



LET'S GO FURTHER

2001 SUSTAINABLE DEVELOPMENT REPORT



RENAULT

CONTENTS

From the Chairman	1
About this report	below
Symbols used	below
INTRODUCTION TO RENAULT	2
Activities	2
Regions	2
Governance	3
Renault strategy	3
Renault and sustainable development	4
ECONOMIC PERFORMANCE	5
ENVIRONMENTAL PERFORMANCE	6
The challenges	6
Renault products	7
Renault sites	11
SOCIAL RESPONSIBILITY	14
Good conduct codes	14
Renault and its stakeholders	14
Renault and mobility	16
Renault and safety	18
Philanthropic activities	21
EMPLOYEE RELATIONS	22
The vision	22
Forward-thinking	22
Attracting and motivating employees	24
Promoting involvement	25
ADDITIONAL INFORMATION	26

GRI⁽¹⁾ INDICATORS USED

[2, 10, 2.12, 2.15]
[2.1-2.3, 2.5, 2.7-2.11, 5.1, 5.4]
[4] [5.3, 5.6, 6.85]
[2.2, 2.7-2.11, 6.37-6.40, 6.45-6.46]
[5.7, 6.9, 6.14 - 6.16, 6.21, 6.27 - 6.31] [5.5, 5.10, 6.1-6.14, 6.16-6.22, 6.24, 6.27-6.31]
[5.1, 5.3, 5.7]
[5.9, 5.11-5.14, 6.96] [5.4, 5.11-5.14, 6.24] [6.28 - 6.29, 6.90] [6.53]
[5.10, 6.44, 6.60-6.61, 6.44, 6.75, 6.77] [5.7 - 5.8, 6.62-6.63, 6.66-6.68] [5.11 - 5.14, 6.82]
[2.6]

⁽¹⁾ Figures refer to Section C of the Global Reporting Initiative guidelines used to structure the content of this report.

ABOUT THIS REPORT

This document is Renault's first report dealing with the three elements of sustainable development: economic efficiency, social equity and environmental protection. Intended as a complement to the Renault Financial Report, it aims to be concise and factual.




By the end of the first half of 2002, a web site will be established within the www.renault.com portal to ensure the fullest and liveliest communication possible. As a more suitable medium for a detailed, illustrated description, this will enable everybody to access the information appropriate to their areas of interest.

The present document presents a more concise view. Printed on recycled paper, it follows the guidelines laid down in the Global Reporting Initiative (GRI) for sustainable development reports (www.globalreporting.org), subject to current French legislation.

Unless otherwise stated, the report is limited to the Renault group, excluding Nissan. The figures here refer to the year 2001, although trends in values over three to four years are reported in several instances. Factual information is reported up to the time the report went to print.

Further information about the Renault group can be found on the company's web site at www.renault.com.

SYMBOLS USED

-  Targets
-  Web addresses
-  Special tools (charts, methods, systems, databases)

FROM THE CHAIRMAN



Louis Schweitzer
Chairman

Renault's aim is to be a major global player in automotive development. Since this is a long-term goal, it will be achieved, in all of its aspects, through a strategy of profitable growth over the long, and even the very long, term. As a corporate citizen in a competitive environment, Renault sees the development of its economic performance and the management of its impact on the outside world in a 10-year timeframe or longer. To achieve sustainable development at the right time – that is, as early as possible – and in the right place – that is, everywhere – our actions are governed by this long-term approach and by the following simple rules:

- Promote scientific research to build understanding of the interaction between the car and its environment.
- Seek to act pre-emptively so as to eliminate hazards to human health and the environment.
- State the position factually.
- Take a stance on intelligent, effective and equitable rules and regulations.

In that way, we can achieve an optimum balance between the various obligations we have to reconcile:

- Towards our customers, whose expectations in buying a car must be fulfilled and whose mobility requirements must be satisfied during the lifecycle of the vehicle.
- Towards the shareholders who invest in our company.
- Towards our employees, to whom we owe job satisfaction and career development, updating their knowhow and skills in a manner which will ensure their employability.
- Towards our partners in our extended enterprise – our suppliers and distribution networks.
- Towards the environment in which we operate: the environment of our host communities, and the people who we can usefully interact with and help directly in the course of our business.
- Finally, towards more distant societies, present and future, which may be affected by our operations or products at one time or another.

The aim of this first Sustainable Development Report is to describe our progress in seeking to achieve this balance in a spirit of transparency, efficiency and good governance.

The traditional format of a bound document is not the most suitable, given the number of topics to be addressed, their local, national and global character, the variety of stakeholders and the dialogue which we wish to develop progressively with them. Since this printed report cannot be exhaustive, we intend to set up a web site by the end of the first half of 2002 with a powerful search engine which will enable every user, depending on his or her areas of interest, to access the required information.

Together, the printed report and the web site will provide a basis which will enable us to further our dialogue with our contacts and partners.

A handwritten signature in black ink, which appears to read 'Louis Schweitzer'.

INTRODUCTION TO RENAULT

Chapter 1 of Renault's Financial Report contains a detailed description of the company, with particular emphasis on its structure of governance.

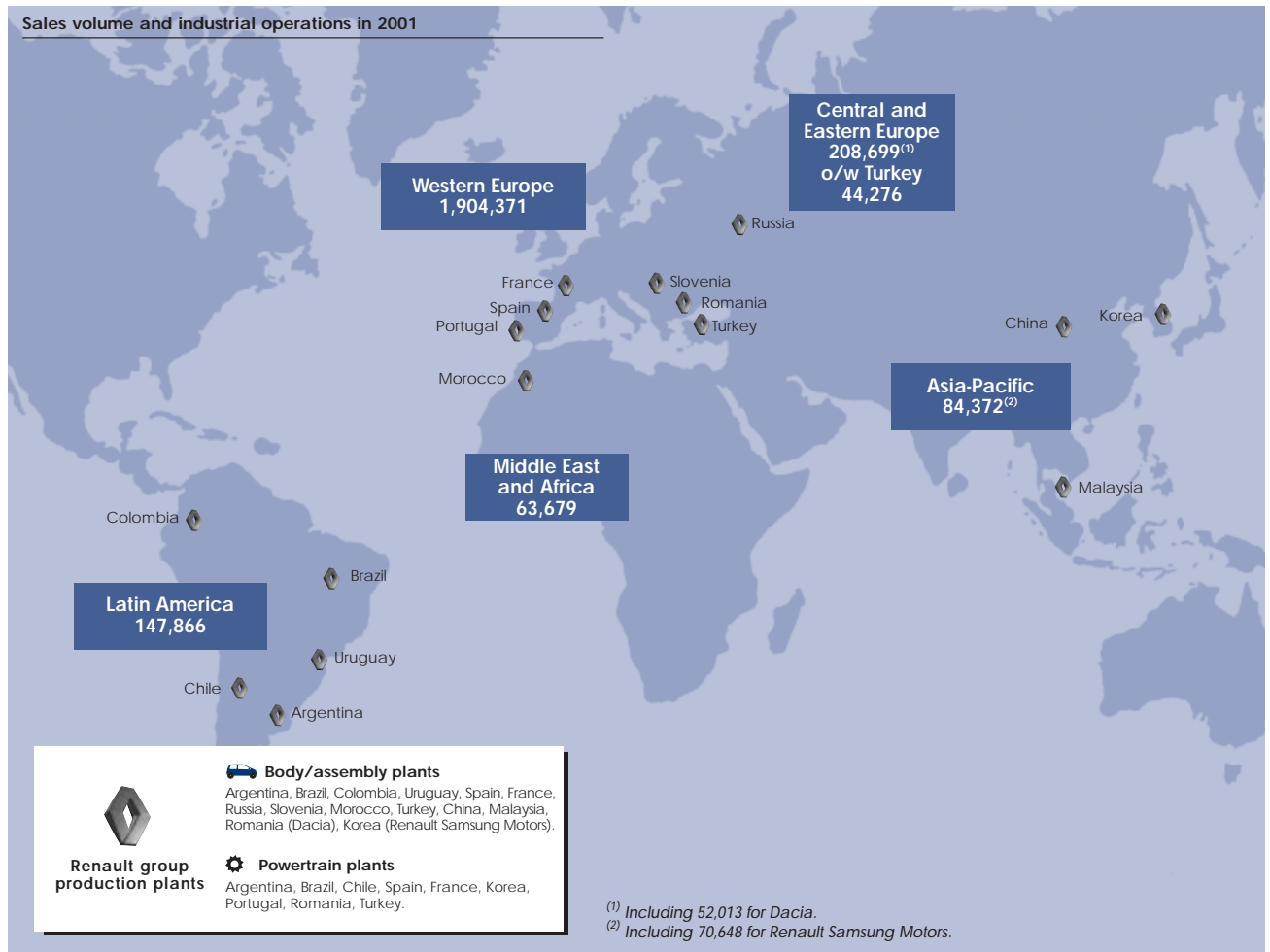
Activities

The activities of the Renault group are **concentrated on its core businesses** of designing, developing, manufacturing and marketing cars and light commercial vehicles, as well as supplying related services. At present, the group is organized into two main divisions – Automobile and Finance.

Following the agreement signed on January 2, 2001 between Renault and AB Volvo, Renault Véhicules Industriels has been deconsolidated and Renault's shareholding in AB Volvo has been accounted for by the equity method.

Regions

The Renault group is represented in over 100 countries worldwide. The following map shows the group's production plants and sales figures by geographical region.




With the exception of Argentina and Turkey, Renault's major operations outside Western Europe are of recent origin.

Governance

(see *Financial Report*, pages 8-11)

The company is managed by a **Board of Directors** with 16 members. Twelve are chosen by the Annual General Meeting of Shareholders, three represent the company's employees and one represents employee shareholders. Directors are appointed for a term of six years. Each Board member must hold at least one registered share.

The Board of Directors appoints one of its members as Chairman. The Chairman, who must be a natural person, may stand for re-election when his term of office expires. In 2001, the Board of Directors met seven times.

Consequent to the **recommendations of the Viénot reports** of 1995 and July 1999 regarding corporate governance, Renault's Board of Directors has adopted a system of bylaws and a  **board member's charter** which defines the rights and duties of Board members. The Board of Directors has also adopted procedures for the use and/or disclosure of privileged information. On July 26, 2001, the Board of Directors appointed a **compliance officer** to answer any queries relating to the interpretation and application of these procedures. In 1998, and again in 2001, Renault ordered an independent audit of the structure, organization and operating procedures of its Board of Directors.

Three special committees were established in 1996 to examine specific issues relating to the role of the Board of Directors in greater depth:

- An accounts and audit committee, which met twice in 2001.
- An appointments and remuneration committee, which also met twice in 2001.
- An international strategy committee, which met once in 2001.

Sustainable development management is a fully integrated element of company management. It is thus the remit of the Board of Directors, which will hold a special meeting devoted to this aspect every year. Reviews of environmental, social and employee relations issues by the Group Executive Committee are scheduled on a regular basis.

Furthermore, sustainable development objectives and action plans are defined as part of delegation procedures, which confer a high degree of autonomy on entity managers. This system is based on:

- Guidelines, strategic goals and rules of ethics and compliance which are updated at regular intervals.
- Budgets and plans developed at corporate level and implemented as part of the annual management cycle.

A network-based approach to the environment has been adopted in keeping with this philosophy of total integration.

Renault strategy

(see *Financial Report*, pages 36-41)

Since its privatization, Renault has adopted a dedicated **strategy of profitable growth**, without which sustainable development is impossible. The group has established two complementary and consistent financial targets, based on an average business cycle, for the purpose of funding this growth at least at the same rate as the global car industry and of remunerating its shareholders. These are:

- 🎯 **Operating margin of 4% or higher of revenues.**
- 🎯 **Net return on shareholders' equity of 11% or higher.**

The strategy adopted by Renault to achieve these targets focuses on three priorities:

- Being the most competitive manufacturer on its markets in terms of quality, cost and delivery times, thanks to an organization which is increasingly efficient in terms of cutting excess consumption, and to the involvement and commitment of its employees, at all levels, to strategic goals.
- Developing a brand identity representative of a daring, warm and visionary car manufacturer known for the innovative nature of its products and services, and the driving pleasure and travelling comfort offered by its vehicles. These values improve quality of life by placing the emphasis on individual safety and development.
- Expanding internationally with the aim of becoming a major player in automotive development throughout the world, especially in emerging countries. The target of  **capturing** a 5% share of the world market with Dacia and Samsung will be achieved by adopting a proactive policy in countries such as Brazil, Turkey, Russia, Romania and Korea, whose car markets offer prospects of strong growth despite economic problems.

The Alliance concluded with Nissan in 1999, together with the acquisition of the Dacia and Samsung Motors brands, forms an integral part of this strategy by augmenting our capacity for innovation, enhancing our competitiveness and opening up new avenues at international level.

Renault and sustainable development

■ The challenge

Every carmaker must achieve two types of balance:

- In common with all companies, a balance between social, employee, environmental, economic and financial targets.
- Given the nature of its products, a balance between the continuously growing demand for the transportation of people and goods, and the consequences of this growth on quality of life, notably in the form of accidents and the depletion of non-renewable resources.

The solutions are not dependent solely on technological progress, which is within the manufacturer's competence, but at least in equal measure on the behavior of other players, especially users, who make the choice between the various product offerings and determine how they are used, and public authorities, which provide the infrastructures, and offer regulatory and tax incentives.

Renault is favorably disposed to dialogue with its stakeholders, with a view to jointly establishing the most equitable and effective policies for achieving these balances.

■ The Renault philosophy

Renault is working continuously to reconcile its economic model for profitable growth with the other two elements of sustainable development, the **social** aspects on the one hand, and the **environmental** aspects on the other, in the knowledge that even a temporary weakness in any one of these may adversely affect the overall thrust.

