Renault Group

CSRD synthesis

Corporate Sustainability Reporting Disclosure

Legal obligation to be transparent about data relating to economic sustainability of a company

2025

CONTENT

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- The Sustainability toolbox for dealers
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Definition | What is the CSRD ?

The **CSRD** (Corporate Sustainability Reporting Directive) is a European Union directive (mandatory) that requires EU companies to be transparent about data relating their **environmental, social and governance** (ESG) impact and economic sustainability.

Objectives

- **Transparency:** ensure companies disclose **clear and reliable information** about their **ESG impact**
- **Homogeneity: standardize** ESG data reporting **for** better **comparison**, helping decision-making for investors and stakeholders
- **Consistency with financial statements**: align sustainability reports with the structure of financial statements for **coherence and integration**

Scope

Geography

Applies to companies **operating in the EU**

Planning

2025 or 2028 (depending companies' size)

Topics

Environmental
Social
Governance

Eligible companies

≃ **10 000** companies [1] eligible in CSRD scope

Link CSRD Official text Directive (EU) 2023/2772
Link 2026 updates : pdf.FR ; pdf.GB

CSRD : Corporate Sustainability Reporting Directive | **ESG :** Environment, Social, Governance | **EU :** European Union
Source : [1] Financial Market authority (France) - CSRD Omnibus. What are the implications for disclosures?

Planning | A standard planning for all countries, progressive according to companies' specificities

First reporting publications calendar, based on Y-1 data

Jan. 2025

EU companies **already subject to the NFRD** (=at least 500 employees)

Jan. 2029

Non-European companies with :

- **More than €450M in turnover within the EU**

2025 | ... | 2028 | 2029

Jan. 2028

EU Companies meeting **the following conditions**:

- **1000+ employees**
- **At least €50M in turnover *OR* €25M in balance sheet total**

E.g. For a reporting in Jan 2028, you must collect data in 2027

Companies below new CSRD thresholds can adopt VSME (Voluntary reporting standard for SMEs) to continue sustainability efforts without mandatory reporting

! Regular updates

EU : European Union | **NFRD** : Non-financial reporting directive | **SME** : small and medium sized enterprise

Source : Loi Omnibus : quels impacts sur la CSRD ? | implid; delegated directive 2023/2775 modifying directive no 2013/34/UE

CSRD scope | Standardized framework to disclose comparable ESG data reporting

RG

4 topics divided in 12 "ESRS"[1] themes

Cross cutting standards	ESRS 1 - General principles [2]
	ESRS 2 - General disclosures [3]
Environment	ESRS E1 – **Climate change**
	ESRS E2 - **Pollution**
	ESRS E3 – **Water** & marine resources
	ESRS E4 – **Biodiversity** & ecosystems
	ESRS E5 – **Resource use & circular economy**
Social	ESRS S1 – Own workforce
	ESRS S2 – Workers in the value chain
	ESRS S3 – Affected communities
	ESRS S4 – Consumers & end-users
Governance	ESRS G1 – Business conduct [4]

On each ESRS, there are sub-topics and general disclosures to identify the relevant issues for your company

Example : ESRS E1 – **Climate change**

E1-1 : **Transition plan** for climate change mitigation
E1-2 : **Policies** related to climate change mitigation and adaptation
E1-3 : **Actions** and resources in relation to climate change policies
E1-4 : **Targets** related to climate change mitigation and adaptation
E1-5 : Energy consumption and mix
E1-6 : Gross scope 1, 2, 3 and total GHG emissions
E1-7 : GHG removals and GHG mitigation projects financed through carbon credits
E1-8 : Internal carbon pricing
E1-9 : Anticipated **financial effects** from material physical and transition risks and potential climate-related opportunities

