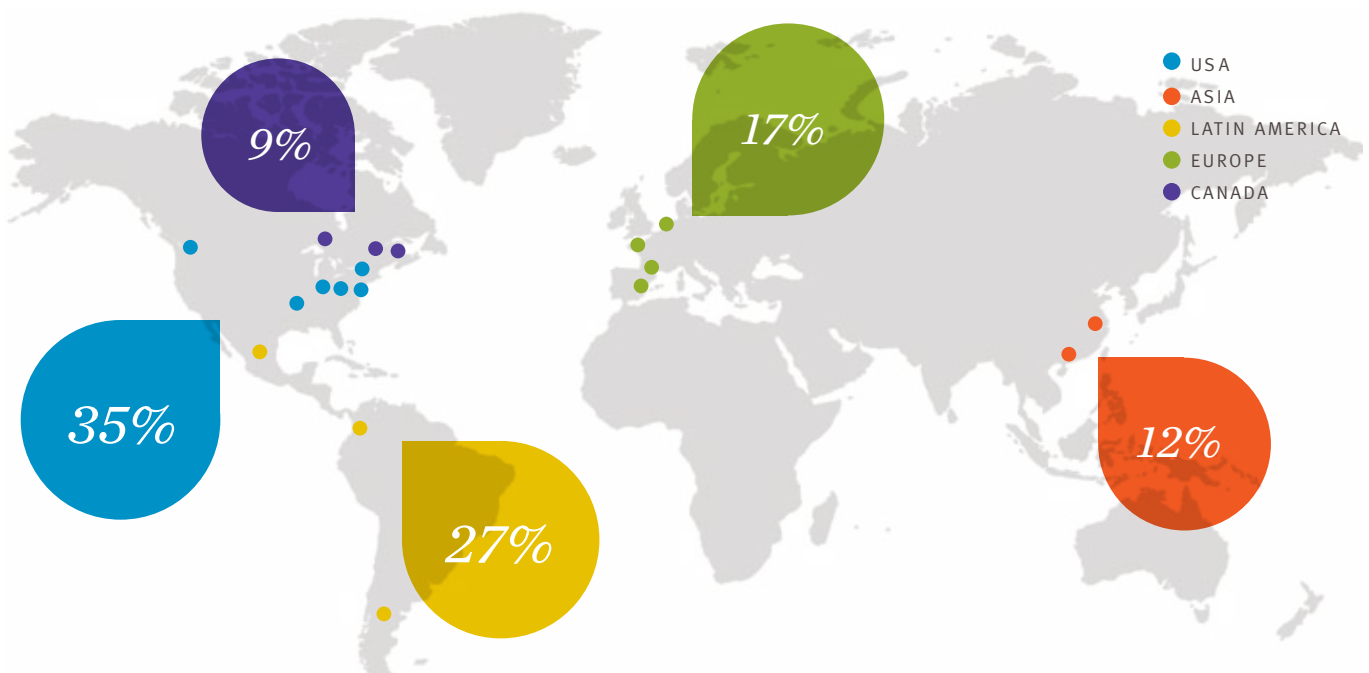
Scale of Reporting Organization (Year end 2009 Data)

As of January 2, 2010 PGI had approximately 3,100 employees. Of this total approximately 37% are represented by labor unions or trade councils that have entered into separate collective bargaining agreements with us. There were no new unionizing attempts in fiscal 2009. We believe we generally have good relationships with both our union and non-union employees.

Product Shipped to customers = 13.3 billion m²
311.6 million kg

Net Sales	\$ 882,652,000
Assets	\$ 702,366,000
Total Liability	\$ 553,237,000
Total Debt	\$ 342,632,000
Total Equity	\$ 149,129,000
Stockholder's Equity	\$ 141,091,000
Minority Interests	\$ 8,038,000

\$ SALES BY REGION





2.9

Significant Changes During the Reporting Period

Beginning in late 2008, the worldwide economy experienced a downturn resulting in slower economic activity. This phenomenon was due to the effects of several factors including: the sub-prime lending and general credit market crisis and its collateral effects on the finance and banking industries, decreased consumer confidence and demand, reduced corporate profits and spending, adverse business conditions, increased energy costs, and concerns about inflation and liquidity.

Certain areas of our business were negatively affected by these macro economic changes. In particular, the portion of our business serving the industrial markets associated with American regions has experienced a significant decrease in sales volume. If the markets we serve deteriorate significantly further based on the resurgence of recessionary trends, our business, financial conditions, and operational results may be materially and adversely affected.

Conversely, as worldwide economic purchase volumes declined, the cost of our raw materials declined significantly, beginning in the fourth quarter of 2008. This dramatic change, coupled with other specific business initiatives to improve profits, resulted in a positive impact to our overall earnings – offsetting the

negative impacts of lower volumes. If raw material prices were to increase at the pace and severity they declined in late 2008, again, our results may be materially and adversely affected.

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2.10

Awards Received During 2009

PGI Mexico received a Red Cross Award for Social Responsibility. This recognition was awarded by the Governor of the state of San Luis Potosi.

“THE COMMITTEE’S RESPONSIBILITY IS TO ENSURE ACCURATE ONGOING COLLECTION OF DATA”



3. Report Parameters

REPORT PROFILE

3.1

Reporting Period

This report is based on fiscal 2009 corporate-level data for the period ending January 2, 2010. Comparative indicators are referenced to the fiscal 2008 reporting period.

3.2

Date of the most recent previous report

PGI’s first sustainability report was posted on its corporate web site December 23, 2009, for the fiscal 2007 and 2008 reporting periods.

3.3

Reporting Cycle

Annual

3.4

Contact for questions regarding the report

Clifford D. Bridges

Global Communication Director

Polymer Group, Inc.
9335 Harris Corners Parkway
Suite 300
Charlotte, NC 28269

Telephone: +1 704 697 5168

Email: bridgesc@pginw.com

REPORT SCOPE AND BOUNDARY

3.5

Process for Defining Report Content

PGI believes that a clear definition of all aspects of its business conduct is paramount to success and necessary for a sustainable future. We have invested time and utilized the appropriate personnel to complete the compilation and writing of PGI’s second GRI-based sustainability report.

The process for creating the 2009 Sustainability Report follows on directly from our inaugural 2008 report. It is an initiative driven by PGI’s Senior Global Communication Director in conjunction with the Director, Strategic Planning & Analysis. The primary goal of this report is to benchmark basic indicators and report them, along with identifying Sustainability Goals endorsed by the corporate executive lead team.

Our Chief Sustainability Officer appointed a committee comprising team members from operations, marketing, strategic planning and global communications. The committee’s responsibility is to establish and follow procedures and processes that will ensure accurate ongoing collection of data pertinent to the GRI format.

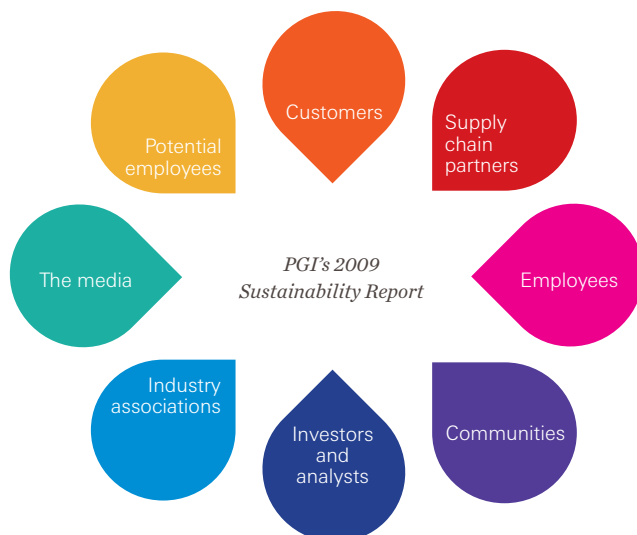


From PGI's Sustainability animation, which can be viewed at www.polymergroupinc.com

The following stakeholders are anticipated to use PGI's 2009 sustainability report:

- + Customers
- + Supply chain partners
- + Employees
- + Communities
- + Investors and analysts
- + Industry associations
- + The media
- + Potential employees

The GRI principle for defining the nature of the content as to materiality, inclusiveness, sustainability context, and completeness were employed in the writing of this report.



3.6 Boundary of the report

This report addresses operations and activities in majority-owned PGI facilities. While two of our operations were Joint Ventures (JV) with majority ownerships by PGI, the minority interest in Buenos Aires, Argentina was purchased by PGI in 2009. The Nanhai, People's Republic of China remains a JV. A reference to the locations that are included within the boundaries of this report can be found in performance indicator 2.5 – countries of operation.

3.7 Limitations on the scope or boundary of the report

This report addresses the broad and full range of economic, environmental and social impacts of PGI, as defined in the context of GRI reporting guidelines and within the boundary described in 3.6.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

“PGI HAS SPECIFIC CORE VALUES THAT GOVERN OUR BEHAVIOR & ACTIONS”



3.8 Basis for reporting that can significantly affect comparability from period to period or between organizations

The basis for reporting on joint ventures and subsidiaries and other entities does not significantly affect comparability from period to period or between organizations.

3.9 Data measurement techniques and the bases of calculations

Along with site-specific ISO 9001 registration, PGI has specific core values that govern our behavior and actions. To adhere to our ISO 9001 registration and core values, we are self-critical with respect to measurement against established annual goals and metrics for all facets of the organization. To ensure that results meet established goals, business performance is reviewed and adjusted at established intervals.

Data for this report was extracted from specific intra-company sources that are unique to the particular needs of the respective measure. A critical source of information was our Enterprise Resource Planning System. In several instances, data was cross-checked against financial reports to ensure accuracy. In all cases, devices used for data gathering met PGI local policy for calibration, measuring, measuring equipment / systems, and critical instruments. Greenhouse gas emissions were calculated using the Greenhouse Gas Protocol (GHG Protocol).