Renault applies the relevant standards and regulations in a proactive manner, applying the **strictest regulations** to all of its plants as often as is reasonable.

Of the areas amenable to improvement, priority is attached to **quality of life**, as well as to the **cost/benefit ratio**, as applied both to the company and to the group as a whole. This means:

- Developing an **understanding**, both **prospective and objective**, of the aspects involved. Having analyzed the relevant facts in each case, Renault seeks to evaluate the effects and establish the primary causes – for example in the areas of occupational safety (see page 19) and the adverse effects of pollution on health (see page 9) – to identify what action is feasible and to promote more effective dialogue with its stakeholders.
- **Integrating all of the factors** (human, technical and economic) **at the earliest possible time** while scope is still available for optimization between different criteria, enabling cost overruns to be limited and even eliminated. As an example, this may involve designing the cabin around the systems which make travelling comfort more pleasant, reducing industrial waste by just-in-time delivery, taking account of working conditions when designing production facilities, and so on.
- **Placing the accent on the human factor** by engaging in active dialogue with stakeholders, both internal and external, and by conducting studies and surveys. Common charters or codes (such as the "Good conduct code" described in the chapter entitled "Social responsibility" on page 14) help to promote dialogue of this nature in an open and transparent climate.

This approach is complemented by:

- Setting **clear priorities**, in particular human safety and well-being, as well as effective action.
- Ensuring **continuous progress**, by **evaluating** each stage and, if necessary, taking **corrective action** before proceeding to the next stage.
- Being **responsive** to short-term problems.

In dealing, as appropriate, with the three aspects – economic, social and environmental – of sustainable development, the aim of this integrated and humane approach is to resolve discrepancies, improve the utilization of resources and, if applicable, deal with random accidents as effectively as possible.

■ Commitment to sustainable development initiatives

To its usual philosophy, Renault has now added its explicit commitment to international initiatives intended to promote sustainable development. The group participates proactively in the promotion, both internally and externally, of the relevant principles, while reinforcing its dialogue with other stakeholders. It subscribes to the guiding principles of the OECD and to the UN's Global Compact initiative, and is also a signatory to the Global Corporate Citizenship Initiative sponsored by the World Economic Forum.

Global Compact

@ www.unglobalcompact.org

Announced by UN Secretary-General Kofi Annan at Davos, Switzerland during the World Economic Forum in January 1999, the Global Compact was launched officially on July 26, 2000. In a spirit of "responsible and sustainable development", it invites companies to adopt nine universal principles governing respect for and protection of human rights, the elimination of abusive behavior in the workplace, and the development and propagation of more caring approaches to the environment.

The Global Compact unites those businesses which are leaders in their fields, the various organs of the United Nations and international NGOs in reaffirming their commitment to building a more open and more equitable global market. By participating in the Global Compact since summer 2001, Renault has officially affirmed its role as a player in the process of "responsible globalization" and has committed itself to publishing, once a year, reports on the progress which it has achieved in this area or the lessons which it has learned from applying the principles laid down in the UN initiative.

Leadership Challenge for CEOs and Boards, Global Corporate Citizenship Initiative of the World Economic Forum

The Chairman of Renault has, furthermore, signed the joint declaration entitled "Leadership Challenge for CEOs and Boards" enshrined in the Global Corporate Citizenship Initiative. This recommends an action plan to enable company heads to implement the principles and practices required to manage the impact of their companies' activities on society and their relations with other stakeholders.

ECONOMIC PERFORMANCE

See Renault Financial Report, pages 14-29.

In 2001, the Renault group sold 2.4 million cars and light commercial vehicles including, for the first full year, vehicles manufactured by Renault Samsung Motors. Thus, the group commands a world market share of 4.4% and has confirmed its position as number-one brand in Western Europe for the fourth year in succession, with a market share of 11.1%.

The group's consolidated revenues totaled €36,351 million.

At December 31, 2001, the consolidated workforce came to 140,417, including 21,135 Dacia employees and 3,947 Renault Samsung Motors employees.

	1999	2000	2001
Principal economic indicators			
Group production worldwide	2,257,918	2,425,964	2,375,084
o/w Renault	2,257,918	2,356,624	2,254,122
Dacia	-	55,183	52,283
Renault Samsung Motors	-	14,157	68,679
Group sales worldwide	2,288,658	2,356,208	2,409,226
o/w Renault	2,288,658	2,293,726	2,286,565
Dacia	-	50,133	52,013
Renault Samsung Motors	-	12,349	70,648

Research and Development expenditure (€ million)	1,788	2,048	1,935
Capital expenditure (€ million)	7,500 ⁽²⁾	3,657	3,314
Consolidated revenues (€ million)	37,592	40,175 ⁽³⁾	36,351
Operating margin (€ million)	2,205	2,022 ⁽⁴⁾	473
As % of revenues	5.9%	5.0%	1.3%
Net income (€ million)	534	1,080	1,051
Net income per share (€ million)	2.23	4.50	4.38
Shareholders' equity (€ million)	8,185	9,652	10,051
Total workforce	159,608	166,114	140,417

⁽¹⁾ Pro forma data.

⁽²⁾ Including the acquisition of shares, notably those of Nissan Motor, for €4,917 million.

⁽³⁾ Calculated on a consistent basis with 2001, consolidated revenues for 2000 amounted to €34,268 million.

⁽⁴⁾ The pro forma operating margin for 2000 (allowing for the deconsolidation of Renault V.I.) amounted to €1,843 million.

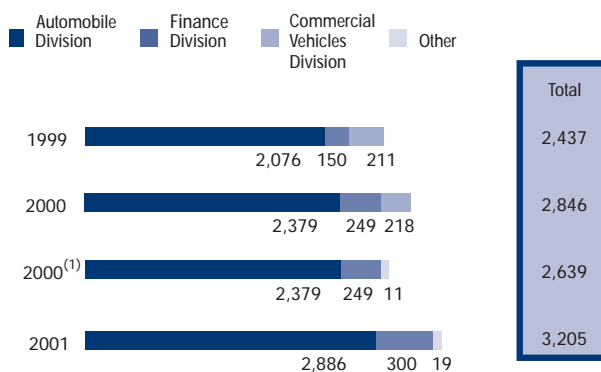
1999-2001: Research and Development expenditure

As % of revenues and in € million



1999-2001: Capital expenditure in property, plant and equipment and intangible assets

€ million



ENVIRONMENTAL PERFORMANCE

The challenges

■ Pollution

Carmakers are making rapid progress in the management of the environmental impact of their production plants (see pages 11-13). A framework is being set up in Europe for the processing of end-of-life vehicles (ELVs), thanks to the intervention of legislators and the various trades concerned. In time, 95% by weight of an ELV will be recyclable. In addition, the level of noise from new vehicles has been reduced by 90% since 1970.

Furthermore, the exhaust emissions from gasoline-engined passenger cars complying with Euro 2005 standards will be much lower than those from pre-1980 vehicles⁽¹⁾.

Trend in emission control standards

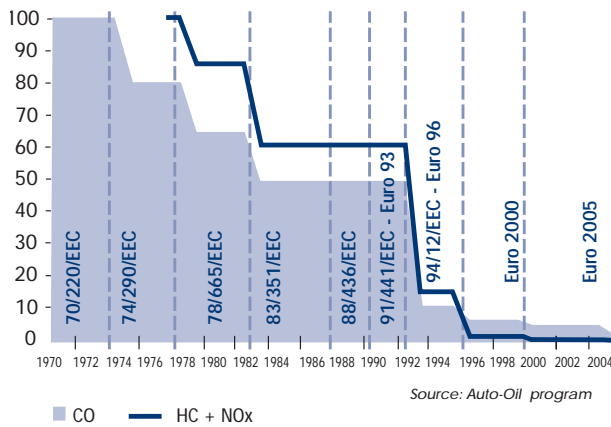
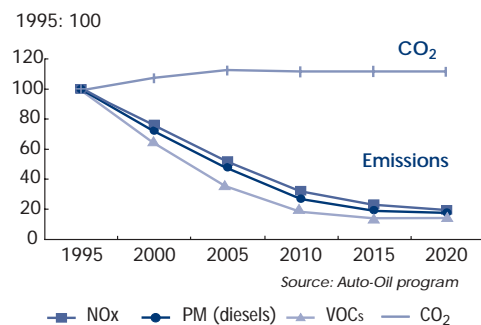


Chart applies to passenger cars in the European Union.
N.B. In the case of diesels, particulate emissions fell from 100 to 4 during the same period.

Despite this progress, it remains essential to seek a greater understanding of the effects of these different factors on health, an area which is still poorly understood in many cases.

Emissions from road traffic in Europe



This chart shows the trends in emissions from road traffic since 1995, taking account of technological progress made in new vehicles and the growth in traffic.

■ Fossil fuels

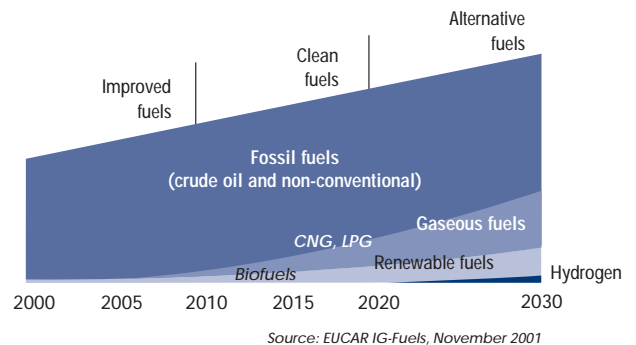
The consumption of fossil fuels presents two problems: the depletion of non-renewable resources and the emission to atmosphere of CO₂ – a greenhouse gas.

Preparations must be made to successively reduce reliance on these fuels by introducing alternatives based on either biomass or hydrogen. In all likelihood, the production of biomass-based fuels will not be sufficient to meet demand. In the case of hydrogen, the production and transportation of the fuel to the user, together with its storage and use on board under satisfactory conditions in terms of cost, safety and consumption, will be a very significant undertaking and will undoubtedly take decades of work to achieve.

Other options, such as electricity and gas, are making little progress due to the problems associated with their transportation and on-board storage, while the development of hybrid vehicles – which do offer certain advantages under low-load conditions (i.e. in urban traffic) – is inhibited by the complexity of the technology.

For these reasons, the great majority of engines will almost certainly continue to use liquid fuels for the next decade. Derived from petrol or synthesized from other carbon-based products, these should be capable of satisfying demand, although generating greenhouse gases. Further developments in conventional engine technology and in vehicle design will be necessary to limit these emissions.

Trend in demand for fuels

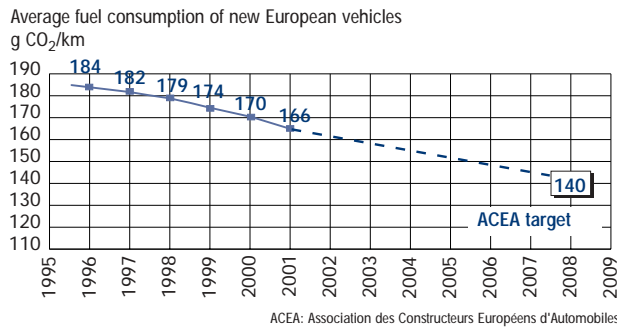


The global demand for petroleum fuels is supplied by crude oil, non-conventional petroleum resources, gaseous fuels and biofuels. This development is essential to optimize efficiency while lowering emissions.

⁽¹⁾ Due to the progressive renewal of the vehicle population, the problem of local pollution should effectively be resolved by the end of the decade in the developed world. However, progress in most of the developing nations is likely to be impeded by a combination of less-strict standards, a slower pace of renewal and less rigorous control of vehicles in service.

The European automotive industry – under the auspices of ACEA (the coordinating body for the European automotive industry) – has undertaken to **limit average emissions of CO₂ from the new vehicle range sold in the EU as of 2008 to 140g/km⁽¹⁾**, a reduction of almost 25% compared with 1995 levels.

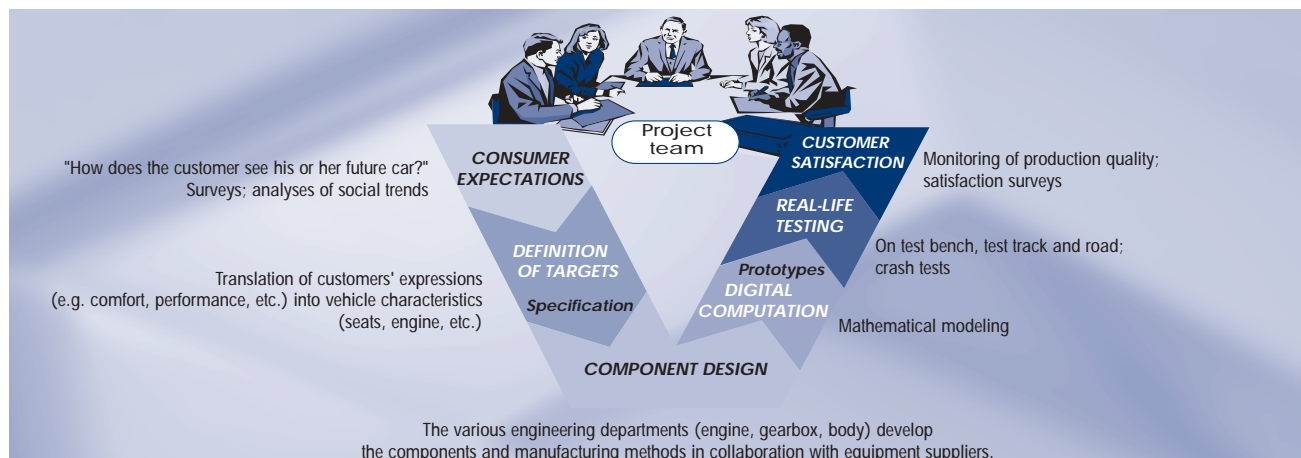
Fuel consumption of European vehicles



In terms of the timescale relevant to a car, in which the total renewal of a product range takes 10 to 12 years and technologies are written off over periods of decades, this commitment will necessitate an extremely rapid rate of progress. Starting with an average fuel consumption which is lower than most of its competitors, Renault is exploiting all available technologies to achieve even further progress.