The detail of the other ESRS is provided in appendix

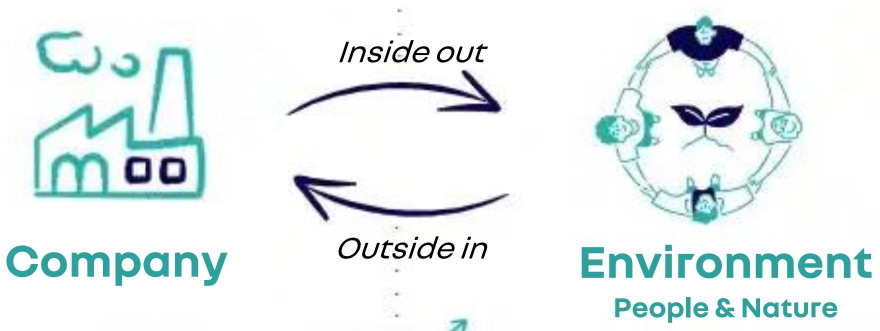
[1] : **ESRS :** European Sustainability Reporting Standards
[2] : **General principles** on governance & strategy : describe business model & stakeholders' engagement
[3] : Establish **general disclosures** for information provided by companies at a general level
[4] : **Business conduct :** Processes, controls, procedures including compliance, anti-corruption, competition law

! Regular updates

Double materiality concept | To achieve its CSRD reporting, each company has to identify the ESG issues that have both an impact materiality and a financial materiality

1 Impact materiality

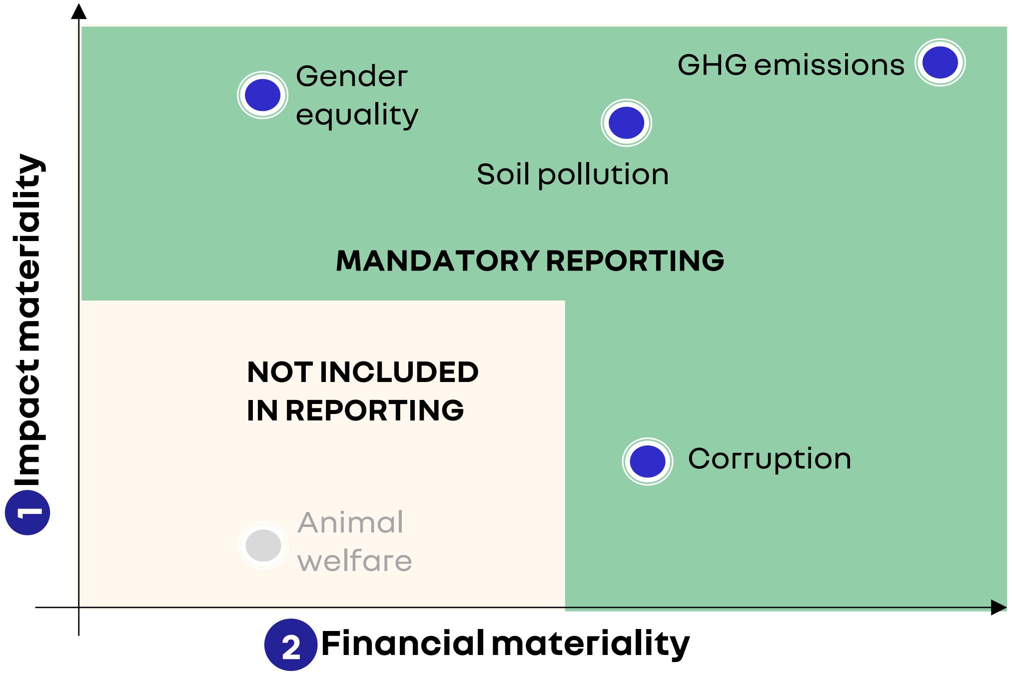
How does the company impact the people, the society and the environment ?



2 Financial materiality

How does ESG impact the economic model of the company ?

Each company evaluates the different ESG issues to classify them in the double materiality matrix



The company will then have to collect & disclose the data relative to the issues in the green area

Double materiality analysis| What are the key steps to achieve to build this matrix ?

RG

01 Identify & map your issues

Look at the different ESRS[1], sub-topics and disclosure requirements to identify your issues. For each issue, ask yourself :

1) How does the company impact the people, the society and the environment ?

2) How does ESG impact the economic model of the company ?