3.10 Explanation of the effect of any re-statements of information provided in earlier reports

Re-statements have not been employed.

3.11 Significant changes from previous reporting periods

In 2009 PGI divested its FabPro business with facilities in Kansas and Utah. PGI acquired operations in Tarragona, Spain with the acquisition of Tesalca-Texnovo. PGI expanded its manufacturing capacity in San Luis Potosi, Mexico with an advanced spunmelt line.

GRI CONTENT INDEX

3.12 Table identifying the location of the Standard Disclosures in the report

Please refer to the Index of Standard Disclosures located on page 9.

ASSURANCE

3.13 Policy and practice with regard to external assurance for the report

External assurance was not utilized for this report, but is planned for later reports.

4. Governance, Commitments and Engagement

GOVERNANCE

4.1

Governance structure of the organization

PGI's leadership is structured in a manner that grants essential decision-making at various levels of management, guided by the CEO, COO, and CFO. The company relies on the Board of Directors to be familiar with company operations via review sessions, where they address issues deemed important.

The Board of Directors at PGI comprises a Chairman of the Board and seven additional Board Members. Corporate officers are accountable to the Board, and accountable for their management roles within the Company.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

PGI's Board Committees and Board Members are described in disclosure 2.3.

PGI's Sustainability Governance Committee, under the direction of the Chief Sustainability Officer, acts as the governance body within the company for key sustainability issues. This committee formulates reports for the Board of Directors that guides the Board in its decisions pertaining to PGI's Sustainability Policy.

4.2

Is the Chair of the Board of Directors also an executive officer

William B. Hewitt serves as the Chairman of the Board. He is not an executive officer.

4.3

Number of members of the Board of Directors that are independent and/or non-executive members

There are eight Board Members and four are independent and/or non-executive members.

Independent / Non-Executive:

An Independent Director is a member of the Board who is neither a paid employee nor consultant (now or within the last 3 years) and is not affiliated with companies who do business with PGI, or is not a relative of an employee nor related to an individual affiliated with companies who do business with PGI.

- + William B. Hewitt
- + Elizabeth A. Fessenden
- + James A. Ovenden
- + Carlos Cavalle

4.4

Mechanism for shareholders and employees to provide recommendations or direction to the Board of Directors

Stockholders and other parties interested in communicating directly with the Chairman of the Board or with the directors as a group may do so by writing to Chairman, Polymer Group Inc., 9335 Harris Corners Parkway, Suite 300, Charlotte, NC 28269.

The PGI Corporate Secretary regularly forwards to the Board a summary and copies of all such correspondence, in his opinion relates to the functions of the Board or committees or otherwise requires their attention. Directors may at any time review a log of all correspondence that is received that is addressed to members of the Board and request copies of any such correspondence. Concerns relating to accounting, internal controls or auditing matters are immediately brought to the attention of the Audit Committee and handled in accordance with procedures established by the Audit Committee.

4.5

Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance

The Compensation Committee regularly reviews PGI compensation plans to ensure that pay levels and elements of compensation are consistent with our compensation philosophy. The goals of our compensation plans and compensation policies are generally to create a meritocracy by considering individual performance and contribution and to invest in future potential in every aspect of compensation. Compensation structures are designed to deliver median compensation when median performance is achieved, at the individual, operating unit, or corporate level.

Material increases for executive officers' compensation typically happen in three situations: when performance is so outstanding that the Compensation Committee, at the CEO's recommendation, awards a cash payout and/or special equity award; when market salary survey data indicates a disparity; or when there is an internal disparity in levels of executive compensation considering the executive officer's relative responsibilities and experience.

Our compensation decisions are also influenced by the general status of global economic activity. In times of uncertain global economic activity, our short-term and long-term financial planning is impacted. This may cause us to be more conservative in our compensation decisions to manage employment stability and profitability in the face of uncertain economic conditions.

4.6

Processes in place for the highest governance body to ensure conflicts of interest are avoided

All Directors, Officers, and Employees of PGI are required to sign the Company's Code of Business Conduct. The Code of Business Conduct is written to insure that Directors, Officers and Employees conduct themselves ethically in their daily performance.

The Code is available at the following link: http://media.corporate-ir.net/media_files/ooc/polga.ob/reports/codeofconduct.pdf

Transactions with related persons are required to be disclosed under our Code of Ethics and our Code of Business Conduct, whose policies include disclosure of items covered by item 404(a) of SEC Regulation S-K. Depending on the source and type of related person transactions, the Audit Committee – which is charged with reviewing reports and disclosures of insider and affiliated party transactions – or the full Board may review, approve or ratify the related person transaction, each in accordance with the standards stated in the Code of Business Conduct or Code of Ethics.

4.7

Process for determining the qualifications and expertise of the members of the Board of Directors

The Nominating Committee, among other duties, assists the Board by identifying individuals qualified to become Board members, recommends individuals to the Board for nomination as members of the Board and its committees, leads the Board in its annual review of the Board's performance, and develops and recommends to the Board a set of corporate governance guidelines. The Board has adopted a Nominating and Corporate Governance Committee Charter and Nominating and Corporate Governance Guidelines that can be found on the Investor Relations page of our website.

The investor relations page can be found at: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-IRHome>

4.8

Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environment, and social performance and the status of their implementation

PGI PURPOSE STATEMENT

PGI strives to be the premier partner of choice for innovative companies seeking materials that, in simplest terms, perform better and offer superior value.

We will achieve this by delivering outstanding customer satisfaction and solutions that help them succeed.

We are committed to making the world a safer, better place by providing the highest quality products to customers in four markets around the world – hygiene, healthcare, wipes, and industrial.

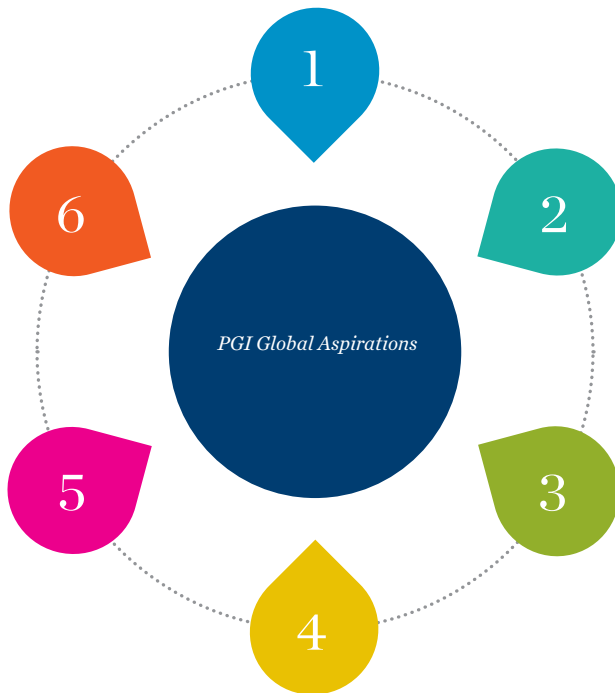
The contributions of our people will be recognized as the key to our success in achieving leadership and creating value for stakeholders.

CORPORATE SOCIAL RESPONSIBILITY VISION

To achieve recognition as a leader in promoting health, safety, and sustainability through the products we make, and by attaining world-class safety metrics, reducing consumption of resources, and minimizing environmental impact.

PGI VALUES & BEHAVIORS





- ◆ Value-based leadership
- ◆ Market-driven and Customer-centric
- ◆ Innovative business practices and solutions
- ◆ Best-in-class processes and quality
- ◆ Safe work climate
- ◆ Performance-driven

4.9

Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

PGI's Sustainability Governance Committee is led by Chief Sustainability Officer, John Heironimus, and comprises 13 other PGI personnel:

- + John Heironimus (*CSO, Committee Chairman*)
- + Alex Eggleston (*EH&S*)
- + Sergio Diaz De Leon (*Corporate R&D*)
- + Norm McClave (*Strategic Planning*)
- + Steven Millsap (*Corporate Legal*)
- + Cliff Bridges (*Global Communications*)
- + Steven Edwards (*Corporate Internal Audit*)

- + Matt Cook (*Procurement*)
- + Yan Cui (*Asia Representative*)
- + Joan Vanness (*Information Technology*)
- + Rüdiger Joerg (*Europe Representative*)
- + Martha Landrum (*Human Resources*)
- + Allen Miller (*Operations*)
- + Jorge Serra (*Latin America Representative*)
- + Bill Heatlie (*Canadian Representative*)

The Sustainability Governance Committee meets monthly. Each committee member is accountable for specific responsibilities pertaining to the execution and reporting of PGI's sustainability policies and practices.

4.10

Process for evaluating the highest governance body's performance, particularly with respect to economic, environmental, and social performance

Each Board Committee reviews itself annually relative to performance against its charter. Each committee makes regular reports to the Board of Directors. The Compensation Committee reviews the performance and compensation of the Chief Executive Officer.

COMMITMENTS TO EXTERNAL INITIATIVES

4.11

Explanation of how the precautionary approach or principle is addressed by the organization

Principle 15 of the Rio Declaration defines the precautionary approach to protecting the environment, and that it shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

As a responsible corporate citizen, PGI supports the precautionary principle. PGI views the precautionary principle as an application of risk assessment, including hazard identification. Product safety and all the inherent processes and ingredient materials used in our manufacturing are subject to review on an ongoing basis.

4.12

Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or endorses

PGI Columbia is committed to serving the community of Cali, Colombia by donating its recyclable residues from its production plant to a charity organization called FUNDAMOR – which provides for underprivileged children affected by AIDS.

A specialized company called GERT receives scrap materials (polymer waste, fiber waste from purges, cartons, plastics and scrap metals) directly from PGI Colombia, and separates the recyclable materials in accordance with environmental regulations. GERT also certifies the correct handling of residues in compliance with environmental legislation.