Overall, the last decade has witnessed a considerable improvement in new vehicles, notably in terms of environmental impact.

Vehicle design process



However, the rapid replacement of the existing car population should be a priority, taking particular care to avoid measures which may impact the cost of the product to the end user.

Renault products

■ Vehicle design

Environmental protection, working conditions and safety are increasingly becoming integral elements of new vehicle development projects. Continuous progress of this type not only permits new aspects, such as vehicle recyclability, to be introduced, but also helps to improve performance even further in terms of enhanced safety, lower noise, reduced environmental impact and even improved workplace ergonomics.

New car development at Renault is based on customer requirements as determined by surveys. Customer expectations are translated directly into useful innovations as part of every new project – a process known as "customer-driven development".

In practice, the aerodynamic forms which help to reduce the fuel consumption of a vehicle – and, as a result, its CO₂ emissions – take tangible shape when designing both the car and its means of production. The materials, in terms of weight, toxicity and recyclability, as well as the factors which facilitate production (manufacturability), are also specified at the design stage.

⁽¹⁾ Equivalent to fuel consumptions of 5.3 and 5.9l/100km for diesel and gasoline-engined cars, respectively.

■ Life-cycle environmental management

Renault has adopted life-cycle environmental management (LEM) to enable its designers to define new objectives and to translate them into practice. The basis and principles of the method were defined in 1999 by teams from Renault and 13 suppliers working in consultation. LEM enables allowance to be made for the environmental impact of the product at all stages of its lifecycle, from the extraction of raw materials to recycling of end-of-life products.

The implementation of LEM enabled us to achieve concrete results in 2001, such as:

- The integration of 90% recyclable components in Trafic, Laguna II, Clio 2 and Vel Satis.
- An increase in the life of consumables (filters, belts, spark plugs and other parts), reducing service waste from a generation of cars, from Safrane to Vel Satis, by 30%.

This totally integrated management technique enables environmental protection and improved working conditions to be considered on the same basis as cost, quality and delivery times. LEM will become more productive as its use becomes more widespread within Renault, upstream in the manufacture of bought-out components and downstream in the recycling of ELVs without cost to their final owners.

Renault's LEM tools

At Renault, innovation also extends to the creation of numerous special tools and systems to support the implementation of LEM. Specialist teams with responsibility for safety, pollutant emissions and CO₂ emissions ensure that the specified objectives are achieved during the development of the car, from design, through market launch, to the processing of customer feedback. As a means to this end, they carry out numerous tests to validate their solutions and develop databases to gather data before performing simulations.

■ **Ecorisk** and ■ **Chimrisk** are dedicated systems. Dating from 1997, the former is designed to assist each production plant to identify the main sources of its impact on the environment which must be prioritized as part of the plant's action plan. Introduced in 1998, the purpose of Chimrisk is to regulate the use of chemical products on the basis of their potential toxicity.

The ■ **Eco packaging index** established in 1997 enables thousands of people, including both Renault and suppliers' personnel, to reduce the impact of packaging on the environment.

The ■ **in-house environmental audit program** introduced at all sites in 2001 enables us to identify new areas for improvement and to implement the necessary action.

The system of ■ **recycling markings** used on car parts, which has been in use since 2001, enables suppliers to measure the recyclability of their products and to establish new goals.

The ■ **soil protection management plan** defines the diagnostic standards used by Renault to assess the effects of past operations and to carry out risk evaluation. From 2001 on, this has been used to develop standards – relating to retention, piping, storage, accident prevention, etc. – for plants and buildings on the same site. The investigations carried out at all sites have resulted in the preparation of monitoring and reinstatement plans. The biggest pilot projects are those under way at Renault Industrie Belgique, Boulogne-Billancourt and the Dacia plant in Pitesti.

■ Developed in 2001, **Opera** is a computer program which will permit Renault and Nissan to establish a joint recycling database comprised of input data from designers and industries in the sector.

LEM training

In addition to the training courses associated with the implementation of these LEM tools, Renault teams have developed and implemented training programs designed specifically to further environmental protection.

In use since 1997, **Cap'éco 1** has provided 70% of production plant personnel worldwide with training in the area, while **Cap'éco 2** was used to train 1,200 engineers and technicians in **eco-design** in 2000 and 2001.

Renault also offers its suppliers two training modules in the **eco-design** of components. Three hundred people from 150 companies had benefited from this program by the end of 2001. Adège Environnement, the training division of the French Federation of Plastics Technology, assists with this program and has the resources to extend it to second- and third-tier suppliers.

In 2001, to meet its own needs, Renault established its **Automotive Engineering School**, which provides an introduction to life-cycle environmental management, and which incorporates the aspects of the environment and working conditions in automotive engineering training.

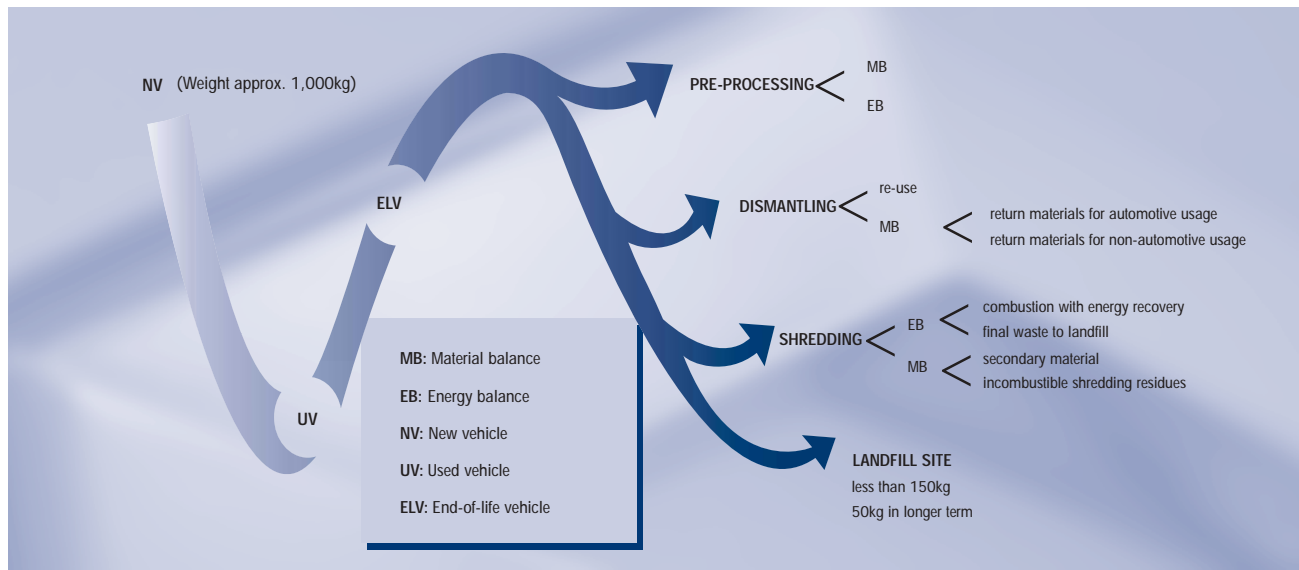
LEM all the way to end user

The owner's manual supplied with every new Renault car contains environmental data relating to fuel consumption, emissions and recycling. It also includes **driving recommendations** designed to lower fuel consumption, reduce wear and improve safety.

The Renault distribution network provides facilities for collecting used car parts (batteries, oils, containers, filters, etc.) from private owners for recycling. All plastic parts over 100g in weight are marked to facilitate sorting of the materials.

Renault is also actively involved in the implementation, in most European countries, of certified, self-financing systems for the recovery and processing of end-of-life vehicles (ELVs) and parts (ELPs).

The recycling chain



■ Fuel consumption, emissions of CO₂ and greenhouse gases

A fuel consumption below the market average, a relatively high proportion of diesels and advanced product performance make the Renault range consistently one of the best in Europe in terms of average emissions of CO₂/km by vehicle. Between 1995 and 2001, the figure was reduced by over 10%, from 178g to less than 160g, despite new advances in energy consumption performance, notably in terms of safety and compliance with the new Euro 3 emission control standards.

Thus, the 1.5-liter dCi diesel engine introduced in 2001 gives Clio a fuel consumption of 4.6 liters/100km, equivalent to 110g of CO₂/km, making it the most fuel-efficient, volume-produced five-seater model on the European market.



1.5-liter dCi diesel engine.

Renault has been marketing an electric Kangoo since the end of 2001. With its underfloor batteries, the model – which is available in five-seater passenger car and LCV versions – offers the same load capacity in terms of volume and weight as its thermal engine counterpart.

In another, completely different area, the light SR 305 aircraft engine developed by Renault Sport enables fuel consumption to be reduced by 30% using a cheaper fuel.

■ Research programs

Air quality

The group pursues research into the factors which generate pollution, as well as the effects of pollutants, with the aim of taking more effective action. This includes analysis of the results of epidemiological studies. Aspects of particular study include:

- The effect of diesel particulates on mucous membranes.
- Modeling of the atmospheric dispersion of photochemical substances, such as aerosols and ozone, at street and regional level.
- Review and analysis of trends in air quality on different geographical scales in relation to current standards.
- Specific study of interior air quality, with a comparative evaluation of different methods of treating the air supplied from outside. To that end, Renault follows the work of the French Interior Air Research Institute.
- In-depth study of particulate emissions in terms of granulometry and composition, especially when starting from cold.

Fuel cell vehicle

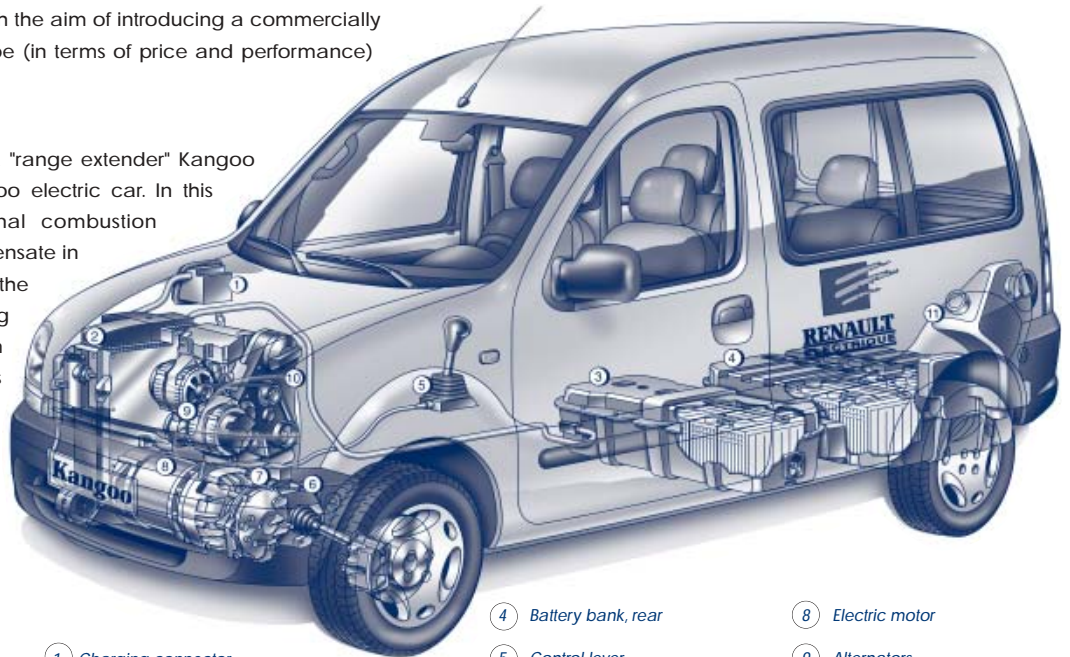
In 2001, following a feasibility study carried out in partnership with PSA Peugeot-Citroën, Renault undertook a joint fuel cell research program with Nissan, with the aim of introducing a commercially viable vehicle of this type (in terms of price and performance) in 2010.

Hybrids

Renault has launched a "range extender" Kangoo derived from the Kangoo electric car. In this version, a small internal combustion engine is used to compensate in part for the limitations of the batteries by charging them under optimum running conditions. This is one of several possible hybrid configurations.

Kangoo Elect'road

Version with range extender



① Charging connector

② Electronic control module

③ Battery bank, front

④ Battery bank, rear

⑤ Control lever

⑥ Reduction gear/drive shaft

⑦ Parking brake

⑧ Electric motor

⑨ Alternators

⑩ Internal combustion engine

⑪ Fuel tank

■ Noise

Renault has set itself a particularly ambitious target in the area of noise reduction:

🎯 To lower the noise level from new vehicles to 71dB(A); in other words, to halve the European standard level⁽¹⁾.

Laguna II was the first European car to meet this target. This was followed by Vel Satis, which won the French National Noise Abatement Council's Golden Decibel Award. These results were achieved by taking comprehensive action at the initial stages of product development. The aim was threefold:

- To lower noise emissions by reducing the number of moving parts, optimizing engine inertia, and increasing the rigidity and

the sound absorption of vibrating panels (glass, body panels and exhaust system).