02 Consult your stakeholders

Challenge your mapping with your stakeholders (employees, clients, providers, investors...) to verify your ideas, embark them and have a more holistic view of your company's strategy

03 Measure the potential impact of each issue

Look at the quality of the impact (positive / negative), the type of effect (proven or potential), the severity of impact, the probability of occurrence and the time scale

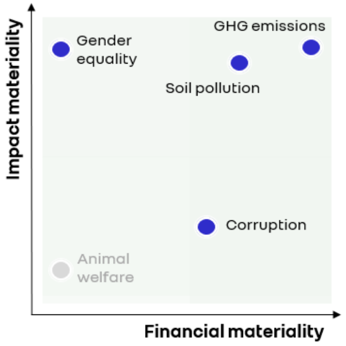
→ Define a score on each issue

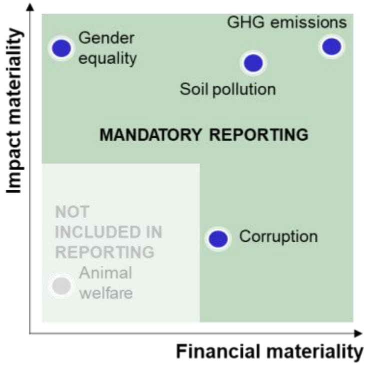
04 Identify thresholds

Define the threshold of your green area. You will have to collect & report data on the issues that exceed that thresholds. It is important that the thresholds defined are consistent and reasonable

05 Collect data & publish your report

Collect the data on the issues above the thresholds and publish it on a report – no imposed format (graphic, table, matrix, text)





You only need to collect data on the subjects in the green part of your matrix.

Need to disclose current qualitative and quantitative data, policies, action plan

[1] **ESRS :** European Sustainability Reporting Standards

Zoom | Example of 44 sub-topics to position in the matrix regarding impact and financial materiality (non-exhaustive)

Topic	Sub-topic (sustainability matters)	
Climate change	• Climate change adaptation • Climate change mitigation	• Dependency to energy use
Pollution	• Pollution of water • Pollution of soil • Pollution of air • Pollution of living organisms and food resources	• Microplastics • Use of substances of concern in the value chain • Use of substances of very high concern in the value chain
Water and marine resources	• Water treatment and quality • Water discharges in water bodies and in the oceans • Habitat degradation and intensity of pressure on marine resources	• Water consumption • Water stored
Biodiversity and ecosystem	• Impacts on the state of species • Impacts on the extent and condition of ecosystems	• Dependencies on ecosystem services • Direct impact drivers of biodiversity loss
Circular economy	• Resources inflows, including resource use • Resources outflows related to products and services	• Waste
Own Workers	• Skills development and attractivity *(sector specific matter)* • Health & Safety	• Collective bargaining and social dialogue
Own workers & Workers in the Value Chain	• Working conditions • Equal treatment and opportunities for all	• Other work-related rights
Affected communities	• Communities' civil and political rights • Particular rights of indigenous communities	• Communities' economic, social and cultural rights
Consumers and end-users	• Information-related impacts for consumers and/or end consumers • Data Privacy *(sector specific matter)*	• Social inclusion of consumers and/or end-users • Personal safety of consumers and/or end-users
Business conduct	• Corporate culture • Protection of whistle-blowers • Political engagement and lobbying activities • Corruption and bribery • Animal welfare	• Management of relations with suppliers & distributors *(sector specific matter)* • Law and regulation compliance *(sector specific matter)* • Anti trust *(sector specific matter)* • Intellectual property *(sector specific matter)*

Zoom | Materiality analysis (Example for a French dealer group)

Work in Progress Example

Legend
- XXX **Environment**
- XXX **Social**
- XXX **Governance**

Impact materiality: + / -

- Water treatment and quality
- Discharges of water into water bodies and oceans
- Outflows of resources related to products and services
- Other work-related rights

- Water pollution
- Soil pollution
- Air pollution
- Inflows of resources, including resource utilization
- Waste
- Personal safety of consumers and/or end-users
- Social inclusion of consumers and/or end-users
- Data Privacy
- Information-related impacts for consumers and/or end-users
- Company Culture
- Corruption and bribery
- Supplier and distributor relationship management

- **Adaptation to climate change**
- **Dependence on energy use**
- **Climate Change Mitigation**
- Skills development and attractiveness
- Working conditions
- Health and Safety
- Equal treatment and opportunities for all