A significant portion of the proceeds from the sales of scrap materials are turned over to FUNDAMOR to help attend to children's needs. FUNDAMOR reports the value and amounts of materials recycled to PGI on a monthly basis.

PGI Colombia has been supporting FUNDAMOR since early 2004.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms. These documents can be found on the following web page: <http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

4.13

Memberships in associations and/or advocacy organizations

- + International Nonwovens & Disposables Association (INDA)
- + European Disposables & Nonwovens Association (EDANA)
- + Asia Nonwovens Fabric Association (ANFA)
- + Global Reporting Initiative (GRI)

4.14

List of stakeholder groups engaged by the organization

- + Customers
- + Supply chain partners
- + Employees
- + Communities
- + Investors and analysts
- + Industry associations
- + The media
- + Think Tanks
- + Potential employees

4.15

Basis for identification of stakeholders with whom to engage

PGI's stakeholders are individuals or groups who can have an impact on the company's ability to conduct business, or who may be impacted by our activities, such as customers.

4.16

Approaches to stakeholder engagement

There are numerous ways that our stakeholders can communicate with us and engage in dialogue. Our website offers three different portals for individuals to communicate directly. Our contact information, including postal addresses and relevant service telephone numbers are also publicized on our website and in public documents.

Customers

Meetings are conducted regularly to engage with our customers and understand their needs, as well as to assess our quality and performance ratings. A global digital customer survey is available on our websites, enabling customers to comment at their convenience on numerous points, with categories pertaining to all levels of customer interaction.

Employees

Employee opinion surveys are conducted regularly and reviewed across the Board of Directors and management. Leadership programs are conducted, as well as quarterly meetings to update all employees on performance and the current state of the company.

Supply Chain Partners

Meetings are conducted on a regular basis with key suppliers to share our needs and give them insight into our sustainability goals.



4.17

Key topics and concerns raised through stakeholder engagement, and how the organization has responded to those key topics and concerns

Being primarily a business-to-business company, many customers inquire about our sustainability goals and product offerings. We seek to communicate in the most transparent ways with stakeholders about the nature of our processes and materials that are used to make our products. A recent example is in the down-weighting of materials that PGI manufactures as components for baby diapers. Materials were developed lighter in weight, resulting in a demand for less energy and raw materials without sacrificing the very important functionality of the product.

As part of this dialogue, this sustainability report will address many of the questions we are asked. Our disclosures are forthright and specific performance indicators are fully addressed using the most modern techniques and scientific methods available and feasible.

Collaboration

In 2009, PGI volunteered to collaborate with the Organization for Economic Cooperation and Development (OECD) to field test a prototype of its Sustainable Manufacturing Toolkit, which is currently under development.

OECD promotes policies designed to achieve the highest sustainable economic growth and employment and an increased standard of living in member countries – while maintaining financial stability and contributing to the development of the world economy.

The purpose of the toolkit is to help companies measure and improve their sustainability performance by providing guidance on benchmarking for products and production processes. It focuses on making more efficient use of non-renewable resources and minimizing the use and production of unwanted by-products. The toolkit is designed to complement existing mainstream initiatives like the GRI reporting system – but with a specific focus on underlying materials, processes and products that influence performance.

Index of GRI Performance Indicators

For this 2009 Sustainability Report, PGI is using the performance indicators outlined in this index, which are consistent with our application level of B in reporting against the GRI guidelines and framework.

- *Reported*
- ◐ *Partially or indirectly reported*

EC Economic Performance	
Disclosure on Management Approach: pages 6, 14, 10 K	
	ECONOMIC PERFORMANCE
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments ● page 35
EC3	Coverage of the organization's defined benefit plan obligations ● page 36
	MARKET PRESENCE
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation ● page 37
	INDIRECT ECONOMIC IMPACTS
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts ● page 38
EN Environmental Performance	
Disclosure on Management Approach: pages 7, 40, www.polymergroupinc.com/en/about_us_sustainability.php < http://www.polymergroupinc.com/en/about_us_sustainability.php >	
	MATERIALS
EN1	Material used by weight or volume ● page 40
EN2	Percentage of materials that are recycled input materials ● page 42
	ENERGY
EN3	Direct energy consumption by primary source ● page 43
EN5	Energy saved due to conservation and efficiency improvements ● page 43
	WATER
EN8	Total water withdrawal by source ● page 44
EN9	Water Sources significantly affected by withdrawal of water ● page 44
EN10	Percentage and total volume of water recycled and reused ● page 45

BIODIVERSITY		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	● page 45
EMISSIONS, EFFLUENTS, AND WASTE		
EN16	Total direct and indirect greenhouse gas emissions by weight	● page 46
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	● page 46
EN19	Emissions of ozone-depleting substances by weight	● page 46
EN21	Total water discharge by quality and destination	● page 47
EN22	Total weight of waste by type and disposal method	● page 47
EN23	Total number and volume of significant spills	● page 48
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	● page 48
PRODUCTS AND SERVICES		
EN27	Total weight of waste by type and disposal method	● page 48
COMPLIANCE		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	● page 49
OVERALL		
EN30	Total environmental protection expenditures and investments by type	● page 49


LA Labor Practices and Decent Work Performance

Disclosure on Management Approach: pages 51, 52, 53

EMPLOYMENT		
LA1	Total workforce by employment type, employment contract, and region	● page 50
LA2	Total number and rate of employee turnover by age group, gender, and region	● page 51
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	● page 43
LABOR/MANAGEMENT RELATIONS		
LA4	Percentage of employees covered by collective bargaining agreements	● page 52
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	● page 52
OCCUPATIONAL HEALTH AND SAFETY		
LA7	Rates of injury, occupational diseases, lost days, absenteeism, and total number of work-related fatalities by region	● page 53



HR Human Rights Performance

Disclosure on Management Approach: pages 31, 54

HR3	<p><small>INVESTMENT & PROCUREMENT PRACTICE</small></p> <p>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p>	 page 54
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SO Society Performance

Disclosure on Management Approach: pages 28, 38

SO7	<p><small>ANTI-COMPETITIVE BEHAVIOR</small></p> <p>Number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes</p>	 page 55
SO8	<p><small>COMPLIANCE</small></p> <p>Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations</p>	 page 55

PR Product Responsibility

Disclosure on Management Approach: pages 6, 7, 8, 15-18, 42, 56-57

PR4	<p><small>PRODUCT & SERVICE LABELLING</small></p> <p>Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes</p>	 page 56
PR5	<p>Practices related to customer satisfaction, including results of surveys measuring customer satisfaction</p>	 page 56
PR6	<p><small>MARKETING COMMUNICATION</small></p> <p>Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship</p>	 page 57
PR7	<p>Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes</p>	 page 58
PR8	<p><small>CUSTOMER PRIVACY</small></p> <p>Total number of substantiated complaints regarding breaches of customer privacy and of customer data</p>	 page 58
PR9	<p><small>COMPLIANCE</small></p> <p>Monetary value of significant fines for noncompliance with laws and regulations the provision and use of products and services</p>	 page 58

Economic Performance: Spending Policies & Practices

Economic Performance		
EC1	Direct economic value generated and distributed – including revenues, operating costs, employee compensation, donations, and other community investments, retained earnings, and payments to capital providers and governments	
STATEMENT OF OPERATIONS (AMOUNT IN THOUSANDS)	JAN 2, 2010 FISCAL YEAR ENDED	JAN 3, 2009 FISCAL YEAR ENDED
Net Sales	882,652	1,073,272
Cost of Goods Sold	698,977	897,484
<hr/>		
Gross Profit	183,675	175,788
Selling, general and administrative expenses	114,911	118,264
Acquisition and integration expenses	1,789	NA
Special Charges, net	20,863	20,088
Other Operating (income) loss, net	(3,478)	4,955
<hr/>		
Operating Income (loss)	49,590	32,481
Other Expense Interest expense, net		
Interest expense, net	26,473	31,221
Gain on reacquisition of debt	(2,431)	NA
Loss on extinguishment of debt	5,088	NA
Foreign Currency and other (loss) gain, net.	7,717	(1,188)
<hr/>		
Income (loss) before income tax expense and discontinued operations:	12,743	2,448
Income Tax expense	9,402	6,398
<hr/>		
Income (loss) from continuing Operations	3,341	(3,950)
Discontinued Operations:		
Income (loss) from operations of discount business	4,353	2,546
Gain on sale of discontinued operations, net	8,501	NA
<hr/>		
Income (loss) from discontinued operations	12,854	2,546
<hr/>		
Net income (loss)	16,195	(1,404)
Less: net (income) loss attributable to noncontrolling interests	2,009	6,757
<hr/>		
Net Income (loss) attributable to Polymer Group, Inc.	18,204	5,353

Economic Performance: Spending Policies & Practices

Benefit Plan				
EC3 Coverage of the organization's defined benefit plan obligations				
STATEMENT OF OPERATIONS (AMOUNT IN THOUSANDS)	US PLANS PENSION BENEFITS		NON-US PLANS PENSION BENEFITS	
	2008	2009	2008	2009
Change in Projected Benefit Obligation:				
Projected Benefit Obligation at Beginning of Year	(12,222)	(12,918)	(103,668)	(109,588)
<hr/>				
Service Costs			(2,160)	(2,504)
Interest Costs	(763)	(772)	(6,052)	(5,789)
Participant Contributions			(152)	(163)
Plan Amendments			(155)	
Actuarial (Loss) / Gain	(928)	283	(5,792)	10,027
Currency Translation Adjustment and Other Benefit Payments	1,043	1,185	4,407	3,368
<hr/>				
Projected Benefit Obligation at the End of Year				
Change in Plan Assets:				
Fair Value of Plan Assets at Beginning of Year	8,102	12,811	93,763	104,782
Actual Return on and Additional Plan Assets	2,899	(4,295)	11,715	(4,267)
Employer and Plan Participant Contributions	653	771	6,173	5,070
Benefit Payments	12,743	12,743	2,448	2,448
Currency Translation Adjustment and Other			5,829	(8,454)
<hr/>				
Fair Value of Plan Assets at End of Year	10,611	8,102	113,073	93,763
Funded Status	(2,259)	(4,120)	7,546	(9,905)

PGI sponsors defined benefit plans in United States, Canada, Netherlands, Mexico, Germany and France. It is PGI's policy to contribute to defined benefit plans where pension laws and economics either require or encourage funding. Many of the plans are funded through separate trusts. PGI also offers unfunded pension plans above the required plans limits in Canada.

