

COMMUNICATION ON PROGRESS 2018



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PROGRESS MADE IN 2018

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MESSAGE FROM THE PRESIDENT



Bruno BLIN
President of Renault Trucks

When it joined the United Nations Global Compact in 2004, Renault Trucks demonstrated its commitment to placing values that respect human rights and labour standards, protect the environment and help fight corruption at the core of its corporate responsibility and to promote them within its sphere of influence.

Benefiting from a century of truck expertise in France, Renault Trucks provides the transport industry worldwide with the tools it needs to perform tasks successfully and efficiently. We offer operators and users an extensive range of vehicles and services designed for a wide range of activities.

As a manufacturer, we have considerable responsibilities towards our customers, partners, employees and fellow citizens. We are striving for progress in sustainable mobility, by endeavouring to offer vehicles with ever-increased performance that are safer and more respectful of the environment. We ensure we design, produce, distribute and maintain them with utmost integrity, preserving the health of both our employees and our living environment.

I therefore re-confirm the commitment of Renault Trucks to comply with, implement and promote the 10 principles of the Global Compact in 2019.

A handwritten signature in blue ink, appearing to be 'Bruno BLIN', written over a light blue background.

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|  <p>UN GLOBAL COMPACT COMMUNICATION ON PROGRESS</p> | <p>This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.</p> <p>We welcome feedback on its contents.</p> |
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THE TEN UNIVERSAL PRINCIPLES OF THE GLOBAL COMPACT

1. Support and respect the protection of internationally proclaimed human rights.
2. Make sure the organisation is not complicit in human rights abuses.
3. Uphold freedom of association and the effective recognition of the right to collective bargaining.
4. Eliminate all forms of forced and compulsory labour.
5. Effectively abolish child labour.
6. Eliminate discrimination in respect of employment and occupation.
7. Support a precautionary approach to environmental challenges.
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.
10. Work against corruption in all its forms.

RENAULT TRUCKS

Renault Trucks performs its role as a manufacturer of industrial vehicles with integrity, in compliance with international regulations and according to the model of responsibility and sustainable development of the Volvo Group, of which it is a subsidiary. Based on the principles of the UN Global Compact, of which the Volvo Group has also been a signatory since 2001, this model also includes the 17 UN Sustainable Development Goals (SDG).

The contribution of Renault Trucks is consolidated at group level and forms part of the [Volvo Group Annual and Sustainability Report](#), as well as a supplementary report, the [GRI G4](#), both available on www.volvogroup.com.

The corporate responsibility of Renault Trucks is assessed by the independent rating agency Ecovadis.



SUSTAINABLE DEVELOPMENT GOALS



HUMAN RIGHTS



HUMAN RIGHTS

Renault Trucks conducts its business in a responsible manner, in accordance with the principles set out in the Volvo Group's [Code of Conduct](#). This mandatory policy is a reference that applies to all group directors and employees.

Renault Trucks conducts its business in a responsible manner, in accordance with the principles set out in the Volvo Group's Code of Conduct. This mandatory policy is a reference that applies to all group directors and employees.

The Code of Conduct, which was updated in 2017, sets out what is expected from all employees in clear and practical terms. It covers the question of human rights and specifically deals with harassment, non-discrimination, health and safety in the workplace, freedom of assembly and union membership, working hours, forced labour and child labour. The Code of Conduct confirms the group's full support for the United Nations Declaration of Human Rights. In addition, the Volvo Group is committed to implementation of the UN guiding principles on business and human rights.

In 2018, 90.7% of Renault Trucks employees underwent training in the Volvo Group Code of Conduct, which is available in 13 languages.

Renault Trucks defends human rights both in its business and in the workplace by respecting individuals and providing good working conditions. The company encourages diversity and does not tolerate any form of discrimination with regard to gender, race, religion, handicap, sexual orientation, nationality, political opinions, union membership or social and ethnic origin. It offers its employees a safe

working environment, respecting freedom of assembly and collective negotiations. It does not tolerate either compulsory/forced labour or child labour.

