



STRATEGIC PLAN RENAULT GROUP 2020-2025+

**GRUPE RENAULT**

THE  
INTRODUCTION  
GUIDE TO THE

RENAULTION



| GROUPE RENAULT



Les fonctions poussent les marques

DIAGNOSTIC

**RENAULTION**

FROM VOLUME TO VALUE

THE FUNCTIONS PUSH

THE BRANDS PULL

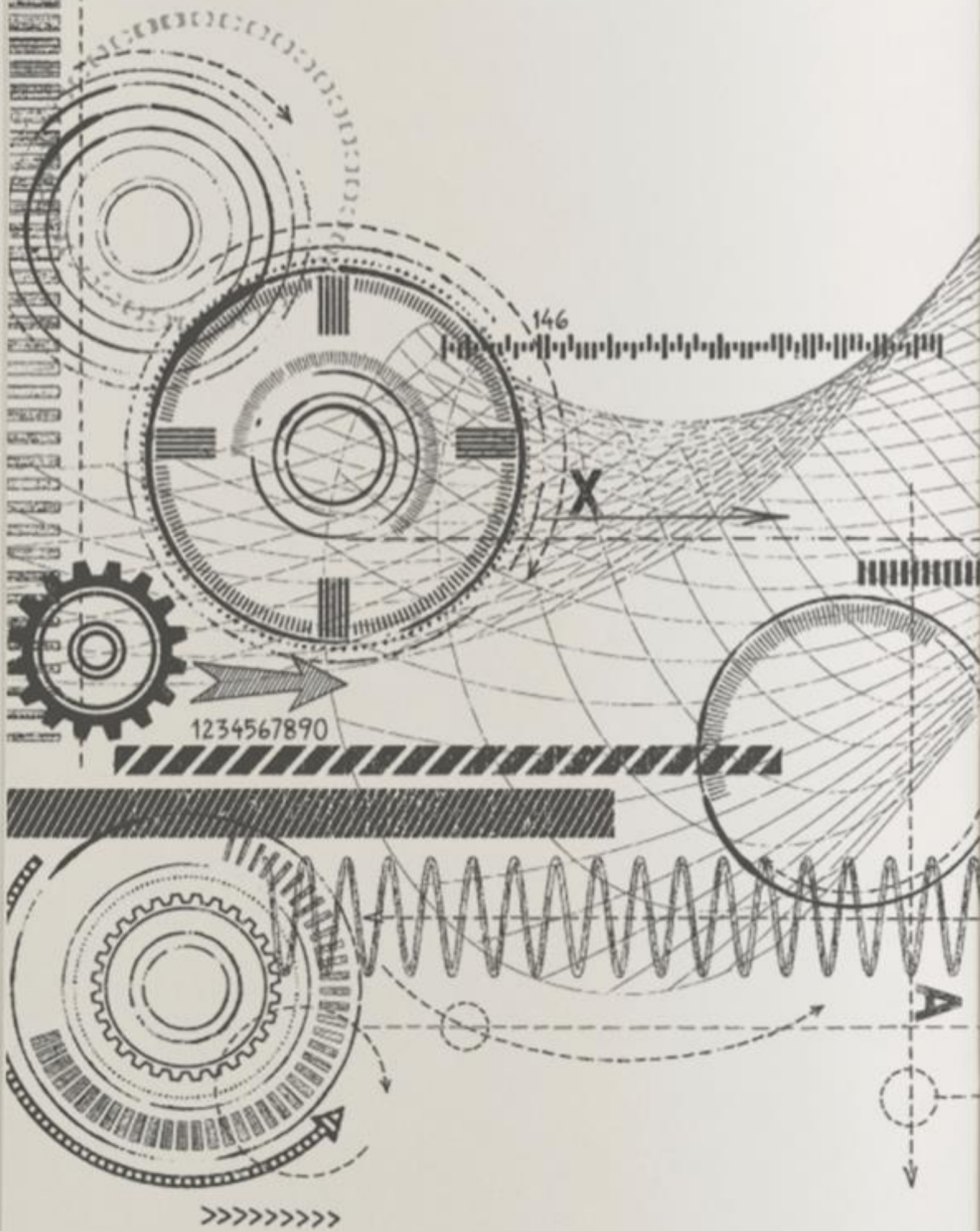
A NEW BEGINNING



GROUPE RENAULT



GROUPE RENAULT



GROUPE RENAULT

DIAGNOSTIC

RENAULTION

FROM VOLUME TO VALUE

THE FUNCTIONS PUSH

THE BRANDS PULL

A NEW BEGINNING

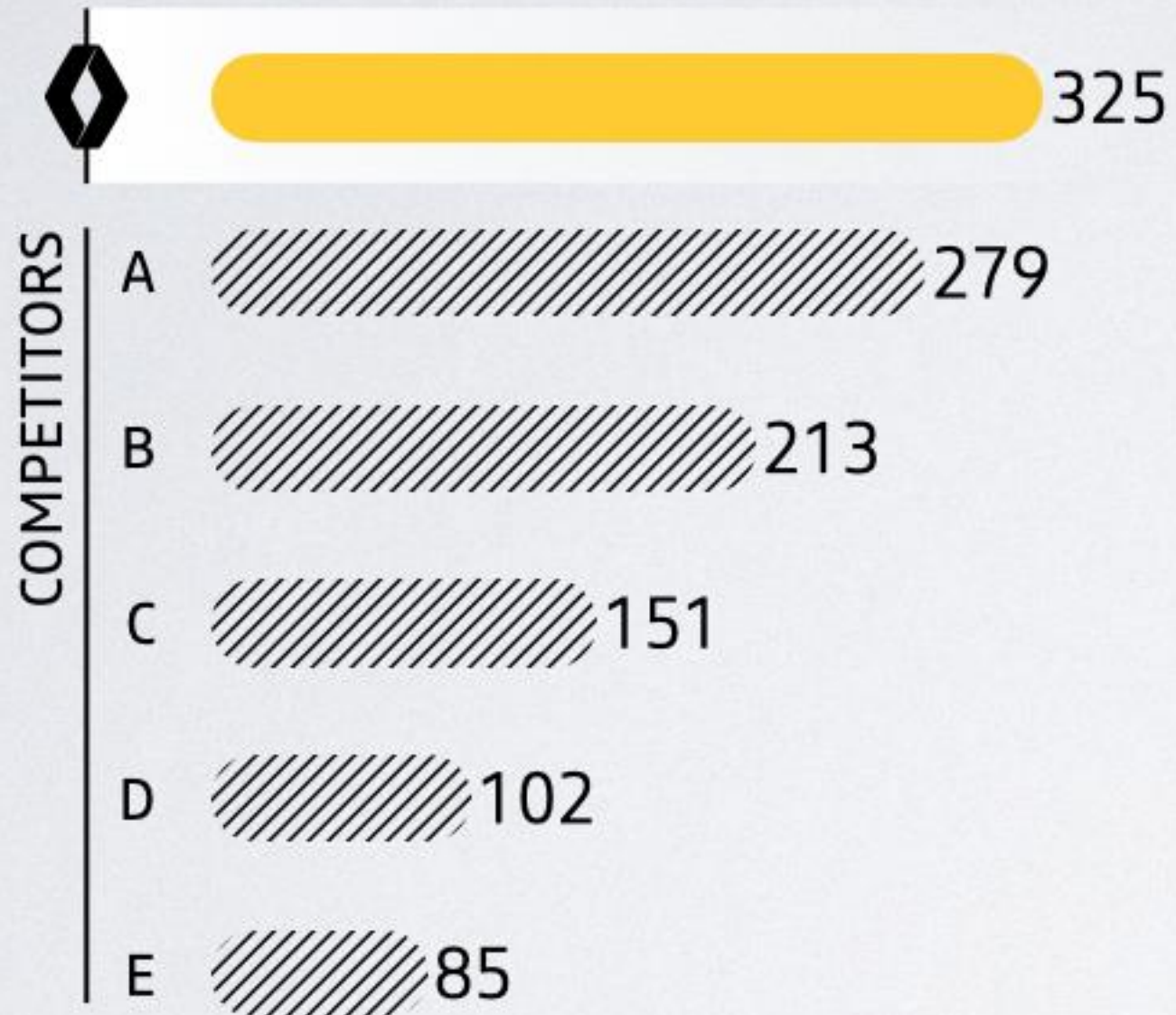


GROUPE RENAULT

# SOLID STRENGTHS TO BUILD ON

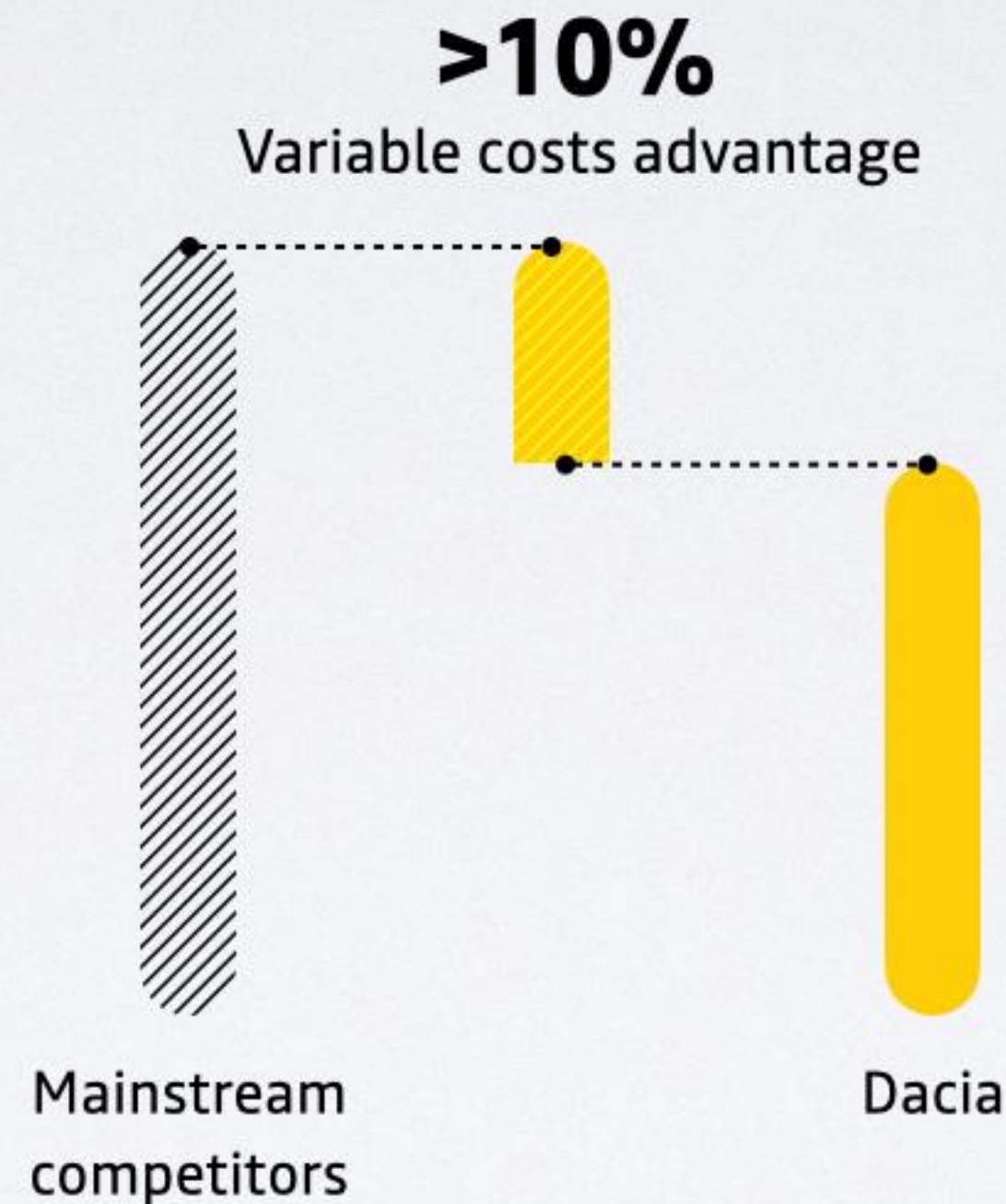
## European leader in EV

EV sales in Europe, since start of sales, as of Q3 2020, Ku



## Budget segment expertise

Group Global Access vs mainstream competitors



## RCi bank & services

### Best-in-class profitability

**18%** normalised ROE<sup>1</sup>

### Funding resilience

**>€18B** customer deposits<sup>2</sup>

### Best customer satisfaction

**+19pts** vs main competitors<sup>3</sup>

Source: AAA data, Groupe Renault

1. ROE normalized at RCi equity level, after tax, 2019

2. As of June 30<sup>th</sup> 2020, equivalent to 40% of funding

3. NPS (Net Promoter Score) study H12020 (FR, UK, DE, ES, IT, BR, KR, RU)

# WITH THE ALLIANCE IN THE TOP LEAGUE

**>€100B purchasing volume**  
Alliance Purchasing Organization



**70% of global profit pools**  
& 4 largest markets covered

**~€35B trades**  
within Alliance over last 4 years



**100% segments coverage**  
from kei cars to 2-ton pick-up

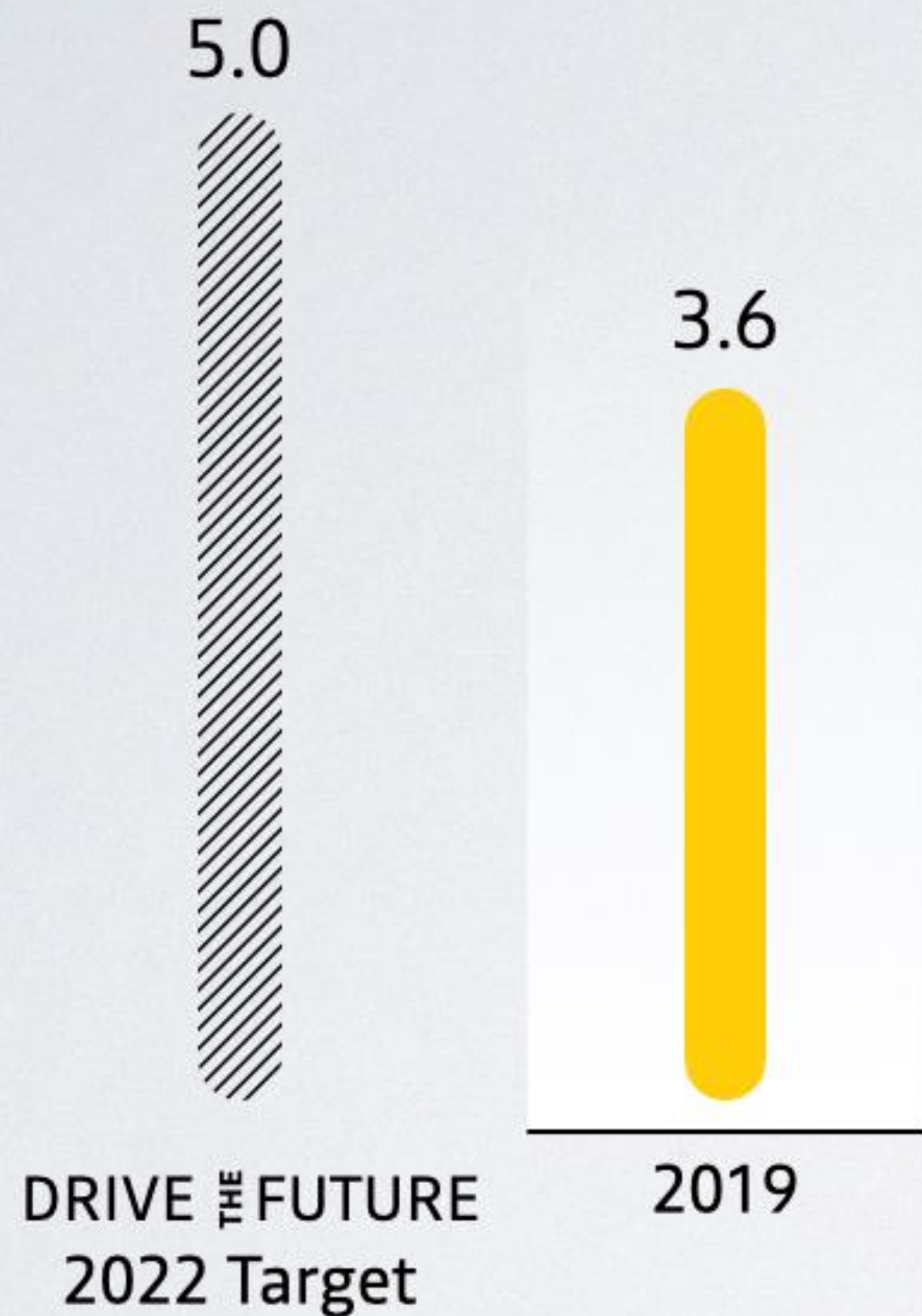
**~1Mu EVs per year on 2 platforms**  
by 2025(e), CMF-B & CMF-EV



# VOLUME STRATEGY DID NOT YIELD EXPECTED RESULTS

Volumes below target...

Volumes, Mu



... implied over-sizing...

**+65%**

R&D CapEx increase  
2015-2019  
vs +15% industry average (e)

**~4Mu**

Manufacturing capacity  
In 2019, Harbour<sup>1</sup>, 5 days x 2 shifts

... harming Group performance

**-50%**

ROCE\*  
2019 vs 2015

**15%**

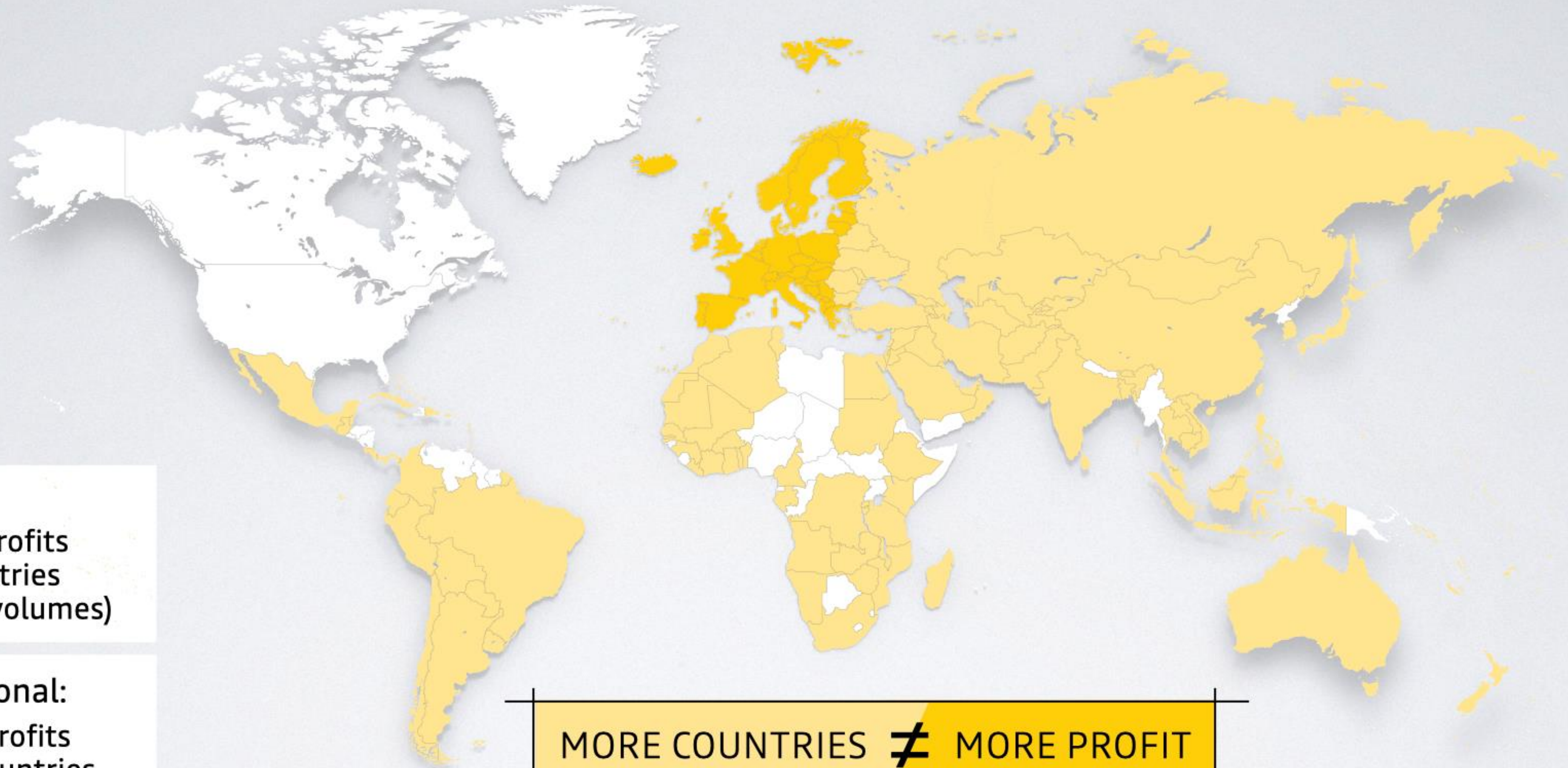
Gap to breakeven  
In Mu, 2019

Source: Groupe Renault; published financial performance of other OEMs

1. Group, including VAZ & China, capacity at year end

\*ROCE =  $\frac{\text{Auto Operating Profit (incl. VAZ)} \times (1 - \text{average tax rate})}{\text{PP\&E} + \text{intangibles assets} + \text{financial assets} - \text{investments in RCI/Nissan/Daimler+WCR}}$