All funded plans are in compliance with local funding laws. The aggregate projected benefit obligation ("PBO")

under U.S. GAAP as of December 31, 2009 for all of PGI's defined benefit plans was USD \$118.4 million with an aggregate market value of assets of USD \$ 123.8 million.

PGI also offers defined contribution plans in the U.S., Canada and France. The plan formulas are based on local law and the marketplace. Since pension plans and other retirement benefits build upon social security, and social security benefits vary widely by country, PGI's plans vary considerably internationally.



Market Presence

EC6

Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

PGI operates 15 manufacturing and converting facilities in nine countries throughout the world. Our goal is to become more valuable to our customers, operate more efficiently, and develop new growth opportunities in the regions of the world where we operate.

PGI sources both direct and indirect materials – as well as services for multiple locations worldwide. Direct materials tend to be highly complex and sometimes are only available from a relatively few number of suppliers that may or may not be located in the regions where we do business. PGI does not have a policy that dictates the proportion of spending on locally based suppliers.

PGI believes that local sourcing of goods and services provides value by supporting the local economy and creating the opportunity to reduce logistics and transportation costs in terms of fuel, freight and storage. Of the indirect spend, up to 23% of this spend may be eligible to be sourced locally. Each regional division evaluates materials and services and chooses suppliers who provide value to PGI, its shareholders, and its customers.

Economic Performance: Spending Policies & Practices

Indirect Economic Impact

EC9

Understanding and describing significant indirect economic impacts, including the extent of impact

Economic gain is created in nine countries where PGI resides. PGI has more than 3,100 employees who receive salaries for their work allowing them to support their families. PGI continually trains their employees and additionally new hires, who join the PGI organization. In all the PGI communities our employees are recognized for strong engineering, marketing and sales skills. The majority of PGI employees are from the regions where the facilities are located.

In 2009, PGI formalized its approach to community involvement in order to enable better management of its goodwill and associated resources. Numerous examples of PGI's significant indirect economic impact are outlined below.

Impact on Local Economy

- + We have fifteen manufacturing facilities throughout the world with a presence in 4 continents and 9 countries. (See PGI's 2009 10-K Form)
- + Our worldwide resources enable us to serve emerging geographic markets. (See PGI's 2009 10-K Form)
- + We expect to continue our successful strategy of adding capacity in both developed and developing regions to support and grow with global, regional and local customers. (See PGI's 2009 10-K Form)
- + We've had recent expansions in Cali, Colombia, Buenos Aires, Argentina and San Luis Potosi, Mexico. We recently announced expansion plans in the United States and Asia. We also had an acquisition in Spain. (See PGI's 2009 10-K Form)
- + We partner with select, industry-leading manufacturers to jointly develop leading-edge products. (See PGI's 2009 10-K Form)

- + In fiscal 2009, we closed the North Little Rock, Arkansas facility with relocation of some assets to Benson, NC. (See PGI's 2009 10-K Form)
- + In January 2009, we made the decision to exit our automotive business. (See PGI's 2009 10-K Form)

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Focus on Production & Products

- + We strive to achieve recognition as a leader in promoting health, safety, and sustainability through the products we make by attaining world-class safety metrics, reducing consumption of resources, and minimizing environmental impact. (See PGI's 2009 10-K Form)
- + Water saving devices were installed in various restrooms in PGI manufacturing facilities to promote sustainability.
- + In our Canadian facility in North Bay we upgraded all lighting lamps and ballasts. By combining high efficiency electronic ballasts with lower wattage lamps the North Bay facility realized annual electricity savings of \$113,000.
- + Our Canadian Fabrene business has developed a recyclable print media (billboard) substrate that reduces paper weight by 66%, thus improving safety. Because it is lightweight, it also reduces energy consumption of producing, transporting, and installing the finished product.

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Focus on Our Employees & Training

- + As of 1/2/10 we had approximately 3,100 employees. (See PGI's 2009 10-K Form)
- + The PGI Mexico Annual Training Matrix included environmental courses which focused on pollution prevention to increase employee environmental awareness at the workplace.
- + PGI Colombia invested \$113,000 (US) in personal development for its employees through a wide variety of cultural, educational, health promotion and recreational programs and activities – concentrating its efforts on those that promote an adequate work-life balance.
- + Our divisions in France and the Netherlands made investments in employee training, with additional emphasis on safety.
- + PGI Asia initiated the Employee Educational Assistance program to support employees looking to further their education by attaining an MBA.
- + PGI Mexico provides support for three employees who are studying for their Masters degree, provided 30 scholarships to help cover school fees for workers or their offspring, and offered support to 16 students who are enrolled in English language programs.

Focus on Charity

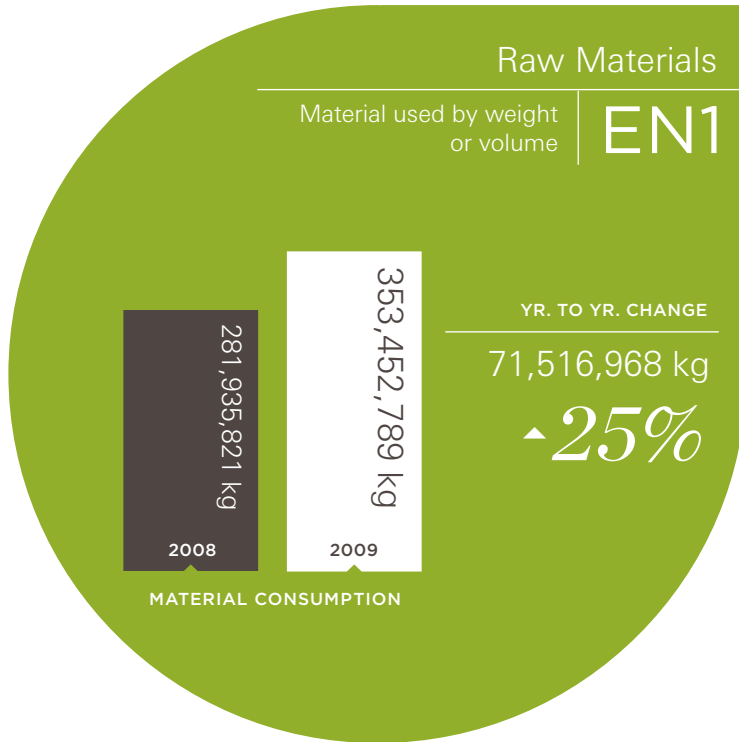
- + PGI was proud to be a sponsor of Charlotte's Dress for Success program in 2009. The mission of Dress for Success is to promote the economic independence of disadvantaged women by providing professional

attire, a network of support and the career development tools to help women thrive in work and in life. (Internal communication 9/8/09)

- + PGI Mexico was honored with the Red Cross Award for Social Responsibility from the Governor of San Luis Potosi.
- + Renewable residues are being donated to a NGO, which specializes in health and educational programs for those living with HIV disease.
- + PGI Mexico donated fabric for the production of face masks during the H1-N1 influenza epidemic.
- + At PGI Netherlands, a small foundation exists that is funded by both employees and the company. The main goal is to sponsor local charitable initiatives and program.
- + Medical materials have been provided to employees as a defense for swine flu in our Asian operations.
- + At the corporate office employees participate in the Corporate Neighborhood School Volunteer Initiative where we volunteer as tutors, mentors and lunch buddies.
- + Corporate employees also volunteer time and resources to assist: Discovery Place Kids; Arts & Science Council; Levine Museum; Habitat for Humanity; and York a Family Readiness Group that raised donations to help soldiers come home for holidays.

Environmental Performance: Raw Materials

The vast majority of raw materials used by PGI is purchased in the form of fiber or pellets that we transform into a product substrate, which is then typically further processed by our customer.



PRIMARY RAW MATERIALS (KG)	2008	2009
Polypropylene Resin/Fiber	192,353,958	209,482,737
Polyester Fiber	25,241,757	22,723,429
Polyethylene Resin	18,220,335	12,808,372
Rayon Fiber	16,457,287	13,975,764
Pulp	12,659,228	11,678,668
PE / PET Bico Fibers	9,327,113	7,157,940
Tissue	6,304,934	5,977,959
Cotton Fiber	872,798	799,739
Nomex	414,354	223,688
Kevlar	82,559	36,031
PP Leno Fiber	1,497	1,298

AVERAGE G/M² OF PRODUCT PRODUCED

26.4 grams/m²
2008

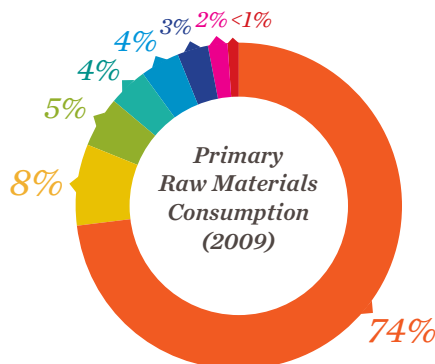
23.5 grams/m²
2009

NON-RENEWABLE RAW MATERIALS CONSUMED AS % OF TOP TOTAL RAW MATERIALS

87%
2008

91%
2009

- POLYPROPYLENE RESIN/FIBER
- POLYESTER FIBER
- RAYON FIBER
- POLYETHYLENE RESIN
- PULP
- PE / PET BICO FIBERS
- TISSUE
- COTTON FIBER/NOMEX
- KEVLAR/PP LENO FIBER



The primary raw materials used by PGI to manufacture most of our substrates are polypropylene resin, polyester fiber, polyethylene resin, and to a lesser extent, rayon, pulp and tissue paper. These materials are available from multiple sources, and we purchase them from a variety of global suppliers. The price of polypropylene, polyethylene and polyester relates to, among other things, manufacturing capacity, demand, and the price of crude oil and natural gas liquids.

