



Renault-Nissan CSR Guidelines for Suppliers

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Renault S.A.S.
Nissan Motor Co., Ltd.

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Introduction

Renault and Nissan have a global network of suppliers, and aim to promote ethical, socially and environmentally conscious business practices at all stages of the supply chain. In 2006 the purchasing departments of Renault and Nissan shared their values and processes with suppliers around the world in a booklet entitled *The Renault-Nissan Purchasing Way*. Since then we have continued to promote a common responsible approach in all areas of business.

This year, we plan to make further progress, within the framework of both Renault and Nissan's Corporate Social Responsibility (CSR) policies. This will allow us to carry on promoting and improving the management of social and environmental performance across our supply chain.

Both Renault and Nissan are promoting transparent communication of their respective CSR policies and how they relate to procurement policy for suppliers. We are asking our suppliers to ensure their own rigorous compliance with laws and regulations and to strengthen their internal systems relating to CSR.

We are seeing the rapid expansion of our business into every corner of the world and a growing global focus on environmental issues such as the increasing effort to reduce carbon dioxide emissions for the reduction of global warming. Therefore, it is now imperative to not only understand but also to implement CSR practices across all areas of the business, including in the supply chain.

It is against this background that we have compiled the *Renault-Nissan CSR Guidelines for Suppliers* to ensure that our suppliers review their corporate activities from the perspective of CSR and further strengthen their management systems. We hope that this booklet will be a practical guide for our suppliers on our CSR approach and that it will help them to enhance their own CSR management. We also encourage our suppliers to disseminate and promote the areas covered in this booklet through their own respective supply chain.

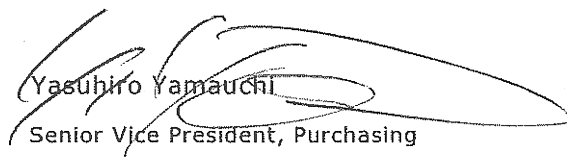
We ask our suppliers for their understanding and cooperation as we continue, based on a relationship of respect, trust and transparency, to pursue sustainable, mutually profitable growth by working together to further improve the CSR management systems throughout the supply chain.

Renault-Nissan Purchasing Organization



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Highlights of the Guidelines

| | |
|----------------------------------|---|
| 1. Safety and Quality | <ul style="list-style-type: none"> • Providing products and services that meet customer needs • Ensuring safety of products and services • Ensuring quality of products and services |
| 2. Human Rights and Labor | <ul style="list-style-type: none"> • Strive to avoid discrimination • Respecting human rights • Prohibiting child labor • Prohibiting forced labor • Compliance with the law of remuneration • Compliance with the law of working hours • Practicing dialogue and consultation with employees • Ensuring a safe and healthy working environment |
| 3. Environment | <ul style="list-style-type: none"> • Implement environmental management • Reducing greenhouse gas emissions • Preventing air, water and soil pollution • Saving resources and reducing waste • Managing chemical substances • Conservation of Eco system |
| 4. Compliance | <ul style="list-style-type: none"> • Compliance with the laws and in particular, competition laws and export laws • Preventing corruption • Managing and protecting confidential information • Protecting intellectual property |
| 5. Information disclosure | <ul style="list-style-type: none"> • Disclosing information to stakeholders |

1. Renault-Nissan Purchasing Way

Nissan and Renault aim to achieve sustainable, profitable growth with their suppliers on a foundation of mutual trust. Rather than insisting solely on our own demands, we always strive to listen carefully to the ideas and suggestions of our suppliers and dealers from an equal footing. We place a special focus on working together, developing cooperative relations that enable us to utilize best practices in order to stay ahead in the fierce competition of the auto industry.

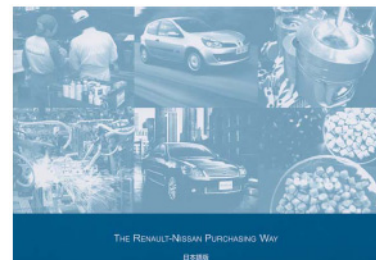
Renault and Nissan use a fair, impartial and completely transparent business process when selecting suppliers. We provide a wide variety of opportunities for other companies to do business with us, regardless of their nationality, size or history with us. When making selections, the relevant Renault and Nissan divisions meet to examine from a range of perspectives the proposals that suppliers have given us.