- Pollution of living organisms and food resources
- Impacts and dependencies on ecosystemic services
- Stored water
- Direct drivers of impacts on biodiversity loss
- Economic and political rights of communities
- Specific rights of indigenous communities
- Civil and political rights of communities
- Unfair competition
- Intellectual property
- Animal welfare

- Impacts on the status of species
- Impacts on ecosystem extent and condition
- Habitat degradation and intensity of pressure on marine resources
- Collective negotiation and social dialogue
- Whistleblower protection

NOT INCLUDED IN REPORTING

- Water Consumption
- Use of Substances of Concern in the Value Chain
- Use of substances of very high concern in the value chain
- Political engagement and lobbying activities

MANDATORY REPORTING

Financial materiality: - / +

Zoom on data to collect | Example of Environmental data to collect for a dealer

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Climate change

- **Carbon emissions** scope 1, 2, 3
- **Energy consumption per energy type** (gaz, electricity)
- Energy production (photovoltaic panels)

- Energy invoices
- Carbon footprint tools

- Reduce energy consumption (simple gestures, building isolation, optimize ventilation and heating systems…)
- Opt for renewables energy
- Add photovoltaic panels

Pollution

- Air, soil & water pollution evaluation
- **Quantity of NOx, Sox, COV** → Air pollution
- **Quantity of chemicals elements** (nitrogen, phosphorus, cadnium, lead…) → Water pollution

- Chemicals components
- Vehicle paint products

- Prevent water & soil pollution
- Ensure safe chemicals management

Water & marine resources

- Volume of **water consumed**
- Volume of **water recycled and reuse**

- Water invoices

- Reduce water consumption by simple gestures,
- Install water-efficient sanitary facilities
- Add a closed-loop vehicle washing system

Resource use & circular economy

- **Waste quantity by waste type** : hazardous and non-hazardous waste and treatment channels,
- **Recycled waste quantity**

- Waste invoices
- Recycling certificate

- Reduce quantity of waste
- Improve sorting and recycling of waste
- Offer smart repair, remanufactured and reused parts

Key

Data required | Data location | Action plan

Biodiversity have been removed because importance is generally low
For action plan measures, you can refer to best practices booklet

Zoom reporting format | RG example

What will it look like ?

ESRS E1 – **Climate change**

- E1-1 : **Transition plan** for climate change mitigation — A
- E1-2 : **Policies** related to climate change mitigation and adaptation
- E1-3 : **Actions** and resources in relation to climate change policie — B
- E1-4 : **Targets** related to climate change mitigation and adaptation
- E1-5 : Energy consumption and mix — C
- E1-6 : Gross scope 1, 2, 3 and total GHG emissions
- E1-7 : GHG removals and GHG mitigation projects financed through carbon credits
- E1-8 : Internal carbon pricing
- E1-9 : Anticipated **financial effects** from material physical and transition risks and potential climate-related opportunities

A

2.2.2.1 Climate change (ESRS E1)

2.2.2.1.1 E1-1 - Transition plan for climate change mitigation

Following the Paris Climate Agreement (COP 21) in 2015, Renault Group has adapted its strategy to contribute to limiting global warming to well below 2°C, and even aims to continue efforts to limit the temperature rise to 1.5°C. Previously, the Group reduced its carbon footprint intensity in the automotive sector by 28% from 2010 to 2023[2].

These efforts will continue until 2050, when the Group has set a net zero target to contribute to the carbon neutrality objective, with an interim target to achieve this ambition for activities in Europe by 2040. This will be accomplished through a combination of 90% emission reductions and offsetting actions for the remaining 10% of emissions based on the 2019 base year. *[DP E1-1_01; DP E1-1_02]*

B

2.2.2.1.5 E1-3 – Actions and resources in relation to climate change policies

2.2.2.1.5.1 Action plan on Renault Group sites climate change adaptation

To control the physical risks associated with extreme heat, existing prevention and protection measures allow short-term control. These include technical measures (ventilation, space cooling, storage conditions for batteries of electric vehicles (EV) or rechargeable hybrid electric vehicles (PHEV), chemical products, etc.) and organizational measures (implementation of the heat wave plan, work schedules, breaks, etc.).

