

RENAULT SRI ROADSHOW, LONDON APR. 2ND, 2008



Guillaume VAUDESCAL
SRI IR

RENAULT
COMMITMENT *2009*



AGENDA

01

SOCIAL PERFORMANCE

02

ENVIRONMENT : CO₂

03

ENVIRONMENT : POLLUTANTS & RECYCLING

01

SOCIAL PERFORMANCE



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THE BASIS OF THE SOCIAL POLICY : THE DECLARATION OF SOCIAL FUNDAMENTAL RIGHTS



DECLARATION RELATIVE AUX DROITS SOCIAUX FONDAMENTAUX DU GROUPE RENAULT

Le 12 octobre 2004

Renault met en oeuvre une stratégie de croissance et de compétitivité fondée sur l'excellence de son métier, la qualité et la séduction de ses produits, la satisfaction de ses clients, l'internationalisation de son activité, l'engagement des femmes et des hommes du groupe, la mobilisation de ses partenaires.

Renault s'engage à respecter et à faire progresser partout dans le monde les femmes et les hommes qui travaillent dans l'entreprise, à valoriser un esprit de liberté, à assurer la transparence de l'information, à pratiquer l'équité et à se conformer aux règles fixées par le code de déontologie de Renault, en cohérence avec la démarche globale de développement durable, les normes de l'Organisation Internationale du Travail, les principes universels plus particulièrement liés aux droits de l'homme qui constituent le Pacte Mondial adopté à l'Initiative des Nations Unies et auquel Renault a adhéré le 25 juillet 2001.

Dans ce cadre, Renault, le Comité de Groupe Renault et la Fédération Internationale des organisations de travailleurs de la Métallurgie (FIOM), convaincus que la responsabilité sociale est un facteur de succès à long terme pour l'entreprise, présentent d'un commun accord les principes suivants qu'ils reconnaissent comme fondamentaux.

Santé, sécurité et conditions de travail

L'amélioration de la santé, de la sécurité et des conditions de travail des membres du personnel constitue pour le Groupe Renault un objectif prioritaire.

Renault considère les normes européennes comme une référence en matière de prévention des risques professionnels, et a défini dans cet esprit une politique Groupe exposée dans le document intitulé Politique Conditions de Travail Groupe. Renault s'engage à déployer cette politique en mettant en oeuvre les états des lieux et les plans d'action correspondants.

L'engagement des fournisseurs dans une politique de prévention des risques professionnels en cohérence avec les principes élaborés par Renault constitue un critère de sélection.

Renault fait suivre régulièrement par des médecins compétents l'état de santé de ses salariés et développe une politique active de prévention. Dans ce contexte, Renault attache une particulière importance, dans les pays les plus concernés, à la protection contre le VIH/SIDA, les MST et l'usage de substances toxiques (drogues).

- Signed in 2004 by Group Committee, trade unions, and tier-1 suppliers



THE BASIS OF THE SOCIAL POLICY : THE DECLARATION OF SOCIAL FUNDAMENTAL RIGHTS

- **Health, safety and working conditions**

Renault considers EU standards as the benchmark for preventing occupational accidents. These standards are the basis of the Group's policy on working conditions, implemented at all sites worldwide.

- **No child labor**

Renault agrees not to employ children below the school-leaving age or, in any case, under the age of 15.

- **No forced labor**

Renault condemns forced or compulsory labor in any form, and agrees not to make use of it.

ACTIONS

- **Early retirement programs (CASA, Spain...)**
- **Commitment on work force balance (e.g. transfer from Douai to Maubeuge)**
- **Employers grouping (North of France)**
- **Diversity workgroup (implies senior hiring)**
- **Ergonomics : ability to have seniors and disabled people**

1946



1989



2007



17 3 2007

02

ENVIRONMENT : CO₂



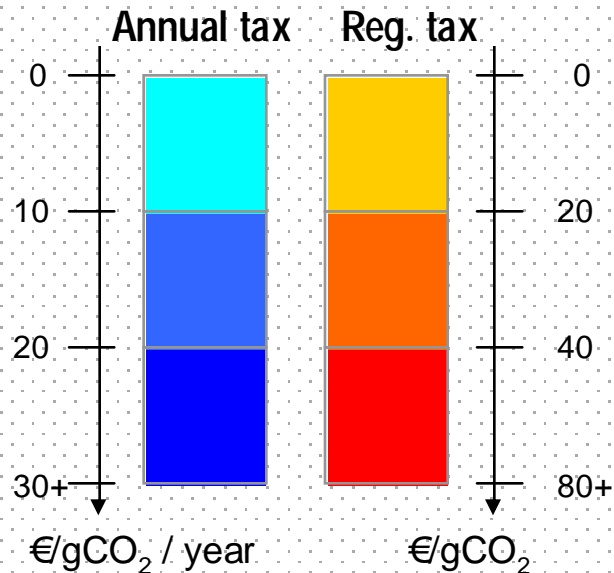
CO₂ REDUCTION: A GLOBAL ACCELERATION

- CO₂ is key driver of environmental policies
- The EU is more severe on CO₂ regulation and taxes
- The US had to accelerate on CO₂
- Outside EU, dieselization is on the move

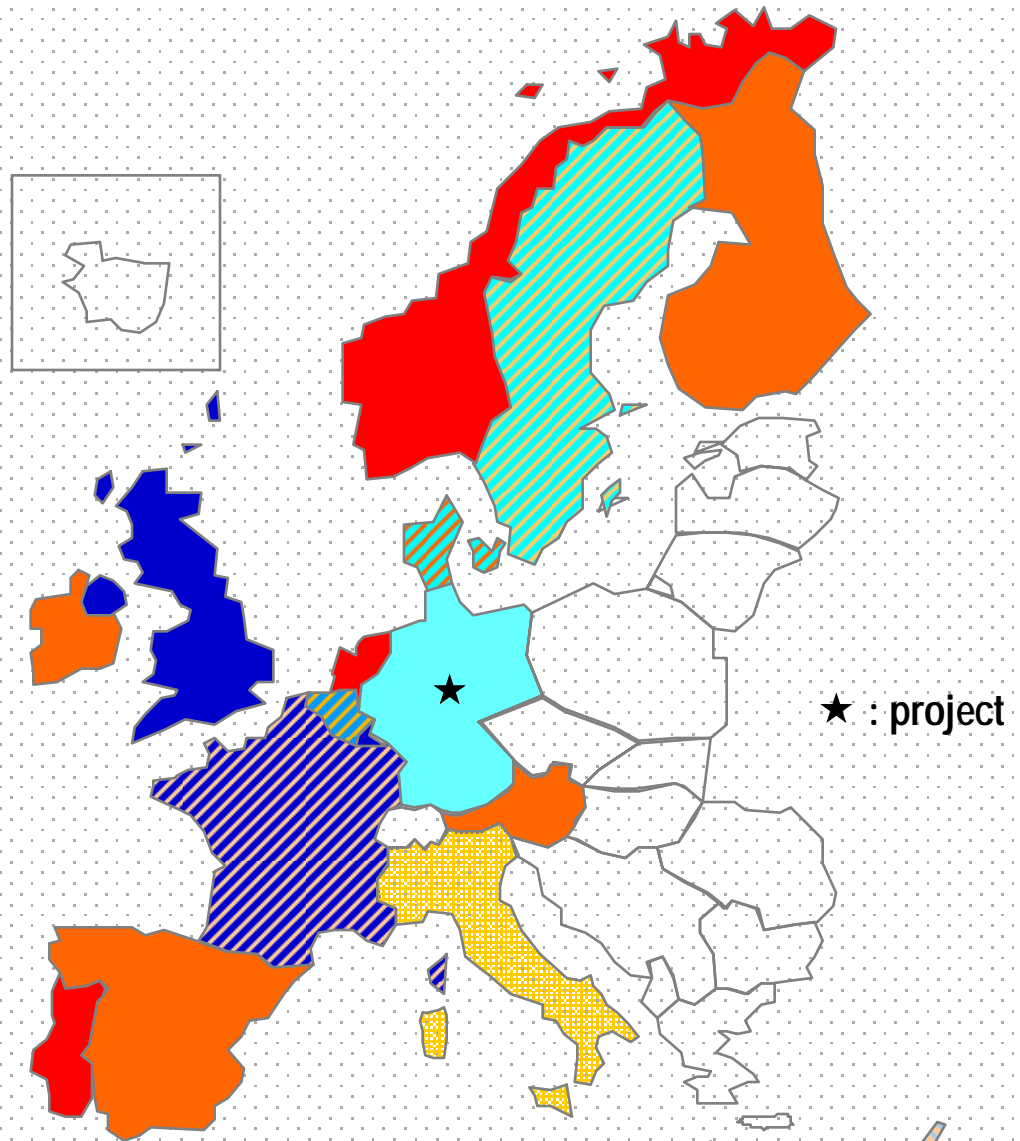
EU COUNTRIES INCREASE THE CO₂ CUSTOMER VALUE WITH TAXES

2007-2008

Annual or Registration taxes based on CO₂ / FE criterion :