Respect for human rights is included in framework agreements signed with Renault Trucks suppliers. To avoid and minimise the risks of human rights violations, suppliers are evaluated according to their business sector and geographical origin. As part of the programme introduced to defend human rights in the supply chain, supplier performance in terms of corporate responsibility is also evaluated. These assessments are conducted by the centralised structures of the Volvo Group and detailed in the [Volvo Group Annual and Sustainability Report](#).

In 2018, new measures were taken to implement a conflict minerals programme, focusing on tin, tungsten, tantalum, gold and cobalt to reduce risks involving human rights at the root of the supply chain. Working alongside suppliers, online training explaining the notion of sustainable procurement was provided for all company employees.

**90.7% OF RENAULT TRUCKS
EMPLOYEES UNDERWENT
TRAINING IN THE CODE OF
CONDUCT.**

LABOUR STANDARDS



LABOUR STANDARDS

Renault Trucks scrupulously complies with labour law wherever it does business and acts in accordance with the Volvo Group Code of Conduct.

■ **Non-discrimination :**

Renault Trucks recruits and treats its employees without discrimination as regards gender, race, religion, age, handicap, sexual orientation, nationality, political opinions, union membership or social and ethnic origin. Diversity in the workplace is encouraged at all levels.

■ **Labour law:**

No form of forced labour, compulsory work or work by children is tolerated at Renault Trucks. The minimum age of hiring is the age of the end of compulsory schooling. Freedom of assembly, together with collective bargaining rights and the signing of agreements, is respected in all sites.

■ **Working environment:**

All Renault Trucks employees are guaranteed an environment that meets all required health and safety conditions.

RENAULT TRUCKS ACTIVELY PROMOTES HEALTH AND SAFETY, WHETHER PHYSICAL, PSYCHOLOGICAL OR SOCIAL, IN THE WORKPLACE FOR ITS EMPLOYEES.

LABOUR STANDARDS

SOCIAL DIALOGUE

Renault Trucks respects freedom of assembly and recognises collective bargaining rights. The company is committed to encouraging social dialogue at all levels and promotes relations of trust with its social partners, based on consultation and dialogue for the benefit of developing economic performance and the well-being of employees.

A new social dialogue agreement signed in 2018 offers social partners the resources to effectively perform their role with respect to various organisations and negotiations, thereby developing quality dialogue between human resources teams, the management and social partners. In 2018, Renault Trucks and staff representation bodies also negotiated and signed bargaining agreements, including on Workforce and Skills Planning (GPEC), payroll measures and the provident scheme.

During the year, 15 central works councils (CWC) meetings were organised, together with 2 training commissions, 2 commissions on gender equality in the workplace, 1 economic commission and 2 meetings with the board of management (including the President) and a France group committee meeting.

**IN 2018, A NEW SOCIAL
DIALOGUE AGREEMENT WAS
SIGNED.**

LABOUR STANDARDS

HEALTH AND SAFETY IN THE WORKPLACE

Renault Trucks ensures the ongoing deployment of a health and safety policy for all its employees, including temporary workers and service providers, which is tracked using resource and performance indicators.

The company carries out prevention actions in the fields of both physical health (physical, chemical and biological exposure) and mental health (psycho-social risks). A Health & Safety expertise centre coordinates Safety networks (40 health and working condition coordinators), Ergonomics (6 people), Chemical Risks (40 people) and Occupational Physicians (8 doctors).

In 2018, Renault Trucks provided safety training for 3,615 people – almost 50% of its total workforce – in health and safety in the workplace, fire risks, ergonomics and psycho-social risks.

IN 2018, RENAULT TRUCKS PROVIDED SAFETY TRAINING TO 50 % OF ITS TOTAL WORKFORCE



LABOUR STANDARDS

COMBATING DISCRIMINATION AND PROMOTING EQUAL OPPORTUNITIES

Renault Trucks is committed - principally through the negotiation of various agreements - to implementing a Diversity and Inclusion policy based on 4 focal areas:

- Equal treatment (equal opportunities based on competence, without distinction of gender, age, ethnicity or origin, religion, handicap, or sexual orientation)
- Combating discrimination
- Combating harassment
- A recruitment policy that promotes diversity

Employment and handicap

Renault Trucks and its social partners have embraced the 9th Handi'Accord agreement for 2016-2018. This provides the framework for the company's undertakings as regards the recruitment, integration, training, insertion, continued employment and support of the handicapped. It also includes initiatives to promote specially adapted and protected work environments (such as the sheltered-employment organisation ESAT and specially adapted companies) and measures to help employees with handicapped spouses or children.

