Protection of forests and other natural ecosystems is critical for maintaining biodiversity, combating climate change, and sustaining livelihoods.

As part of its overall sustainability goals, Renault Group is committed to deploying all reasonable means to eliminate deforestation and ecosystem conversion and to safeguard fundamental human rights across Renault Group's and tier 1 suppliers' operations. In this document, Renault Group operations are defined as Renault Group activities and those of its subsidiaries or companies it controls, directly or indirectly, within the meaning of the French Commercial Code (Article L. 233-16 II). Renault Group suppliers' operations, referred to as "Suppliers", are defined as the activities of subcontractors and suppliers with whom an established business relationship is maintained (tier 1 suppliers), when these activities are related to this relationship.

Given that increasing demand of natural rubber, not addressed wisely, would be a driver of deforestation, and would increase pressure on ecosystems and biodiversity, this document outlines Renault Group's action plan to sourcing sustainable natural rubber and is consistent with the <u>Policy Framework</u> that was adopted in a September 2020 resolution by the General Assembly of the Global Platform for Sustainable Natural Rubber (GPSNR), of which Renault Group is a member.

This document is consistent with the principles and guidelines laid out in the ILO fundamental conventions quoted in the <u>Renault Group Global Framework Agreement</u> (July 2nd, 2013).

Scope

The provisions of this document apply to the vehicle parts containing natural rubber purchased by Renault Group, recognizing the need to prioritize tires for risk mitigation actions based on a risk assessment.

Renault Group's expectations towards its Suppliers are detailed in the <u>Renault-Nissan CSR Guidelines for</u> <u>Suppliers</u>, which serve as the basis to evaluate and monitor Renault Group's Suppliers compliance (or progress towards compliance) with the commitments stated in this document.

Commitments

Renault Group will work with its Suppliers to source vehicle parts (see Scope) containing natural rubber, with the intention that they are increasingly produced and processed in line with GPSNR policy requirements and sold at market conditions, in such a way that this sourcing:

- 1. complies with local, national and international laws,
- 2. respects internationally recognized **human rights**, as listed in the present "Commitments" section, and upholds the OECD Guidelines for Multinational Enterprises,
- 3. prohibits corruption,
- 4. does not contribute to **deforestation** or destruction of critical wildlife habitats,
- 5. protects high conservation values (HCVs) and high carbon stock (HCS) forests (the cutoff date after which deforestation or HCV degradation is considered non-compliant with this policy is 1 April 2019),
- 6. protects water and soil resources,
- 7. ensures the ability of **Indigenous Peoples and local communities** (IPLCs) to give or withhold their free, prior, and informed consent on any activities that might affect their rights, and respects and recognizes the formal and customary land rights of IPLCs in rubber producing regions, and is in accordance with the UN Declaration on the Rights of Indigenous Peoples,

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- 8. complies with internationally recognized **labor rights**, the ILO fundamental Conventions and all applicable laws on workers' rights, and specifically regarding:
 - a. no child labor, forced or compulsory labor,
 - b. freedom of association and collective bargaining,
 - c. no discrimination based on gender, age, ethnicity, sexual orientation, faith, national origin or disability (ILO Conventions 100 & 111),
 - d. gender equity,
 - e. no abusive practices,
 - f. legal working hours,
 - g. safe and healthy workplaces,
 - h. salary at least equal to the country's minimum salary for an equivalent job with the view of fostering an adequate/decent living wage as envisioned by the ILO (ILO Conventions 100 & 105)
- 9. supports the **livelihoods** of rubber producers, particularly small farmers, and those communities in rubber producing areas.

Due Diligence

Recognizing the influential role carmakers can play in contributing to the transformation of the tire sector, Renault Group further commits to:

- 1. **Evaluating** the environmental and social performance of its Suppliers, including new Suppliers;
- 2. Maintaining a **grievance** mechanism, <u>accessible</u> to Renault Group employees and Suppliers. We also expect our suppliers to have their own grievance mechanism(s);
- 3. Supplier engagement:
 - a. In partnership with our Suppliers, we will promote mapping and **traceability** of rubber in the supply chain at the most appropriate jurisdictional level, either sub-national or national, where compliance can be verified,
 - b. In partnership with our Suppliers, we will assess actual and potential environmental and social **risks** within our natural rubber supply chains and prioritize risk mitigation actions,
 - c. We will work with our existing Suppliers to identify, prevent and mitigate, environmental and social **harms** in natural rubber supply chains violating this high-level commitment,
 - d. We require our Suppliers to evaluate the environmental and social performance of **new suppliers** prior to sourcing decision,
 - e. We require our Suppliers to set up a **due diligence** process aligned with GPSNR policy framework for producing and procuring natural rubber and to implement necessary time-bound measures,
 - f. We offer **guidance to our Suppliers** to support them in understanding expectations, relying on technical support from GPSNR,
 - g. In cases of non-compliance with Renault-Nissan CSR Guidelines for Suppliers, we require our Suppliers to develop time-bound **implementation plans** for moving towards compliance and remediation of past or ongoing harms,
- 4. Reporting on progress in implementing the commitments described in the present document;
- 5. Encouraging multi-stakeholders, landscape and supply chain interventions that enable and enhance sustainable natural rubber uptake in the global marketplace.