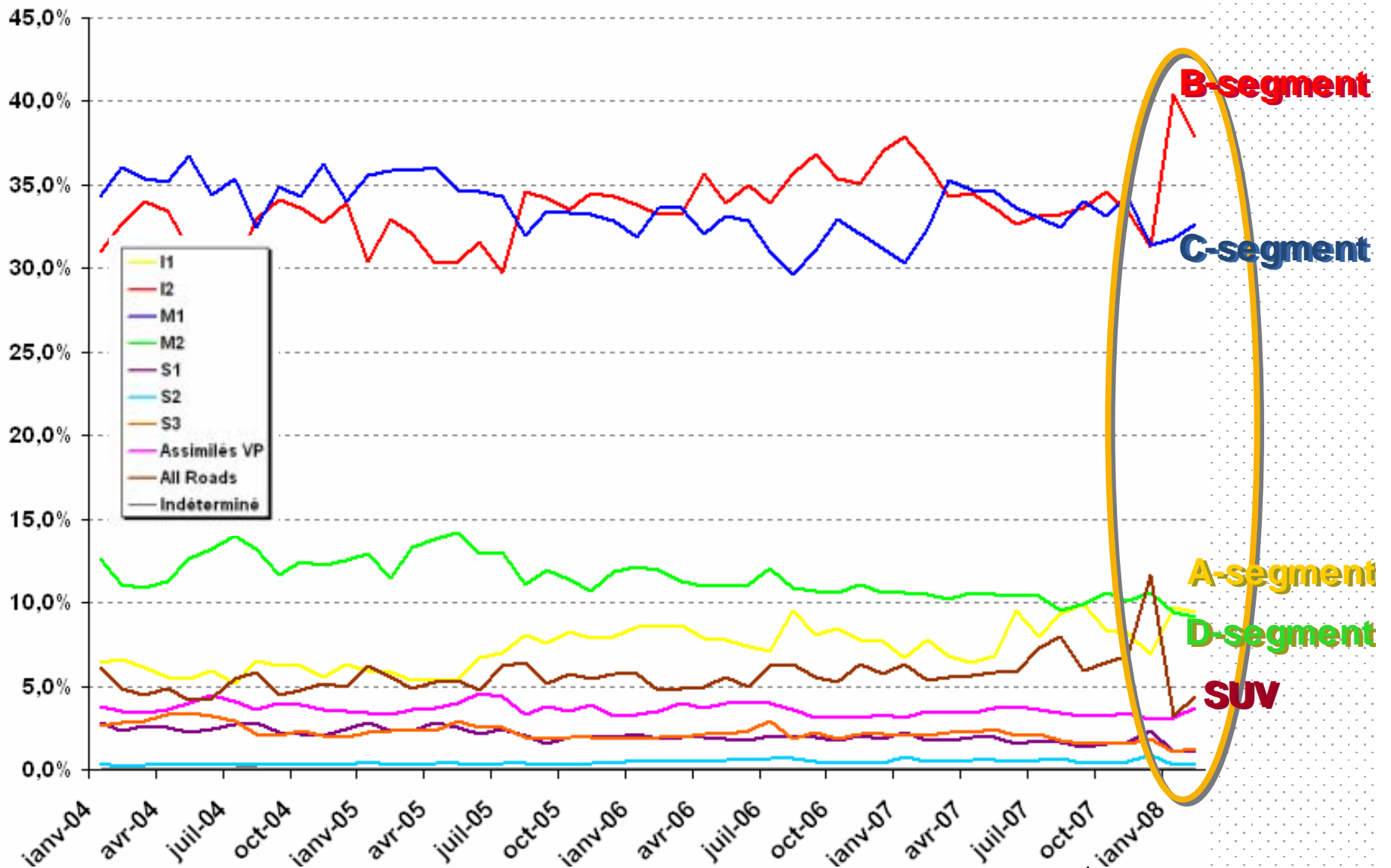
Average indicative cost of one additional gCO₂/km on mid-market [100g-200g CO₂/km]



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THE BIG MIX SHIFT – French segment evolution



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2012 / 2015 EUROPEAN CO₂ REGULATION PROJECT

In December 2007 European Commission project on CO₂ regulation broken up in :

- 130g CO₂/km vehicle technologies OEM CAFE in 2012
- 10g CO₂/km « additional measures » :
 - ✓ Efficient air conditioning
 - ✓ Tire pressure monitoring
 - ✓ Low rolling resistance tire
 - ✓ Gear shift indicator
 - ✓ Biofuels compatible cars
 - ✓ Other measures : CO₂ taxation reinforcement
 - ✓ Modification of labeling directive

CUSTOMER VALUE OF CO₂ REDUCTION

Fuel consumption



Energie	Personenauto
Fabrikant: Model:	RENAULT Megane II (5 deurs) 1.9 dCi
Brandstof:	Diesel
Brandstofverbruik	4,6 liter / 100 km = 1.000 op 21,7 km
Zuinig	A
Onzuinig	
CO ₂ -uitstoot	120 gram / km

1g CO₂/km

average
customer
value:*

2004 : 24 €/g
2012 : 52 €/g

CO₂ National Taxations

*Value is based on fuel savings over life of the vehicle, plus impact of CO₂ taxes