# GROWING WIDER, NOT BETTER



**Europe:**  
~75% of profits  
in 30 countries  
(~50% of volumes)

**International:**  
~25% of profits  
in 100+ countries  
(~50% of volumes)

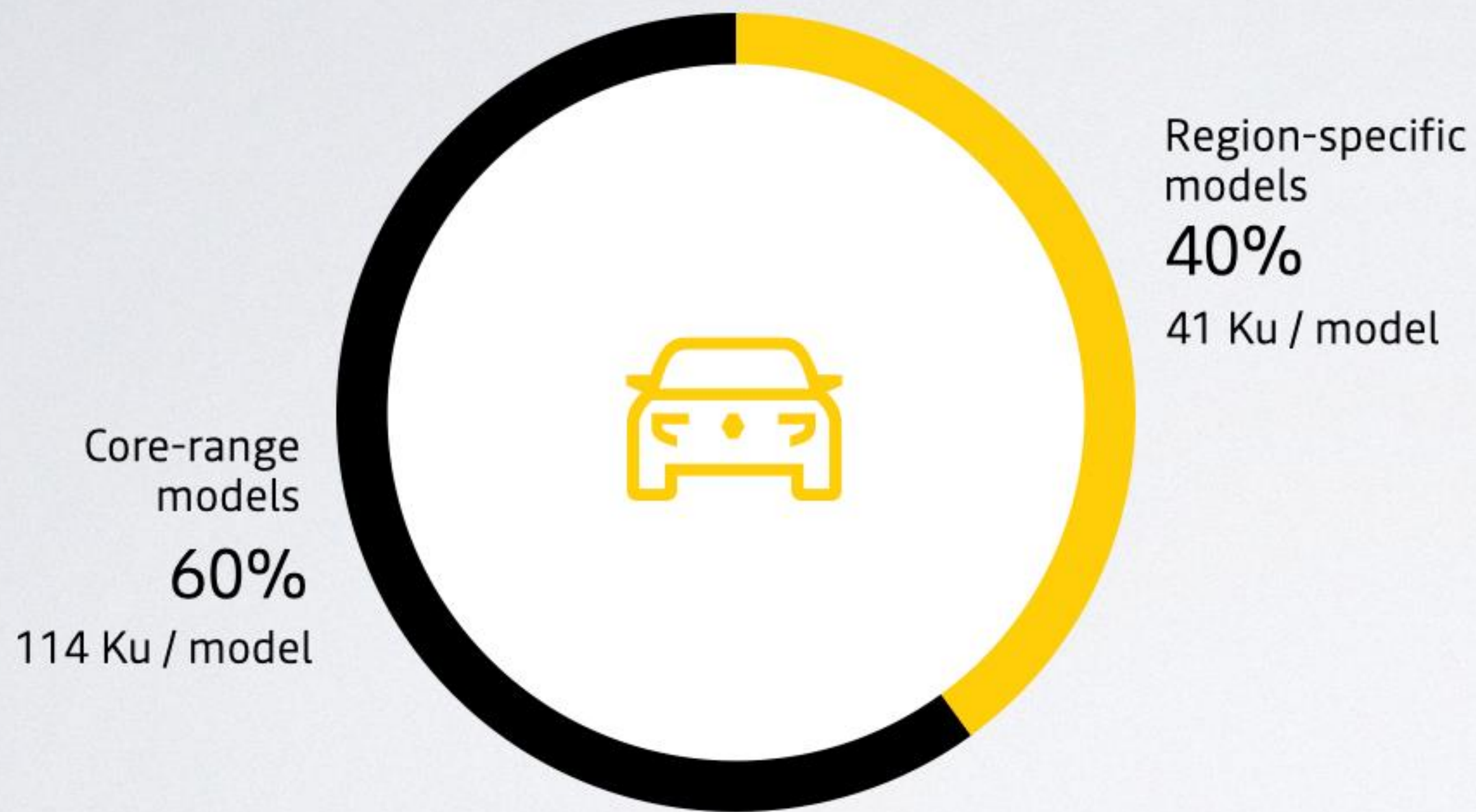
MORE COUNTRIES  $\neq$  MORE PROFIT



# GLOBALIZATION LEADING TO EXCESSIVE DIVERSITY

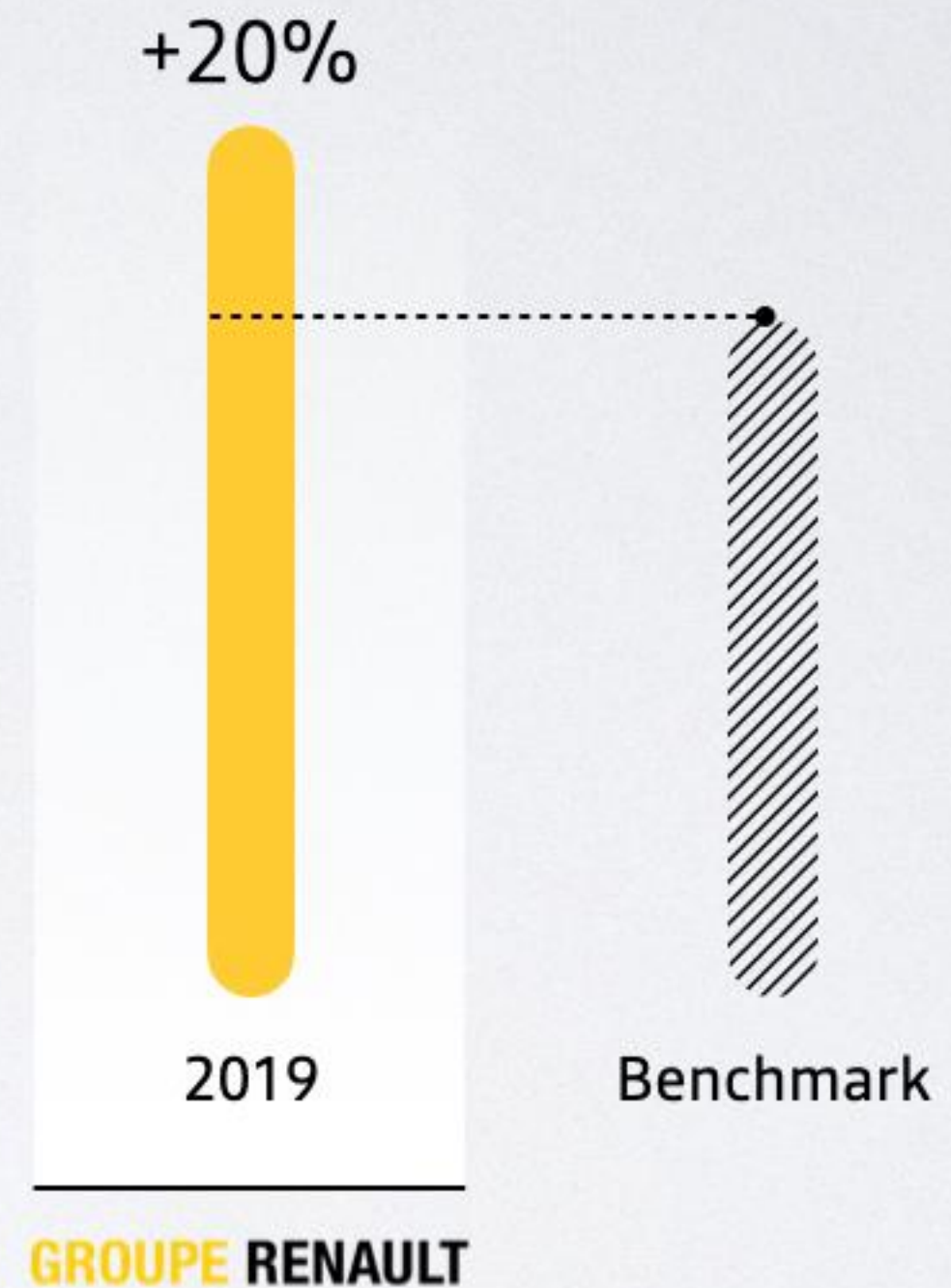
40% region-specific, subscale, models

Group line-up, 2019



Excessive parts diversity

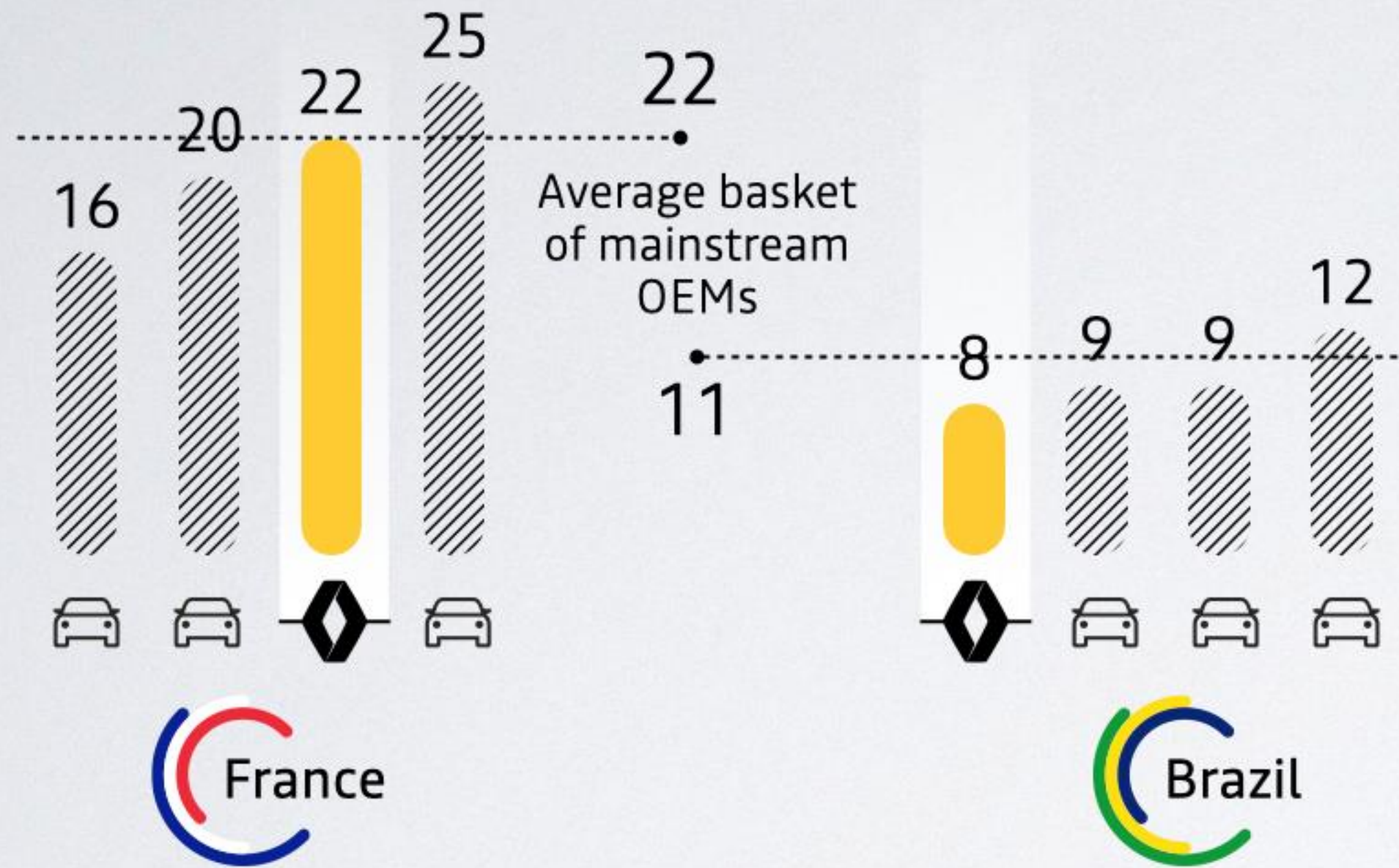
Number of parts at assembly line, 2019