We make every effort to maintain the highest standards of impartiality and fairness in our business transactions, abiding by the content of *The Renault-Nissan Purchasing Way*. As well as maintaining close communication in our day-to-day dealings with suppliers, we also gather their ideas using questionnaires and direct meetings, checking our business practices from an external perspective.

The Renault-Nissan Purchasing Way

Topics covered by the booklet:

- Scope
- Values
 - Trust (Work fairly, impartially and professionally.)
 - Respect (Honor commitments, liabilities and responsibilities.)
 - Transparency (Be open, frank and clear.)
- Supplier Selection - The Principles
- Supplier Support - Joint Optimization through Collaboration
- Supplier Benefit



2. CSR Guidelines for Suppliers

(A) Overview and Use of These Guidelines

These Guidelines outline items of common interest with the aim of encouraging our suppliers to review their corporate activities from the perspective of CSR and to take clear action to further improve their CSR management. We have selected 24 specific items in five areas in which expectations of suppliers are especially high in the automobile industry.

(B) CSR Areas and Items

i) Safety and Quality

Providing products and services that meet customer needs

Identify customer needs to develop and provide socially effective products. It means in particular products that can be easily used by all of our customers. Provide products that save energy, save resources or limit their impact on the environment.

Ensuring safety of products and services

Produce and provide products and services that meet or exceed the safety laws and regulations set by each country and region.

Ensuring quality of products and services

Establish and operate company-wide quality assurance mechanisms.

ii) Human Rights and Labor

Discrimination

Do not discriminate in any aspect of employment (recruitment, employment, promotion, wages, dismissal, retirement, assignment of duties, disciplinary measures, etc.) on the basis of race, nationality, gender, religion, disability, age, background or any other legally prohibited reason.

Respecting human rights

Do not allow any form of harassment in the workplace on the basis of race, nationality, gender, religion, disability, age, background, position in the company, employment status or any other reason.

Prohibiting child labor

Do not permit the employment of minors who do not meet the legal minimum working age of each country and region and in all cases if minors are below the age of 15.

Prohibiting forced labor

Do not practice forced labor. Guarantee that all labor is voluntary and that employees are free to leave their jobs.

Remuneration

Comply with the laws of each country and region regarding minimum wages, overtime, wage deductions, performance-based pay and other remuneration.

Working hours

Comply with the laws of each country and region regarding the setting of employees' working hours (including overtime) and the granting of scheduled days off and paid annual vacation time.

Dialogue and consultation with employees

Sincerely undertake consultation and dialogue with employees or their representatives. Recognize employees' right to associate or not associate based on the laws of each country and region of operation.

Ensuring a safe and healthy working environment

Make the health and safety of workers the top priority and make every effort to prevent occupational accidents.

Renault and Nissan standards

For detailed standards, please refer:

- for NISSAN to Global Code of Conduct
- for RENAULT to the Declaration of fundamental social rights, and **Code of ethic and compliance rules**.

iii) Environment

Environmental management

Comply with current laws and try to anticipate changes or trends in law in each country or region. Build and continuously operate and improve companywide management scheme for pursuing a wide range of environmental activities. Record and report to Renault and/or Nissan, when the information is required.

Reducing greenhouse gas emissions

Comply with current laws and try to anticipate changes or trends in law in each country or region. Manage greenhouse gas emissions from business activities and pursue reduction efforts. Strive to use energy effectively. Record and report to Renault and/or Nissan, when the data is required.

Preventing air, water and soil pollution

Comply with current laws and try to anticipate changes or trends in law in each country or region of operation regarding the prevention of air, water and soil pollution. Prevent pollution by undertaking continuous monitoring and reduction of pollutants. Record and report to Renault and/or Nissan when the data is required.

Saving resources and reducing waste

Comply with the laws of each country and region regarding proper disposal and recycling of waste. Strive to reduce water consumption as well as the amount of final waste disposal by using resources effectively. Record and report to Renault and/or Nissan, when the data is required.