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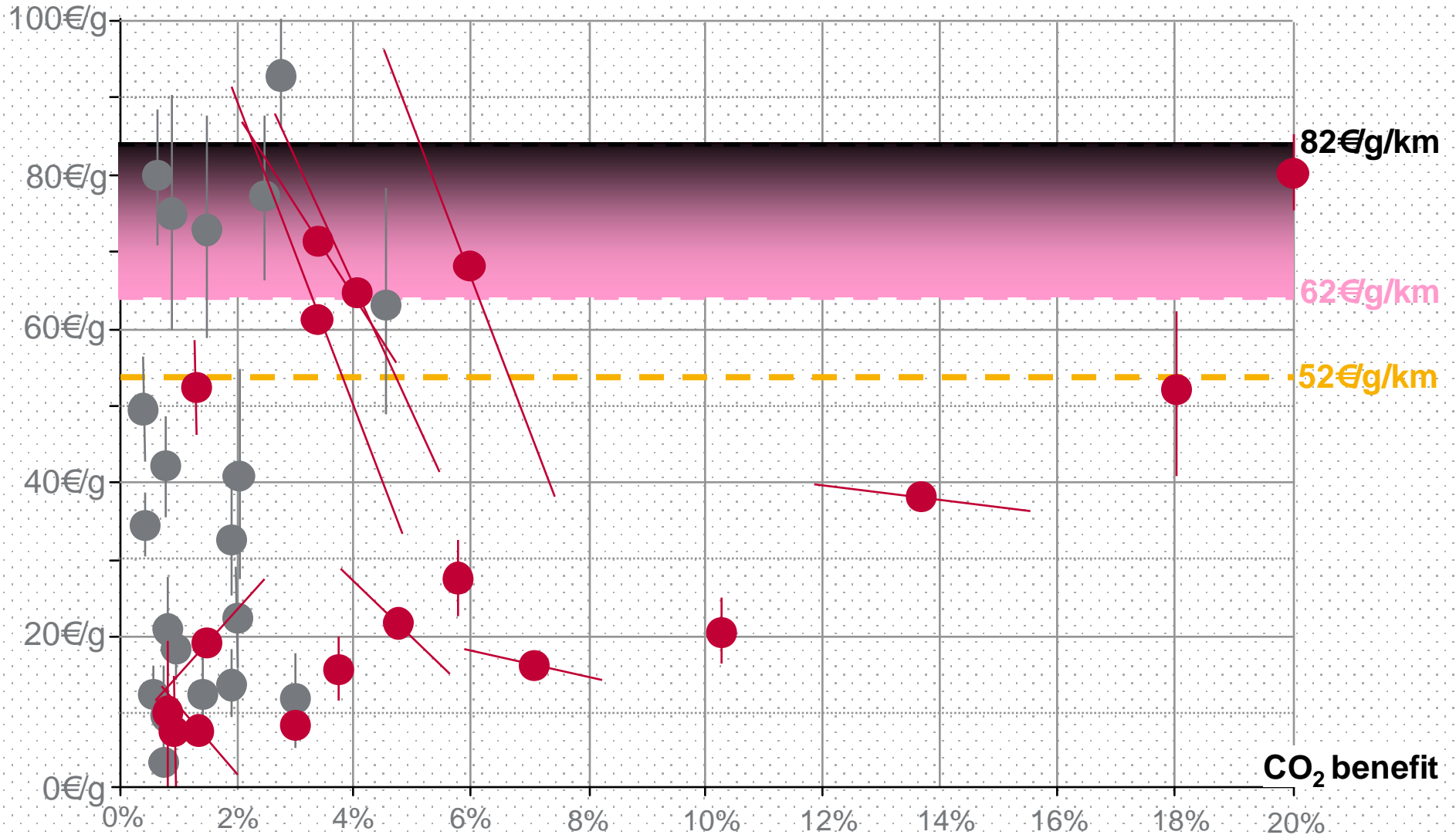
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POSITIONING TECHNOLOGIES ACCORDING TO CO2 VALUE ...

Customer value

- Vehicle management
- Powertrain technologies



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Confidentiel Renault

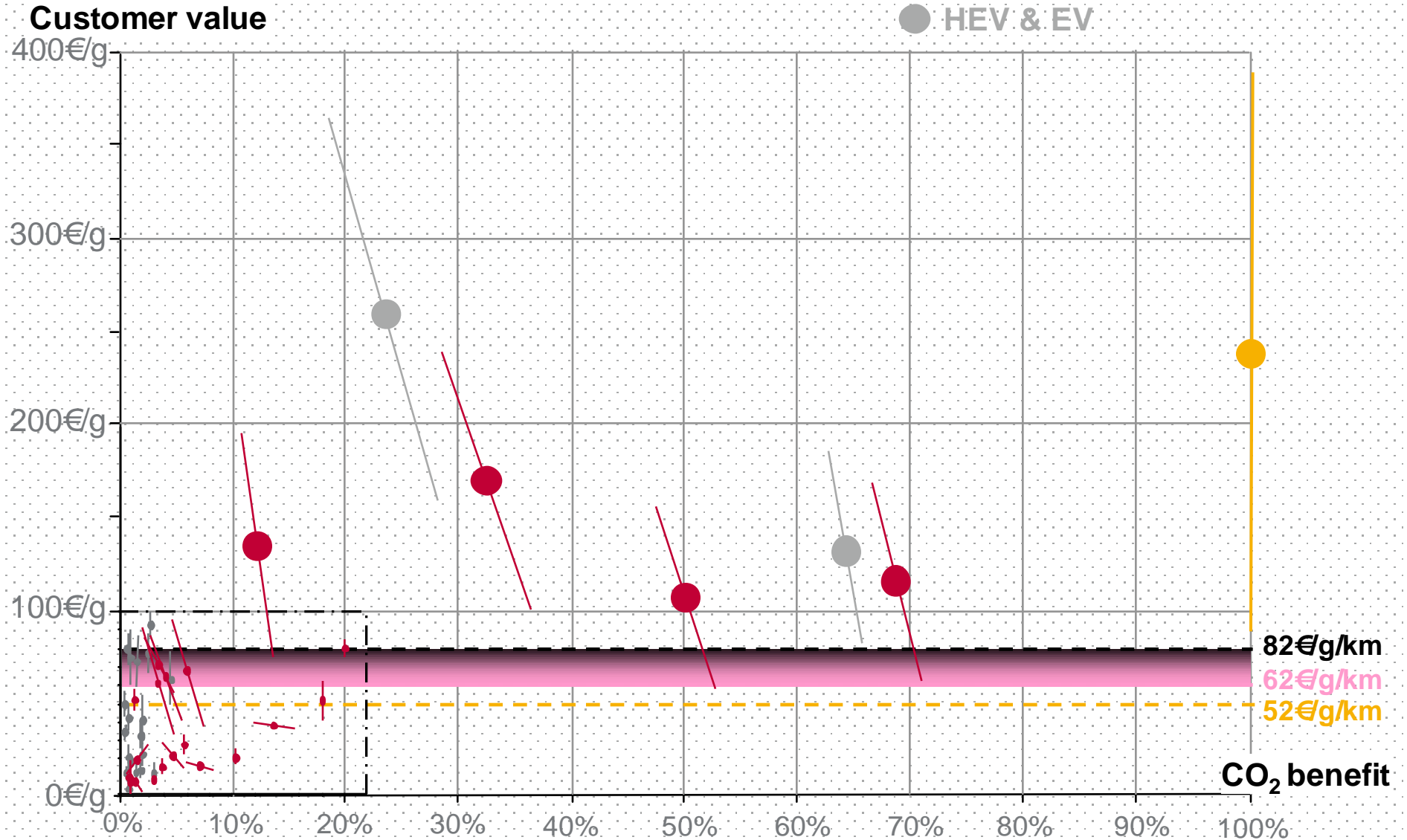
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PICK UP THE RIGHT OPTIONS