# LACK OF CONSISTENCY ACROSS BRANDS AND MARKETS

## Average transaction price

2018, €k, selected competitors



INCONSISTENT POSITIONING  
ACROSS MARKETS

## Sales distribution by price range

Europe top-5 countries, 2019

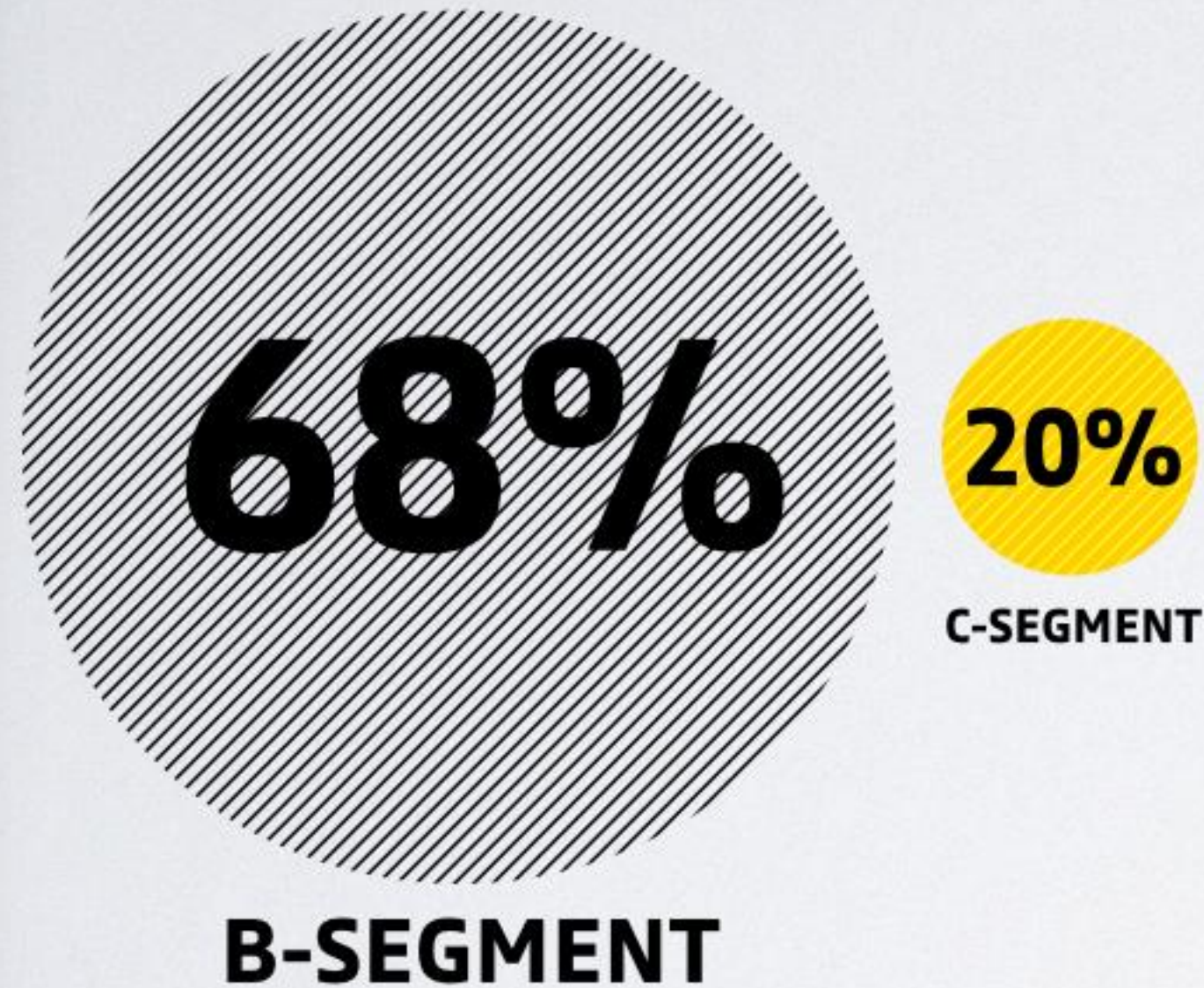


DACIA & RENAULT BRANDS  
OVERLAPPING IN EUROPE

# UNFAVORABLE PRODUCT & SALES MIX

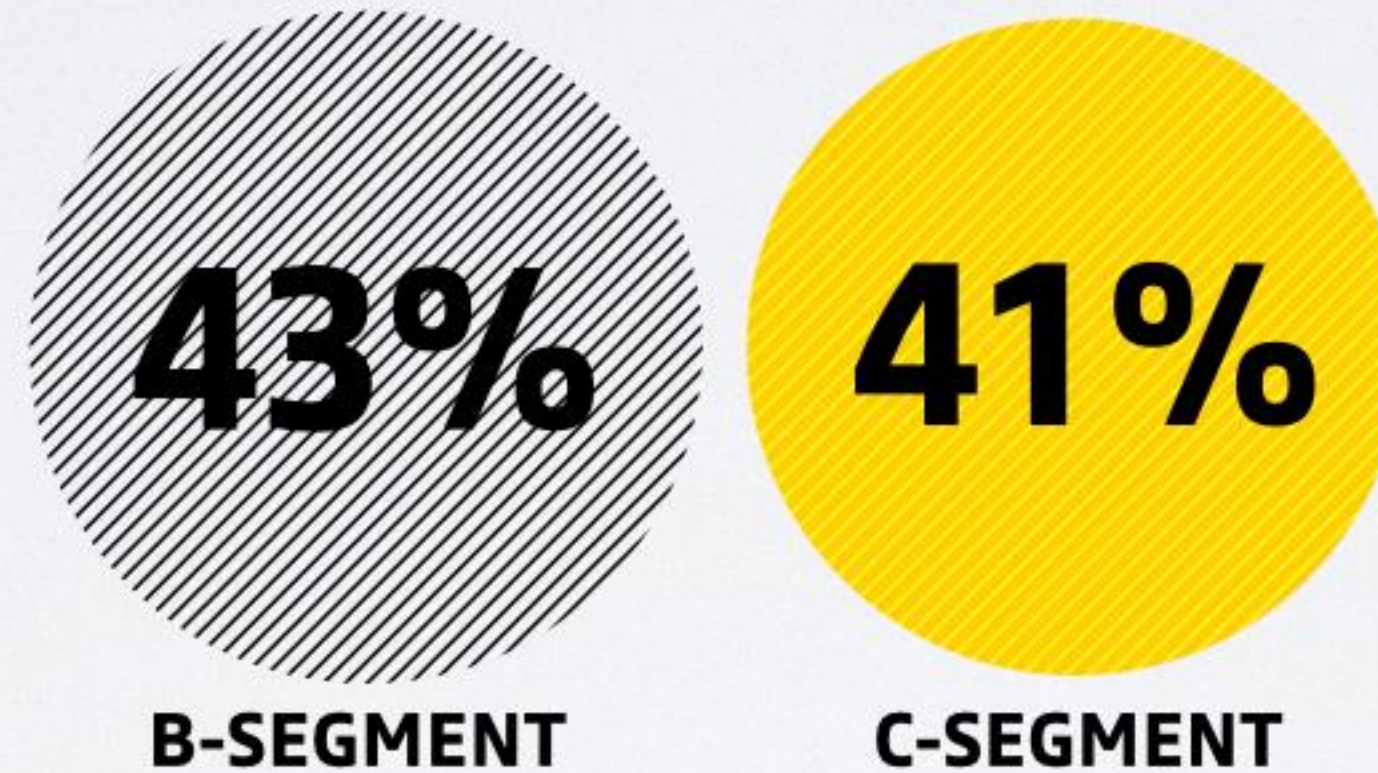
## Overweight on B-segment...

Group sales by segment, 2010-2019



## ... vs benchmark

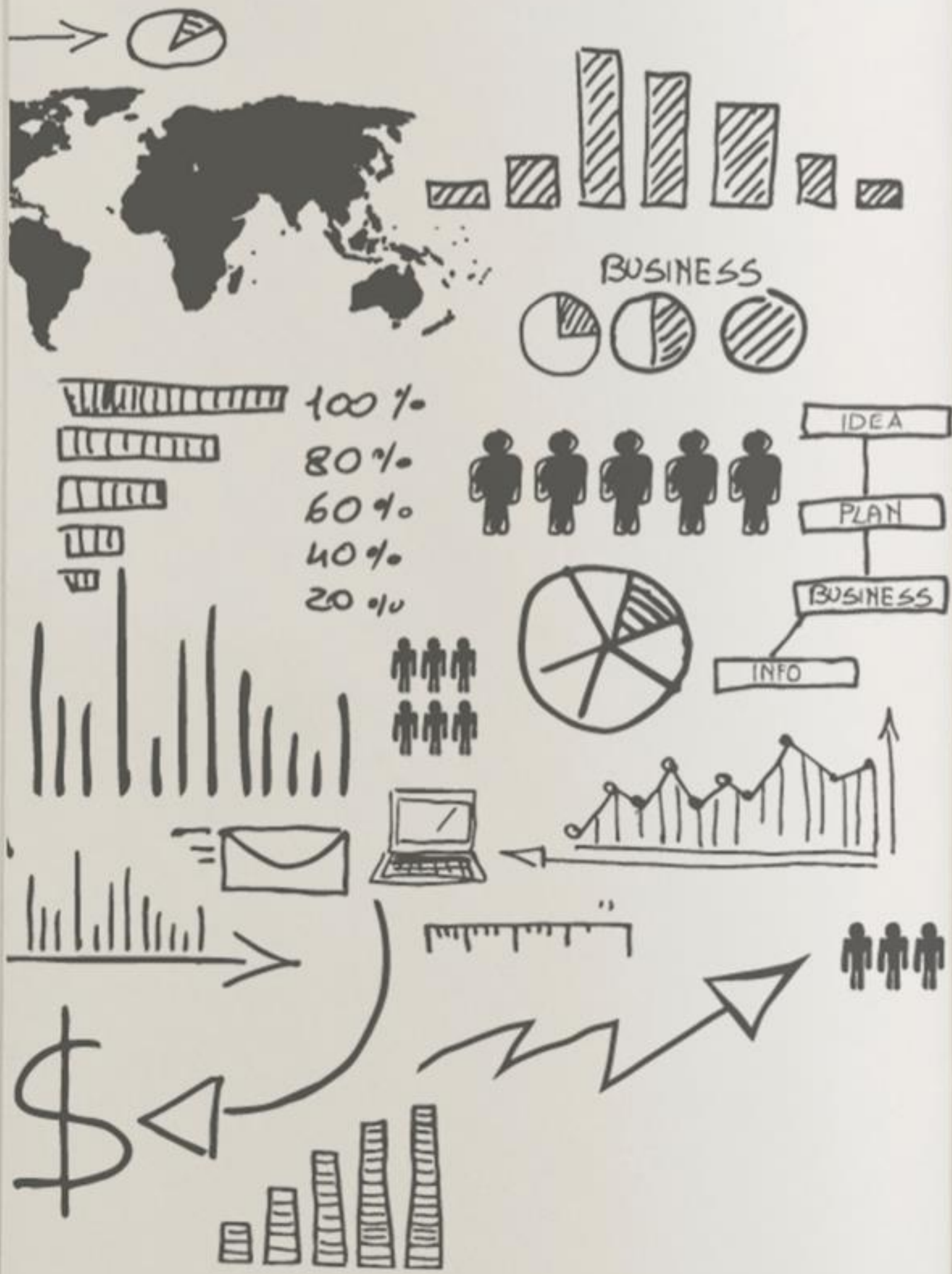
Benchmark sales by segment, 2010-2019(e)