- To minimize noise propagation with the aid of filters, silencers, screening and soundproofing.
- To adapt materials and designs (duct aerodynamics, tire tread pattern) so as to minimize their impact in terms of noise.


⁽¹⁾ The standard specifies a limit of 74dB(A). On a logarithmic scale, a reduction of 3dB(A) represents a halving of the noise level.



Acoustic test on windscreen at Aubevoye Technical Center.

Renault sites

■ Cross-functional policies

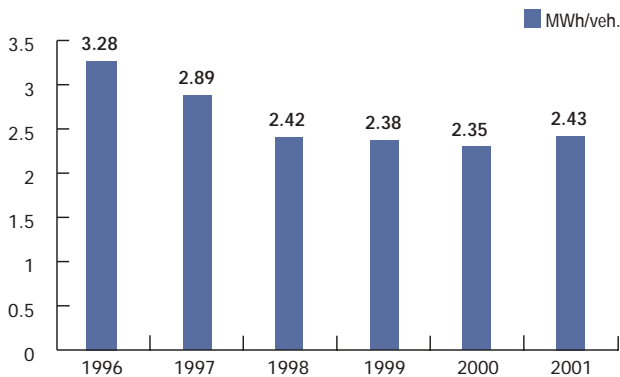
At its new facilities, Renault is committed to  procedures to help understand the specific characteristics of each country, with the aim of defining the role and responsibilities of every player (especially suppliers at industrial supplier parks) in the area of the environment.

Another procedure deals with environmental claims relating to Renault facilities. In 2001, it shed insight into related problems and facilitated coordinated claims management. No legal actions were recorded.

■ Manufacturing plants and technical centers

Not only have **all Renault sites and technical centers been certified under ISO 14001** in respect of their environmental management programs; since 1998, the most significant environmental effects of Renault's manufacturing operations have been certified by Ernst & Young as complying with applicable codes of best practice (see certification on page 28).

Energy consumption



Between 1996 and 2001, Renault reduced the energy consumption per vehicle produced by 25%, from 3.3MWh to 2.4MWh.

An energy conservation plan developed by Renault's Energy Department in partnership with our suppliers is currently being implemented by the company's environment function. The plan is the product of research and the general application of best practice, including:

- A reduction in non-manufacturing consumption.
- The optimization of heating in workshop areas.
- The implementation of a new type of heating system for the new body shop at the Douai plant.
- The general introduction of low-power welding guns in new vehicle production from Laguna II on.

In addition, the use of gas as a fuel to produce energy in close proximity to the point of demand allows the thermal inertia of systems to be optimized, enabling efficient energy usage to be combined with lower atmospheric emissions.

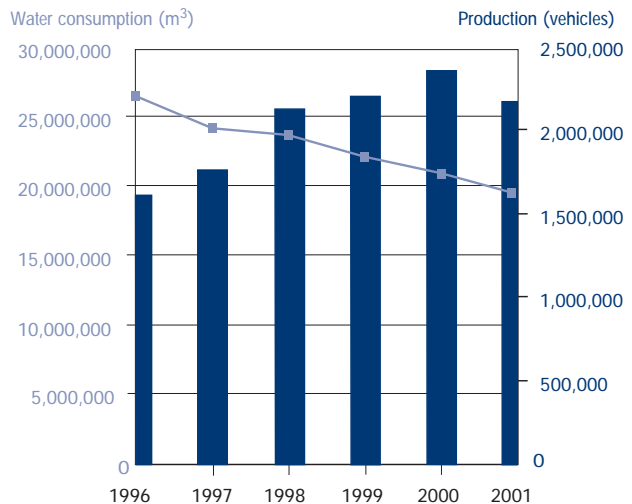
Finally, a combined heat and power (CHP) plant, consisting of a gas turbine driving a 44MW alternator, has been in service at the Flins plant since 1999. The exhaust gases are recovered and used

to heat a boiler producing high-pressure steam, which is used to drive other turboalternators and turbocompressors. The exhaust steam from these is used in plant heating and process applications. Energy consumption showed an increase in 2001 due to more severe climatic conditions, and to the commencement of production of new, more complex engines in the engine plants.

Water consumption

All told, Renault sites reduced their water consumption by 25% between 1996 and 2001, while car production increased by 35%. This search for savings, assisted by the engineering functions, is fully integrated in the management plan for each site. These plans are founded on cumulative process efficiencies (washing of car bodies or treatment bath renewal) based on recirculation and closed-loop operation (recovery of wastewater from washing machines and paint shops).

However, they are also based on more comprehensive solutions, such as the utilization of purified water or rainwater, as at the Guyancourt Technocentre, where rainwater supplies a substantial proportion of water requirements.



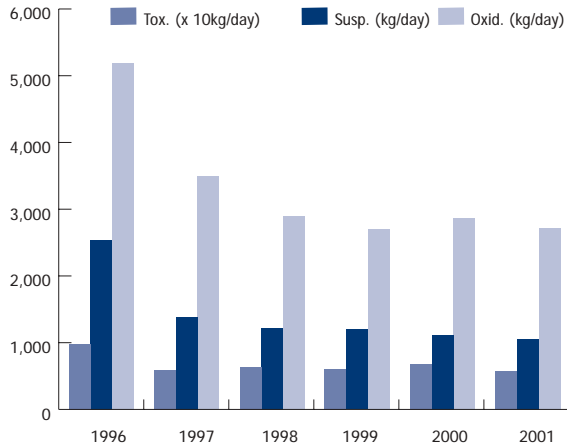
Formerly supplied with water exclusively from the potable water system, the Maubeuge plant has been using rainwater for several years. At present, over half of the plant's consumption of process water is supplied from this source. Funded by the EU as part of the Life project, the system is now being adopted in other group plants.

Water-borne effluents

A total of 70% of Renault facilities are equipped with their own effluent treatment plants. Operated on a quality assurance basis, most of these employ the latest technologies. For example the Palencia plant is based on biological membrane treatment yielding a high purification efficiency and minimum sludge volumes.

However, the plants also treat production process effluents. As an example, recycling the contents of body degreasing baths affords economies in terms of water and detergent consumption.

Liquid effluents



- **Tox.:** metals expressed as "equivalent toxicity".
- **Susp.:** suspended solids
- **Oxid.:** oxidizable material

The aim of the powertrain plants is to eliminate all liquid effluents. To date, this has been achieved in the STA automatic transmission plant, which recycles all of its purified solvents. At its plant in Curitiba, Brazil, joint action by Renault and its cutting fluid suppliers has enabled the effluents first to be reduced, then concentrated by evaporation and finally processed for use as a fuel. This system is currently being adopted generally

Atmospheric emissions

Reduced energy demand also enables atmospheric emissions to be cut. In this context, the replacement of heavy fuel oil by gas in factory power plants affords even greater scope for improvement. Improvements in methods of applying paints (see below) also have beneficial effects in terms of lower emissions of volatile organic compounds (VOCs). Moreover, the purification of atmospheric emissions from baking ovens is being adopted more widely with the installation of incinerators.

This approach may be based on technological advances, of which the following are examples:

- The system of treating the spray booth air at the Maubeuge plant is unique in France.
- The replacement of solvent-based paints by water-based types requires new paint shop facilities. The plants at Douai, France, Palencia, Spain and Curitiba, Brazil are equipped with facilities of this type.

Emissions of VOCs have been cut from 13kg per vehicle produced in Europe in 1998 to 5.9kg today. Renault's target is to **reduce this figure to 4kg of VOCs per vehicle by 2007.**

Industrial waste

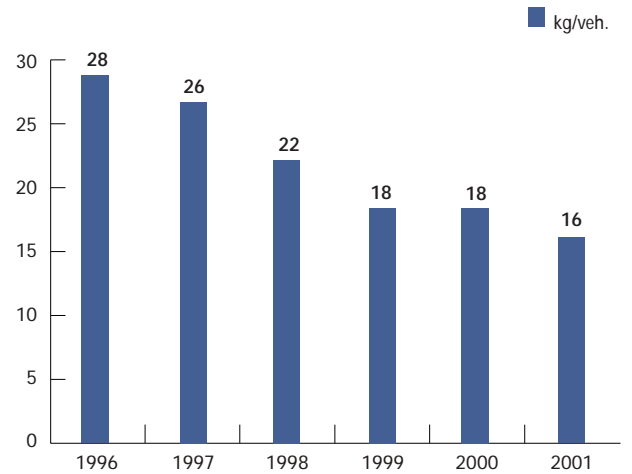
Waste metals, swarf and offcuts from machining and pressing operations account for 70% of the waste generated by our production plants. Recycling of these materials to steelmaking plants ensures that their environmental impact is reduced.

Improved operating efficiencies enable waste quantities to be reduced. In the painting area, for example, these enable the quantity of material applied, as well as solvent emissions and sludge quantities, to be reduced at one and the same time.

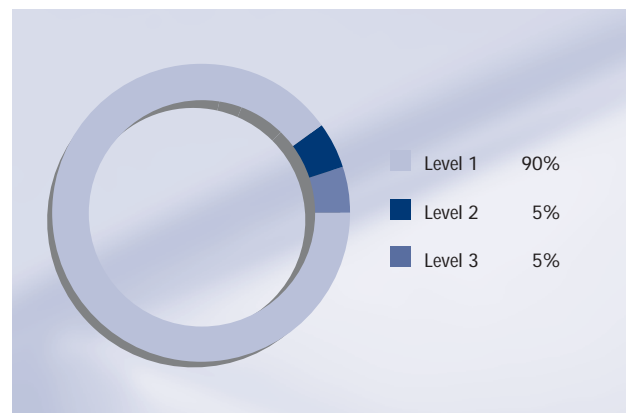
Sorting at source enables special and ordinary wastes to be separated and material recovery systems optimized. Global management of the waste materials in collaboration with a major player in the sector affords major synergies.

Finally, Renault is incorporating the reduction of packaging waste in major logistics development measures designed to reduce delivery times to customers. Starting with Laguna II, the target **will be to reduce the quantity of packaging waste to 5kg per vehicle.**

Packaging waste

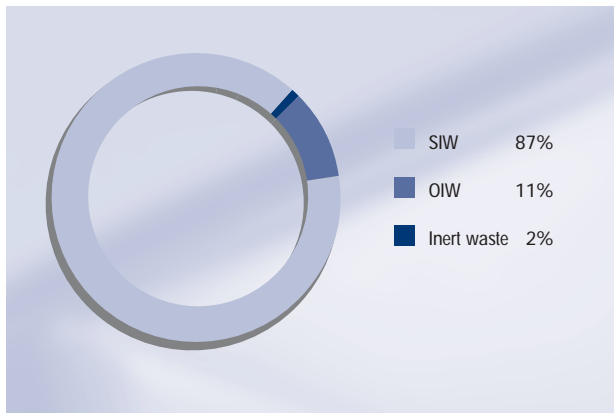


Destination of waste materials in 2001



- **Level 1:** recycling or recovery.
- **Level 2:** treatment or pretreatment of waste prior to disposal.
- **Level 3:** shipping of waste to storage center.

Classification of waste materials in 2001



- **SIW (Special Industrial Waste):** hazardous or toxic materials (solvents, oily liquids, etc.).
- **OIW (Ordinary Industrial Waste):** non-hazardous waste (paper, wood, board, metals, etc.).
- **Inert waste:** waste (such as building and demolition rubble) with a negligible impact on the environment.

■ Distribution network facilities

The distribution network – subsidiaries and dealerships – is also being integrated progressively in the process of ISO 14001 certification with the aim of:

- Reducing washwater discharges from workshops.
- Storing used liquids in special containers pending collection, to eliminate all risk of soil contamination.
- Reducing the consumption of water and electricity resources.
- Measuring noise pollution from workshops.

SOCIAL RESPONSIBILITY

The Renault group maintains close relations with its operating environment – partners, suppliers, dealers, customers and institutions – and its influence, whether direct or indirect, extends far beyond its own boundaries, even if limited by ownership restraints. The group's impact on the host communities located adjacent to its sites can be considerable, although not always evident. Together with other stakeholders, Renault is studying the implications of these various links and is dealing with them progressively.

Good conduct codes

Since 1998, Renault has been committed to a **code of ethics** defining the rules to be applied vis-à-vis its stakeholders, both internal and external. Faced with situations which are sometimes complex, this enables company players to act in accordance with a set of clearly defined principles. Distributed to a large number of Renault's management personnel, as well as to suppliers (through Renault's Supplier Relations Department), the code deals primarily with:

- Protection of the company's personnel and property, tangible and intangible.
- Respect for the law, the environment and persons.
- Supply and utilization of information.
- Utilization of company finances.
- Participation in local activities.
- Conflicts of interest.

An **ethics and compliance committee** was appointed in 2000 to monitor the application and development of the code within the group, and to define a related communications policy. A compliance officer working alongside the committee is permanently responsible for implementing the code.

The code of ethics is supplemented by a **control and internal audit charter**. This is distributed to management and defines the conditions of application by line staff.

Renault and its stakeholders

The purpose of these rules is to create transparent relations, based on mutual respect and trust. They apply equally to **personnel** and **social partners** (see page 25) and the company's shareholders (see "Shareholder information" in the Renault Financial Report). Other stakeholders are listed below.

■ Customers

Customer satisfaction with product and service quality is of fundamental importance to Renault. The quality policy is therefore Renault's number-one strategic priority, and is applied and monitored rigorously among its customers.

Renault has established an extensive and diversified **customer care system** to ensure that the customer is the main focus of attention in all areas of activity. Surveys and call centers are used to evaluate customer satisfaction on a regular basis.

Renault attaches major importance to rapid response and repair quality to minimize vehicle downtime. At another level, recalls provide an opportunity of inspecting and, if appropriate, restoring vehicles to standard.