The agreement, which is managed by the company's Human Resources Centre of Expertise and coordinated by a network of correspondents, is applied throughout the five Renault Trucks sites in France.

In 2018, Renault Trucks provided financial support for associations that also benefited from the voluntary work offered by its employees. In addition, the company organised an internal awareness campaign and took part in actions to promote employment of handicapped people.

LABOUR STANDARDS

Gender equality

A company agreement on gender equality, drawn up in 2011, was renewed in 2015 for a further 3 years and signed by 5 trade unions. This agreement included undertakings on career promotions, the balance between working lives and the exercise of family responsibilities and the development of inclusion within staff teams. The agreement also encourages the expansion of internal networks, such as WIN (Women Inclusive Network), which was created to support the personal and professional development of women and promote diversity.

On a like-for-like basis, women represented 38% (+ 1%) of total recruitments in 2018 (including permanent contracts, temporary contracts, sandwich course employees, but excluding agency temps). The proportion of women in the workforce increased 0.5% to 21.7%. They represented 21% of the management team (+ 1%).

Specific gender equality action plans were carried out in 2018, particularly in the Manufacturing division. Renault Trucks is working alongside its temp agencies to ensure increased diversity of recruitment. The proportion of women hired as operators now stands at 24%. Renault Trucks is also acting to promote careers for young women, especially in technical areas. An example of this can be seen in the high schools in and around Lyon, through the activity of the OPE (Objectifs pour l'emploi des cadres en Région Rhône-Alpes) Association.

IN 2018, WOMEN REPRESENTED 38% OF TOTAL RECRUITMENTS.



LABOUR STANDARDS

Diversity and inclusion

Renault Trucks, which has been a signatory to the LGBT Charter (created by the Association L'autre Cercle) since 2013, has undertaken to create an inclusive environment in France for employees concerned, as well as ensuring equal rights and treatment and supporting victims of discriminatory comments or acts. This undertaking is fully in line with the Volvo Group policy, which also supports a worldwide internal LGBT network called V-Eagle.

Renault Trucks signed a new 2017-2020 agreement on the Intergenerational Contract introduced by French law in 2013. The agreement provides for new measures to promote the long-term insertion of young people aged under 30 (recruitment targets, induction and integration, mentoring and tutoring) and employment of the over 55s (continued employment, facilitating the latter years of careers, transfer of skills/knowledge and ergonomics). Partnerships with schools have been strengthened and the support and follow-up provided for students on sandwich

courses has been increased. The company has continued its work on improving working conditions and reducing physical strain. In 2018, young people represented 35% of new recruits on permanent contracts. Senior employees accounted for 9% of all recruitments (+ 2.5%) and 23% of the total workforce (permanent contracts).

In 2018, Renault Truck supported a range of initiatives in France to promote equal opportunities in partnership with a number of associations in the Lyon region. These included Article 1 to assist students from underprivileged backgrounds and Entreprenre pour apprendre to sponsor middle school children in creating mini-businesses. In addition, the company has continued to develop relations with the education sector to encourage closer ties between schools and the company.

IN 2018, YOUNG PEOPLE REPRESENTED 35% OF NEW RECRUITS ON PERMANENT CONTRACTS.

ENVIRONMENT



ENVIRONMENT

Renault Trucks is continuously working to reduce the impact of its activities on the environment and contributing to the development of a sustainable system for transporting goods by road.

Renault Trucks applies an environmental policy based on a management system that involves its distribution network, suppliers and partners. The industrial facilities in France are organised to limit consumption of energy, water and raw materials, as well as reducing waste and ensuring continued improvement in environmental performance. Vehicles are designed to maximise re-use of materials and all Renault Trucks vehicles are assembled in ISO 14001 certified plants (first certification in 2001).

Renault Trucks has introduced an operational standard throughout its distribution and repair network of 1,440 service and sales outlets worldwide. It sets minimum environmental requirements with respect to local regulations, covering the sorting and disposal of waste, consumption of energy and natural resources and the prevention of environmental risks.