- Vehicle management
- Powertrain technologies
- HEV & EV



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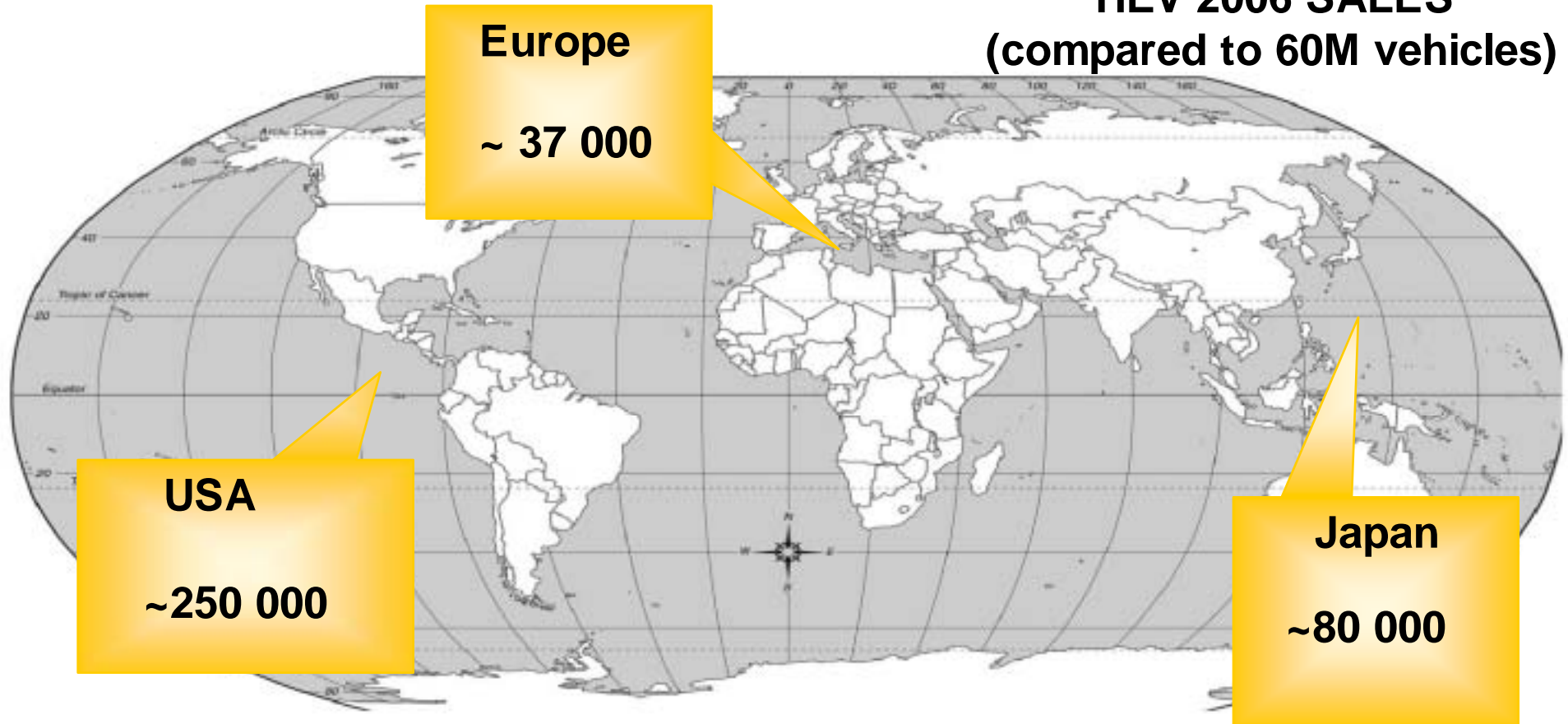
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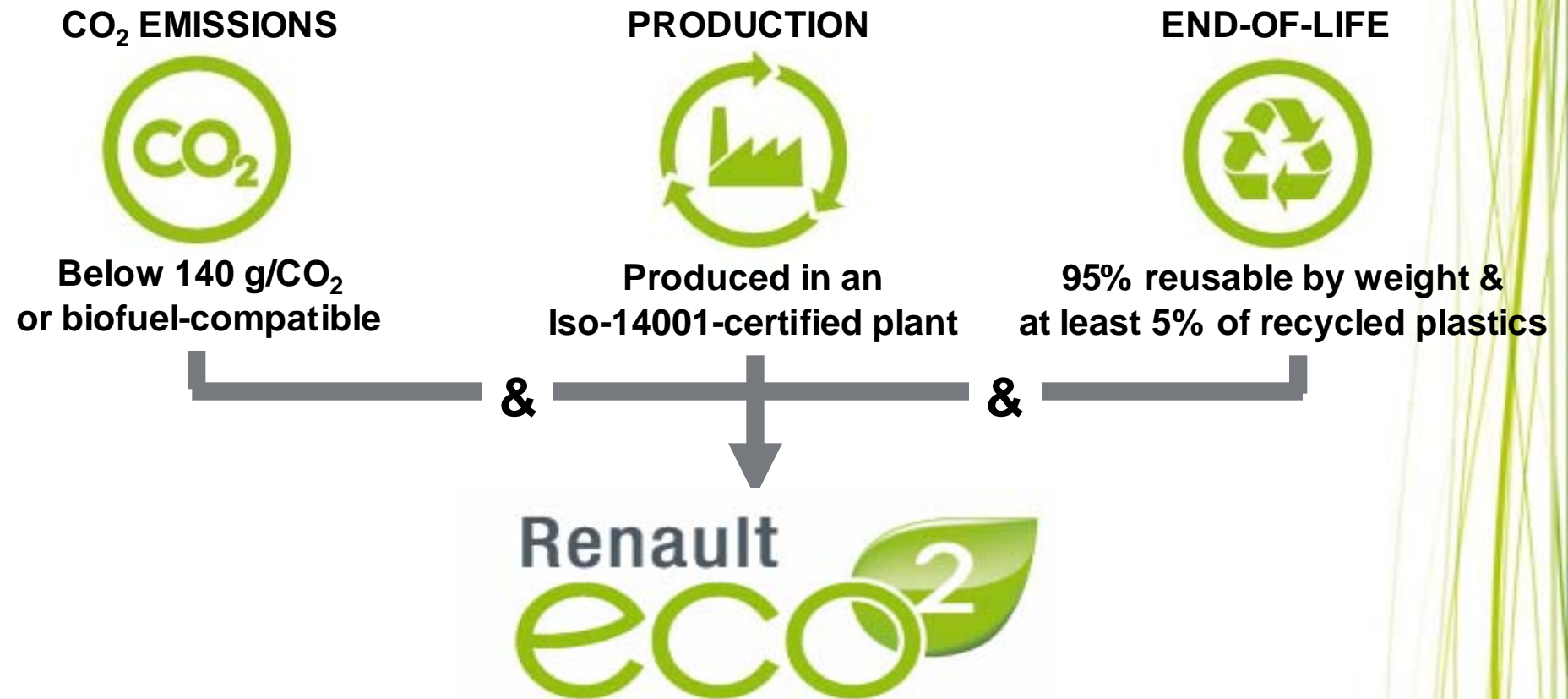
HEV IS NOT YET A CASE

HEV 2006 SALES (compared to 60M vehicles)



RENAULT ECO²

3 CRITERIA FOR ECOLOGICAL & ECONOMICAL VEHICLES



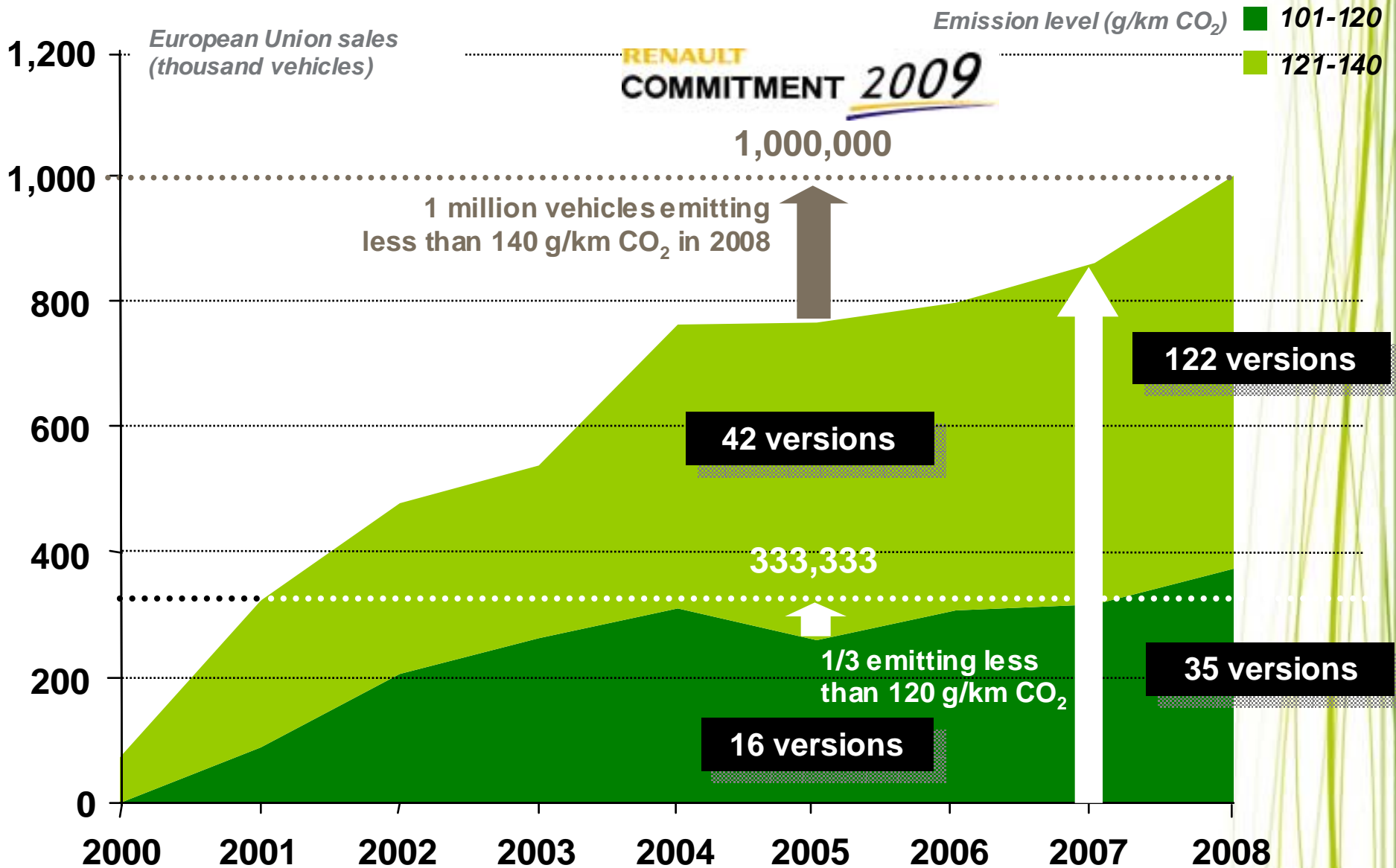
Low fuel consumption, tax management, affordability
to a wide majority of customers supported by the ecological efficiency.