## Addressing limited profit pool

Global profit pools, yearly average, 2015-2019(e)





DIAGNOSTIC

# RENAULTION

FROM VOLUME TO VALUE

THE FUNCTIONS PUSH

THE BRANDS PULL

A NEW BEGINNING

# FIX, TRANSFORM, LEAPFROG

## REMANUCLUTION



**2020-2023**

Focus on margin & cash



**2023-2025**

New products, stronger brands



**2025+**

Leading mobility & tech player



# CLEAR PATH TO TURNAROUND



CAUTIOUS VOLUME & MARKETS ASSUMPTIONS  
POTENTIAL UPSIDE FROM PARTNERS NOT EMBEDDED

Source: Groupe Renault

Note: Commitments & ambitions based on current known emission standards

$$ROCE = \frac{\text{Auto Operating Profit (incl. VAZ)} \times (1 - \text{average tax rate})}{PP\&E + \text{intangibles assets} + \text{financial assets} - \text{investments in RCI/Nissan/Daimler+WCR}}$$



**GROUPE RENAULT**

Auto operational FCF = cash flows after interest & tax (excl. dividends received from publicly listed companies) minus tangible & intangible investments net of disposals +/- change in the WCR

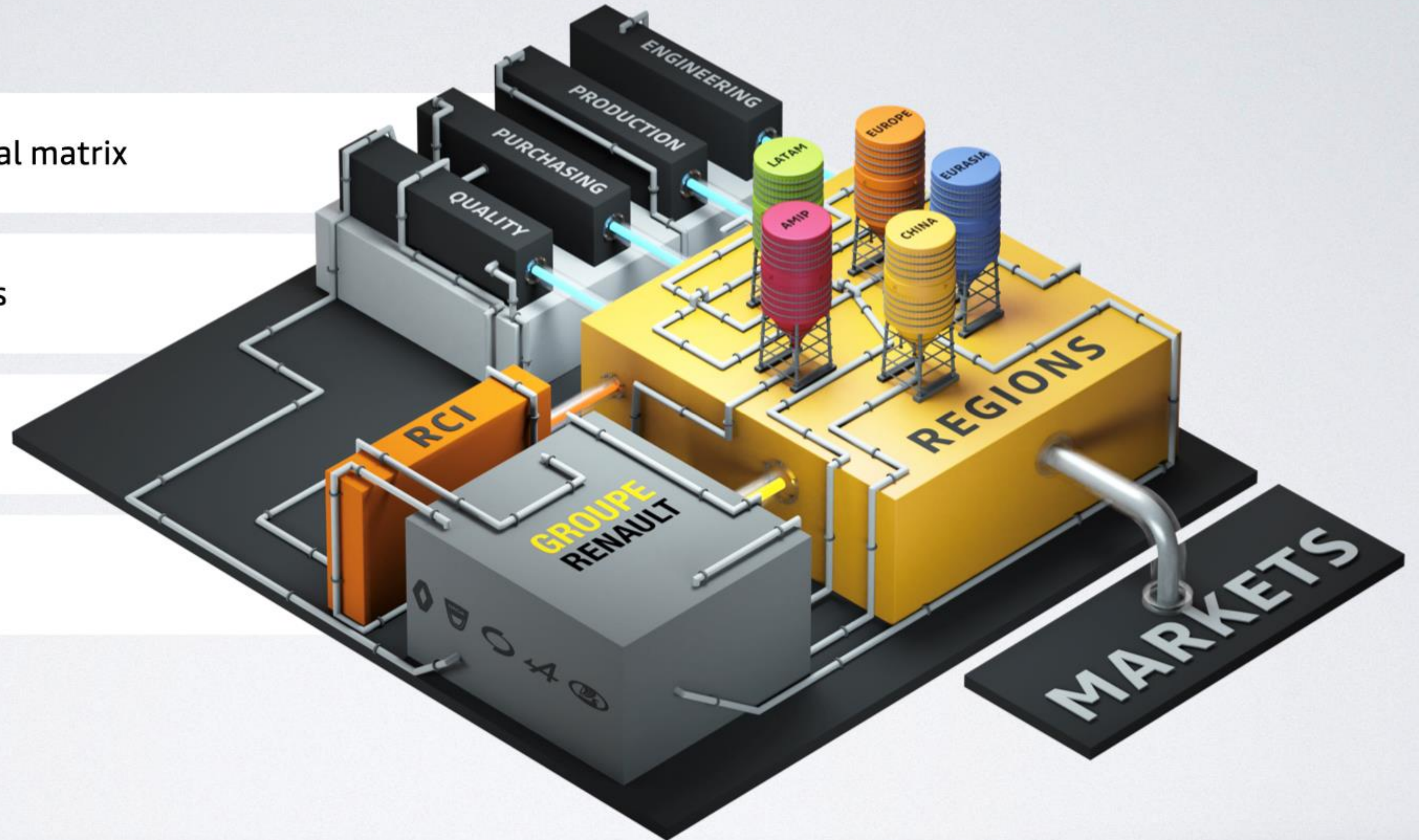
# REPROGRAMMING A COMPLEX OPERATING SYSTEM...

Multi-layer, 4-dimensional matrix

Scattered responsibilities

Diluted brands

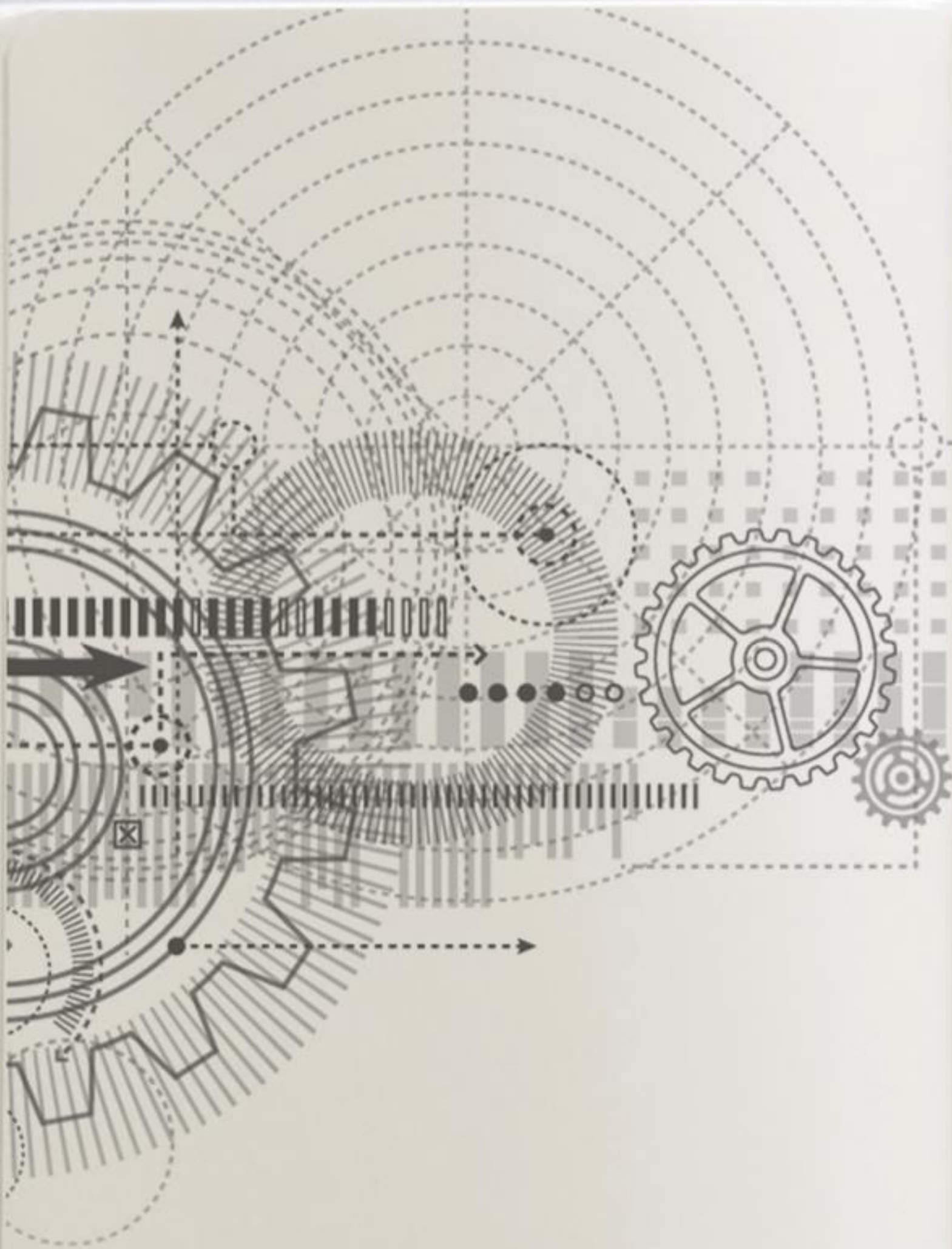
Lack of customer focus



# ... TO FOCUS ON VALUE CREATION







DIAGNOSTIC

# RENAULTION

FROM VOLUME TO VALUE

## THE FUNCTIONS PUSH

- ENGINEERING
- PRODUCTION
- RESULTS

THE BRANDS PULL

A NEW BEGINNING



# REVOLUTION IN

# ENGINEERING



**EFFICIENCY**



**SPEED**



**VALUE**

# PUSHING ENGINEERING EFFICIENCY TO THE NEXT LEVEL

ENGINEERING

On track to deliver ambitious targets<sup>1</sup> by 2022(e)...

... leveraging innovative engineering

30%

G&A reduction

40%

Prototype cost decrease

12%

Engineering rate<sup>2</sup> optimisation



Digitized engineering



100% new projects in Agile



Early supplier engagement



Source: Groupe Renault

1. Part of 2022 plan

2. Average full-time engineering cost per capita

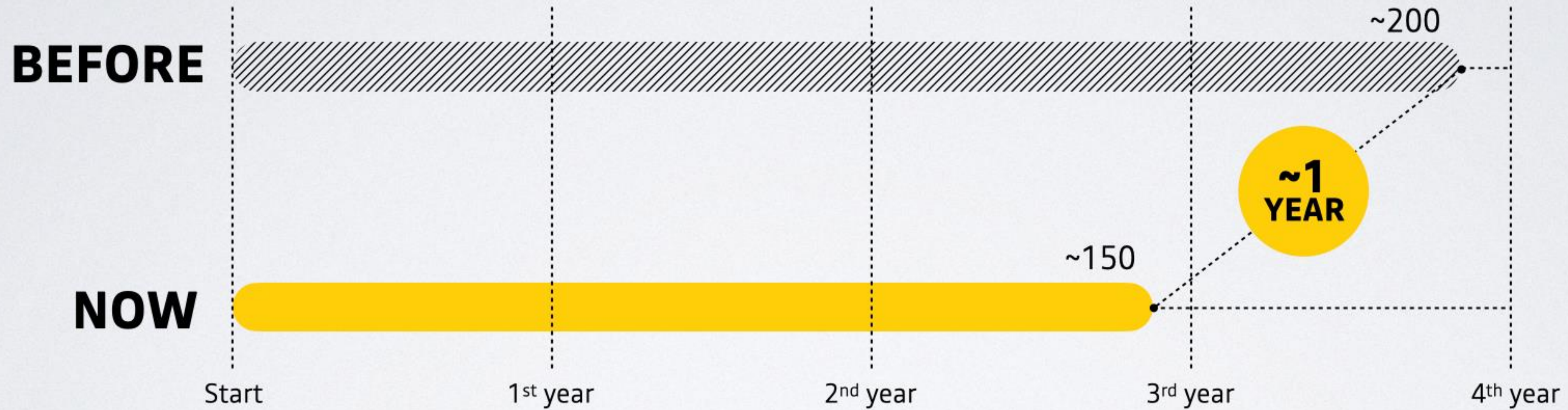


GROUPE RENAULT

# DEVELOPING CARS FASTER THAN EVER

New car on existing platform developed in <3 years...