Quality management calls for:

- A multidisciplinary, grassroots organization.
- Personnel representing customers at every operational level.

Training all personnel in quality helps build awareness and hone skills regarding quality issues and how they apply to the group.

Implemented in 1999, the New Distribution project has enabled the delivery times of specific vehicles to be shortened, with the advantage of reducing inventories. Guaranteeing reliable delivery times will be a priority aim in the immediate future.

■ Partners

Having decided early on to focus on its core business of "vehicle architect", Renault has developed its capacity to forge **effective and enduring partnerships**.

Based on analysis of the facts, Renault has also drawn up **rules of cooperation**, which provide guidance in managing cooperative ventures and identifying risks. As an evaluation tool and steering aid, these provide a reference framework which can not only be adapted to suit different cases, but also serves as a basis for knowledge-building and transfer of best practices.

■ The Alliance with Nissan

In this respect, the Alliance with Nissan has proved to be an exemplary and fruitful venture. Since the signing of the agreement in 1999, Renault has, in cooperation with its partner, sought to establish relationship models and working methods which promote joint efforts, respecting each other's culture and identity and clearly distinguishing between the brands. Practical arrangements have thus been made to round out the cross-company structures which have been put in place (see Renault Financial Report). The spirit, principles and general rules of business ethics designed to strengthen trust, loyalty and balance between the two partners are embodied in the **Alliance Charter**. The purpose of this document is to establish a bi-national group in which the pluralism of the two cultures is recognized as a force and as a value which sets the group apart. The most significant provisions deal with:


- The recognition and affirmation of cultural differences.
- Mutual respect.
- Transparency.
- Active listening.

To facilitate mutual understanding, over 4,000 Renault employees have undergone training in Japanese culture and working practices.


Consisting of French, Japanese and other members, the **International Advisory Board** was set up when the agreement was signed to advise the Chairmen of the two groups on the competitiveness, development and social progress of the Alliance.

The next stage was announced in November 2001. The Alliance will acquire a strategic command structure in the form of Renault Nissan bv – a company set up in addition to the existing coordinating bodies and composed of equal numbers from the two groups. The new company is founded on the original spirit of respect for individual corporate identities, while permitting greater exploitation of the potential synergies between them.

■ Suppliers

Renault's strategy vis-à-vis its suppliers is founded on long-term relationships, the involvement of supplier companies in projects at a very early stage of development, and the institution of a common language and common working methods. Renault has selected a limited panel of partners in accordance with a set of predefined criteria and has also developed a set of  **project management guidelines** to enable the following factors to be integrated:



- Initially: economic and technical aspects of performance, quality and manufacturing processes.
- At a later stage: working conditions (work stations, instructions for use of chemical products).
- After two years: life-cycle environmental protection.

The quality of the relationships, which is measured by objective criteria and based on solidarity, may enable certain suppliers to achieve **Optima** status in accordance with a  **charter**. In return for the employment of their services, the suppliers guarantee Renault specified levels of cost, quality and performance, as well as priority access to new innovations. The results and the quality of the relationships are reviewed annually, enabling progress to be measured and new goals set. Problems, if any, are solved jointly.

This is typical of the framework within which features such as the Renault System for Restraint and Protection, which contributes to the high standard of safety in Renault cars, have been developed (see page 19).



Optima enables suppliers to become involved more effectively in developments at the research stage. As an example, Autoliv, a company specializing in passive safety, and Renault are jointly studying new occupant protection systems (above, an adaptive airbag is deployed).

To assist clarification and standardization, Renault has developed  **structured tools** to reduce the risks of non-quality of supply by combined actions on processes. Negotiated with the suppliers' representative organizations, the  **guarantee charter** defines the appeal process and, by creating a more dispassionate climate between the partners, strengthens their involvement vis-à-vis consumers.

In addition, to ensure optimum exchanges, the **Suppliers' Council** brings Renault senior management and its main suppliers together several times a year. The **Renault Institute**, a quality and management consultancy body, is dedicated mainly to serving Renault and its partners. Finally, second-tier suppliers benefit from the action programs of the Institute for Automobile Competitiveness and the Search for Excellence (ICARE).

■ The Renault distribution network in Europe

Number of sales and service outlets	1999		2000		2001 ⁽¹⁾	
	Europe	o/w France	Europe	o/w France	Europe	o/w France
Branches and subsidiaries	119	64	117	60	123	64 ⁽²⁾
Dealers	2,169	346	2,062	363	1,818	354
Sub-dealers	9,998	6,053	9,642	5,804	9,217	5,548
Total	12,286	6,463	11,821	6,227	11,158	5,966

Comprised mainly of independent companies, the distribution network is the carmaker's interface with its customers. The move to transform the primary network in Europe, based on the development of hubs in common with Nissan, is intended to optimize geographical coverage and improve professionalism. Although the number of outlets is declining, coverage has been maintained and even expanded (See Renault Financial Report).

Renault dealer groups have been established both nationally and Europe-wide to ensure that dialogue is conducted in a climate of respect and trust. The groups discuss strategic and technical issues of common interest with Renault at plenary or committee meetings.

Since the quality of service offered at every stage of vehicle ownership is one of buyers' main criteria when choosing a car, it is crucial to implement rigorous standards which are audited regularly by third-party bodies. As a contractual performance criterion evaluated through surveys, quality is maintained and improved by Renault's multi-faceted programs, which cover customer reception, the workshop, telephone manner, and recruitment and training support. At the same time, Renault assists the network in protecting the environment (see page 13).

The quality of the relationship between Renault and its distribution network is evaluated annually in the form of a Dealer Satisfaction Survey.

■ Other stakeholders

Finally, Renault maintains close relations with **governments** and does its utmost to play an active role in the **host communities** in which its production plants and tertiary sites⁽³⁾ are located (see "Socio-economic environment" on page 25).

In the same spirit, Renault intends to step up and structure its dialogue with a number of other stakeholders in civil society, particularly associations, in order to better understand and take on board the interests which they represent.

🔄 Structure the dialogue between Renault and associations.

Renault and mobility

■ The challenges

As a means of transport, cars contribute to the exchange of goods and ideas – the cornerstone of modern development. As a means of freedom and leisure, they boost quality of life. Although its rate of progress has slowed in countries in which car ownership is already high, cars look set to enjoy strong growth in emerging countries.

In future, transport will continue to play a role in economic development by meeting the need for travel and improving the quality of life.

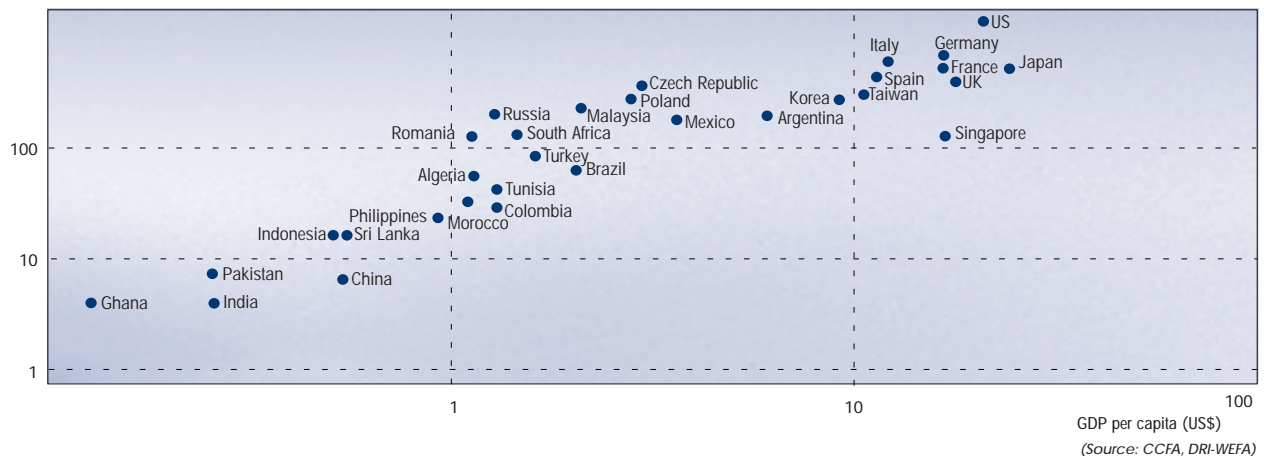
⁽¹⁾ Figures estimated at end-October 2001 on the basis of the number of entities contracted to Renault.

⁽²⁾ RFA, which is wholly-owned by Renault S.A., currently consists of 64 outlets incorporated in 14 commercial subsidiaries also called "hubs".

⁽³⁾ For example, these often provide the initiative for training courses in automotive trades for labour forces at regional level.

Correlation between GDP per capita and level of car ownership in 2000

Number of vehicles per 1,000 inhabitants



On the basis of the various types of environmental impact described earlier, the main issues to be addressed in both the developed world and the developing nations are:

- Providing mobility for all, either by car or by a reasonable alternative.
- Seeking better trade-offs, in terms of the utilization of resources and infrastructures, between passenger and goods transport and mobility options in urban and suburban areas subject to heavy traffic.

There is no single answer here as many players with conflicting interests are involved. Progress will be made by strengthening the planning, development and management of infrastructures.

The leading oil companies and automakers, including Renault, which are members of WBCSD, have described this problem scenario in a study entitled **Mobility 2001**. Their objective is to present potential solutions from 2003 on within the framework of the **Sustainable Mobility 2030 program**.

The World Business Council for Sustainable Development (WBCSD) @ www.wbcd.org consists of 150 international companies from 30 countries and 20 major industrial sectors, which are engaged in implementing sustainable development in the three key areas of environmental protection, social equity and economic prosperity. The work of the organization focuses particularly on the promotion of eco-efficiency, innovation and social responsibility among the member companies.

■ Action by Renault

Renault is closely involved in the challenges associated with mobility. The following four specific measures have been adopted as a complement to Sustainable Mobility 2030:

Vehicle characteristics

Focusing on safety and more convenient vehicle usage, as well as on driving pleasure and traveling comfort, Renault's policy is to continuously improve the characteristics of its vehicles. The aim is to maintain the feeling of convenience and freedom which enables users to travel wherever they wish under the best possible conditions.

Specific responses

Certain needs must be met more effectively, subject to economic viability. Renault does not envisage a significant role for a specifically urban vehicle due to its lack of versatility, unless substantial incentives are provided. However, new information and communications technologies, namely in the area of navigation (GPS+RDS), will enable the time spent in vehicles to be better managed.

In terms of car ownership, the €5,000 car developed specially for emerging countries will make the benefits of modern vehicles more affordable, especially in terms of safety and care for the environment.

Internal measures

Renault is committed to promoting alternative transport solutions among its own personnel:

- In the Paris region, where Renault's main tertiary sites are confronted daily with the traffic problems of a major city. On Renault's initiative, 14 public transport routes have been opened to serve the Guyancourt Technocentre, which is the most populous of the company's sites.
- By using its own intranet to provide information on public transport, traffic conditions and car pooling.

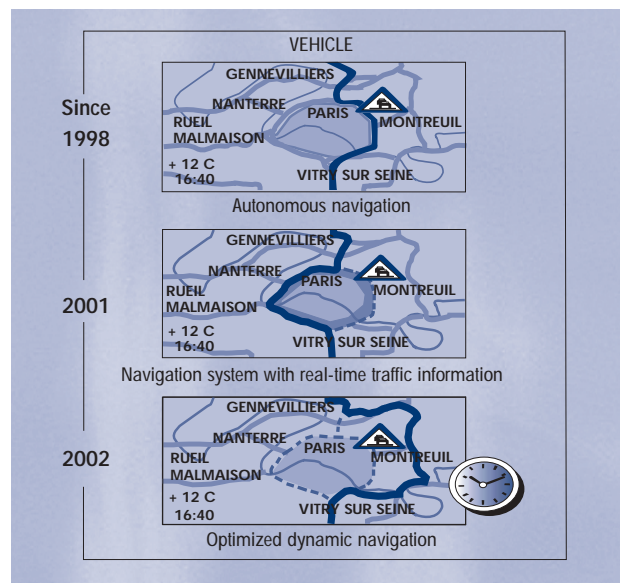
Participation in studies and testing

Alongside experts and leading researchers, Renault is involved in a variety of programs grouping many players – governments, institutions, and suppliers of other transport and infrastructural facilities. Programs of this type include:

- Studies of typical situations:
 - in Europe: case studies relating to the elderly, inner city deliveries, effects of shorter working hours and teleworking, interaction between car and home, and the outlook for urban mobility;
 - in the developing nations: studies within the framework of the MIT Cooperative Mobility Program in Brazil, urban China, Mexico City and Santiago.
- Research into relevant indicators, especially for evaluating urban mobility policies.
- Practical testing of innovative transport systems with the aim of making the car part of a multimodal chain and optimizing the use of infrastructures. This includes the Praxitèle project – the world's first self-service vehicle program – car sharing, communal taxis, transport on demand and guidance systems. Renault is involved in various car sharing schemes, both in France and in other European countries.
- Educational programs for target audiences (see "Safety for All", page 20).

Carminat navigation system with real-time traffic information

Evolution towards dynamic navigation system



Navigation system with real-time traffic information: takes account of instantaneous events.
Optimized dynamic navigation: takes account of actual journey time.

Renault distributes two-wheel products – scooters and bicycles – via its network which are partly or wholly of its own design. Some of these bicycles are equipped with electric motors.



Ublo is a three-wheel concept vehicle mid-way between a two-wheeler and a car. The vehicle can be equipped with a hybrid drive.