Ecological & Economical



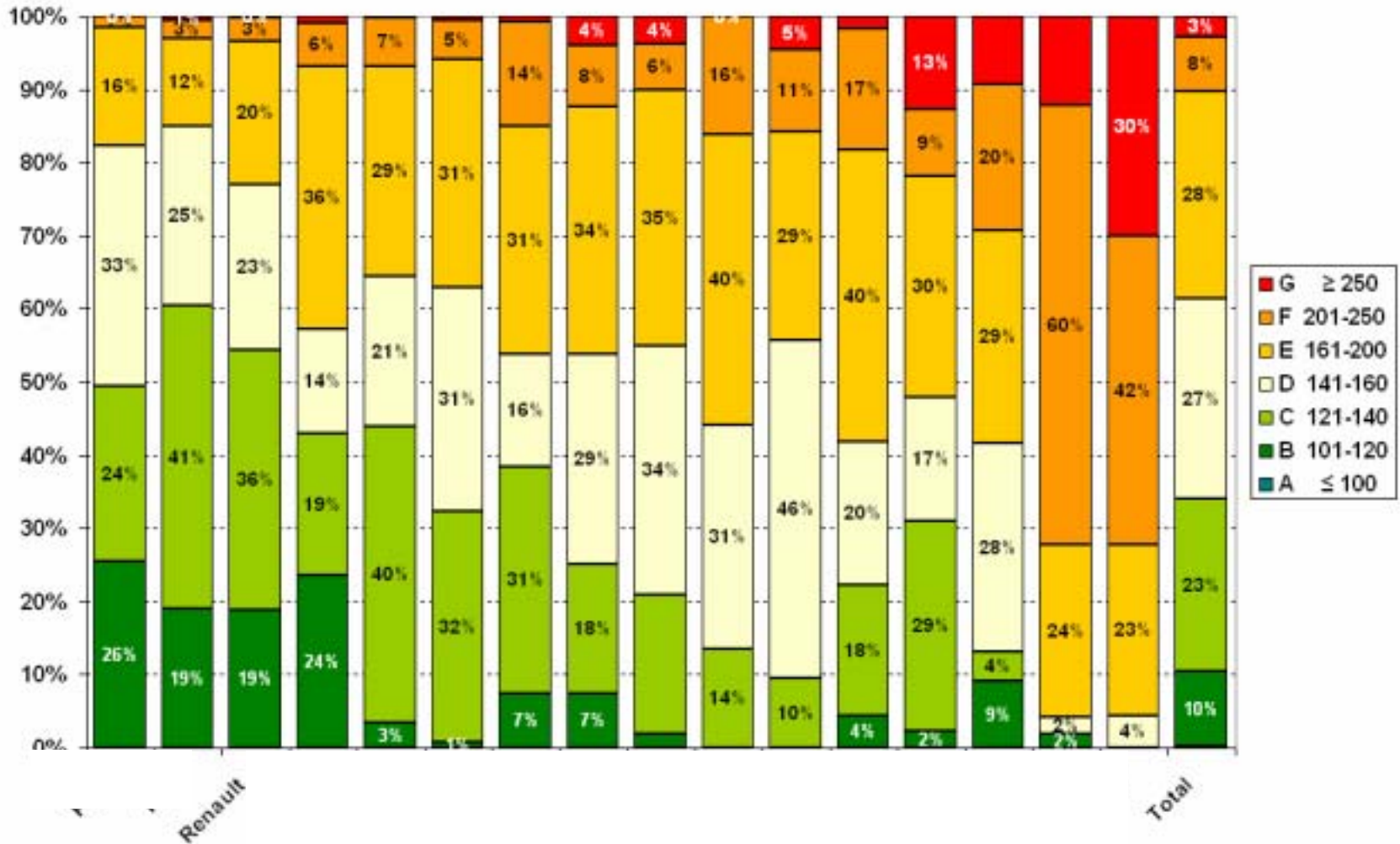
ENVIRONMENT

A WIDE OFFER UNDER 140 g/km CO₂



Breakdown of CO2 classes by carmakers

2007 – EU 15



CO₂ EMISSION REDUCTION IS A CHALLENGE AND AN OPPORTUNITY FOR RENAULT

- **Kaizen:**

- Compact cars
- Aerodynamics
- Losing weight : Laguna 3 67kg lighter than Laguna 2
- Gearbox : 6-shift gearbox on small cars too
- Efficient diesel
- Downsized gasoline turbo

- **Breakthroughs:**

- Electric Vehicle
- Hybrid electric vehicle
- Fuel cells

- **RENAULT NISSAN** leverage

ENVIRONMENTAL COMPETITIVENESS



Diesel 2.0 dCi 130, 150 & 175hp
 Leader in performance & driving pleasure
 Performing, Silent, Economical & Clean



Diesel 1.5 dCi 110hp
 Leader in consumption & CO₂ emissions
 in this market segment



Petrol 2.0L 16v 140hp
 Silent, smooth & Dynamic



Petrol 3.5L V6 24v 245hp
 Performing & smooth

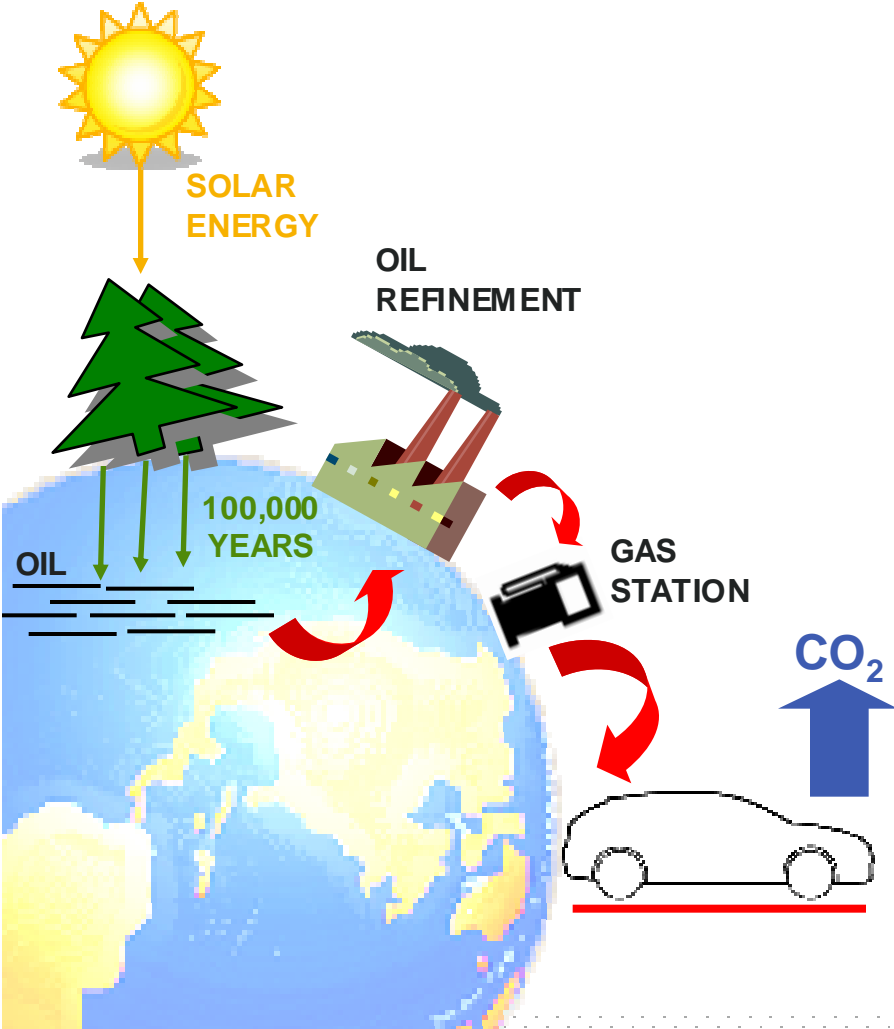
<i>Engine Origin</i>
ALLIANCE
RENAULT
ALLIANCE
NISSAN