Managing chemical substances

Comply with current laws and try to anticipate changes or trends in law in each country or region. Specify and safely manage chemical substances that have the potential to pollute the environment, present risks for employees and occupants of a vehicle. Do not include chemical substances prohibited by the laws of each country and region in products or use prohibited chemical substances in manufacturing processes. Record and report to the relevant authorities amounts of emissions of chemical substances designated by the laws of each country and region. Record and report to Renault and/or Nissan, when the data is required.

Conservation of Ecosystem

Exercise care regarding the impact of corporate activity and parts production, including raw material acquisition on the ecosystem.

Renault and Nissan standards

For details standards, please refer:

for NISSAN to Green Purchasing Guideline.

for RENAULT to Supplier portal <https://suppliers.renault.com>

iv) Compliance

Compliance with the law

Comply with the laws of each country and region. Establish and operate policies, systems, codes of conduct, reporting systems and educational and other mechanisms to ensure thorough, companywide compliance.

Compliance with competition laws

Comply with competition laws in each country and region. Do not engage in such practices as private monopolies, improper restraint of trade (cartels, bid rigging, etc.), unfair business practices or abuse of dominant position.

Preventing corruption

Strive to forge transparent and fair relations with your suppliers and make political contributions and donations based on the laws of each country and region. Do not accept from or provide to suppliers any entertainment, gifts or money whose aim is to gain or retain improper benefits or preferential treatment.

Managing and protecting confidential information

Obtain personal information about customers, third parties and employees and confidential information on customers and third parties through proper methods. Rigorously control and protect this information and use it only within the appropriate scope and in accordance with the laws of each country and region.

Managing exports

Undertake appropriate procedures and management of exports of technologies and goods restricted by the laws and regulations of each country and region.

Protecting intellectual property

Protect intellectual property rights owned by or affiliated with your own company. Do not improperly obtain or use the intellectual property of third parties or infringe the rights of third parties.

v) Information Disclosure

Disclosing information to stakeholders

Disclose information on financial situation, results and business activities to stakeholders in a timely and appropriate manner. Strive to maintain and develop mutual understanding and relations of trust with stakeholders through open and fair communication.

3. To Our Suppliers

As described in the previous clauses, considering the recent increasing demand in society to comply with laws/regulations and conventional wisdom and principle, and the situation in which CSR activities have already been implemented in the supply chain, Renault and Nissan require from suppliers not only to conform to the CSR guidelines but also to explain the measures taken should suppliers' activities not meet the CSR guidelines.

Renault and Nissan request suppliers to understand the following:

<1> Renault and Nissan request suppliers to comply with all of the laws/regulations, including those which are included in the 4th clause of this guideline, "*Compliance*", and promote such CSR activities to their supply chain and consignment suppliers.

<2> In order to ensure <1>, Renault and Nissan request suppliers to establish and operate their own internal CSR organization and systems.

To help suppliers to do so, Renault and Nissan develop assessment and improvement tools and request suppliers participate in the on-going improvement process.

<3> If a supplier's activities do not conform to CSR guidelines, Renault and Nissan request the supplier to immediately report the details of the non-compliant incident and the investigation result, and submit the corrective counter measures to Renault and Nissan. Renault and Nissan may stop any new RFQs to the supplier within Renault/Nissan's procurement activities until the corrective counter measures are concluded or take other action, as appropriate.

Renault and Nissan now require this CSR policy in their contractual framework:

for Renault, the General purchasing conditions in the sustainable development section;

for Nissan, the Master Purchase Agreement (MPA), Professional Services Agreement, or other agreement by observing applicable laws/regulations.

Renault and Nissan will update their contractual framework in line with <1>~<3> in FY2010.

For suppliers that already have a current MPA with Nissan, the MPA will remain as it is, but Nissan does request that suppliers completely execute on points <1>~<3>.

APPENDIX

(I). Nissan's Approach to CSR

Guided by the vision of Enriching People's Lives, Nissan seeks to create value through the provision of its products and services. Through our corporate activities all around the world, we also aim to contribute to the development of the societies where we do business. Toward these twin goals we carry out management that combines our pursuit of sustainable profitability with our efforts to bring sustainable development to society. Making corporate social responsibility (CSR) principles part of our management approach is an effective way to make this alignment a reality. We believe it is also a way to build relationships of trust with our diverse stakeholders.