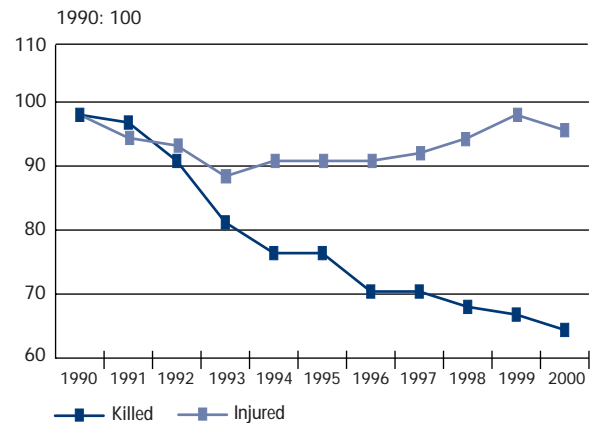
Renault has founded the Renault Traffic Design Awards, a competition which is open to professional and student architects, to encourage better integration of roads in the landscape. Intended to reward the work of architects in road infrastructure projects, the competition has been held twice in Germany, in 2000 and 2001.

Renault and safety

■ The challenge

In terms of **public health**, road traffic causes a high number of fatalities and disabilities, often among young people. This is true both in the developed world, due to the size of its vehicle population, and in emerging countries, in which accident-to-vehicle-kilometer ratios are very high.

Trend in European road accidents 1990-2000



Progress in vehicle technology has enabled the risk of injury to occupants in car accidents to be reduced by a factor of two, while development of infrastructures has also helped reduce the number of accidents. Given this progress, the aim will be to focus on **human behavior** to achieve a further reduction in these figures.

■ Action by Renault

Automotive safety is a priority for Renault, whose involvement may be summarized by the following figures:

- 400 actual and 3,000 virtual crash tests conducted annually.
- Investment of approximately €100 million annually in research and development work on safety systems.
- Over 600 people employed directly or indirectly in the area of safety.

Safety has been a major concern of Renault since the establishment of the Laboratory of Physiology and Biomechanics in 1954, in association with PSA Peugeot-Citroën. In 1969, this became **LAB** (Laboratory for Accident Research, Biomechanics and Study of Human Behavior). Financed mainly by the two French automakers, the LAB facility is the only one of its kind in Europe. Its medical and engineering experts collaborate closely, particularly in studies of the behavior of the human body under impact.

This provides Renault with the world's biggest **accident research database** which enables collisions to be re-enacted on the basis of real-life accidents in order to understand their causes and effects. This expertise places Renault in the forefront of automotive safety.

Active safety

Renault is working to identify and eliminate every accident source which may be related to the characteristics of its cars. Thus, roadholding and braking are being constantly improved, as is visibility, whether diurnal (elimination of blind spots) or nocturnal (providing more powerful lighting using quartz-iodine headlamps or, in certain cases, discharge headlamps).

Passive safety

A cornerstone of our safety strategy, the principle of safety for all is designed to protect all car occupants on the basis of the severity of the impact, and their age, morphology and position in the vehicle. This encompasses three main principles:

- Focusing on the occupant in order to improve his/her in-car safety.
- Developing safety for all – children and adults, front and rear passengers – and guaranteeing the same level of safety regardless of the type or size of model.
- Taking account of occupants of other vehicles in the development of car-to-car crash compatibility.

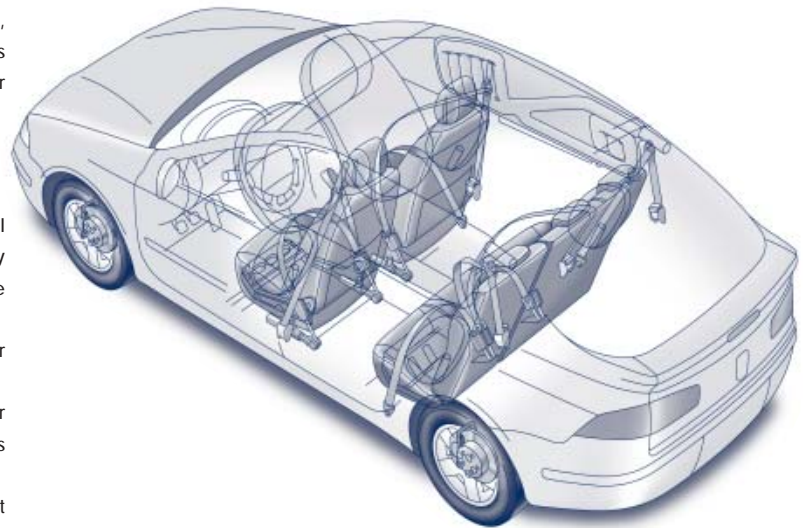
The results take the form of the efficient, and often innovative, equipment which Renault offers, mostly as standard equipment, on its models regardless of their level in the range.

Laguna II

With the launch of Laguna II in 2001, Renault once again stated its ambition to develop the most up-to-date products on the market in terms of both active and passive safety, by offering particularly advanced equipment:

- Electronic stability program (ESP).
- Tire pressure monitoring system.
- Emergency brake assist. A perfect complement to ABS, this system assists those numerous drivers who do not apply full braking power in emergency situations, and switches on the hazard warning lights.
- Optimization of the body structure, which absorbs about 30% more energy than the average body on the market, while minimizing any increase in weight by using high-strength steel (HSS).
- Supplemental restraint system: The model is equipped with the third generation of the Renault System for Restraint and Protection, which was developed with the aim of providing more effective protection against severe impacts (at a collision speed of 64kph) without causing secondary effects in less severe impacts:
 - **Front-seat protection in frontal collisions:** This combines adaptive airbags, load limiters to reduce thoracic injuries and two seat belt pretensioners to provide additional protection for the legs. At present, these three elements, which are optimized to operate in concert, provide the most advanced protection system against frontal collisions.
 - **Rear-seat protection:** Protection against submarining, an extremely dangerous occurrence in which the occupant slips forward under the belt, is provided by a special design of seat cushion, combined with seat belt pretensioners and load limiters on the side seats. Thus, the rear-seat occupants are provided with the same degree of protection as those in front.

Programmed restraint system in Laguna II



- **Seat belt reminder:** It is estimated that 1,200 lives could be saved annually in France if all car occupants used their seat belts. Since the introduction of Laguna II in 2001, Renault has complemented the visual reminder currently installed in all cars in the range with an audible signal.
- **Compatibility:** Renault has been working on crash compatibility for over 30 years. The findings of its research – the purpose of which is to distribute the collision forces as evenly as possible between the occupants of the two vehicles involved, regardless of their size and weight – has been applied to the range. The results obtained from tests on a Twingo and a Laguna indicate that compatibility of this type is a realistic objective.
- **Child safety:** Based on the findings of the Renault-led European CREST (Child RESTraint) program, Renault has developed purpose-designed restraint systems, including two child safety seats – the Elios infant carrier and the Easyfix child seat which can be rear-facing or forward-facing. In addition, all adult safety systems have been tested to ensure that they pose no danger to children.

The new equipment introduced in Laguna II has been extended to other models in the range. For example, the new Clio is now equipped with emergency brake assist and ESP, which have not previously been features of smaller cars.

Results

Although it is always difficult to evaluate the standard of safety in a car, the analysis of real-life accidents carried out by the LAB teams provide an insight into the benefits offered by the safety features incorporated in the Renault range.

Furthermore, Euro NCAP, the European car assessment body composed of government agencies, consumer and user associations, and test laboratories has, with the support of the European Commission, been responsible since 1997 for the independent testing of vehicles sold on the market and the rating of their safety standards on a scale of one to five stars.

The current classification of Renault cars is as follows⁽¹⁾:

1998	Mégane	4 stars, best in class to date
1999	Espace	4 stars, best in class to date
2000	Clio 2	4 stars
2001	Scénic	4 stars
2001	Laguna II	5 stars, best in class

At time of publication of this report, Laguna II is the **only** car in any segment to have been awarded **five stars**.

The Renault range was the **safest in Europe in 2001**.

■ Safety in the future

Renault is working to develop ancillary systems which will help to prevent collisions. Examples include adaptive cruise control and ways of affording occupants greater freedom of movement. In general terms, this involves making life on board more hassle-free and more comfortable by freeing the occupants from restraints and routine tasks.

These developments will not be genuinely effective unless they form an integral part of the analysis of every phase of a collision. In September 2000, Renault and PSA Peugeot-Citroën requested LAB to carry out more in-depth studies of driver behavior to further reduce the consequences of accidents, not only to car occupants, but also to other road users (cyclists and pedestrians).

■ Educational activities

Renault does not confine its actions to its products. The company is an active participant in studies of various safety factors, to which it contributes its expertise and its capacity for analysis, and is involved in an ambitious international educational program. The objective is to improve human behavior, which LAB has shown to be closely associated with accidents.

Causes of fatal accidents

(as % of fatal accidents)

Attributable to user	95%
infrastructure	42%
vehicle	27%*
traffic conditions	20%

* Factor closely related to vehicle age.

Within the company itself, a committee composed of specialists in working conditions, doctors and experts in accident research analyze the causes of road accidents in which company personnel are involved, particularly those which occur in the course of travel

between home and work, in order to develop awareness-raising and training. Those participants who are most vulnerable to accident risks in their professional situations undergo a training program in accident-prevention driving.

International "Safety for All" program

To raise awareness among the road users of the future, it is essential to start at the earliest possible age, when children are highly receptive and their behavior can be modified. Renault has introduced a long-term program for three main target groups: children from 7 to 11, teenagers from 12 to 15 and young adults from 16 to 25.

Developed in collaboration with teachers and road safety experts in numerous countries, the **Safety for All** program took concrete shape in 2000 in the form of a teaching kit entitled **Kids on the Road**, an international competition for children aged 7 to 11, as well as a dedicated web site. Since its inception, the program has been launched in eight European countries and has involved over 1.7 million primary school pupils. Safety for All is Europe's biggest ever operation of this kind.



A classroom session as part of the "Kids on the Road" teaching kit.

⁽¹⁾ The following are corresponding ratings from UK car magazines:

January 2001	What Car?	Safety Award
June 2001	AutoExpress	Safety Award
November 2001	AutoCar	Safety Award
February 2002	What Car?	Safety Award

Over 65,000 teaching kits have been distributed free of charge to voluntary classes, while 35,000 classes also took part in a competition under the title "Safety is a right", the 200 finalists of which won a trip to Disneyland Paris in June 2001.

The program will be expanded internationally to other countries in 2002 and will include activities for teenagers over 12.

Local programs are organized concurrently to promote safety in other countries (see www.safety-for-all.com)

Philanthropic activities

■ Support for education and culture

In many countries, rather than providing mere financial support, Renault is undertaking action to support education and culture, as a means of giving the most practical possible expression to its activities.

- To promote mutual understanding between nations with different cultures, Renault has established the Renault Foundation in cooperation with 15 French and Japanese universities to support Japanese students completing their higher education in Europe.
- Since 1989, Renault has implemented a **teaching program** for economics and technology teachers in French secondary schools (see box).

Economics teaching

The purpose of this project is to promote a better understanding among secondary school pupils and teachers of the economic issues, as well as the human and technical problems, presented by the car industry. Developed in collaboration with researchers and teachers, and approved by the school inspectorate, Renault's support respects the role of the teacher, while encouraging class discussion.

The four **program modules**, which have been updated regularly since 1989, have each been distributed in 10,000 examples, and have been used by almost 2 million pupils in France and in French secondary schools abroad. Although trial schemes have been initiated in the UK and Spain, the lack of uniformity between school programs across Europe continues to inhibit the more widespread deployment of this venture beyond the educational boundaries of France.

- Renault provides educational programs and **job placement** support in host communities. Examples include the Flins plant (job placement for disadvantaged young people) and the Curitiba plant (partnership to found a technical college specializing in automotive professions).
- In 2001, Renault contributed to the **Valued Citizens** program, whose aim is to promote awareness of children's civic rights and duties among disadvantaged South African communities. Now under way in 10 schools in Soweto and Alexandra – involving about 1,500 pupils and 30 teachers – the program should be extended to about 100 primary schools in the Johannesburg region by 2002. A pilot project has been launched in the Natal region.
- In Turkey, Renault is a participant in a program designed to teach children earthquake lifesaving measures.

■ Other activities

Renault is involved in many other local programs on behalf of the disadvantaged. Thus, in continuation of its 50 years of activity on behalf of **disabled people**, the company has published the first practical guide for disabled drivers under the title **En route**⁽¹⁾. The company's web site at www.renault.fr also includes a section called **Handi-Services**⁽²⁾, which provides useful information. In addition, Renault has been an active partner for several years in the **Motability** system to support the mobility of disabled people in the UK.

⁽¹⁾ The publication is available free of charge from Renault dealers and can also be downloaded from www.renault.fr/handiservices.

⁽²⁾ Handi-services link on www.renault.fr/handiservices.

EMPLOYEE RELATIONS

The vision

As a century-old sector of activity, involving companies of various sizes and trades, the car industry is often the leading employer at national or regional level, employing 5-10% of the working population. As an industry which is highly susceptible to fluctuations in the economic climate, it must adapt its working conditions to technological progress, the notion of extended enterprise and internationalization, as well as to the expectations of its employees in terms of job content, work-life balance and management. Against a backdrop of shifting demand, the industry is also required to develop the employability of its personnel in order to adapt age and skills structures to prevailing needs. In recently established operations, it is also called upon to meet needs of a more basic nature, especially in the areas of health and training.