Renault Trucks also requires its suppliers and partners to be certified ISO 14001 or to have implemented a programme of continuous progress.

In light of the challenges created by climate change, Renault Trucks develops and markets practical solutions to effectively reduce CO₂ emissions, including optimised diesel engines, all-electric vehicles, vehicles powered by natural gas, eco-driving training, fleet management tracking tools and embedded data.

**RENAULT TRUCKS DEVELOPS
AND MARKETS PRACTICAL
SOLUTIONS TO EFFECTIVELY
REDUCE CO₂ EMISSIONS**



ENVIRONMENT

PROTECTION OF THE ENVIRONMENT ON SITES AND IN THE DISTRIBUTION NETWORK

Renault Trucks continued the rollout of its plan to reduce emissions and promote energy savings following its carbon footprint audit updated in 2015 and the energy audits performed the same year. These initiatives will directly contribute to environmental cooperation on reducing the carbon footprint established in 2010 between the Volvo Group and the WWF. Under its WWF Climate Savers programme, the Volvo Group is committed to lowering its CO₂ emissions by 8% in production, by 40 million tons for the use of its products and by 20% for its logistics, all by 2020.

Between 2012 and 2018, energy consumption per Renault Trucks manufactured vehicle fell 44%, in spite of an increase in the number of vehicles manufactured. In 2018, the Blainville-sur-Orne assembly plant in Normandy was powered by 100% renewable electricity. 44% of the total energy supply for Renault Trucks also came from renewable electricity.

In 2018, plants recycled and reprocessed 99.5% of non-hazardous waste, as a result of ongoing actions to reduce the volume of waste, improved sorting and the sourcing of new recycling channels. Sites are committed to a programme aimed at zero landfill waste and obtaining the Group's own Landfill Free certification.

Production and logistics sites systematically take the environment into account in all their renovation or reorganisation programmes (changing processes or equipment, installing more efficient lighting, new boilers, improving insulation, double glazing, etc.).

Operations to provide information and raise awareness of environmental issues are organised throughout the year for all company employees, as well as sector by sector, targeting specific activities and departments. In 2018, Renault Trucks led an initiative on the issue of chemical risks, as well as organising training in road risks and eco-driving for vehicle users. Renault Trucks organised a series of events to mark the European Sustainable Development Week from 28 May to 1 June 2018 and encouraged employees to participate in the WWF Earth Hour initiative on 24 March.

IN 2018, PLANTS RECYCLED AND REPROCESSED 99.5% OF NON-HAZARDOUS WASTE.

ENVIRONMENT

SUSTAINABLE TRANSPORT OF GOODS

Renault Trucks has introduced its range of second-generation all-electric trucks. The Renault Trucks Z.E. range, comprising the Renault Master Z.E., Renault Trucks D Z.E. and the Renault Trucks D Wide Z.E., extends from 3.1 to 26 t and is designed for urban use ranging from the delivery and distribution of goods to waste collection. The all-electric Renault Master Z.E. utility vehicle, which can access all urban areas, was launched onto the market at the end of the year.

As a producer and distributor of electric trucks, Renault Trucks takes the end of life of the lithium-ion batteries of its vehicles into account, specifically seeking ways to re-use them prior to final recycling.

Renault Trucks has launched the 2019 editions of its Renault Trucks T and Renault Trucks D and D Wide models on to the market, fitted with new Euro 6 Step D engines with lower fuel consumption and CO₂ emissions. The first, designed for long-distance transport, uses 3% less fuel, whilst the second, intended for distribution, cuts fuel consumption by between 5 and 7%.

In 2018, Renault Trucks continued its research into improving the energy efficiency of its vehicles, in particular in preparing the Optifuel Lab3 laboratory vehicle. This experimental complete tractor-trailer combination is set to demonstrate a 13% reduction in fuel consumption and CO₂ emissions compared to a standard tractor and trailer. Technological developments focus on optimised tractor semi-trailer combination aerodynamics, connected low-rolling-resistance tyres, predictive energy-saving driving assistance, energy management functions and an improved powertrain thanks to a new generation Rankine heat recovery system and optimised lubricant formulations.