Our Idea of CSR

In recent years companies have seen increasing demands that they carry out their business activities in line with the principles of corporate social responsibility. Many firms are now putting greater emphasis on their CSR activities in response to these voices in society. However, in different nations, corporations and other organizations, there is a broad variety of definitions for CSR and methods of promoting activities in this field. Debate on the true nature of CSR remains active around the globe. At Nissan, we use CSR as a process-management tool in the pursuit of the balances listed below in our various fields of business.

Three Balances We Pursue

1. A balance between short- and long-term perspectives
2. A balance between corporate growth and societal development
3. A balance of value provided by the company to all its stakeholders

The Nissan CSR Policy and Eight Key Areas

We have defined our approach to CSR management by establishing the Nissan CSR Policy and eight key areas of focus for efforts in this field.

Nissan CSR Policy

- Ethical conduct, strong corporate governance with a high degree of transparency and a clear focus on diversity are the foundation for all our activities worldwide.
- We aim for the sustained profitable growth of the company, and at the same time contribute proactively to the sustainable development of mobility and society.
- We will listen to, and work with, our stakeholders around the world and create trust, opportunity and long-term sustainable value.

Eight Key Areas

Corporate Governance & Internal Control:

Nissan aims to conduct fair, impartial and efficient business activities, having high degree of transparency and consistency by adhering to the applicable laws and corporate rules.

Economic Contribution: Nissan aims for sustainable, profitable growth, contributing to economic development for all of society.

Quality: Nissan provides top-level quality on products and services around the world.

Environment: Providing mobility with minimal environmental stress and dependency throughout its lifecycle, and exercise zero emission leadership in creating de-carbonized society that is independent from fossil fuel.

Employees: Nissan aims to form an attractive organization where diverse human resources can achieve personal growth from experience in global business.

Safety: Nissan develops innovative technology and plays an active role in safety promotion, making the automobile society safer for all.

Value Chain: Nissan promotes ethical, environmentally sound actions in all stages of the supply chain.

Philanthropy: Nissan carries out social contribution activities as corporate citizen, focusing on education, environmental awareness and humanitarian relief.

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| Corporate Governance & Internal Control Nissan aims to conduct fair, impartial and efficient business activities, having high degree of transparency and consistency by adhering to the applicable laws and corporate rules. | Environment Providing mobility with minimal environmental stress and dependency throughout its lifecycle, and exercise zero emission leadership in creating de-carbonized society that is independent from fossil fuel. | Safety Nissan develops innovative technology and plays an active role in safety promotion, making the automobile society safer for all. |
| Economic Contribution Nissan aims for sustainable, profitable growth, contributing to economic development for all of society. | NISSAN | Value Chain Nissan promotes ethical, environmentally sound actions in all stages of the supply chain. |
| Quality Nissan provides top level quality on products and services around the world. | Employees Nissan aims to form an attractive organization where diverse human resources can achieve personal growth from experience in global business. | Philanthropy Nissan carries out social contribution activities as corporate citizen, focusing on education, environmental awareness and humanitarian relief. |

(II). Renault's Approach to CSR

The Renault's CSR policy is consistent with the recently redefined corporate vision: **"Renault, a people-centric and innovative company, offering sustainable mobility for all"**.

As a socially responsible enterprise, Renault takes into account the impact of its activities, facilities, products and services on the society and how to maximize their positive impact and to implement all necessary processes to limit or even neutralize any negative impacts. Renault is integrating economic, social and environmental concerns in its business operations, in every function and in the interaction with all stakeholders on a voluntary basis.

Pursuing the goals of transparency and progress, Renault has signed for example the **Declaration of Employees' Fundamental Rights** to ensure compliance with the principles set out in the Ethical Code and in the agreements of the International Labour Organisation (ILO).

Renault eco² strategy is to offer affordable product and services while reducing the ecological effects of its products and activities. For this reason, Renault practices an **eco-design policy** aiming to reduce the environmental impact of its vehicles throughout their service life (substances, emissions, recycling, etc.), while reconciling economic interests and human aspects.

Renault adheres to international norms and standards established to regulate companies' social and employee relations as well as environmental practices. Renault even goes further by anticipating voluntarily the coming social and environmental evolutions or regulations.