To achieve sustainable growth under these conditions, Renault has to deal simultaneously with major permutations, such as in skills structures, and rapid economic changes. The company approaches this on three levels:

- Forward-thinking:
 - By maintaining and developing the competencies required to meet the needs of international customers in terms of quality, cost and delivery times. This presupposes a proactive employment policy and the management of resources at group level.
- Attracting and motivating employees:
 - By providing employees with the means of developing and achieving their professional goals.
 - By establishing lasting relationships with its environment, and encouraging the development and safety of the players associated with the company.
 - By supporting its managers – who are really the key players in the organization – in their development.
- Promoting involvement:
 - By strengthening the company's ties with civil society and participating actively in its transformation.
 - By exchanging information and empowering employees, to promote involvement in Renault's development through structured and transparent workplace dialogue.

Having the right skills will enable the company to offer an innovative range of products and services meeting customer needs. It will also guarantee ongoing responsiveness.

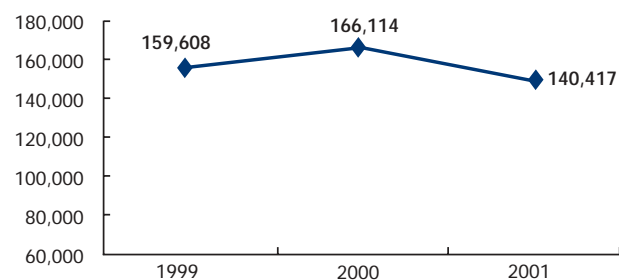
Forward-thinking

■ Employment policy

The Renault group opts for a proactive employment policy.

At end-2001, the Renault group employed 140,417 people worldwide. Over 6,000 employees were recruited in 2001, including 2,400 by Renault S.A.⁽¹⁾. At group level, recruitment spanned personnel of all categories, with the emphasis on manufacturing functions.

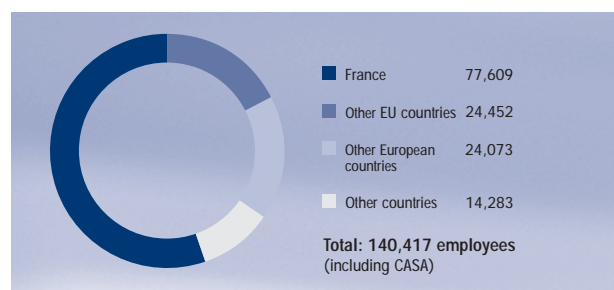
Group workforce



The workforce is comprised of the Automobile and Finance Divisions, as well as Irisbus, and includes employees covered by CASA. The significant drop in 2001 was due to the deconsolidation of Renault V.I. (see Renault Financial Report).

An early retirement plan (CASA) was introduced in the Automobile Division in France on March 1, 2000 and will remain in force until February 28, 2005. Renault S.A. expects 10,500 people to benefit from the plan. A total of 1,800 Renault S.A. employees joined the plan in 2000 and a further 1,100 in 2001. To offset these retirements, the group expects, under agreements concluded with the French government, to take on 7,500 people, including 6,000 by Renault S.A. The plan is designed to improve the group's age structure, while significantly increasing the proportion of young people beyond the level permitted by the natural, predictable flow of recruitment.

Breakdown of workforce worldwide



⁽¹⁾ Renault Société Anonyme as defined prior to March 31, 2002 (parent company of the group).

Renault is systematically implementing arrangements to seek employment solutions for all and deal with any overstaffing, in particular when closures of sites and sectors appear inevitable. In addition to attrition, priority has been given to redeployment on site, or, if there are no local opportunities, to redeployment within the group. In the event of a site closure, Renault is committed to maintaining an employment scheme – similar to those undertaken at Creil, Vilvoorde and Chausson Gennevilliers – at least on a temporary basis and for employees with the most acute redeployment problems.

When internal redeployment is not possible, a specialist organization, established by Renault and known as **Initiatives**, is available to assist employees with external placement by providing professional appraisal, training and liaison with outside companies. Finally, these initiatives are supported by appropriate financial arrangements. All such overstaffing is dealt with in consultation with the local employee representatives. The number of unresolved redundancies is marginal in relation to the number of employees involved at the outset (in the case of Vilvoorde, for example, only 86 out of 3,097 employees did not opt for one of the solutions proposed by Renault).

Human Resources is managed via a shared database – the Single Personnel Database – operated by 5,000 users on behalf of over 65,000 employees (increasing to 125,000 in time) at 350 sites in 36 countries (see Renault Financial Report).

■ Skills development to fulfill our ambitions

Renault's main functions have implemented skills management programs to identify and manage strategic knowledge in the event of major transformations.

Ongoing training is the key, facilitating change within the group by helping to deploy strategy and related operating priorities. In addition, it lets company staff grow professionally, and improves their employability⁽¹⁾.

Employee training quotas are laid down in the agreements governing shorter working hours within the Renault group, concluded in France in 1999. These agreements underline the close correlation between employees' ambitions in steering their own professional development and the company's need for skills.

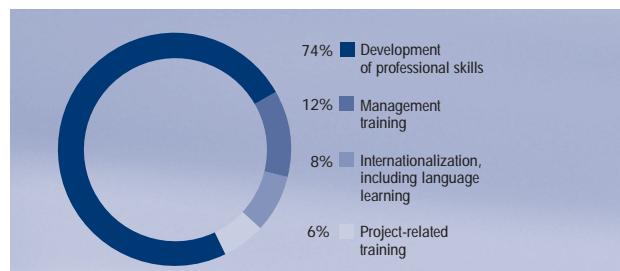
Signed in June 2001, an agreement aimed to build production operators' professional skills has been implemented to achieve

this aim by theoretical and practical training, and to remunerate those skills which have been put into practice.

Access to training is now simpler than ever with the introduction of the **Campus** e-learning scheme. As an example, 50 interactive terminals were installed for English training in 2001.

Almost 1,500,000 hours of training, equivalent to 6.4% of the company's total payroll, were imparted by Renault S.A. in 2001. This represents an average of 46 hours per person trained. To date, almost 75% of employees have undergone training.

Allocation of training time



The transfer of Renault best practice has begun on the intranet, in addition to more traditional methods. Specific training is given in emerging countries in which the company has a presence.

■ An international company

Renault changes and adapts by taking rapid, concrete measures.

A total of 27% of the managers recruited in 2001 had an international profile, while there were almost 800 international transfers that year. Employee exchanges have taken place with various group companies – Samsung and Dacia – and with Nissan to exploit the synergies offered by cultural diversity, while ensuring that responsibility is transferred by developing local employees' skills.

Language learning is encouraged. Fluency in English has been a condition for the recruitment of new engineers and managers since 1999, requiring a minimum of 750 points in the Test of English for International Communication (TOEIC). Renault is evaluating the standard of English of managerial staff and implementing appropriate training programs. The training budget has been increased significantly.

⁽¹⁾ Defined as an employee's capacity for development in a new position in the course of his or her career.

Attracting and motivating employees

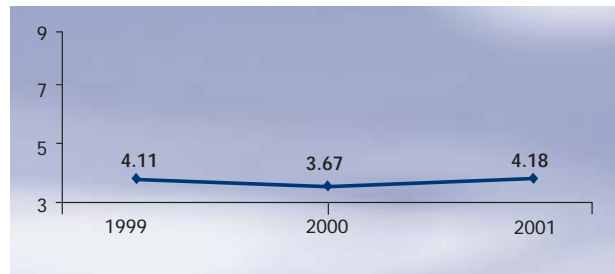
■ Occupational welfare

Renault makes provision for this concern as part of its financial planning.

The health and working conditions of the Renault workforce receive priority in the company's efforts to improve the quality of life of its employees and its own overall performance. Founded on values which are common to the group as a whole, this policy supports Renault's international expansion, as well as social and industrial development.

Number of industrial accidents with time off

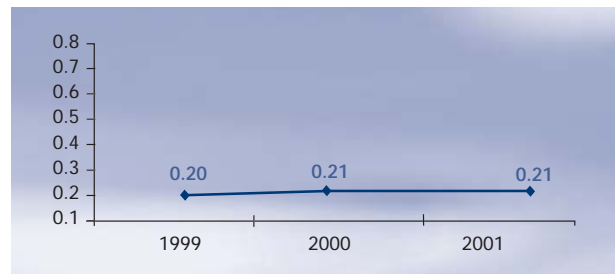
Per million hours worked (Renault S.A.)



In terms of number and severity, the incidence of industrial accidents at Renault S.A. compares very favorably with the industry as a whole. No significant change occurred between 1999 and 2001.

Number of days lost through industrial accidents

Per thousand hours worked (Renault S.A.)



The commitment of management and personnel, supported by the necessary human resources, especially in new projects, ensures that the company meets its obligations. Audits are being carried out by an outside body in the various sectors of the group to evaluate the working conditions policy. By the end of 2001, 12 production, tertiary and commercial sites had been audited in this manner. A further eight audits will be carried out in 2002.

Aware of the pressures of modern life, Renault was one of the first French companies to establish a **stress clinic** for its personnel. A facility of this type is part of company health policy and is an essential aspect of industrial medicine. Almost 14,000 voluntary tests have already been carried out, leading to action on an individual or collective basis.

An **analytical method of studying workplace ergonomics** has been developed internally – the third version was launched in December 2001 – to protect the health of production operators,

and particularly to reduce the incidence of musculo-skeletal complaints. Used in all Renault production plants worldwide, the method has also been adopted by other companies.

The company's working conditions policy is monitored via appropriate indicators.

The specific needs of families are taken into account. Thus, part-time working and parental childcare leave are organized for employees.

This combination of measures has obviously generated a strong commitment to the company on the part of its employees; the average length of service is 20 years.

■ Employees

The Renault group develops a policy which is both motivational and diversified.

Opportunities for internal mobility receive priority over outside recruitment in all instances, while international and cross-functional mobility is encouraged as a means of developing new skills.

Employees are being given opportunities to manage their own professional development, notably in the form of a tool known as **Job@ccess to Renault** on the group's intranet, which continuously advertises over a thousand jobs and receives more than 1,700 hits a day.

This approach is based on a **mobility charter**, whose seven key rules stipulate the rights and duties governing job transfers within the group. Also of note is the methodological support provided for self-appraisal and the development of professional evaluation. This program is one of the measures which enable employees to establish a genuine career project and develop in a significant manner.

Employees currently hold 3.12% of Renault's share capital as part of the company's active employee share ownership plan.

The employees benefit from a company savings plan, which consists of three collective investment funds. Details of these, together with the allocation of stock options, are contained in the Renault Financial Report.

■ Managers

The group attaches priority to the development of management and managerial practices, using two approaches:

- An annual performance and development review designed to evaluate performance and define objectives for the following year under three headings: the performance of the unit as a whole, individual performance and the development of managerial practices.
- **360° feedback** is designed to evaluate management qualities in accordance with 14 criteria. This tool enables managers to gain greater insight into how their line manager, staff, colleagues and peers perceive their method of working. It also rounds out the annual performance and development review. The tool was used for almost 1,900 managers in 2001.

This program can be supplemented by a progress plan, which relies particularly on individual coaching, enabling those involved to develop their own potential and managerial skills.

A training program, **Renault Management**, has been set up to deal with managers at different stages of their careers, according to their age, length of service and level of responsibility. In 2001, 1,375 managers benefited from this training, including 733 as part of their induction programs.

A presentation of the main management processes – human resources, communications, etc. – has been introduced to assist new managers. Management training is also provided in other countries in which Renault has production plants, notably Spain and Romania.

📌 **25% of managers recruited to have international profiles.**

■ Creativity

An action and progress plan for employee creativity and initiative.

In 2001, the first year of its application, an average of five suggestions per person per year were adopted by Renault S.A. and its industrial subsidiaries in Europe, yielding savings of some €56 million! Dacia's Pitesti plant has joined in this initiative, while Curitiba (Renault do Brasil) and Busan (Renault Samsung Motors) will follow in 2002.

Since 2001, the best transferable initiatives and innovations have been capitalized, protected by patent as required and communicated to the sectors concerned through the intranet. Every year since 1990, a convention is held to reward the best creative initiatives.

Promoting involvement

■ Socio-economic environment

Renault is committed to playing an active role in travel-to-work areas.

Renault has introduced a program designed specifically for young people and consisting of the following three elements:

- Initiatives to assist the education system to include skills requirements as perceived by the industry, and to develop greater opportunities for professional job placement.
- Job placement of young people with low qualifications and the development of sandwich courses, leading to apprenticeships in most production plants.
- 📌 **Job placement of 600 unqualified young people.**
- Partnerships with numerous universities and higher institutions abroad.

The company is also working actively to integrate disabled people in the workplace and making life easier for them, both professionally and personally. The company agreement dated October 9, 1998 regarding the employment of disabled people includes provisions for maintaining employment, adapting workstations, improving access and providing individual aids, recruitment and job placement. At the end of 2001, the percentage of disabled people (10.5%) employed by Renault S.A. was higher than that specified by French law.

In 1984, Renault initiated its **Cap entrepreneur** entrepreneurial plan to encourage its employees to start their own businesses. A survey carried out in 1999 reported a success rate of 87% after two years, significantly higher than the national average. In 2001, 52 businesses were established in France.

■ Structured, ongoing employee dialogue

Renault communicates widely and regularly with its employee representatives.

Formed by unanimous agreement on October 27, 2000, the Renault Group Works Council is the employee representative body at overall group level. It is composed of 36 representatives from Renault's majority-owned subsidiaries in the European Union, as well as in Brazil, Argentina, Korea, Romania, Slovenia and Turkey.

The role of the Works Council is to represent the interests of all the employees within this perimeter. It was established in the spirit of the Renault S.A. agreement of June 23, 2000 on employee consultation, which affirms the importance of high-quality, lasting and responsible employee dialogue at all levels of the company, taking account of the technological, economic and employee-related changes associated with the implementation of its strategy. At the beginning of 2002, the French labor unions, as signatories to the June 23, 2000 agreement and in accordance with the charter of December 21, 2000, also established sites which can be accessed directly from the Renault intranet home page.