Number of weeks



# 80% OF GROUP VOLUMES ON 3 ALLIANCE PLATFORMS

Alliance yearly volumes, 2025(e)



CMF-B / EV



~3Mu



CMF-CD



~3Mu



CMF-EV

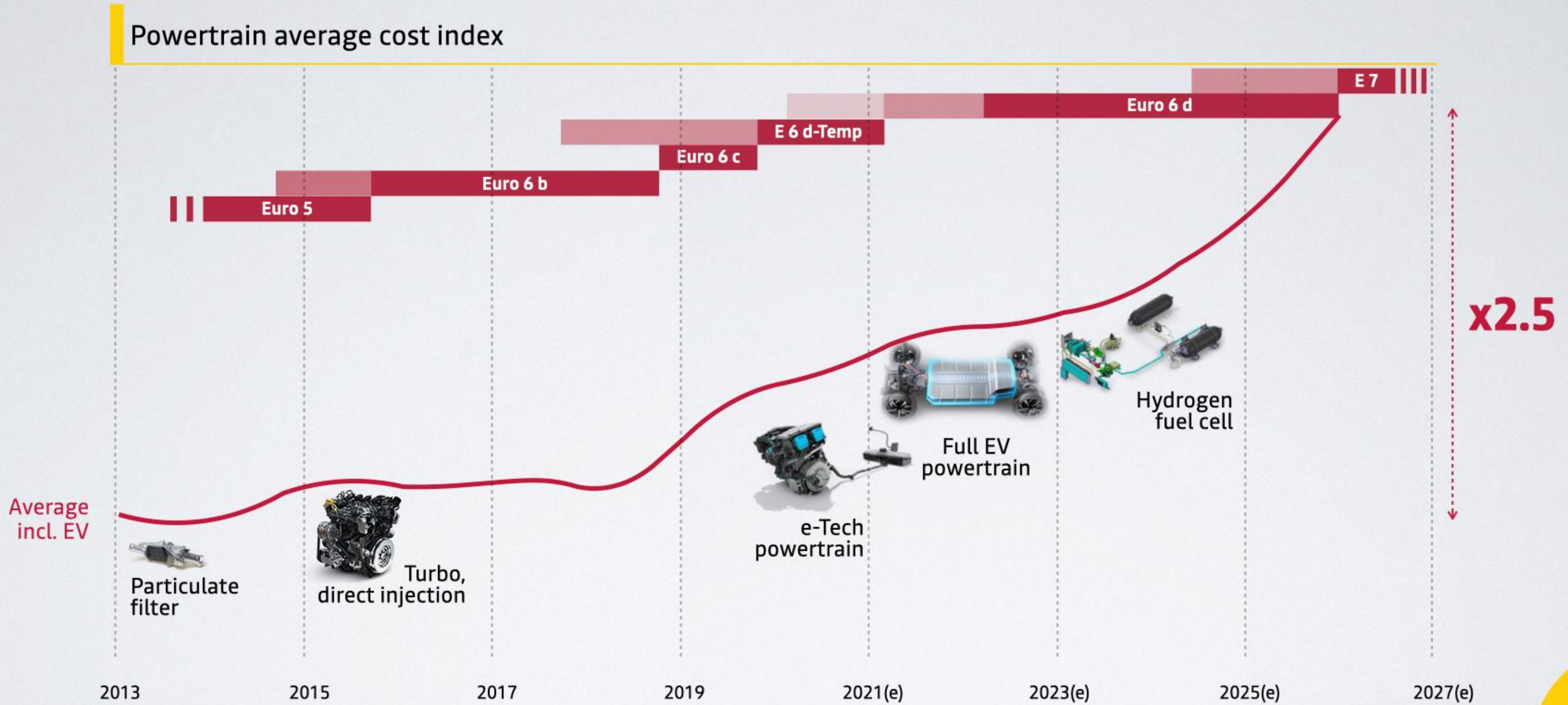


~0.7Mu

- 80% of Groupe Renault's volumes by 2025
- All segments from B to D
- All powertrains

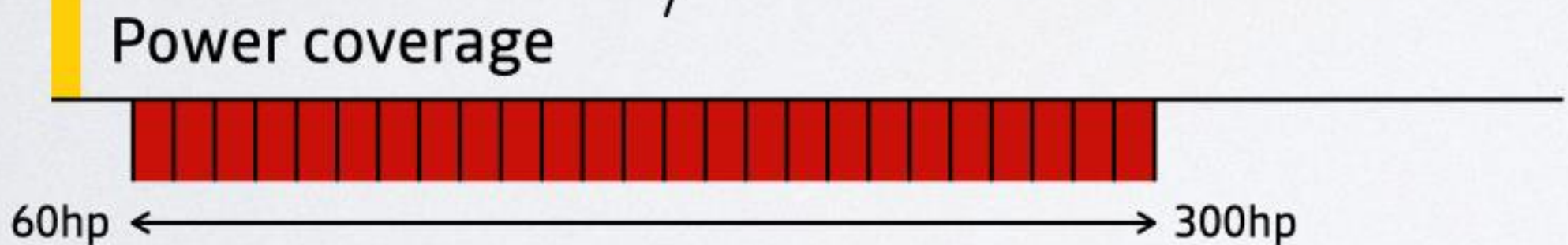
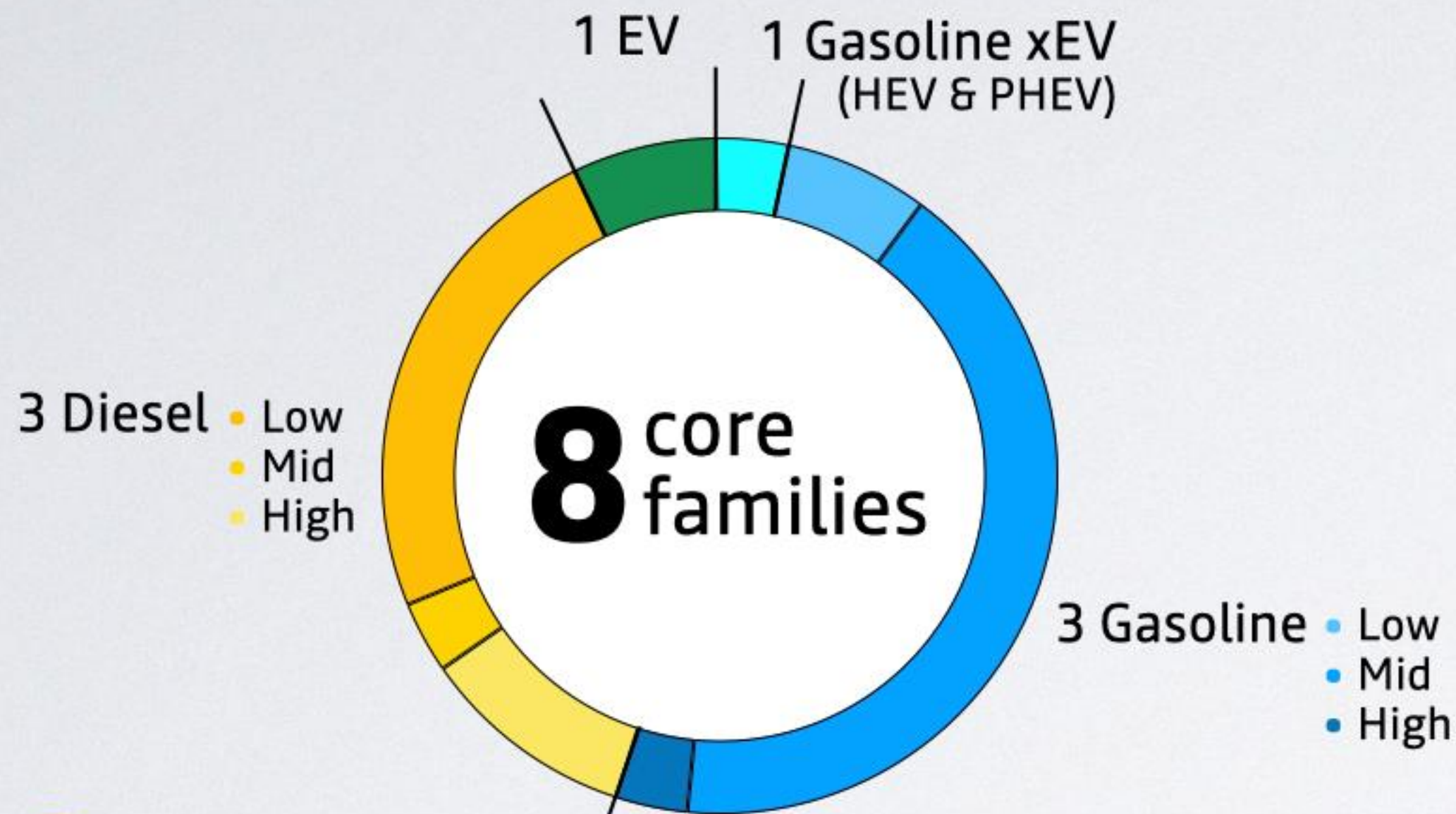


# REGULATION-RELATED VARIABLE COSTS ON THE HIKE

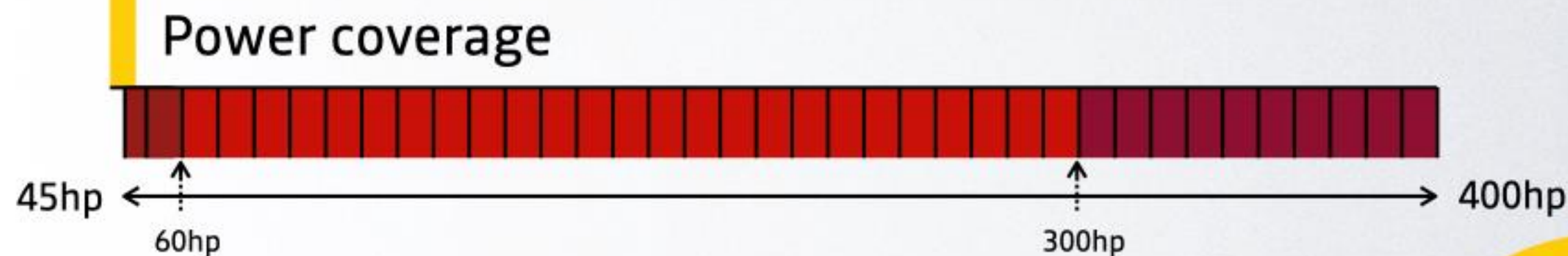
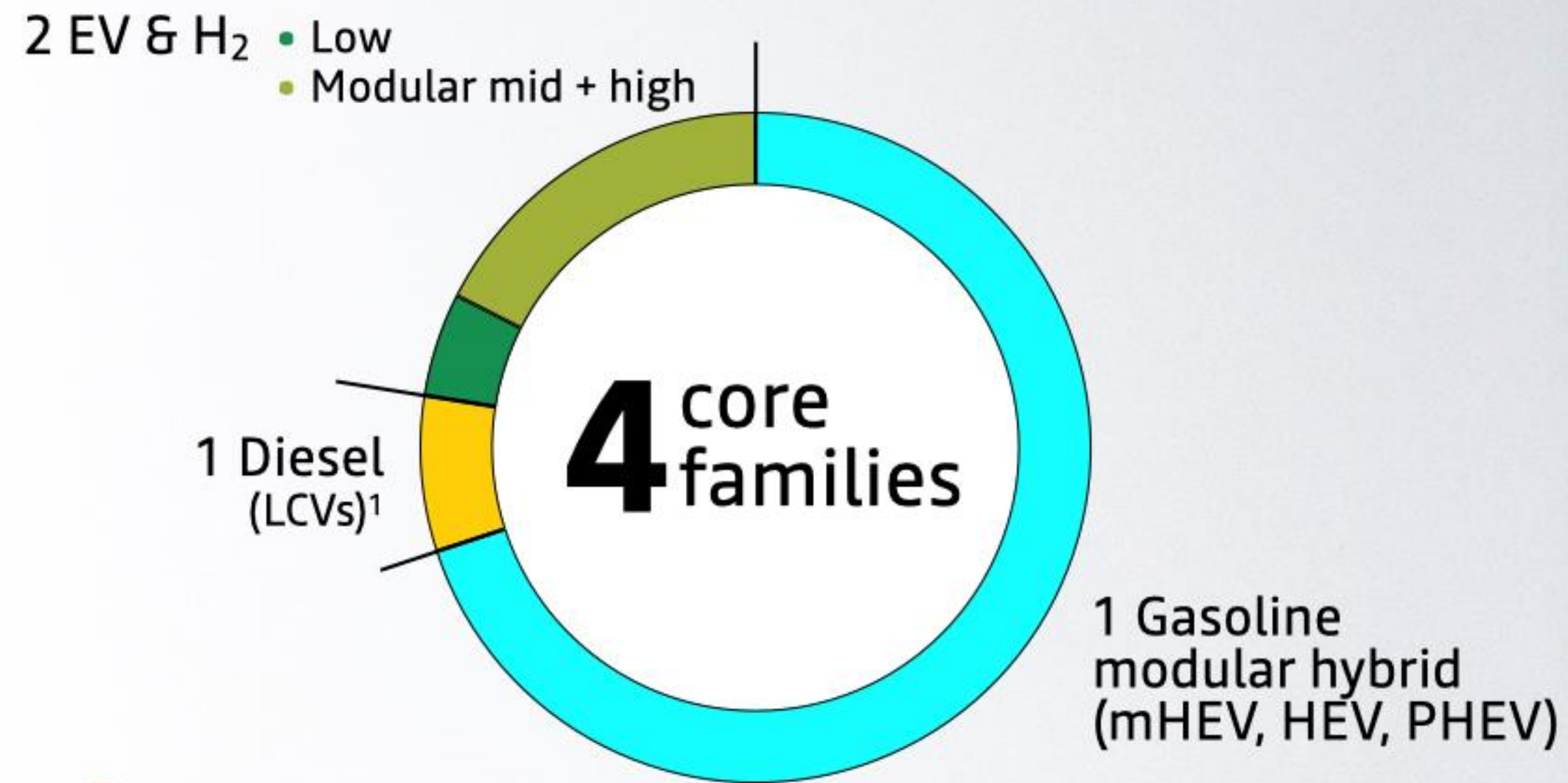