Renault is namely implementing the following internal rules :

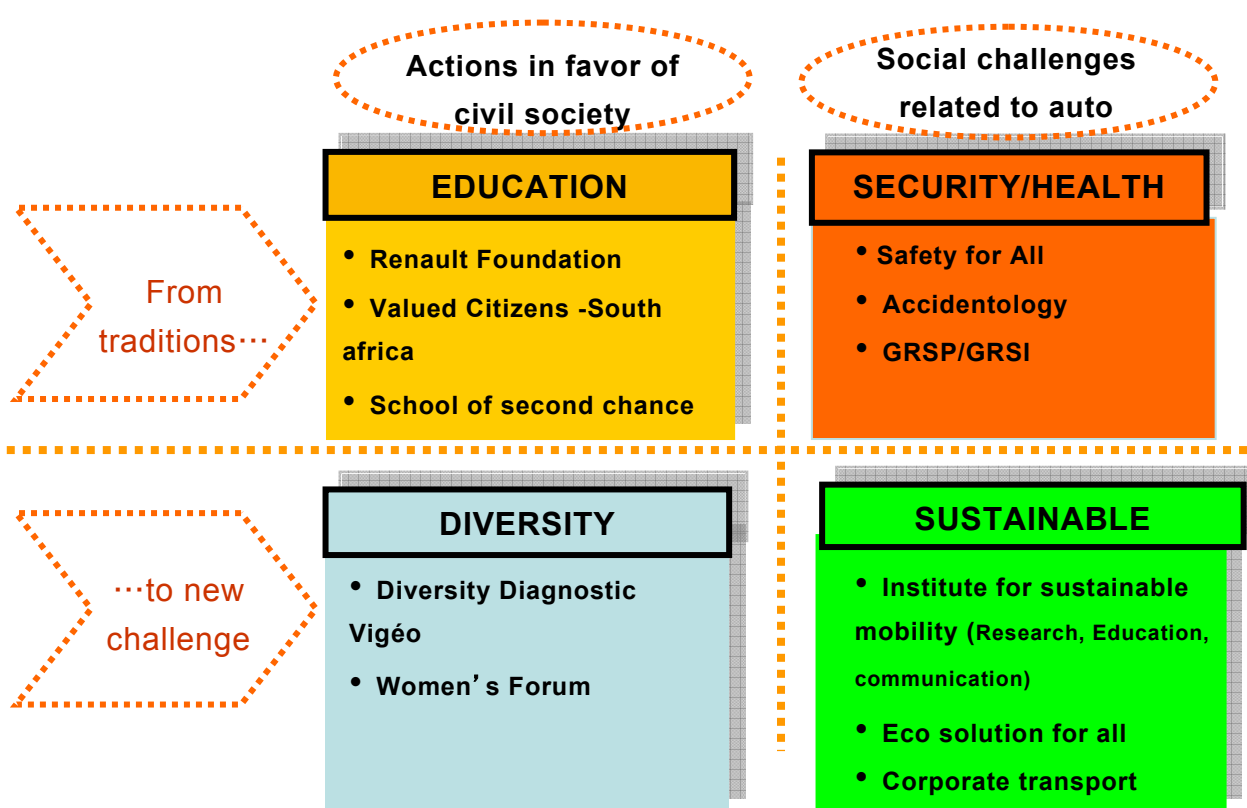
- Code of ethic and compliance rules
- Declaration of employees' fundamental rights
- Code of good practices and competitive performance

The mission of the CSR network is to be "the advocates and driving force behind Renault's commitment to social progress and company's performance through sustainable mobility."

Our strategic goals in terms of CSR are the following:

- Promote equal opportunity and access to sustainable mobility for all
- Facilitate employees' responsible engagement
- Ensure sustainable continuous development of the territories where we do business
- Raise awareness, inform and share with stakeholders in an open dialogue
- Develop CSR expertise throughout the company and our suppliers' network

Renault's CSR Grid and concrete examples





Renault S.A.S.

CSR Department

Worldwide Purchasing Strategy & Business Plan Department

Nissan Motor Co.,Ltd.

CSR Group, Global Communication/CSR Division

Purchasing Administration Department