The HSEE Department in coordination with other expert functions leads all the sites concerned on these issues. A steering co[illegible]e is organized 4 times a year to monitor [illegible] on complementary actions. This risk is [illegible]-functional governance in the company, [illegible]s team (engineering, purchasing and [illegible]ons) to have a holistic view and build [illegible]dustrial strategies.

C

2.2.2.1.7 E1-5 - Energy consumption and mix

Energy consumption & mix

(in MWh LHV)	2024		
	Consolidated Group[1]	Joint-control entity[2]	TOTAL
Fuel consumption from natural gas	1,560,352	-	1,560,352
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	417,516	4,51,	421 569
Fuel consumption from crude oil and petroleum products	194,222	2,971	197,192
Fuel consumption from coal and coal products	-	-	-
Fuel consumption from other fossil sources	-	-	-
Total fossil energy consumption	**2,171,629**	**7,484**	**2,179,113**
Share of fossil sources in total energy consumption (%)	**57 %**	**83 %**	**57 %**
Consumption from nuclear sources	**636,642**	**151**	**636,793**
Share of consumption from nuclear sources in total energy consumption (%)	**17 %**	**2 %**	**17 %**
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	993,847	1,049	994,896
Consumption of self-generated non-fuel renewable energy	3,204	317	3,521
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	3,075	-	3,075
Total renewable energy consumption	**1,000,126**	**1,366**	**1,001,492**
Share of renewable sources in total energy consumption (%)	**26 %**	**15 %**	**26 %**
Total energy consumption	**3,808,396**	**9,001**	**3,817,397**
Energy consumption from activities in high climate impact sectors	3,808,396	9,001	3,817,397

Environmental data from entities under operational control are included into the "Consolidated Group" column. These entities cannot be segregated due to the Group's systems limitations.

Renault Nissan Technology & Business Center India Private Limited (RNTBCI), included for 15%.

How to start your CSRD | retroplanning - RG Feedback

9-12 months before reporting

Structure yourself

- Name a person in charge (within financial [responsible], HR & operations department)
- Select and contractualize with the supplier to support you in the CSRD reporting

Reminder: RG will recommend 1 or 2 editors to support you

- Establish your double materiality analysis
- Determine the data you need to collect and how to retrieve it

October / November

Start writing your report

January / February

Publish your report

- Update data figures
- Validate your report with an external auditor

For further information, contact your auditor, Renault (Corp or DND) or your local GCR

Note : Sanctions (in France) before Omnibus

- Necessary publication: If a publication is deemed necessary, a judge can be petitioned to compel the company to publish a report
- Absence, partial, or incorrect information: Fine €3,750; possibility of an injunction under penalty by a third party
- Audit: Fine €30,000 + 2 yrs of imprisonment (absence), Fine €75,000 + 5 yrs of imprisonment (obstruction)

Support | With the Sustainability toolbox for dealers, Renault Group will provide several assets to help dealers achieve their CSRD

Sustainability toolbox for dealers x CSRD

#1 CSRD digest : definition, planning, modalities, inputs on Environmental issues & data specific to dealers' business

#2 Recommendation of tools to achieve CSRD : double materiality matrix, data collection, CSRD report, carbon footprint measurement