# RATIONALIZING POWERTRAINS DOWN TO 4 CORE FAMILIES

2020



Target 2025+

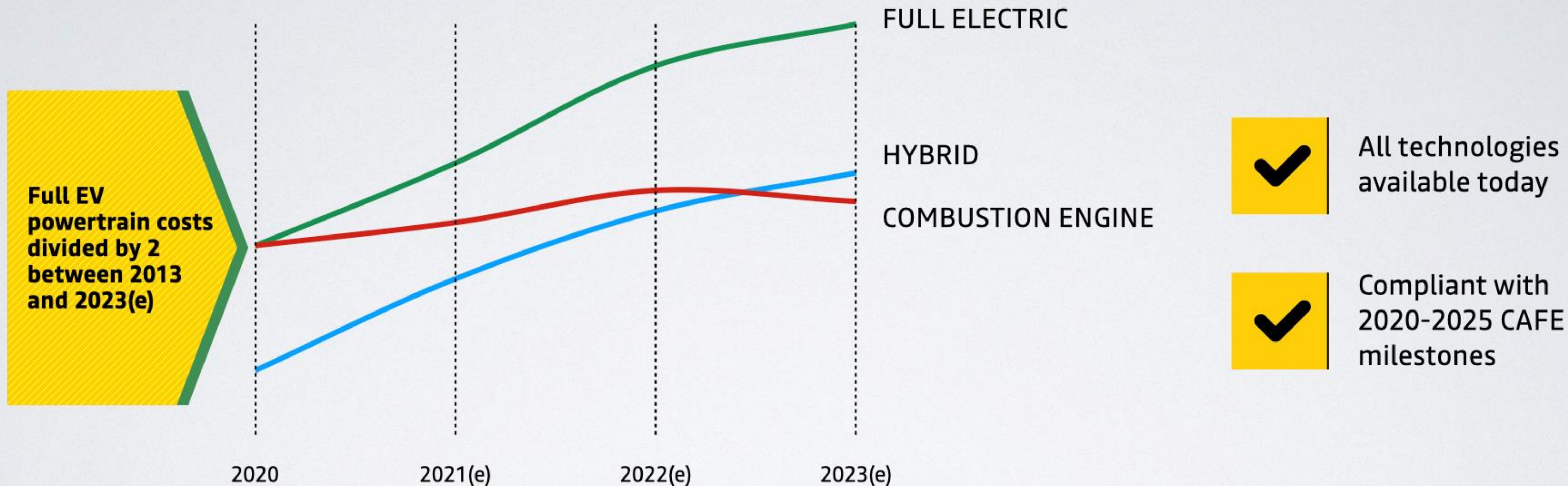


Source: Groupe Renault  
Note: Europe, PC and LCV  
1. To be adjusted according to future Euro7 regulation

# COMPLIANT AND INCREASINGLY PROFITABLE TECH PORTFOLIO

ENGINEERING

Margin contribution of Renault-branded B-segment cars by powertrain, €



Source: Groupe Renault  
Note: Margin contribution = margin on variable cost





# LEVERAGING ALLIANCE & PARTNERSHIPS

## ALLIANCE PLATFORMS



- 80% of Renault Group volumes on 3 modular platforms
- Unprecedented >6Mu volume for 3 platforms

## CONNECTED SERVICES



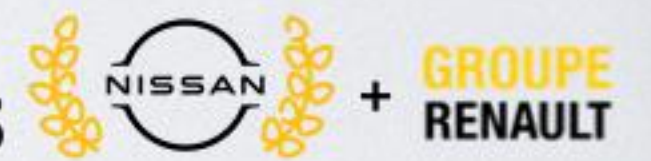
- Partnership with world leader in connectivity
- AI-powered onboard experience
- Cars that get better every day

## ENERGY TRANSITION

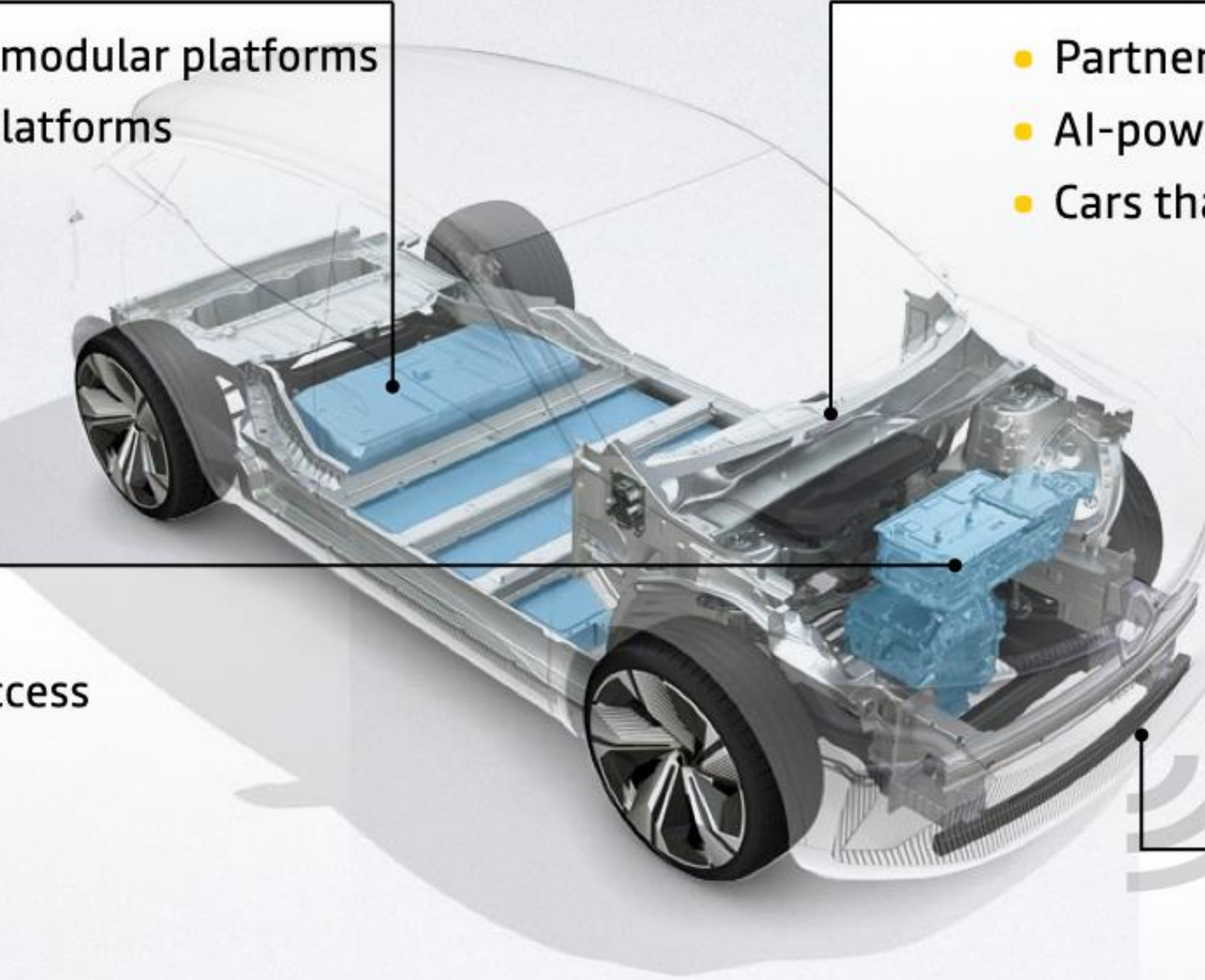


- Best-in-class eTech hybrid solution
- Green fuel powertrains for Global Access

## AUTONOMOUS VEHICLES



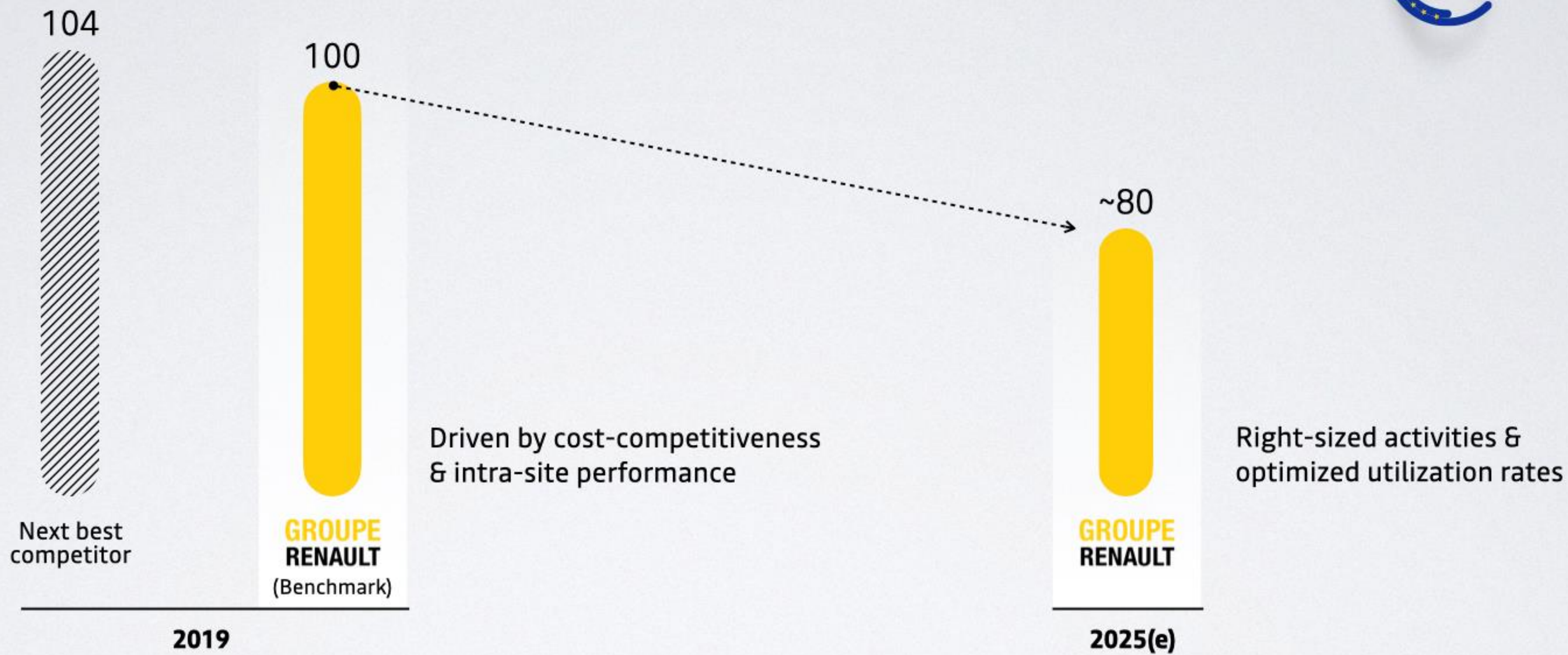
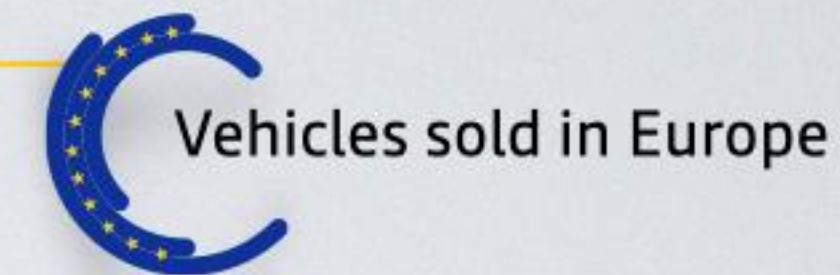
- Access to Alliance technologies
- China market pull effect