Research efforts are focused on alternate resins from renewable sources. Current renewable materials used are rayon fiber, pulp, tissue and cotton fiber.

PGI has a comprehensive array of nonwoven manufacturing technologies that encompass capabilities spanning the entire spectrum of nonwoven technologies.

Our focus is primarily on the production of nonwovens. These are high value-added, high-performance, low cost alternative materials developed as an outgrowth of paper, textile and chemical technologies. Our products, which typically comprise only a small percentage of the final product's total cost, are the critical substrates and components for disposable applications such as baby diapers, feminine hygiene products, household and personal wipes, disposable medical products such as surgical gowns and drapes, and various durable industrial applications including furniture and bedding, filtration, and protective apparel.

PGI has a comprehensive array of nonwoven manufacturing technologies that encompass capabilities spanning the entire spectrum of nonwoven technologies. Rolled nonwoven goods typically have three process steps – web formation, web consolidation (or bonding), and finishing. Web formation is the process by which previously-prepared fibers, resins, filaments or films are arranged into loosely-held networks called webs, bats or sheets.

In each process, the fiber material is laid onto a forming or conveying surface, which may be dry or molten. The dry laid process utilizes fiber processing equipment called cards that have been specifically designed for high-capacity nonwoven products. The carding process converts bales of entangled fibers into uniform oriented webs, which then feed into a bonding process.

In a molten polymer-laid process, extrusion technology is used to transform polymer pellets into filaments, which are laid on a conveying screen and interlocked by thermal fusion. In this process, the fiber formation, web formation and web consolidation are generally performed as a continuous, simultaneous operation – making this method very efficient from a manufacturing and cost perspective.

All of our products begin with a focus on a particular fiber chemistry. In some of our manufacturing processes, fibers are purchased from suppliers in staple form, and we apply processes (sometimes proprietary) that result in a unique value-added substrate. In other processes, we convert polymer chips into continuous filaments that are subsequently made into a substrate in a single process.

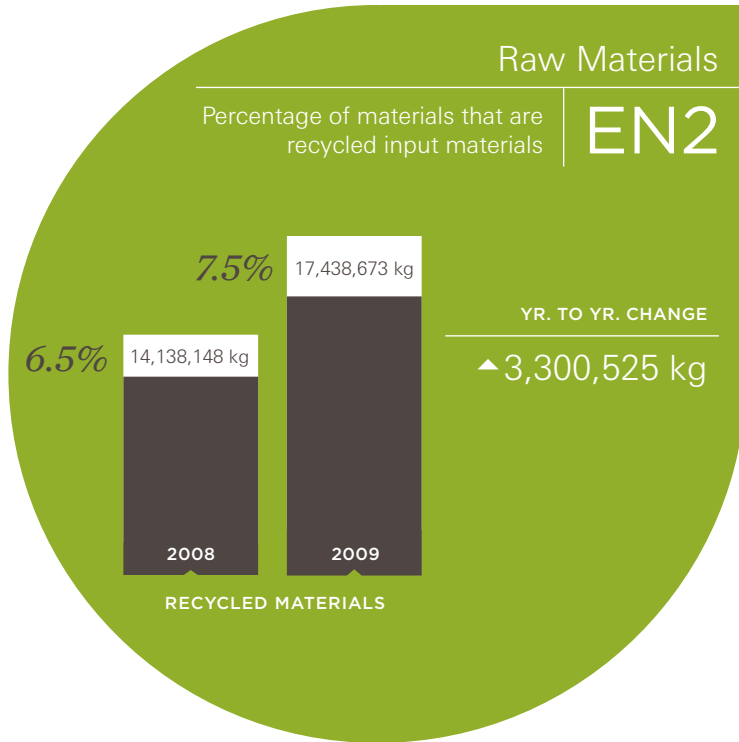
PGI has recently developed a Spinnlance® fabric that is manufactured using an internally-developed process that combines spunbonding, airlaid and hydro-entanglement techniques without the use of cards. The resulting nonwoven material is stronger, more absorbent and can incorporate three-dimensional images at lower weights. This offers a better value proposition than traditional manufacturing methods.

PGI has a proprietary continuous process for the manufacture of special reticulated films and composite structures. These films are typically customized for each customer. They are highly engineered films with unique capabilities created by precision holes that are imparted during the film forming process.

Finishing or post-treatment adds value and functionality to the product and typically includes surface treatment for fluid repellency, aperturing, embossing, laminating, printing and slitting. Some of these finishing processes employ additional chemical substances that are different from fiber chemistries.

Environmental Performance: Recycling

The production of nonwovens does not lend itself to a high volume of material recycling. However, PGI does endeavor to recycle as much as possible and continually looks for new recycling opportunities.



TOTAL VOLUME OF PRIMARY RAW MATERIALS CONSUMED

2008	281,935,821 kg
2009	353,452,789 kg

TOTAL MATERIALS RECYCLED

2008	14,138,148 kg
2009	17,438,673 kg

AVERAGE % OF VIRGIN RAW MATERIALS OFFSET THROUGH RECYCLING

6.5%
2008

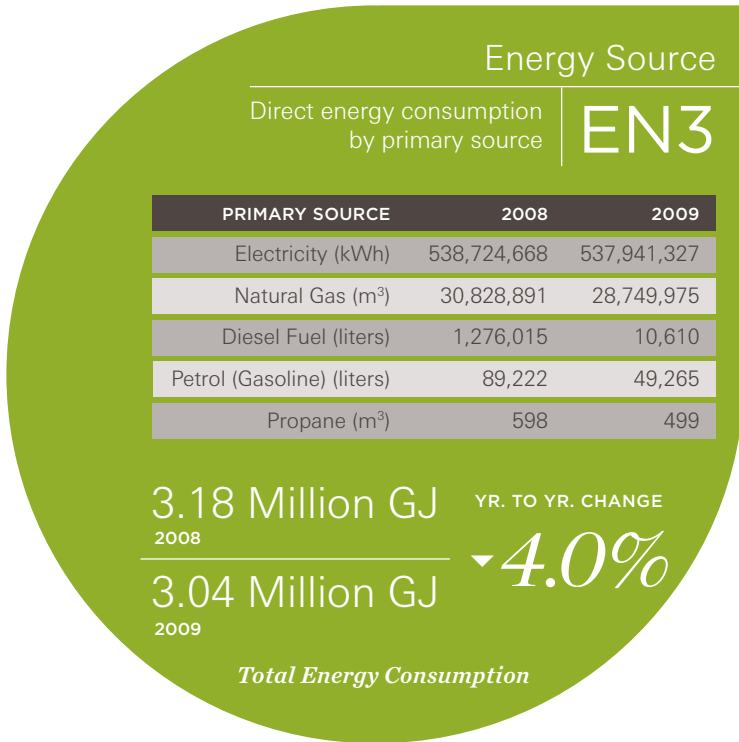
7.5%
2009



It is a standard procedure for PGI to recycle as much material as possible that is leftover from its primary manufacturing processes. While committed to internal recycling, PGI does not source or use externally-produced recycled materials or chemicals. We also recycle indirect materials such as cardboard, metal, and plastics. PGI is actively researching for alternate uses of products that are currently sent to landfills.

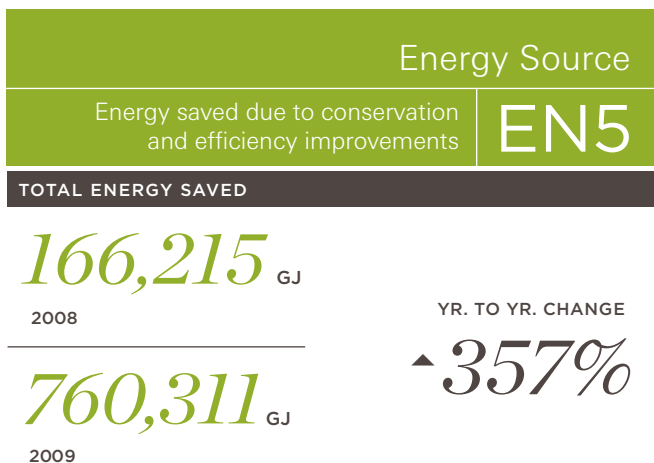
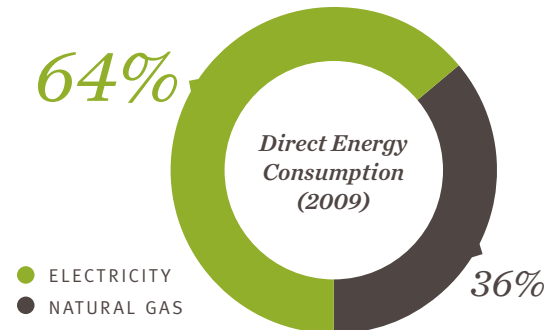
Environmental Performance: Energy

PGI recognizes that energy usage and the methods required to generate energy have a significant impact on the environment, and PGI strives to conserve energy, mitigate usage and source it as efficiently as possible.