ELECTRIC VEHICLE PROJECT



CHANGE FROM OIL CYCLE

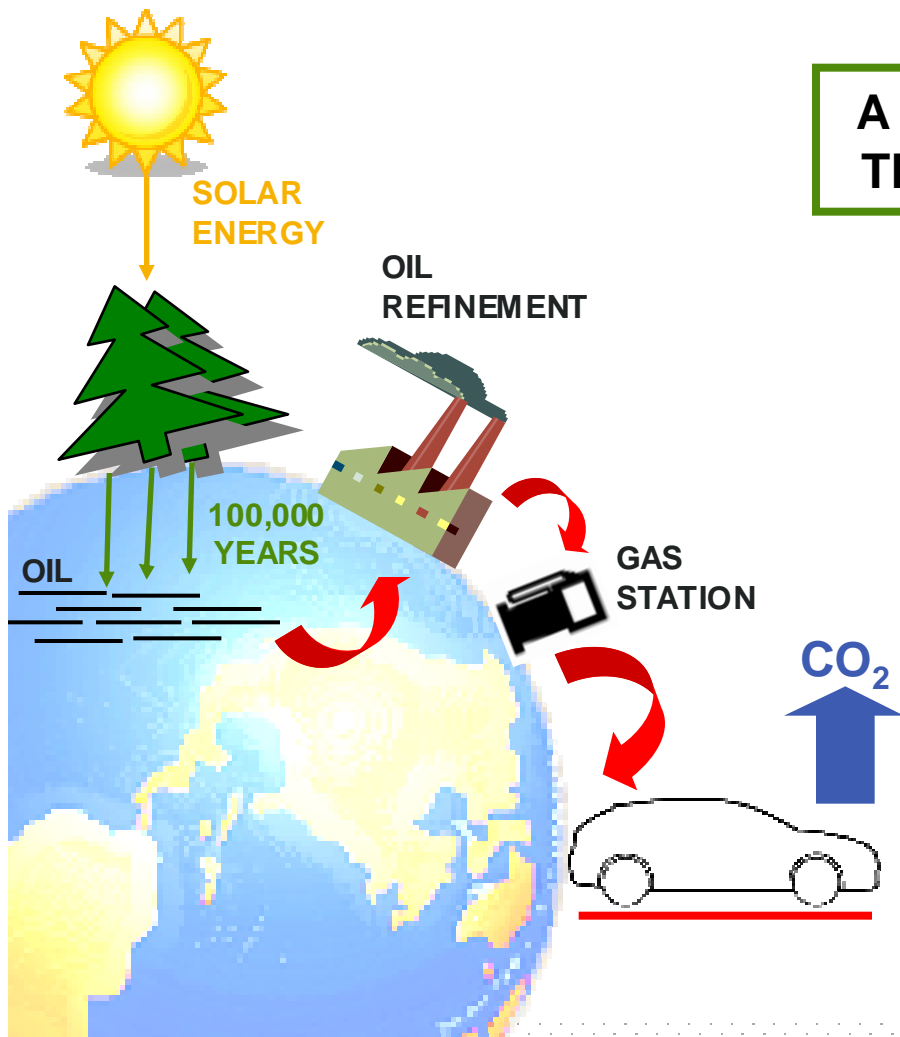


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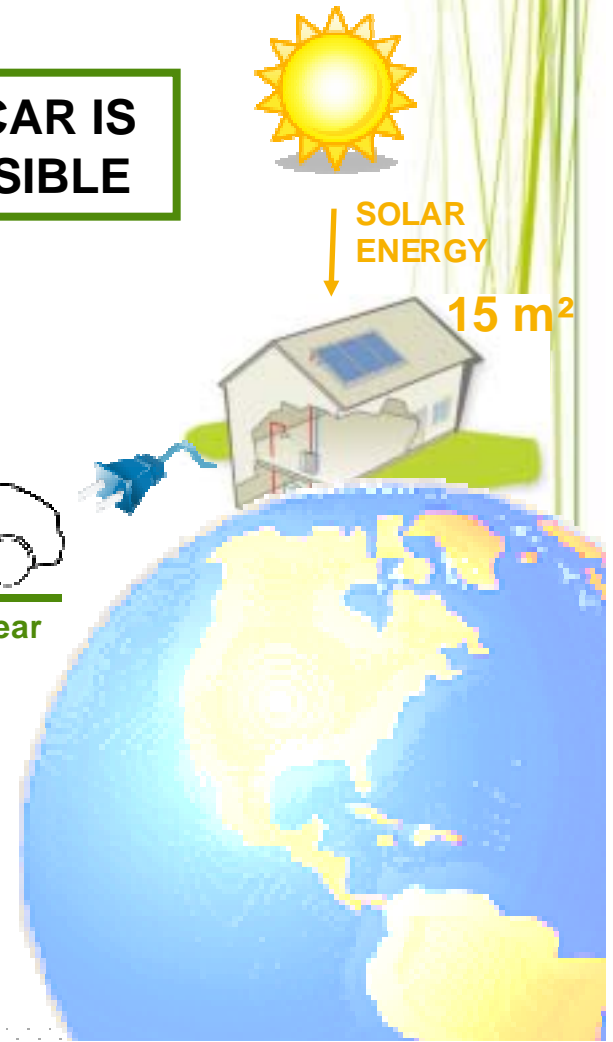
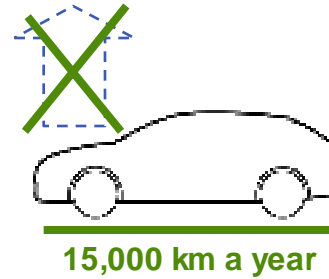


CHANGE FROM OIL CYCLE TO SOLAR CYCLE

A ZERO EMISSION CAR IS TECHNICALLY FEASIBLE



Zero emission



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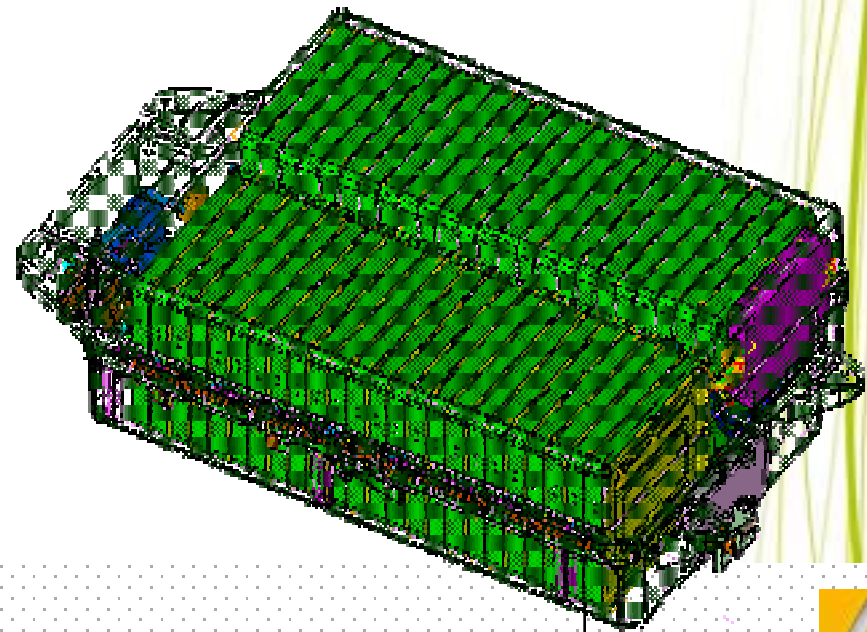
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WHY NOW?