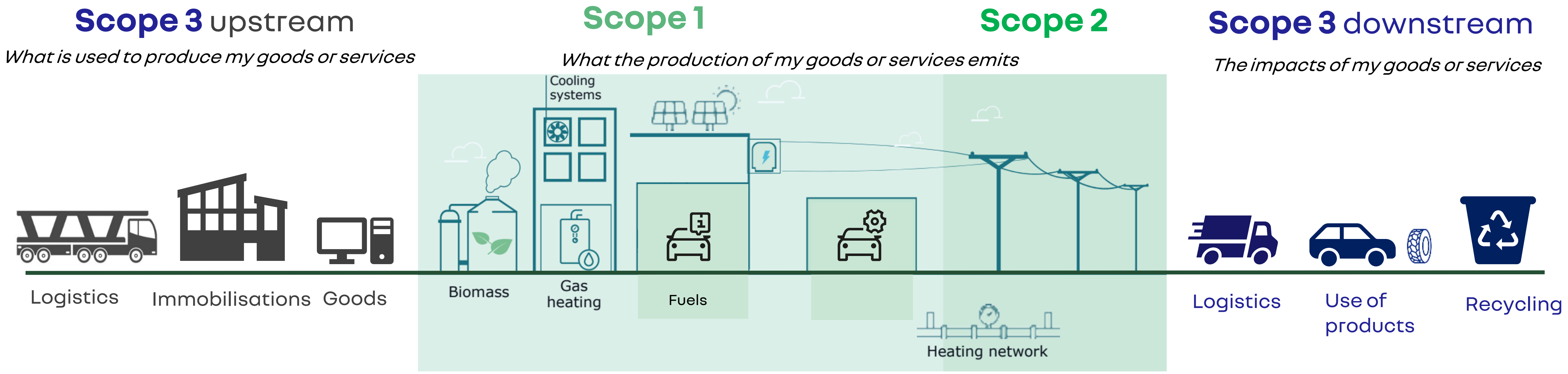
#3 Booklet of best practices to build the action plan on CSRD issues

#4 Renault data on vehicle CO_2 emissions to help dealers calculate their scope 3

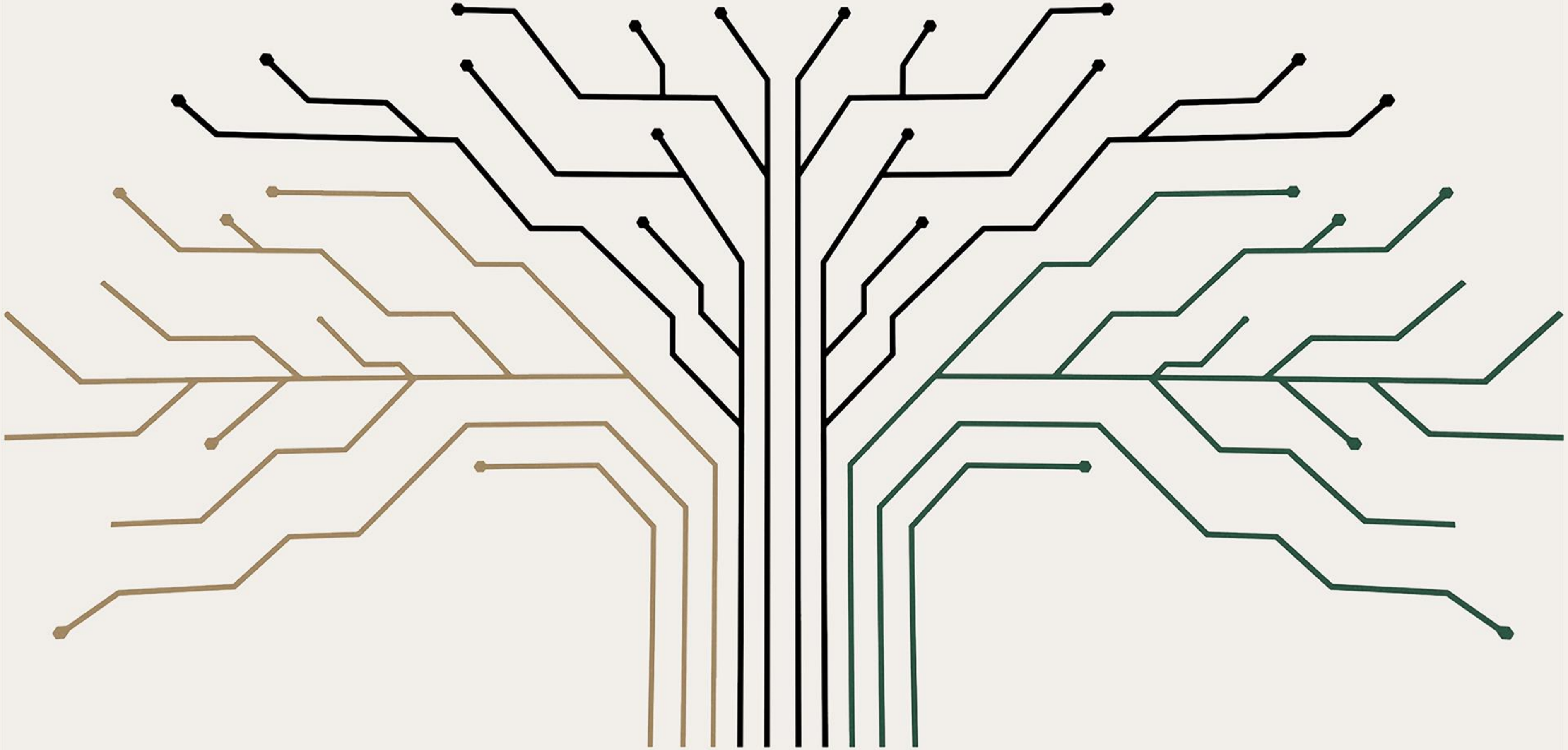
Zoom on carbon footprint | Measuring your carbon footprint is a concrete way to achieve your CSRD, by evaluating your overall impact in terms of CO_2 emissions