PRIMARY SOURCE	YR. TO YR. CHANGE	
	ABSOLUTE	PER MILLION M ²
Electricity	▲ 0%	▲ -17%
Natural Gas	▲ -7%	▲ -22%
Diesel Fuel	▲ -99%	▲ -99%
Petrol (Gasoline)	▲ -45%	▲ -54%
Propane	▲ -17%	▲ -30%

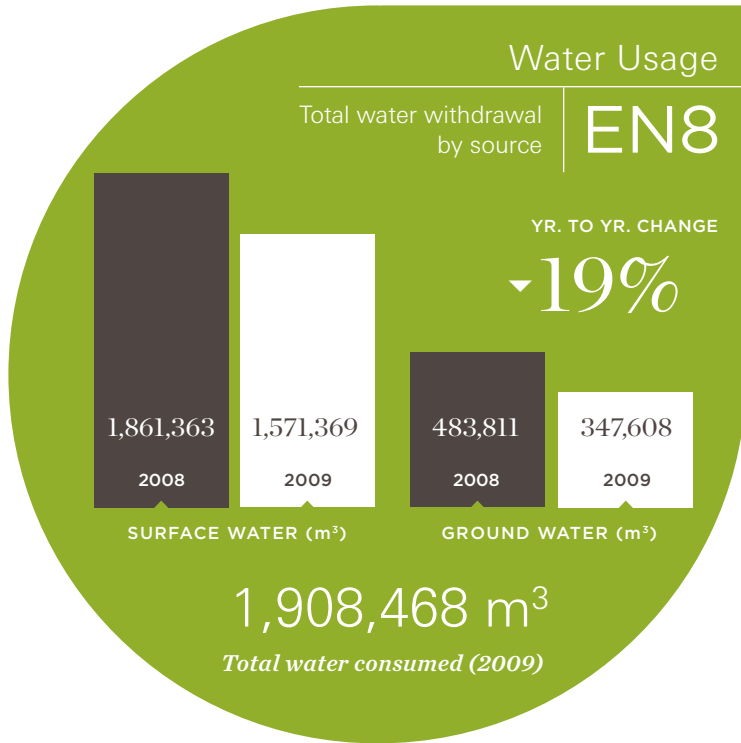
PGI consumed 3.04 million gigajoules in direct energy in 2009, with electricity accounting for 64% and natural gas accounting for 36%. The energy consumed in some of PGI's offices cannot be measured at this time, and is not included in these totals.



PGI increased energy savings by 357% from the preceding year based on square meters of product shipped – with an absolute energy savings total of 4.0%. PGI has ongoing initiatives to minimize energy consumption via effective de-watering, therefore, reducing the energy demand in the drying of the substrates. Many of our facilities are being retrofitted with energy efficient lighting and motors.

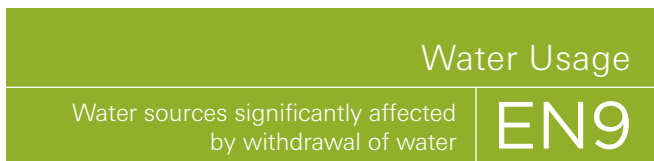
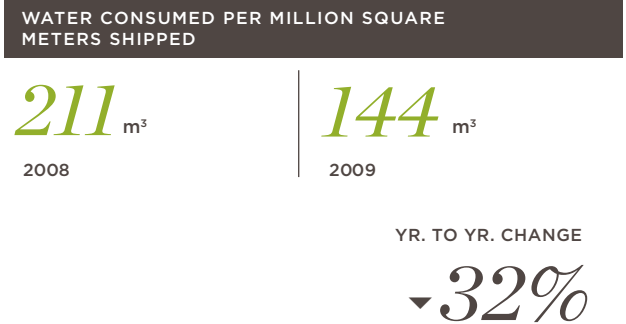
Environmental Performance: Water

Water is another vital commodity worldwide and consequently recognized as a critical component in sustainability. However, its use in manufacturing is inevitable, so usage and conservation are monitored.



WATER CONSUMED	YR. TO YR. CHANGE
Ground Water Consumed	▼ -136,203 m³
Surface Water Consumed	▼ -289,994 m³

During this reporting period, PGI reduced its total water consumption by 32% measured per square meter of product shipped. This was primarily achieved by the switch to more efficient manufacturing processes.



A significant amount of water (as defined by the GRI protocol for this indicator) is withdrawn from Lake Tai for the PGI Suz Hou in PRC China. There were no other water sources identified where PGI withdraws water that are significantly affected as defined by the GRI protocol for EN9.

Environmental Performance: Water



Water used in manufacturing processes for nonwoven materials does not result in a high volume being recycled for reuse. However, while the percentage of recycled water is low, it has remained constant during the years covered in this inaugural reporting period, and PGI's overall usage of water has decreased significantly.

PGI will continue to use less water in the manufacturing of its products per unit.



Environmental Performance: Protected Areas

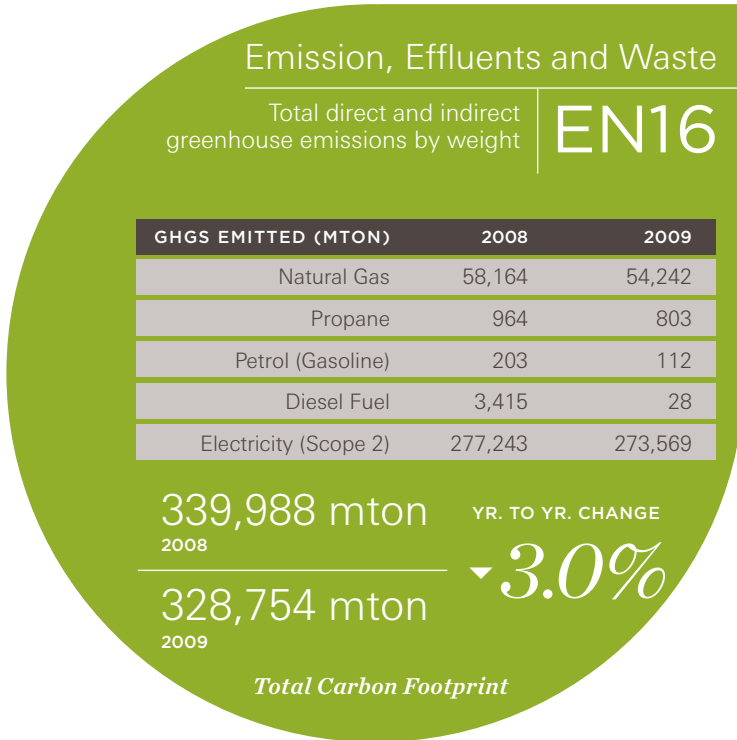


PGI Canadian facility Difco is located at 160 Principale Street East Magog, Quebec, Canada J1X 3X2. The 43,650m² property abuts the Magog river, and is adjacent to Lake Memphremagog. Both the lake and the river are designated protected sites by the Ministry of Environment of the province of Quebec. The PGI plant meets the legal requirement regarding the use of water drawn from and returned to the environment, with no detrimental impact.

PGI Canadian facility Fabrene is located at 240 Dupont Road North Bay, Ontario Canada P1B 9B4. The 106,507m² property is adjacent to the La Vase River and La Vase Lake with a feeder stream running under the parking area. The La Vase River forms part of the historical Voyageur route used to cross Canada and feeds Lake Nipissing, which is bookended by two provincial parks. PGI participates in the Ontario Conservation Land Tax Incentive Program (2.77 of the 26.32 acres are designated PSW - Provincially Significant Wetlands through the MNR – Ministry of Natural Resources).

Environmental Performance: Effluents and Waste

PGI is dedicated to a long-term and continuous reduction in its carbon footprint. Although sales growth and accompanying operations expansion drive increased potential for emissions, PGI is continually researching and adopting new approaches and procedures to reduce greenhouse gas emissions.



GHGS EMITTED	YR. TO YR. CHANGE
Natural Gas (mton)	-7%
Propane (mton)	-17%
Petrol (gasoline) (mton)	-45%
Diesel Fuel (mton)	-99%
Electricity (Scope 2)	-1%

CARBON FOOTPRINT (SCOPE 1+2) PER MTON PRODUCT SHIPPED

31 mm m²

2008

YR. TO YR. CHANGE

25 mm m²

2009

-19%

PGI's carbon footprint (Scope 1 and 2) decreased by 3% total and 19% per square meter from 2008 to 2009. This reduction was achieved through a combination of efforts in energy conservation and strategically-planned changes in our manufacturing processes.

Greenhouse Gas Emissions

Incentives to reduce greenhouse gas emissions and reductions achieved

EN18

In 2009, through a variety of facility-level initiatives, PGI was able to achieve a reduction of > 10,000 metric tons of greenhouse gas emissions. Sample initiatives included switching to alternative energy sources, turning off unused lights, and fixing compressed air leaks.

Ozone Depleting Substances

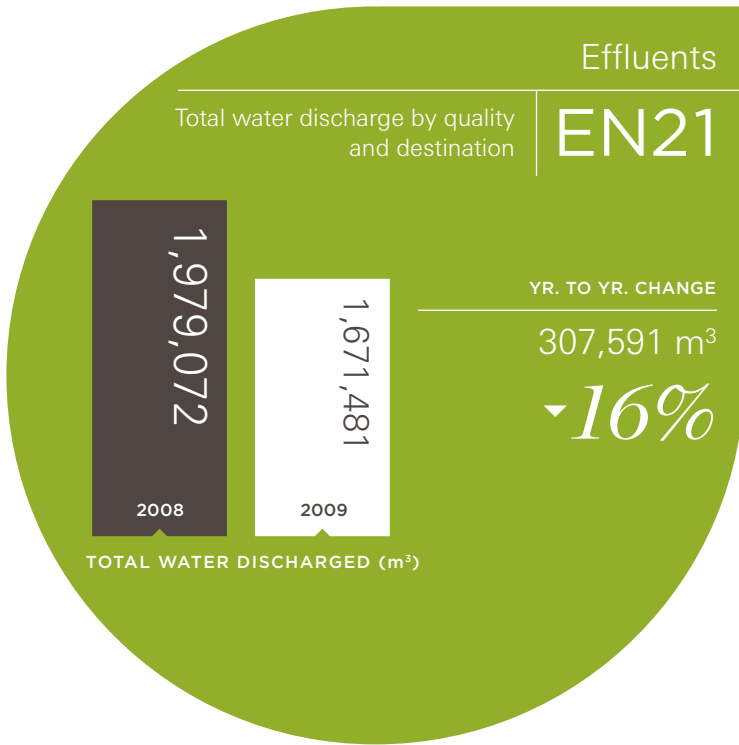
Emissions of ozone-depleting substances by weight

EN19

PGI does not emit any ozone depleting substances.