# REMAINING BENCHMARK FOR MANUFACTURING EFFICIENCY

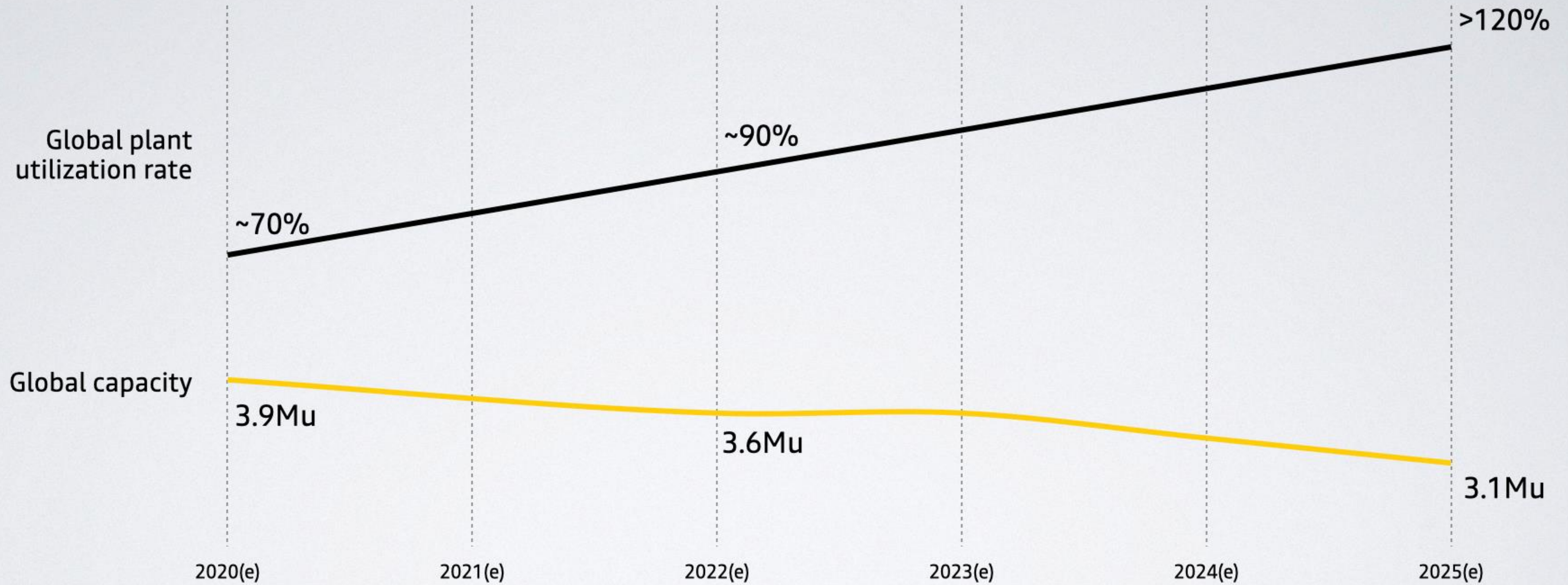
PRODUCTION

Manufacturing costs per vehicle sold, including depreciation, base 100 in 2019



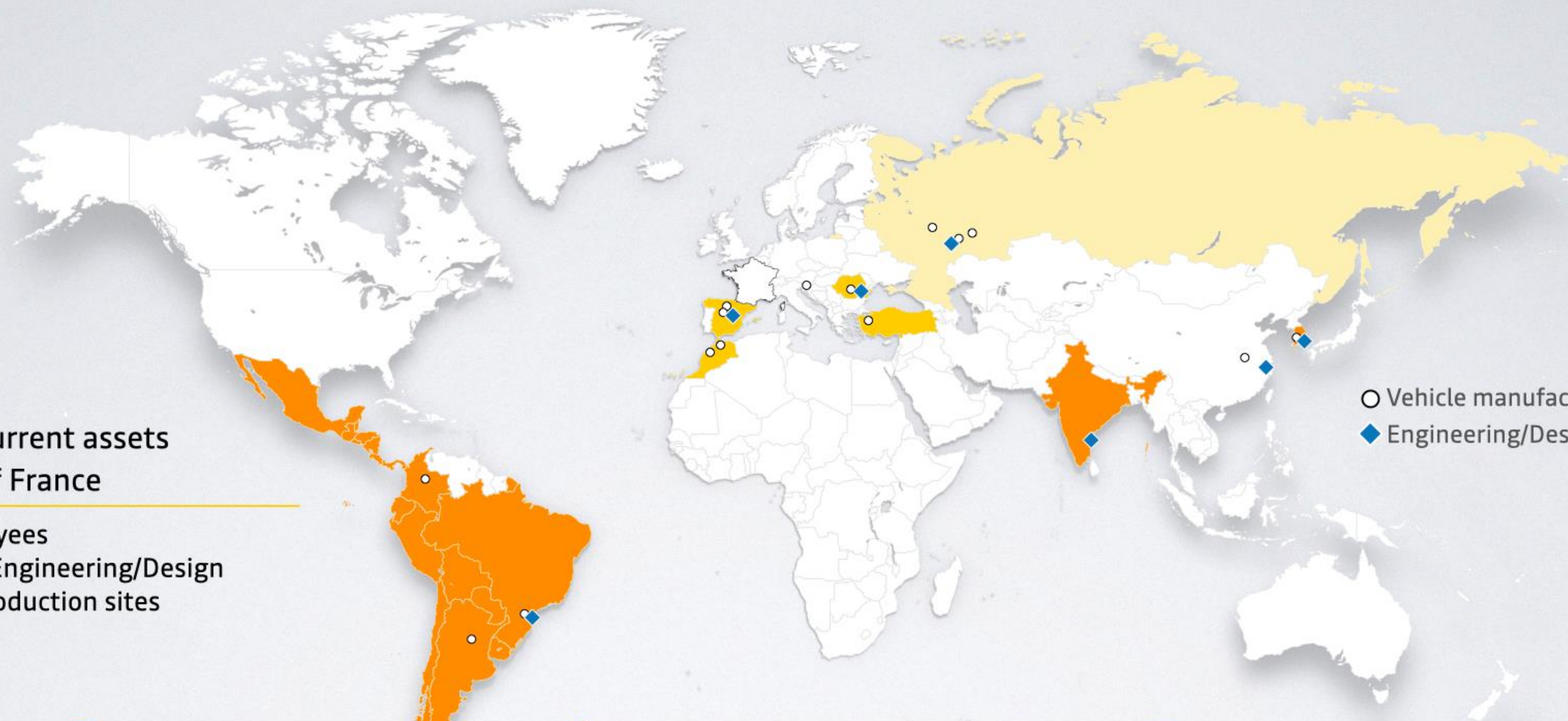
# RIGHT-SIZING INDUSTRIAL CAPACITIES

PRODUCTION



# MAKING GLOBAL FOOTPRINT A STRENGTH

RESULTS



## Group's current assets outside of France

>130k employees  
7 centers of Engineering/Design  
16 vehicle production sites

### Optimize

India, LatAm, South Korea

### Strengthen

Morocco, Romania, Spain, Turkey

### Synergize

Russia

○ Vehicle manufacturing plants  
◆ Engineering/Design centers

Source: Groupe Renault, 2019  
Note: map of key sites owned ≥ 50% by Groupe Renault, or with Renault as reference shareholder

# ACCELERATING DELIVERY OF FIXED COSTS SAVINGS

RESULTS

2021

2022 PLAN ACCELERATED

> €2B

FOCUS ON  
ENGINEERING



# PUSHING FURTHER FIXED COST SAVINGS

RESULTS



# SUSTAINING FIXED COST EFFORT BEYOND 2023

RESULTS

2 | 0 | 2 | 2

2022 PLAN ACCELERATED

> €2B

FOCUS ON  
ENGINEERING



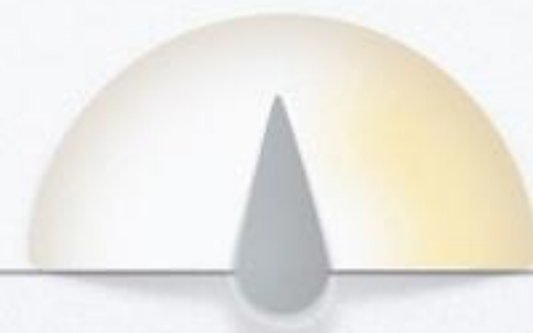
2 | 0 | 2 | 3

SAVINGS PUSHED FURTHER TO

€2.5B

Including ~€0.3B  
cost variabilization

FOCUS ON  
BUSINESS SCOPE



2 | 0 | 2 | 5 | +

SUSTAINED DISCIPLINE

€3B

Including ~€0.3B  
cost variabilization

FOCUS ON MANUFACTURING  
FOOTPRINT RIGHT-SIZING



# EXTRAORDINARY EFFORTS ON VARIABLE COSTS

RESULTS



Reinvented supplier relationships



Design-to-value development



Fixed budget envelopes for projects

Transformation **starting now**

**~€600/unit**

**Variable costs performance**

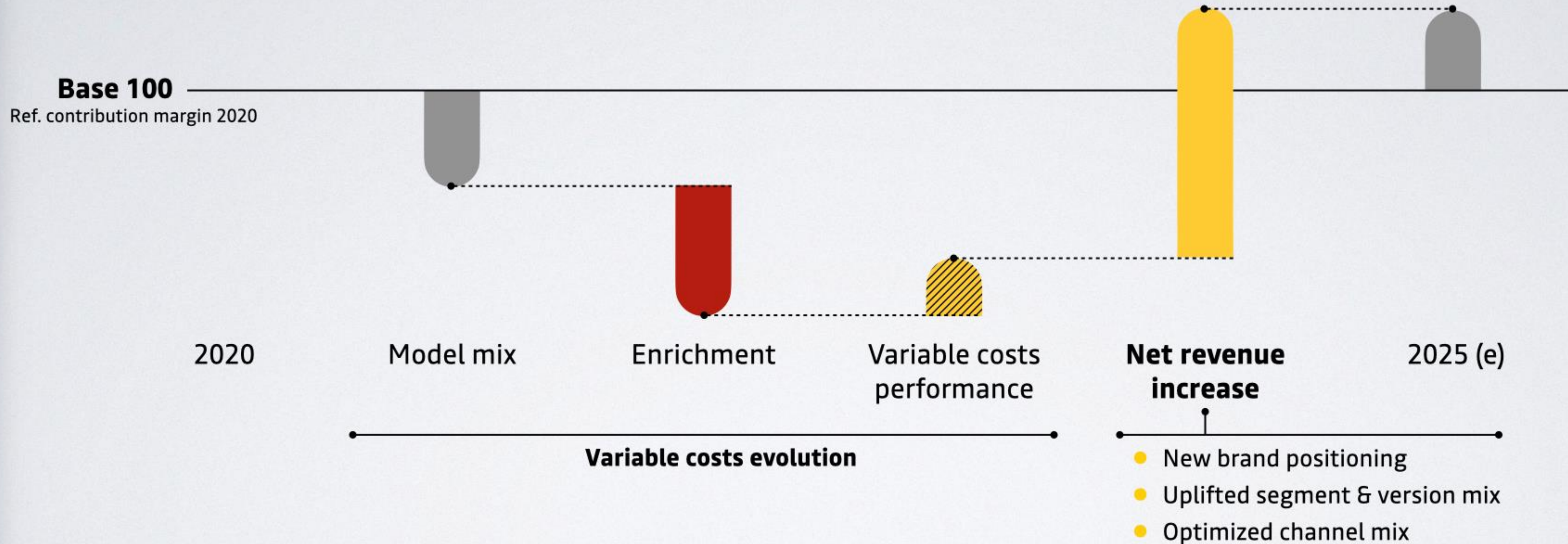
Front loaded,  
2021-2023(e)<sup>1</sup>



# NET REVENUE INCREASE & COST EFFORTS DRIVING PROFITABILITY

RESULTS

Contribution margin, €, 2025(e) vs 2020

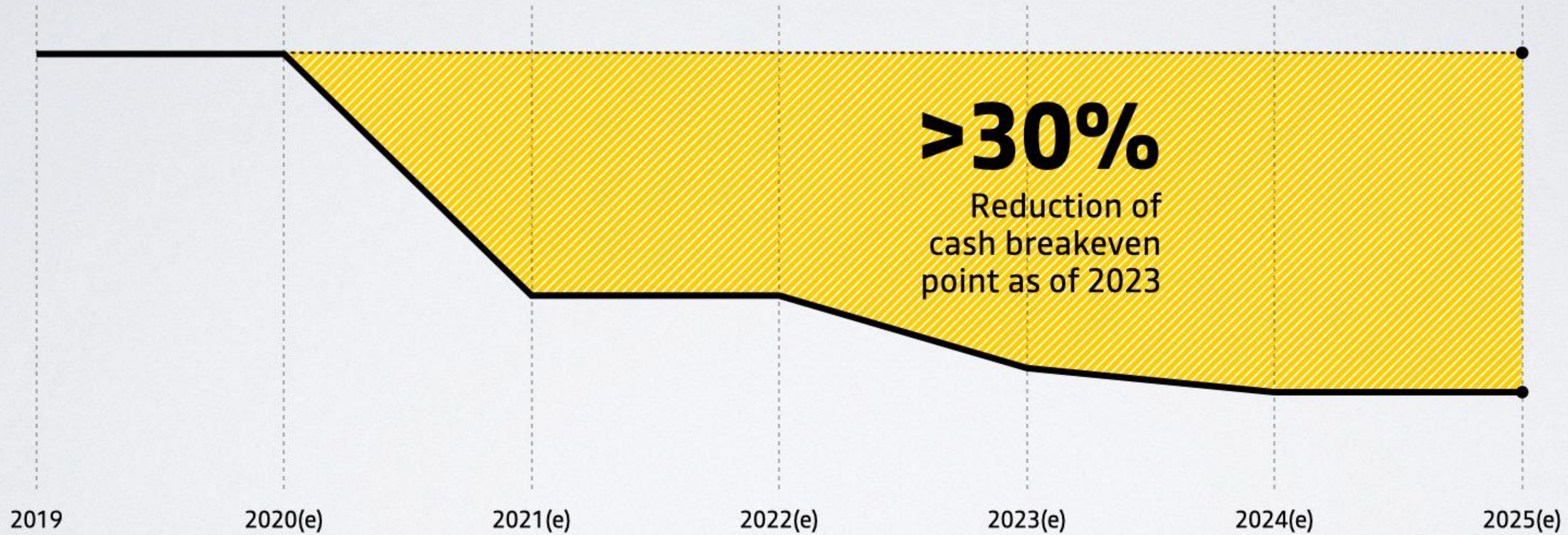


Source: Groupe Renault  
 Note: Contribution margin = margin on variable costs; Enrichment including regulation and electrification costs; Excluding VAZ

# BUILDING UP GROUP'S RESILIENCE

RESULTS

Cash breakeven



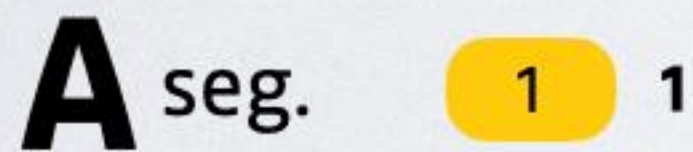
Source: Groupe Renault  
Note: cash breakeven (without RCi dividend, WCR change & restructuring),  
excluding VAZ & China JVs

# PROFITABLE AND REBALANCED PORTFOLIO

RESULTS

Nb of new models launched by 2025<sup>1,2</sup>

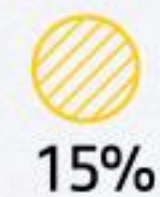
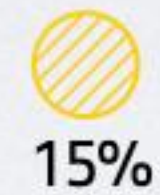
% of Group's contribution margin in €<sup>1</sup>



Electric
  Electrified
  Others

2019

2025(e)



**24**

Launches by 2025

**1 in 2**

In C/D segments

**>10**

Electric Vehicles launched

**~8-9%**

Controlled R&D Capex / Revenue

Source: Groupe Renault

1. Contribution margin = margin on variable cost; Excluding VAZ  
2. Excluding models already revealed (Logan/Sandero family, Arkana, Spring)