Joint monitoring, which is carried out at regular intervals by ad hoc committees, enables the progress of existing agreements to be reviewed.

In addition, a Renault think-tank, working in collaboration with the social partners of Renault S.A., has been established to monitor the development of functions associated with the introduction of new communications technologies.

Finally, since July 1, 2001, a 📌 **charter defining the main rules and precautions governing the use of IT/IS resources**, applicable worldwide and designed to protect the company and users from specific risks, was adopted officially in consensus with the social partners of Renault S.A. and the group.

■ Communications

Renault communicates with its employees on a continuous basis to keep them informed of the company's situation, plans and objectives.

In addition to **Global**, the monthly international magazine for company personnel (circulation 140,000), a weekly interactive newsletter called 📌 **Direct Online** was launched in June 2001 on the intranet to encourage direct and permanent dialogue with the Chairman.

To limit the consumption of paper and reach a wider audience, the **dual-language intranet** (with 54,000 terminals connected worldwide) is used continuously to transmit in-house news bulletins and fact sheets on all topics of current interest (380 in 2001). In addition, **communications kits** are produced for management so they can keep employees informed of events within the company⁽¹⁾.

Conducted by a specialist outside consultancy, an international survey – known as the **International Internal Image Barometer** – is carried out twice annually to evaluate the perception of the company (in terms of image, management, working conditions and employee relations) among its employees.

⁽¹⁾ For example, the presentation of the second stage of the Renault-Nissan Alliance in November 2001.

ADDITIONAL INFORMATION

Environmental data

■ Environmental performance of Renault group sites in 2001

	Waste consumption (m ³ x 1,000)	Water-borne effluents (kg/day)			Total energy consumption (MWh PCI)	Atmospheric emissions (tons/year)			Waste (tons)
		SUSP. ⁽¹⁾	OXID. ⁽²⁾	TOX. ⁽³⁾		N ₂ O	VOCs	CO ₂	
PLANTS									
Batilly	371.7	17.9	46.2	1.3	227,803	0.3	522.5	5,722.8	5,191.8
Bursa (Turkey)	313.4	43.0	38.7	8.6	138,966	0.8	830.0	17,020.3	32,698.6
Curitiba car plant (Brazil)	293.3	53.4	476.7	5.0	96,789	n/a	290.0	n/a	7,366.1
Dieppe	16.7	n/a	n/a	n/a	35,044	n/a	221.0	n/a	1,685.0
Douai	1,217.6	83.0	227.7	2.8	503,121	1.0	1,264.1	21,286.7	138,155.1
Flins	4,922.7	108.0	132.7	10.7	642,500	1.9	2,195.7	57,998.4	101,362.5
Gennevilliers	118.0	n/a	n/a	n/a	29,293	n/a	n/a	n/a	5,267.1
Le Mans agriculture	46.3	n/a	n/a	n/a	7,434	n/a	n/a	n/a	2,329.1
Maubeuge	663.5	35.2	27.5	2.9	313,454	0.1	1,358.1	1,855.3	49,042.8
Novo Mesto Revoz (Slovenia)	170.3	66.3	202.1	3.8	121,372	0.2	529.3	3,673.5	25,562.8
Palencia (Spain)	682.7	23.7	72.8	2.0	263,869	0.9	1,512.3	20,237.9	27,447.8
RIB (Belgium)	21.7	n/a	n/a	n/a	23,926	n/a	n/a	n/a	1,055.2
Sandouville	1,059.4	36.5	67.2	6.4	426,164	0.5	2,104.0	10,446.1	73,878.1
Santa Isabel (Argentina)	325.9	21.5	21.6	0.4	66,209	n/a	286.3	n/a	7,973.0
Valladolid Body/assembly plant (Spain)	1,285.4	120.0	264.0	5.1	438,165	1.2	1,900.6	27,459.0	67,348.4
Fonderie Cordoba (Argentina)	13.5	0.1	0.1	0.0	19,861	n/a	n/a	n/a	1,061.6
Cacia (Portugal)	85.2	3.2	12.4	0.0	35,647	n/a	n/a	n/a	5,814.7
ACI (Brazil)	1.8	n/a	n/a	n/a	724	n/a	n/a	n/a	46.1
Choisy-le-Roi	195.5	25.0	35.8	0.0	24,292	n/a	n/a	n/a	4,120.8
Cléon	1,909.6	43.8	524.7	0.0	385,349	1.2	n/a	27,256.0	45,008.8
Curitiba engine plant (Brazil)	11.8	n/a	n/a	n/a	15,069	n/a	n/a	n/a	1,883.9
Douvain	642.4	19.1	168.0	0.1	152,756	n/a	n/a	n/a	37,266.2
ACI Le Mans	2,521.8	314.0	228.3	6.2	385,144	1.1	n/a	35,117.7	57,131.5
Nadella	133.6	2.3	3.9	0.0	39,681	n/a	n/a	n/a	4,780.0
Los Andes (Chile)	47.5	nc	n/a	n/a	8,224	n/a	n/a	n/a	631.2
Ruitz STA	41.6	3.3	17.4	0.0	63,167	n/a	n/a	n/a	4,819.8
Seville (Spain)	103.1	18.2	60.7	0.4	64,100	n/a	n/a	n/a	8,069.9
SNR	138.7	15.8	94.8	0.0	149,741	n/a	n/a	n/a	24,320.8
Valladolid motores (Spain)	303.4	n/a	n/a	n/a	110,101	n/a	n/a	n/a	15,759.0
ACI Villeurbanne	122.8	n/a	n/a	n/a	43,064	n/a	n/a	n/a	14,181.3
TERTIARY SITES									
Aubevoye	39.4	n/a	n/a	n/a	19,548	n/a	n/a	n/a	2,717.3
Boulogne-Billancourt	207.3	n/a	n/a	n/a	102,860	n/a	n/a	n/a	1,178.6
Cergy-Pontoise	10.4	n/a	n/a	n/a	19,698	n/a	n/a	n/a	3,175.6
Grand-Couronne	12.0	n/a	n/a	n/a	15,182	n/a	n/a	n/a	2,449.5
Lardy	704.9	4.8	1.4	1.4	84,202	n/a	n/a	n/a	1,800.1
Rueil	54.2	n/a	n/a	n/a	41,780	n/a	n/a	n/a	660.3
Sofrastock (Saint-André-de-l'Eure)	7.0	n/a	n/a	n/a	6,446	n/a	n/a	n/a	434.3
Guyancourt Technocentre	210.5	n/a	n/a	n/a	128,189	0.5	n/a	9,870.7	3,101.4
Vélizy agriculture	5.0	n/a	n/a	n/a	4,271	n/a	n/a	n/a	n/d
Villiers-Saint-Frédéric	28.4	n/a	n/a	n/a	18,473	n/a	n/a	n/a	762.1
TOTAL	19,060.3	1,058.1	2,724.7	57.1	5,271,677	9.5	13,013.9	237,944	787,538.2
Dacia* (Romania)	6,224.1	989.0	584.3	17.2	614,755	3.2	451.0	83,754.3	99,262.1
Busan* (Korea)	228.9		n/d		182,980		n/d		3,677.6

* As recent acquisitions, figures for Dacia and Busan are indicative only.
n/a: not applicable
n/d: not documented

■ Environmental performance of passenger cars

Best-selling versions in Western Europe

Model	Weight (kg)	(G) Gasoline (D) Diesel	Engine	Capacity (cc)	Output		Gearbox	Emission standard	Fuel consumption NMVEG		External noise (dB[A])
					(kW)	(hp)			(l/100km)	(g CO ₂ /km)	
Twingo	880	G	D4F	1,149	55	75	5-speed manual	Euro 4	5.8	138	72.3
Clio	960	G	D4F	1,149	55	75	5-speed manual	Euro 4	5.9	139	73.0
	1,020	D	K9K	1,461	48	65	5-speed manual	Euro 3	4.3	115	73.6
Kangoo car	1,100	G	D4F	1,149	55	75	5-speed manual	Euro 4	7.0	165	73.0
	1,150	D	K9K	1,461	48	65	5-speed manual	Euro 3	5.5	146	71.7
Mégane hatchback	1,120	G	K4M	1,598	79	110	5-speed manual	Euro 4	7.0	165	73.2
	1,170	D	F9Q	1,870	75	105	5-speed manual	Euro 3	5.2	139	70.2
Laguna II	1,340	G	F4P	1,783	88	120	5-speed manual	Euro 4	7.5	180	71.0
	1,370	D	F9Q	1,870	75	120	5-speed manual	Euro 3	5.5	150	71.2
Espace	1,685	G	F4R	1,998	100	140	5-speed manual	Euro 4	8.9	211	72.0
	1,825	D	G9T	2,188	95	130	5-speed manual	Euro 3	7.1	189	71.1
Vel Satis	1,705	G	F4Rt	1,998	120	165	6-speed manual	Euro 4	9.4	225	70.9
	1,705	D	G9T	2,188	110	150	6-speed manual	Euro 3	7.1	188	70.8

⁽¹⁾ Suspended solids
⁽²⁾ Oxidizable material
⁽³⁾ Toxic metals



■ Ernst & Young Audit
S.A. au capital de 2.159.600 €
344 366 315 R.C.S. Paris

■ Tour Ernst & Young
Faubourg de l'Arche
Adresse postale :
92037 Paris-la-Défense cedex
Téléphone : 01.46.93.60.00

Attestation des indicateurs physiques Rapport Développement Durable du groupe Renault Exercice clos le 31 décembre 2001

A votre demande et en application de la politique industrielle environnementale du groupe Renault, nous avons effectué les procédures décrites ci-après en vue d'attester les données relatives à l'exercice clos le 31 décembre 2001 des cinq tableaux d'indicateurs physiques intitulés "CONSOMMATION D'ENERGIE Variation 2000-2001", "CONSOMMATION D'EAU Variation 2000-2001", "REJETS DANS L'EAU Variation 2000-2001", "REJETS ATMOSPHERIQUES Variation 2000-2001" et "DECHETS INDUSTRIELS Variation 2000-2001" du groupe Renault.

Ces tableaux ont été préparés sous la responsabilité du service Protection de l'Environnement et Prévention des Risques Industriels, conformément aux modalités décrites dans les notes de bas de page des cinq tableaux. Ces tableaux concernent les principaux sites industriels, logistiques, administratifs et de recherche - développement de la branche automobile. L'objectif de nos travaux était de s'assurer de la sincérité des chiffres présentés dans ces tableaux d'indicateurs physiques. Notre approche s'appuie sur les orientations formulées par la Fédération des Experts Comptables Européens (FEE) en matière d'attestation de rapports Environnement.

Les procédures suivantes ont été mises en oeuvre :

- Sur la base d'un échantillon représentatif de sites, nous avons revu, sur place et par sondage, les chiffres préparés par les sites en les rapprochant de pièces justificatives et en vérifiant les différentes formules de calcul.
- Nous avons revu, sur la base de cet échantillon, la fiabilité des procédures de contrôle interne et des systèmes d'accumulation relatifs aux données physiques.
- Nous avons revu la correcte centralisation et totalisation des chiffres issus du reporting interne Environnement de chaque site dans les tableaux d'indicateurs physiques, sans procéder à des contrôles complémentaires sur les données produites par les sites non visités.

Sur la base des travaux effectués, nous sommes d'avis que les informations relatives à l'exercice clos le 31 décembre 2001 contenues dans les tableaux intitulés "CONSOMMATION D'ENERGIE Variation 2000-2001", "CONSOMMATION D'EAU Variation 2000-2001", "REJETS DANS L'EAU Variation 2000-2001", "REJETS ATMOSPHERIQUES Variation 2000-2001" et "DECHETS INDUSTRIELS Variation 2000-2001" du groupe Renault sont sincères et ont été établis conformément aux modalités décrites dans les notes de bas de page de ces cinq tableaux.

Paris, le 12 mars 2002

ERNST & YOUNG Audit

Vincent de la Bachelerie

Commissaire aux comptes
Société d'expertise comptable inscrite au tableau de l'Ordre de la région de Paris - Ile de France

SUMMARY OF TARGETS

Economic targets

Based on average cycle

- ☉ Operating margin of 4% or higher of revenues
- ☉ Net return on shareholders' equity of 11% or higher

Environmental targets

- ☉ Lower the noise level from new vehicles to 71dB(A)
- ☉ Reduce emissions of VOCs to 4kg per vehicle by 2007
- ☉ Limit average emissions of CO₂ from the new vehicle range sold in the EU as of 2008 to 140g/km
- ☉ Reduce the quantity of packaging waste from new models to 5kg per vehicle

Social and employee targets

- ☉ Structure the dialogue between Renault and associations
- ☉ Job placement of 600 unqualified young people
- ☉ 25% of managers recruited to have international profiles

ADDRESSES

e-mail: infocorporate.communication@renault.com

POSTAL ADDRESS:

RENAULT
Public Affairs
QLG V15 610
13-15 Quai le Gallo
92513 Boulogne-Billancourt
France

RENAULT
13-15 Quai Le Gallo
92513 BOULOGNE-BILLANCOURT
Cedex FRANCE
Tel.: + 33 (0)1 41 04 50 50
www.renault.com

PUBLIC AFFAIRS
CORPORATE COMMUNICATIONS/SUPP'Com

Photographs and technical drawings:

Franck Bichon: front cover
Benoit Chimenes: p. 18
Phototheque R&D: p. 15
Studio Pons: p. 21
Patrick Sautelet: front cover
Hubert Vincent: pp. 9, 10, 18, 20

English translation: Tom Byrne, Techtrans Ireland, Cork

Printed on Fedrigoni Symbol Freellefe Satin recycled paper



RENAULT