Environmental Performance: Effluents and Waste

PGI is conscious of the impact of discharged waste water and waste, and continually pursues objectives to mitigate and reduce these environmental factors. We have achieved overall reductions in water discharge during the reporting period.



WATER DISCHARGED PER MTON OF PRODUCT SHIPPED	2008	2009
Potable (m ³)	800,700	668,068
Non-Potable (m ³)	1,178,372	1,003,350
Total (m ³)	1,979,072	1,671,418

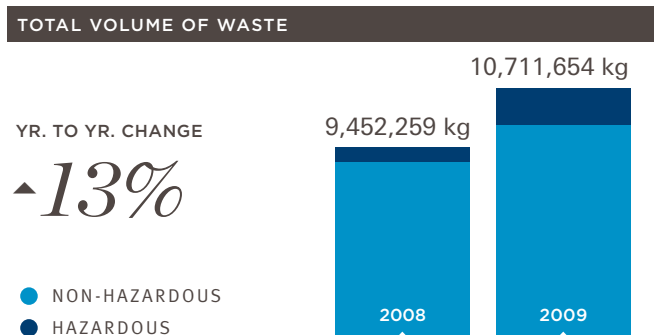


Water discharge decreased 29% in 2009 when measured on per square meter basis of product shipped.

YR. TO YR. CHANGE
-29%



TOTAL WASTE BY TYPE	2008	2009
Non-Hazardous (kg)	9,165,757	10,243,323
Hazardous (kg)	286,502	468,331



There was a 5% decrease when measured as per square meter of product shipped, but as an absolute measure there was 13% increase due to increased manufactured volumes.

YR. TO YR. CHANGE
-5%

Environmental Performance: Effluents and Waste

Spills	
Total number and volume of significant spills	EN23

PGI did not record the occurrence of any significant spills during this reporting period.

Water Bodies	
Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	EN25

PGI's Canadian Fabrene facility, located in North Bay, Ontario, Canada, discharges water into the La Vase River and La Vase Lake. Ten percent of the property's land area is designated as Provincially Significant Wetlands through the Ontario Ministry of Natural Resources.

Environmental Performance: Products and Services

PGI is conscious of the impact of discharged waste water and waste, and continually pursues objectives to mitigate and reduce these environmental factors. We have achieved overall reductions in water discharge during the reporting period.

Packaging Materials	
Percentage of products sold and their packaging materials that are reclaimed by category	EN27
PACKAGING MATERIALS RECLAIMED (CHINESE FACILITIES)	
Side board and paper core	2-3%
Polyethylene film	0.5-1%

While the products that PGI manufactures are made largely of recyclable material (PP), the end-use products are mostly disposable, and contaminated with organic matter during use – such that recycling is infeasible (due to safety issues or lack of infrastructure).

In general, PGI's products use very little packaging materials. The reclamation of these materials is currently only tracked in PGI's Chinese facilities, where between 2-3% of side board and paper core are reclaimed, and between 0.5-1% of polyethylene film is reclaimed.

Future sustainability reporting processes are being designed to capture this information for all PGI facilities.

Environmental Performance: Regulatory Compliance

**“WE HAVE AN
EXCELLENT REGULATORY
COMPLIANCE RECORD”**



Compliance with Environmental Laws & Regulations

EN28

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

\$0 / Zero sanctions

Environmental Protection Expenditure

EN30

Total environmental protection expenditures and investments by type

TOTAL EXPENDITURES AND INVESTMENT

2008 \$345,768

2009 \$1,137,324

In 2009, PGI made incremental investments in environmental protection measures designed to enhance waste management, increase pollution prevention, and comply with local regulations governing waste containment.

YR. TO YR. CHANGE

▲229%

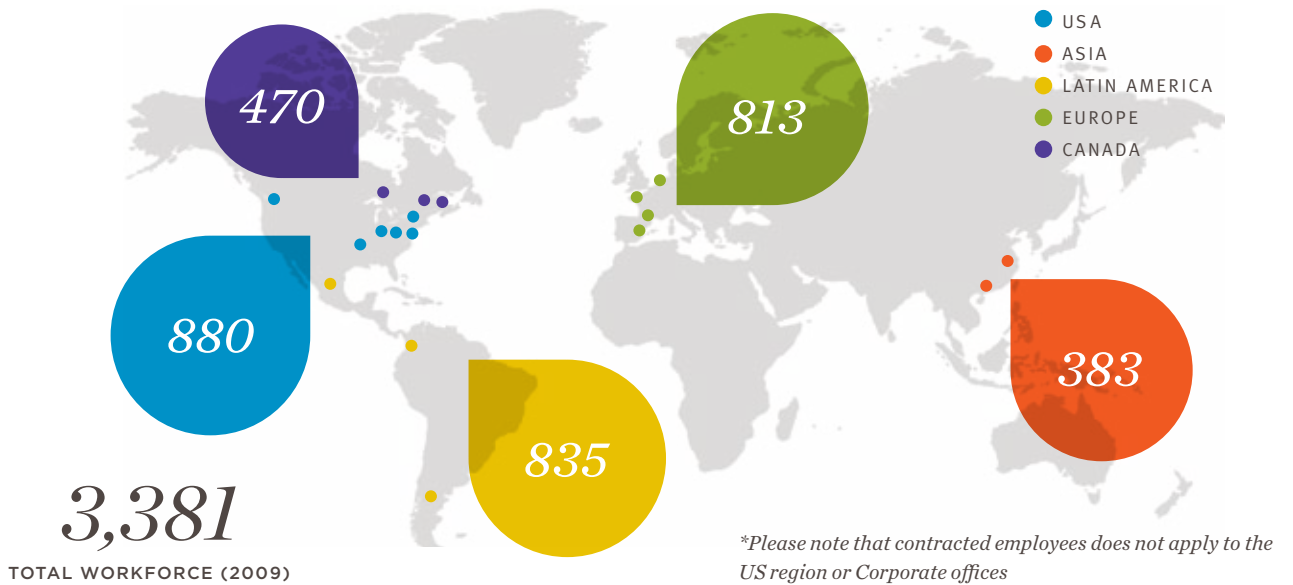
Labor Practices: Employee Data

Employee Data

LA1

Total workforce by employment type, employment contract, and region

TOTAL WORKFORCE BY REGION (2009)



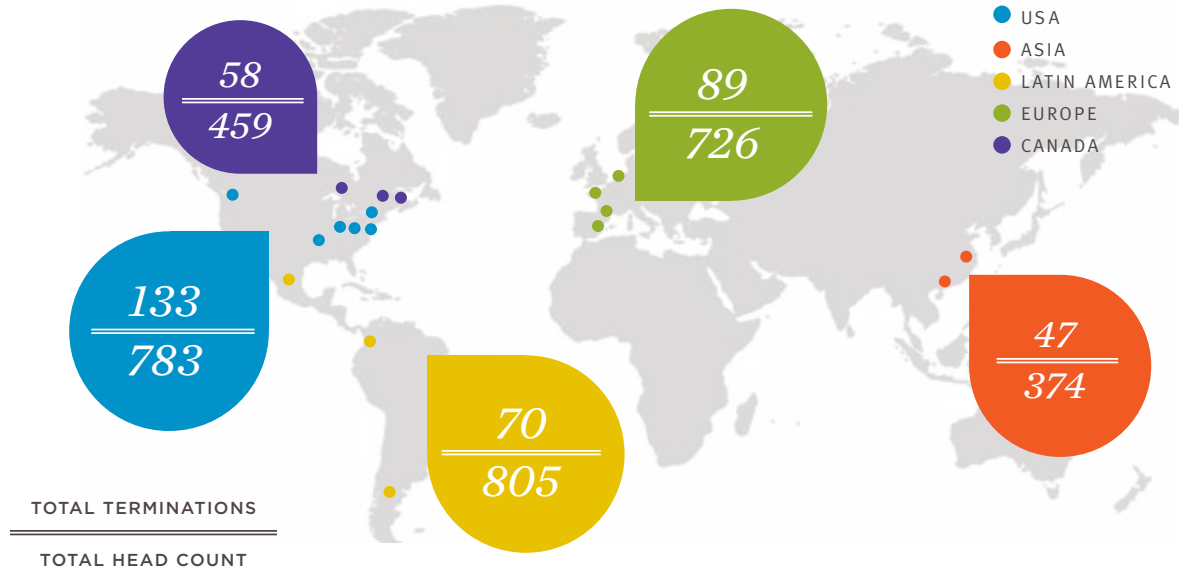
LOCATION	TEMPORARY		PERMANENT		CONTRACTED	
	# OF FULLTIME	# OF PART TIME	# OF FULLTIME	# OF PART TIME	# OF FULLTIME	# OF PART TIME
Argentina	18	0	208	0	0	0
Colombia	12	0	200	0	0	0
Mexico	0	0	397	0	0	0
TOTAL LA	30	0	805	0	0	0
Bailleul	0	3	263	3	23	3
Cuijk	9	2	195	53	21	2
Spain	24	NA	206	6	0	0
TOTAL EUROPE	33	5	664	62	44	5
TOTAL CANADA	0	0	395	64	11	0
USNW	97	0	702	2	0	0
Corporate	0	0	79	0	0	0
TOTAL US	97	0	781	2	0	0
Nanghai	0	0	220	0	6	0
Suzhou	0	0	154	0	3	0
TOTAL ASIA	0	0	374	0	9	0