- CO₂ value increases
- LITHIUM-ION battery :
 - Safety of use
 - Cost



START OF THE ELECTRIC VEHICLE PROJECT : ISRAEL

Why Israel?

- Government subsidies on zero emission vehicles
 - ✓ 60% minimum until 2015
 - ✓ 30% minimum until 2019
- Small, compact country
- High-Tech industry
- cooperation with “**Project Better Place**” that will develop the charging network



WHY AN ELECTRIC VEHICLE?

Ecological and Economical for a multi-purpose daily use



European market

... Households possessing at least one vehicle not used for holidays or week-ends (29%)

Elec. Vehicle target

... living in the urban centers (17%)



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ENVIRONMENT :
POLLUTANTS & RECYCLING



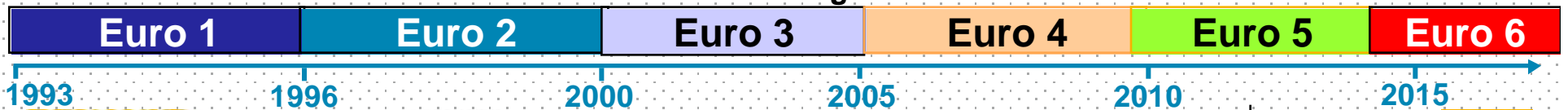
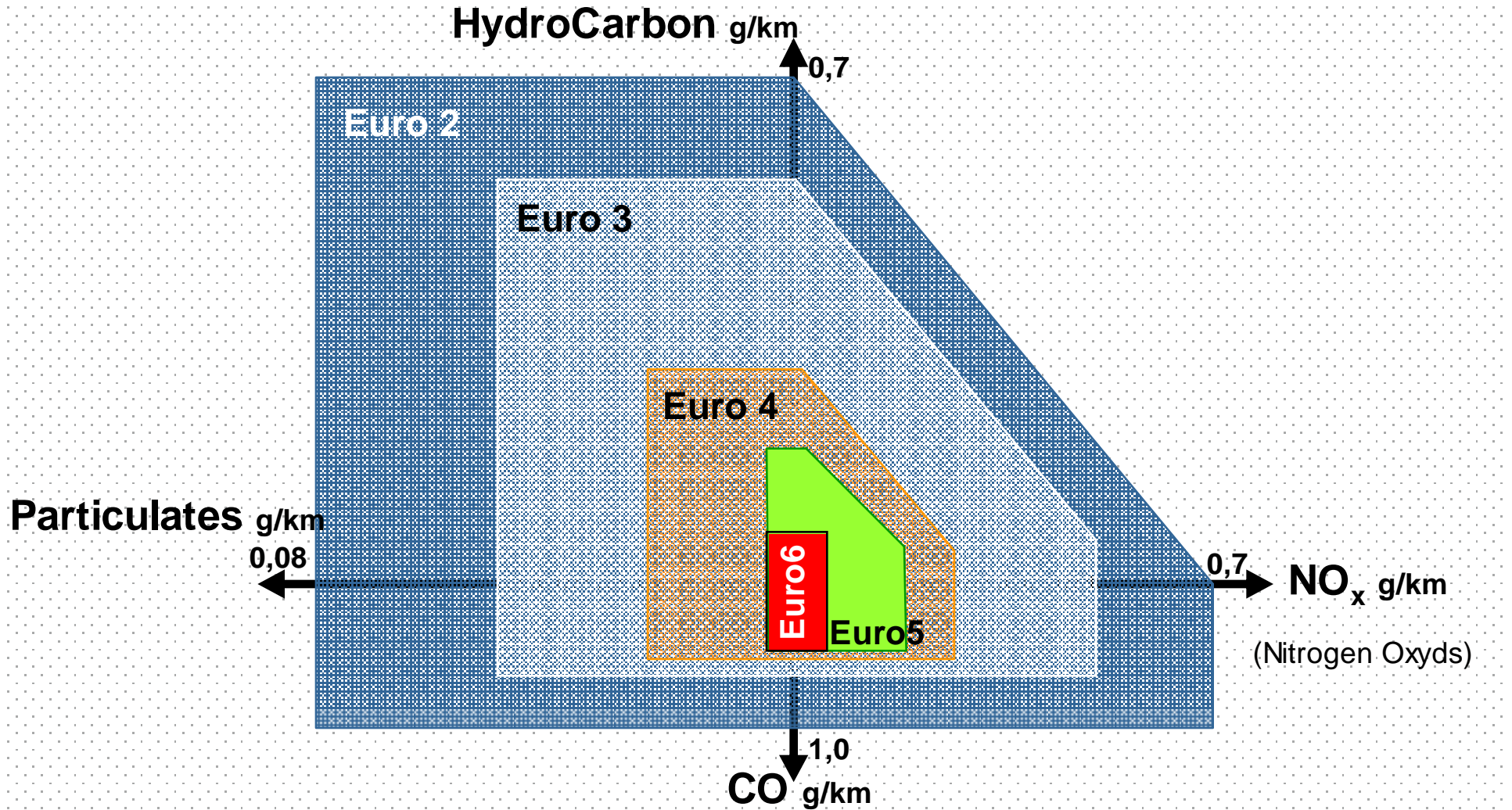
REACH REGULATION



- Chemicals control and substance data management already in the Renault culture for years
- Special 6 people project team dedicated to REACH compliance at Renault
- ACEA+Japanese & Korean automotive associations grouping as a taskforce



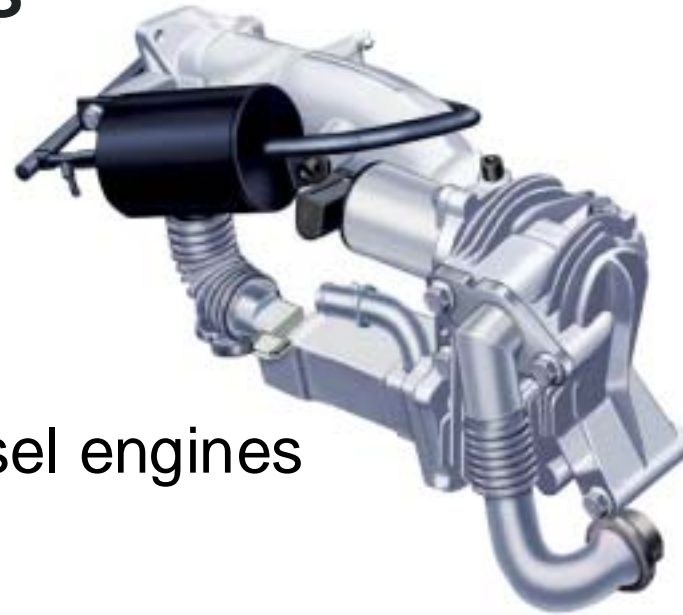
DECREASE BOTH CO2 AND POLLUTANTS EMISSIONS



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EURO5 AND EURO6 TECHS



- **Euro5 :**
 - Particulate filter on Diesel engines
- **Euro 6 :**
 - NOx traps, EGR Exhaust Gas Recirculation

RECYCLING : ELV EUROPEAN REGULATION



- EU target : effective recovery of 95% of all vehicles by 2015
- JV with SITA to speed up ELV treatment
- SITA, a Suez subsidiary, is Europe's leading global waste management specialist.
- Renault and SITA France will both take control of INDRA, a network of 200+ certified vehicle dismantling business throughout France.