Mandatory disclosure will be on scope 1 & 2

- **Scope 1 : Direct emissions of sites** linked to the combustion of gas & fuels, the filling of cooling systems, the fueling of company vehicles
- **Scope 2 : Indirect emissions of sites** from purchased electrical and thermal energy
- **Scope 3** : Goods and materials, use of products sold, logistics, sales & aftersales emissions



$$CFP = Gas/oil\ m3 \times CO_2e/m3 + Fuel\ liter \times CO_2e/liter + Electricity\ kWh \times CO_2e/kWh$$



SUSTAINABILITY
TOOLBOX FOR DEALERS

Thank you

ESRS E1 – Climate change – 9 disclosures (1/2)

E1-1: Climate Change Mitigation Transition Plan

- Visualization of past, present and future efforts to achieve the goals of the Paris Agreement (limitation to 1.5°C) and carbon neutrality by 2050.
- Describe the transition plan, decarbonization actions, investments, and integration into the corporate strategy.
- Indicate current dependence on fossil fuels and potential emissions locked.

E1-2: Policies related to climate change mitigation and adaptation

- Presentation of policies to identify, assess and manage climate risks and opportunities (includes energy efficiency and renewable energy deployment)

E1-3: Actions and resources related to climate change policies

- Details of the actions implemented to mitigate and adapt to climate change, results obtained and expected.
- Indicate the resources (CapEx and OpEx) allocated to these actions.

E1-4: Objectives related to climate change mitigation and adaptation

- Exposure of GHG emission reduction targets, deployment of renewable energy, and adaptation to climate change.
- Set targets for 2030 and 2050 aligned with the Paris Agreement.

ESRS E1 – Climate change – 9 disclosures (2/2)

E1-5: Energy consumption and energy mix
- Report on current energy consumption and the distribution between renewable and fossil energies.
- Precise fossil energy sources for sectors with a high climate impact.

E1-6: Gross GHG emissions on scopes 1, 2, 3 and total emissions
- Detail of GHG emissions for each scope in tonnes of CO2 equivalent.
- Identification of the main sources of emissions and breakdown between consolidated and non-consolidated entities.

E1-7: GHG Removals and GHG Mitigation Projects Financed by Carbon Credits
- Description of internal and external GHG absorption and mitigation projects.
- Details of the carbon credits used and verification of their credibility.

E1-8: Internal Carbon Pricing
- Indication of the application of an internal carbon pricing mechanism.
- Description of its functioning, uses and scope of application.

E1-9: Anticipated financial effects of physical and transition risks and potential climate-related opportunities
- Presentation of short-, medium- and long-term financial risks and climate opportunities.
- Includes the monetary value and proportion of assets and income exposed, as well as potential climate-related gains.

ESRS E2 - Pollution - 6 disclosures (1/2)

E2-1: Pollution Policies
- Description of pollution prevention and control policies.
- Covers the reduction of air, water and soil pollution, the restricted use of substances of concern, and incident management.
- Alignment with the EU Action Plan "Towards Zero Pollution".