Labor Practices: Employee Data

Employee Turnover

LA2

Total number and rate of employee turnover by age group, gender and region



LOCATION	GENDER		AGE AT DEPARTURE			TOTAL TERMINATION
	MALE	FEMALE	< 30 YEARS OLD	30-50 YEARS OLD	> 50 YEARS OLD	
Argentina	49	6	40	14	1	55
Colombia	7	0	2	5	0	7
Mexico	5	3	1	4	3	8
TOTAL TURNOVER	8%	1%	5%	3%	0%	9%
Bailleul	21	14	10	8	17	35
Cuijk	32	6	5	18	15	38
Spain	16	0	9	7	0	16
TOTAL TURNOVER	10%	3%	3%	5%	4%	12%
Canada	43	15	9	19	30	58
TOTAL TURNOVER	9%	13%	2%	4%	7%	13%
US MFG Sites	98	32	13	56	61	130
Corporate	1	2	1	NA	2	3
TOTAL TURNOVER	13%	4%	2%	7%	8%	17%
Nanghai	20	2	14	7	1	22
Suzhou	22	3	16	9	0	25
TOTAL TURNOVER	11%	1%	8%	4%	0%	13%

Labor Practices: Employee Data

Employee Benefits

LA3

Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

PGI offers competitive benefits to employees across the globe that include:



Plans differ considerably internationally, as plans are designed to supplement the social security benefits provided in each respective country – which can vary widely.

Collective Bargaining Agreements

LA4

Percentage of employees covered by collective bargaining agreements.

In 2009, 37% of PGI employees were covered by collective bargaining agreements.

Operational Changes

LA5

Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

PGI uses a cascading approach to communication that starts with the senior leadership team and flows down through the organization to the shop floor. Global and regional business news and announcements are posted on the company intranet that is accessible to all employees and available in their respective native languages.

Regional and local facilities sponsor meetings and presentations, which are open to all employees. Printed materials are generally written in a user-friendly “Frequently Asked Questions” format to facilitate ease of reading. PGI follows notification requirements stipulated by local laws and collective bargaining agreements.

Labor Practice: Occupational Health & Safety

PGI treats the welfare of its employees very seriously. We are a manufacturing organization with operations spread worldwide, and our focus is to consistently provide a safe and healthy environment for our employees.

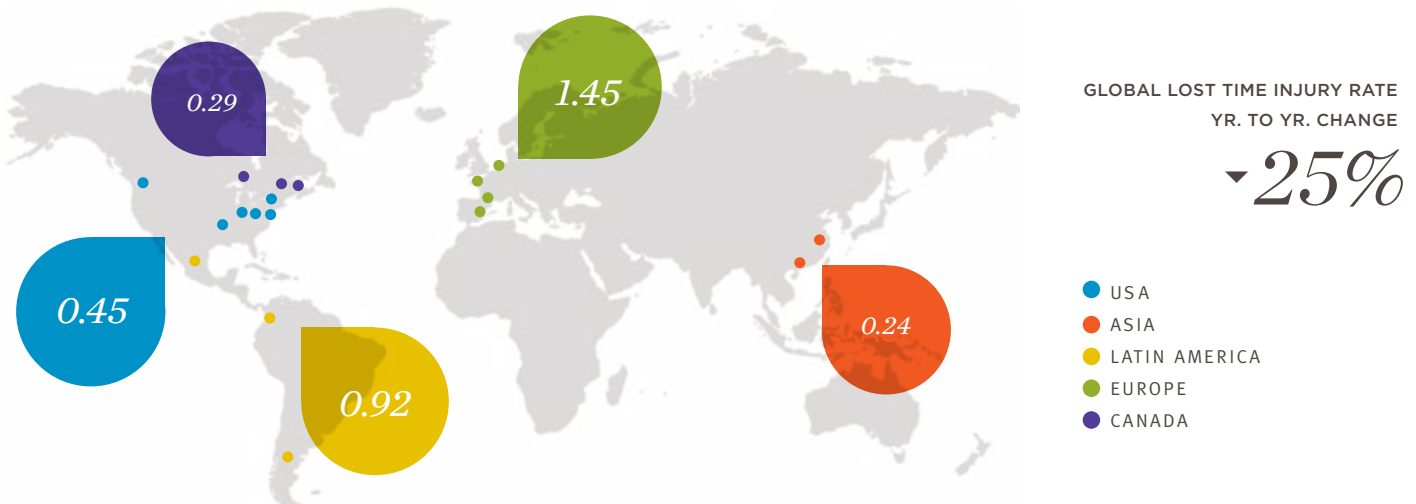
Occupational Health & Safety

Rates of Injury, occupational diseases, lost days, absenteeism and total number of work-related fatalities by region

LA7

GLOBAL	2008	2009	% CHANGE
Hours Worked	7,274,137	6,922,566	-5
OSHA Incident Rate	1.68	1.85	10
Recordable Injuries	61	64	5
Lost Time Injuries Rate	1.02	0.76	-25
Lost Time Injuries	37	26	-29
Absenteeism Rate (Average)	NA	1.56	NA
Occupational Disease Rate	NA	0.06	NA
Fatalities	0	0	0

LOST TIME INJURIES INCIDENCE RATE



METRIC (2009)	ASIA	EUROPE	LATIN AMERICA	UNITED STATES	CANADA
Hours Worked	847,024	1,430,725	2,173,177	1,782,056	698,584
OSHA Incident Rate	0.94	3.91	1.11	1.35	2.32
Recordable Injuries	4	28	12	12	8
Lost Time Injuries Rate	0.24	1.45	0.92	0.45	0.29
Lost Time Injuries	1	10	10	4	1
Absenteeism Rate (Average)	1.91	NA	1.52	NA	1.36
Occupational Disease Rate	0	0	0	0	0.58
Fatalities	0	0	0	0	0

Human Rights: Investment & Procurement Practices

In acknowledging that its employees are its most valuable asset, PGI is dedicated to investing in its staff worldwide to provide personal and professional development opportunities.



Investment & Procurement Practices

HR3

Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

We have a continuous and progressive program for our training throughout our global facilities. During the fiscal year 2009, 1855 employees (58% of total non-temporary workforce) completed Ethics & Code of Conduct training. The training took 30 minutes per employee, resulting in 927.5 hours of training delivered.

**“PGI’S BUSINESS POLICIES & PRACTICES
ARE A SIGNIFICANT FACTOR
IN HAVING NO LEGAL ACTIONS
OR SANCTIONS TO REPORT”**



Anti-Competitive Behavior

SO7

Number of legal actions for anti-competitive behaviors, anti-trust, and monopoly practices and their outcome

The company does not have any legal actions to report for 2009.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms.

These documents can be found on the following web page:

<http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

Compliance

SO8

Monetary value of significant fines and total number of non-monetary sanctions for non compliance with laws and regulations

The company does not have any fines or sanctions to report for 2009, and does not have any awareness of actions that should be disclosed.

Additional information can be found in PGI's Annual Reports and accompanying 10-K Forms.

These documents can be found on the following web page:

<http://phx.corporate-ir.net/phoenix.zhtml?c=95877&p=irol-reportsannual>

Product Responsibility: Product & Service Labelling

PGI is committed to transparency when it comes to the development and manufacture of its products. We promote laws, procedures and practices that safeguard the community and devote our innovation to socially-beneficial products.



Non-compliance Incidents

PR4

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

The company has not recorded any incidents to report of non-compliance with regulations and voluntary codes concerning product and service information for 2009 and does not have any awareness of incidents that should be disclosed.

Customer Satisfaction Practices

PR5

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

Over the years, PGI has surveyed its customers to ensure high levels of customer satisfaction. We also track key internal operational metrics including cycle time and quality indicators. In 2009, PGI fielded its first global customer survey, achieving a benchmark score of 73. In our methodology, a score of 80 corresponds to a rating of best-in-class. PGI's five-year target is to achieve a best-in-class score not only overall, but for each component aspect of its business as well.

Product Responsibility: Marketing Communications

PGI is committed to continually updating and consolidating its global marketing communications. This includes corporate re-branding and implementing a consistent aesthetic and messaging globally in websites, literature and other media. This process was implemented in the current reporting period and continues beyond.



Compliance Programs

PR6

Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship



Internal and external marketing communications, including news releases, are reviewed and approved by the Senior Director of Global Communication. The PGI Legal Team, the Corporate Lead Team Executives, and Regional Leadership Teams are also involved in the approval process. Product marketing communications on the website, printed collateral, trade show materials, press releases, and packaging are reviewed with marketing and legal specialist within the company. Outside product marketing specialists and legal counsel are used to ensure that PGI's communications are aligned with the global standards where sustainability claims are being made.

Product Responsibility: Marketing Communications



Incidents of Non-Compliance

PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes

The company has not recorded any incidents to report of non-compliance concerning marketing communications for 2009 and does not have any awareness of incidents that should be disclosed.

Substantiated Complaints

PR8

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

The company has not recorded any complaints to report regarding breaches of customer privacy and losses of customer data for 2009 and does not have any awareness of complaints that should be disclosed. PGI has an internal process to prevent the transfer of confidential customer information.

Monetary Fines

PR9

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

The company has not received any monetary fines for non-compliance with laws and regulations concerning the provision and use of products and services in 2009 and does not have any awareness of levied fines.



Looking forward to tomorrow

PGI is serious about sustainability and the development of this second report reflects our ongoing commitment. While becoming a more sustainable business is inherently a long-term endeavor, we remain determined that certain achievements can be made with speed and efficiency, and will not lose sight of this.

pgi^{...}

PGI Global Headquarters
9335 Harris Corners Parkway
Suite 300
Charlotte, NC, 28269
USA

Telephone: +1 704 697 5100
Fax: +1 704 697 5116

www.polymergroupinc.com