RECYCLING

- Production phase : The amount of packaging waste per vehicle dropped 50% between 1996 and 2006.
- Increase the use of recycled plastics (target of 50 kg (i.e. 20 to 25%) by 2015)



Modus 13%



Clio III 10%



Scénic 8%



Mégane 9%



Grand Scénic 8%

New Twingo 9%

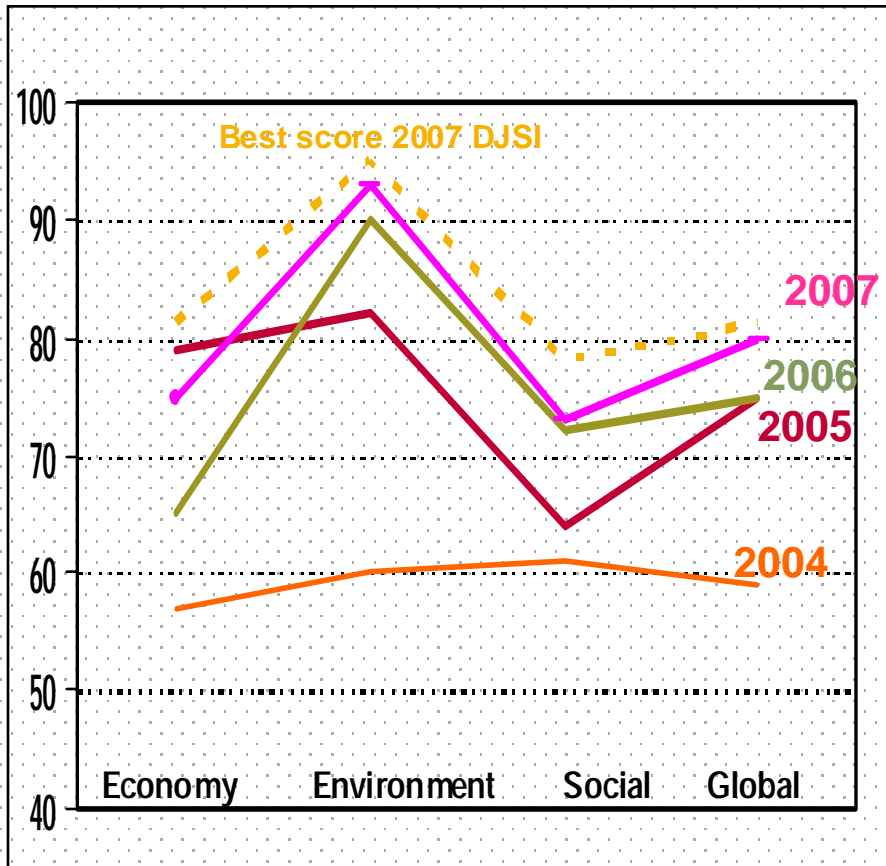


Laguna 17%



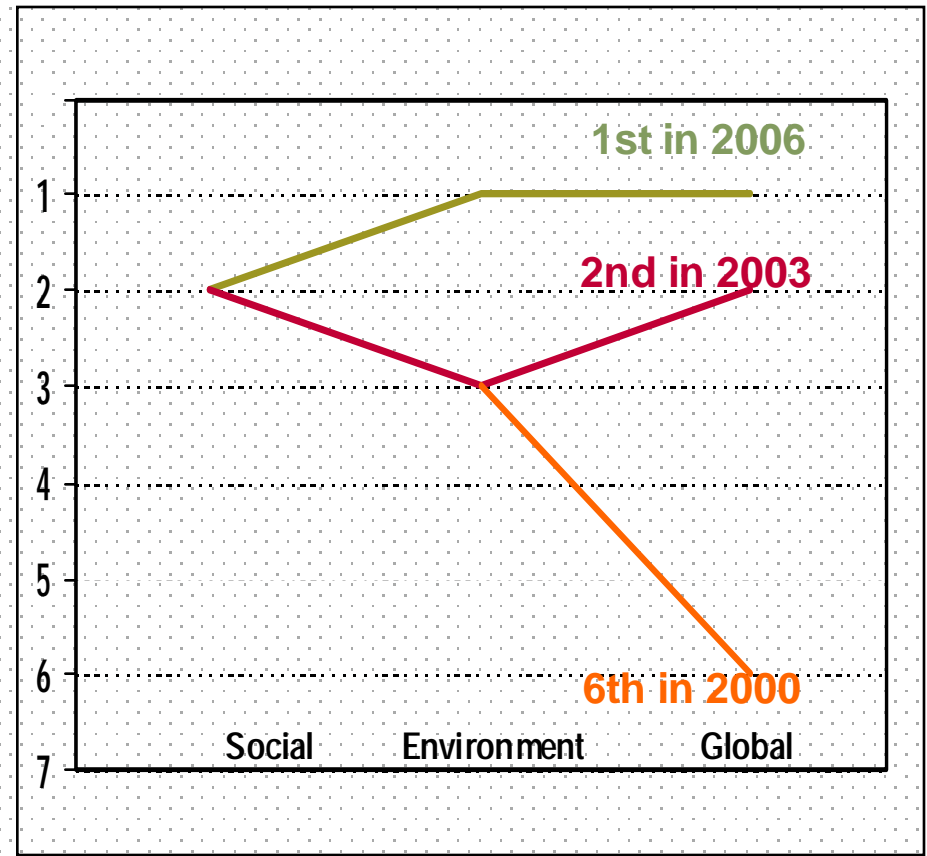
PROVEN AND WIDELY ACKNOWLEDGED RESULTS

Renault positioning (SAM score/ 100)



2007 Results

OEKOM RESEARCH
Renault (ranking over 17 OEMs)



2006 Results

QUESTIONS & ANSWERS

Guillaume VAUDESCAL

SRI IR

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- **QUALITY**

New Laguna in the Top 3 models of its category in quality.

- **PROFITABILITY**

6% operating margin in 2009.

- **GROWTH**

+ 800,000 vehicles between 2005 and 2009
strongest period of growth in the history of Renault.

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THE RENAULT BOARD



Louis Schweitzer



Carlos Ghosn



Yves Audvard



Marc Ladreit de Lacharrière



Dominique de La Garanderie



Philippe Lagayette



Michel Barbier



Catherine Bréchnignac



Alain Champigneux



Henri Martre



Jean-Claude Paye



Franck Riboud



François de Combret



Charles de Croisset



Itaru Koeda



Rémi Rioux



Hiroto Saikawa



Georges Stcherbatcheff

THE BASIS OF THE SOCIAL POLICY : THE DECLARATION OF SOCIAL FUNDAMENTAL RIGHTS

- **Equal opportunities**

Renault agrees to combat all forms of discrimination against people in difficulty.

No affirmative action : criteria based on competencies

- **Jobs**

Renault has a commitment to employment. It agrees to help employees and their families in the Group.

Example : non-working day at

Douai=>workers sent to Maubeuge (circ. 70km)

- **The right to training**

Renault ensures that all employees have access to training throughout their careers.

- **Working hours and the right to paid holidays**

In compliance with national legislation, Renault is implementing a policy based on the adjustment of working hours. It also grants paid holidays to all employees.

- **Salaries and wages**

Renault recognizes the principles of fair compensation for work and equal pay for equal work.

- **Employee representation**

Renault seeks to ensure that all personnel are represented. It places particular importance on trade union rights and the freedom of association.

- **Supplier relations**

Renault encourages its suppliers to observe these fundamental principles. Their commitment to preventing occupational risk and to banning child labor and forced labor will be considered a selection criterion.