E2-2: Pollution Actions and Resources
- Presentation of the measures put in place to avoid, reduce or restore pollution.
- Details of the resources allocated to these actions.

E2-3: Pollution Targets
- Publication of targets for the use of substances of concern and air, water and soil pollution.
- Setting targets based on scientifically determined ecological thresholds, such as Science Based Targets for Nature (SBTN).

E2-4: Air, Water and Soil Pollution
- Provision of data on pollutants and microplastics generated by the company.

ESRS E2 - Pollution - 6 disclosures (2/2)

E2-5: Substances of Concern and Substances of Very High Concern
- Communication on the use, production, distribution and marketing of substances of concern (SVHC).
- Exposure of the impact on human health and the environment.

E2-6: Expected financial implications of pollution-related risks and opportunities
- Presentation of short-, medium- and long-term financial risks related to pollution.
- Inclusion of repair costs, potential fines, and financial opportunities.
- Information on turnover from products containing substances of concern.

ESRS E3 - Water & marine resources - 5 disclosures

E3-1: Water and Marine Resources Policies
- Description of policies to manage impacts, risks and opportunities related to water and marine resources.
- Covers water consumption, water quality, and impacts on marine ecosystems.

E3-2: Actions and resources relating to water and marine resources
- Presentation of the measures put in place to manage water and marine resources, including reducing water consumption and protecting marine ecosystems.
- Details of the resources allocated to these actions.

E3-3: Water and Marine Targets
- Publication of targets for water consumption, water quality, and conservation of marine resources.
- Setting of objectives based on scientifically determined ecological thresholds.

E3-4: Water Consumption and Withdrawal
- Provision of data on total water consumption, including freshwater and marine water withdrawal.
- Breakdown of water consumption by source (renewable vs. non-renewable).

E3-5: Potential financial effects of impacts, risks and opportunities related to water and marine resources
- Exposes the potential financial risks it faces due to the challenges related to water resources.
- Also presents the financial opportunities it could benefit from.

ESRS E4 – Biodiversity & ecosystems - 6 disclosures

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E4-1: transition plan and integration of biodiversity and ecosystems into the company's strategy and business model
- Assess the resilience of the strategy and business model in the face of biodiversity-related risks

E4-2: Biodiversity and ecosystem policies
- Describe non-financial reporting policies that allow it to manage its impacts, risks, opportunities and dependencies.
- Specify in particular whether the biodiversity and ecosystems of its various sites, owned or leased, are subject to a preservation policy.

E4-3: actions and resources related to biodiversity and ecosystems
- Communicate here on the actions put in place to limit its negative impacts on biodiversity and ecosystems.
- Describe the resources allocated to the implementation of these different actions.

E4-4: Biodiversity and Ecosystem Objectives
- Communicate whether it has set its targets in line with ecological thresholds and international and European objectives.

E4-5: impact metrics related to biodiversity and ecosystem evolution
- Provide some indicators to understand how it affects biodiversity and ecosystems.

E4-6: Potential financial effects of impacts, risks and opportunities related to biodiversity and ecosystems
- Disclose the potential financial effects that could arise from its risks, opportunities and dependencies. These may have consequences on its financial performance or on its cash flows in the short, medium and long term.

ESRS E5 - Resource use & circular economy - 6 disclosures

E5-1: Policies related to resource use and the circular economy
- Should include policies in place to promote sustainable sourcing and use of renewable resources.

E5-2: actions and resources related to resource use and the circular economy
- Explain here the actions it is implementing in favour of the circular economy and a more sustainable use of resources and specifies the expected result

E5-3: Objectives related to resource use and the circular economy
- Communicates on objectives in terms of resource use and circular economy.

E5-4: Resource Entries
- Publish data on its resource inputs in its report. These can be raw materials, products, water, equipment... used by it or by its upstream value chain.

E5-5: Resource Outputs
- Specify whether its products comply with the principles of the circular economy: sustainability, reusability, remanufacturing, recycling.
- Communicate on the amount of waste generated by its activities.

E5-6: The potential financial effects of resource use and the impacts, risks and opportunities of the circular economy
- Communicate in its report on the expected short-, medium- and long-term financial consequences of these risks and opportunities.