ANTI-CORRUPTION



ANTI-CORRUPTION

Renault Trucks conducts its business ethically and in compliance with the laws and regulations that govern its activities.

To protect its reputation, Renault Trucks belongs to the Volvo Group anti-corruption programme, which consists of a range of rules set out in a series of internal documents, including the Code of Conduct and the Anti-corruption Policy, as well as a wide range of tools for training, dialogue, advice, assistance and auditing.

The Anti-corruption programme is based on identifying and reducing risks through appropriate training and processes. These corruption risks are established in accordance with sales distribution models, the type of client and the country involved. They are continuously evaluated to ensure the programme remains relevant. Inspections are regularly performed on commercial partners and are a key element in reducing risks. In addition, the programme sets out specific procedures governing the signing of contracts.

Renault Trucks is prohibited from offering any awards or benefits to its clients/prospective clients, governments, government agencies or the representatives of these entities, which breach applicable laws or generally accepted commercial practice. This prohibition specifically targets the use of third parties to make unjustified payments, directly or indirectly, to international public sector employees, government officials or to related individuals and institutions.

**THE ANTI-CORRUPTION
PROGRAMME IS BASED
ON IDENTIFYING AND
REDUCING RISKS.**

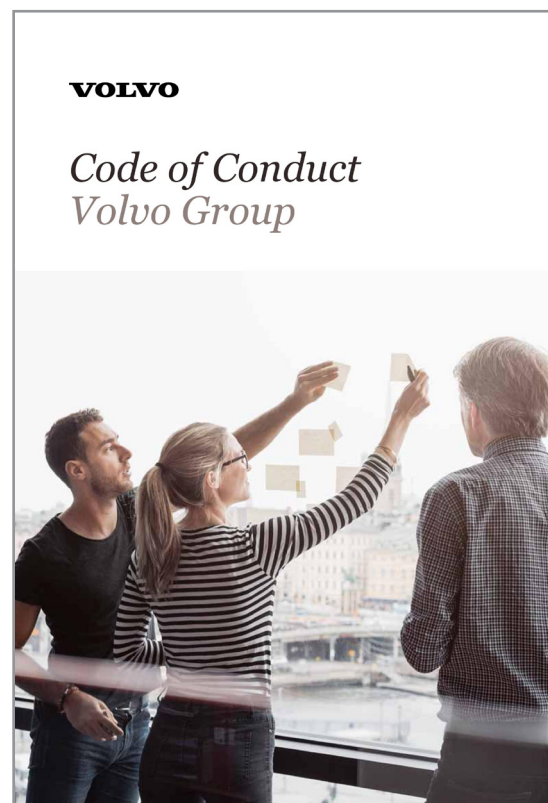
ANTI-CORRUPTION

The Anti-corruption programme applies to all Renault Trucks employees, together with its commercial partners and agents, in all geographic areas in which Renault Trucks has a presence. Training in the content and requirements of the Anti-corruption programme is available. They can view Anti-corruption programme documents on the Renault Trucks intranet accessible on computers provided, including those located in specific offices and on production lines for employees that do not use computers in their daily work. Training for staff in the sales, financial and legal departments is priority and mandatory.

Any suspected breaches of the Anti-corruption programme must be reported to the Volvo Group anti-corruption programme manager, who then reports the acts to the authorities concerned, if appropriate. The manager is also available to answer any questions regarding implementation of the Anti-corruption programme. Employees who are unable to notify their management may submit a report on a suspected breach using the page specially created for this purpose on the Volvo Group website. As stipulated in the Code of Conduct, in the event of a conflict between applicable local laws and the provisions of the Code, local law prevails.

In 2018, the majority of sales contracts between Renault Trucks and its distributors worldwide, whether renewed or newly established, were subjected to an anti-corruption audit and the drafting of the contract included anti-corruption clauses.

Pursuant to the French law on transparency, anticorruption measures and modernising business practice, Renault Trucks has appointed a compliance director and mapped its corruption risks. The company has also drawn up a new anti-corruption charter.





[renault-trucks.com](https://www.renault-trucks.com)