# TRANSFORMATION ALREADY STARTED IN 2020

RESULTS

## Mission 1



**Turnaround team** focused on **cash, revenue & costs** optimization



**Well ahead of schedule** to deliver **2022 cost savings**



**7** vehicle programs stopped,  
**8** new programs decided



**+5.5pts impact on revenue** of new pricing policy in Q3 2020



DIAGNOSTIC

# RENAULT

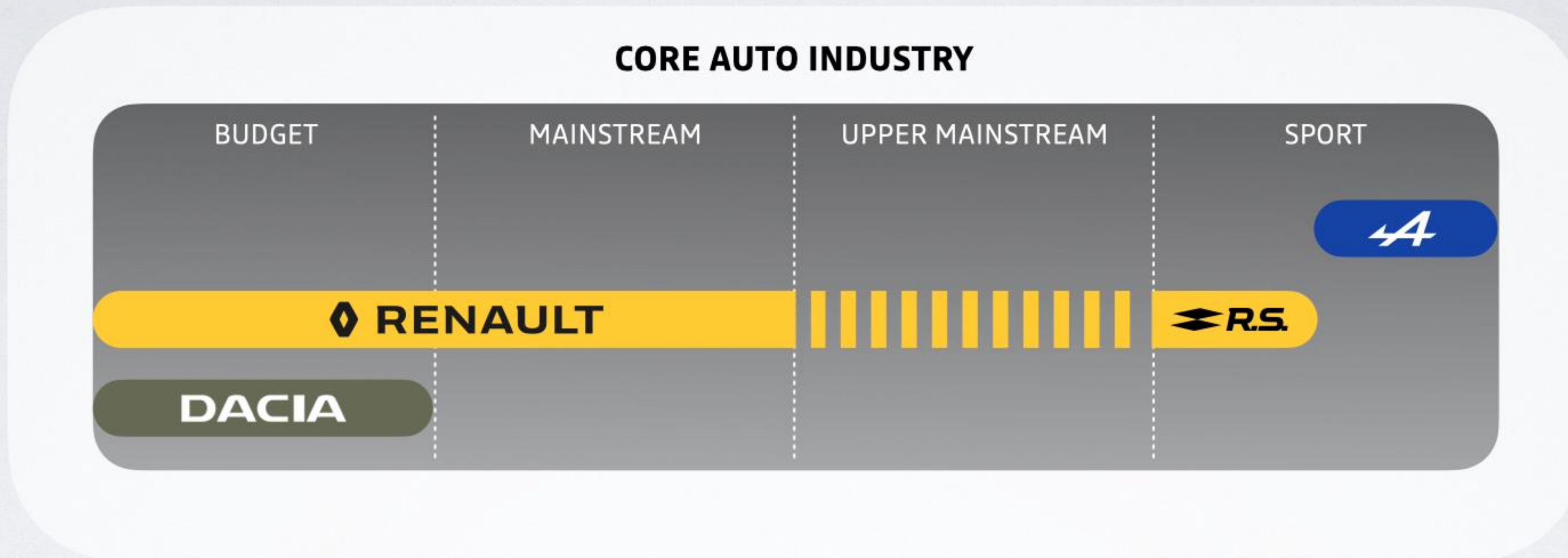
FROM VOLUME TO VALUE

THE FUNCTIONS PUSH

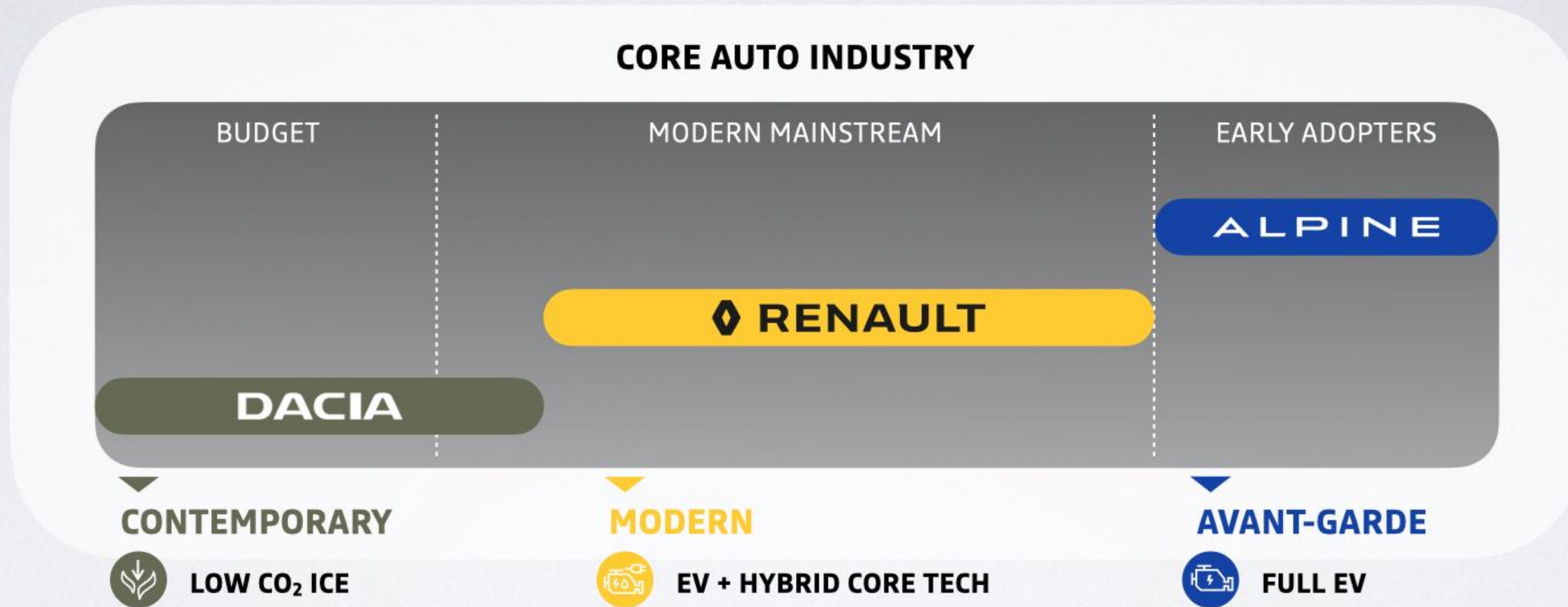
THE BRANDS PULL

A NEW BEGINNING

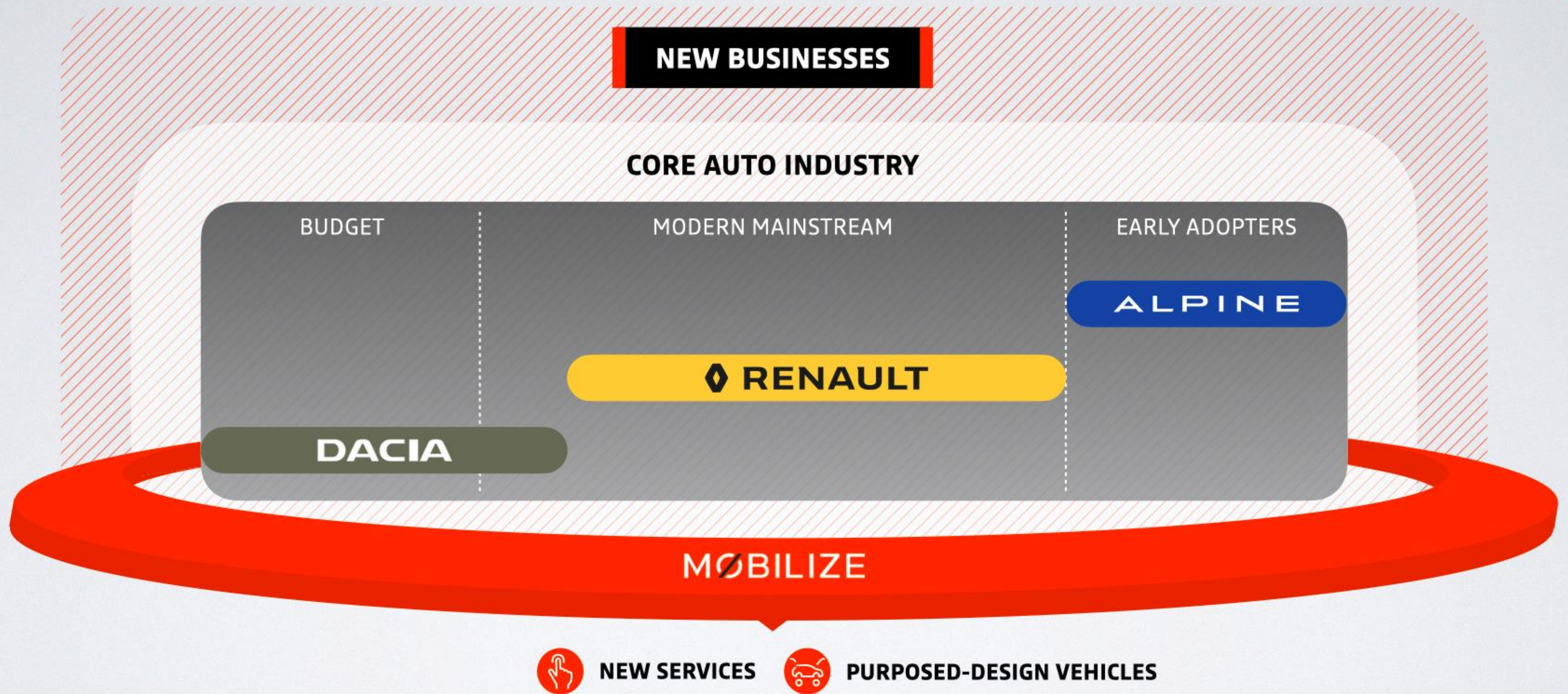
# FROM OVERLAPPING BRANDS...



# ... TO CLEAR, DIFFERENTIATED TERRITORIES...



# ... AND NEW BUSINESSES BEYOND TRADITIONAL CORE AUTO





# 4 BRANDS, 4 VALUE PROPOSITIONS





LA NOUVELLE VAGUE

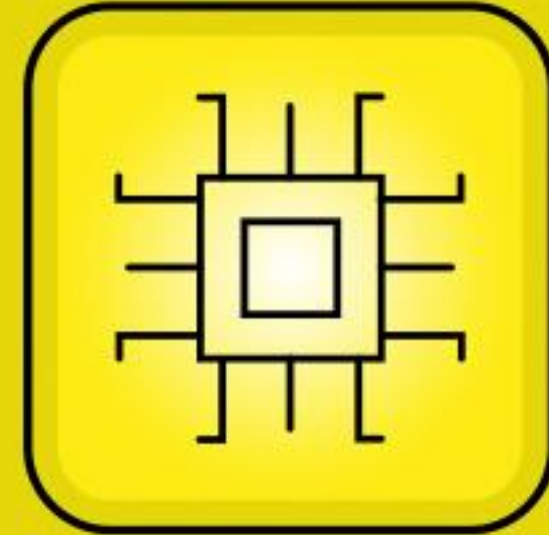
# LA NOUVELLE VAGUE: MODERNITY IN THE AUTO INDUSTRY



**ENERGY**

**Electro Pole**

**H<sub>2</sub> Joint venture**



**TECH**

**Renault Software Factory**

**Software République**



**SERVICES**

**Native connected services**

**REfactory**

First  
examples



# OUR 3 KEY STRATEGIC ASSETS TO LEAD ENERGY TRANSITION



E-TECH

Uniquely modular  
and most competitive  
hybrid offer



EV

Leading EV  
production hub  
worldwide in 2025



H<sub>2</sub>

Front-runner, market-ready,  
end-to-end H<sub>2</sub> solution  
for LCVs

# TARGET: SUSTAINING EUROPEAN LEADERSHIP IN EV AND HYBRID



**30%**

**BEV IN SALES MIX**

**35%**

**HYBRID IN SALES MIX**

**2025**

**~50%**

**OF LAUNCHES  
WILL BE BEVs**

**UP TO  
+40%**

**EV vs ICE MARGIN  
CONTRIBUTION (€)**

**TARGETING  
GREENEST MIX  
IN EUROPEAN MARKET**

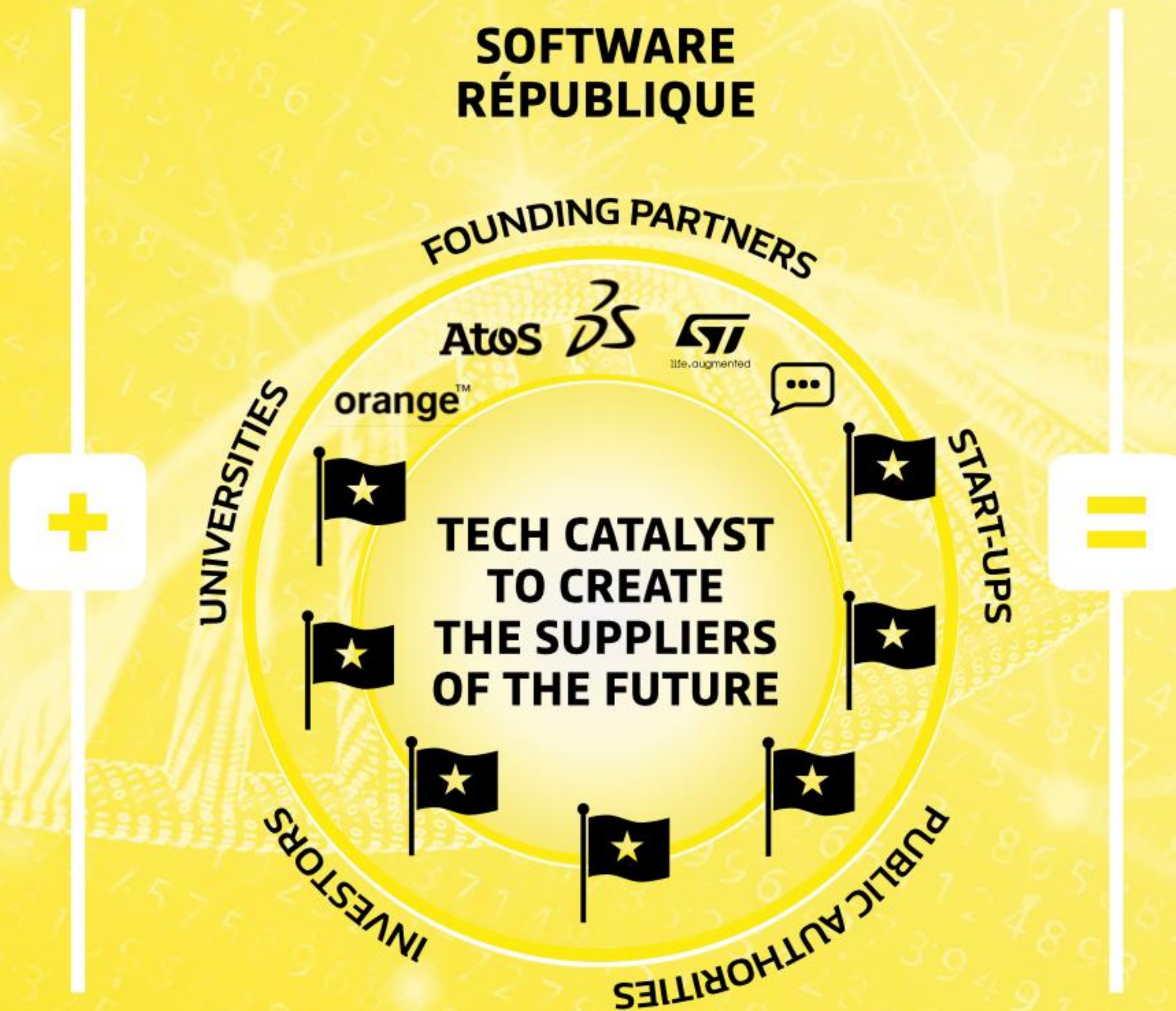
# FROM SOFTWARE DEVELOPER TO ECOSYSTEM ASSEMBLER



**RENAULT  
DIGITAL  
SOFTWARE  
FACTORY**

RENAULT DIGITAL  
SOFTWARE LAB

>1,000 ENGINEERS  
DEVELOPING  
SOFTWARE  
PLATFORMS



## SOVEREIGNTY FOR SOFTWARE & DEEP TECH DEVELOPMENT

- Data and AI
- Cyber-security
- ADAS/AD software
- Alliance Cloud Services
- Electronics & Chips

# BEST NATIVE OFF- & ON-BOARD EXPERIENCE



## OFF-BOARD: MY RENAULT, MY DIGITAL TWIN



Smart mobility companion  
Connected living, home & vehicle

## ON-BOARD: GOOGLE AUTOMOTIVE SERVICES (GAS)



In-vehicle  
Google Assistant



Embedded  
Google Maps



Most used apps on  
Google Play

**RENAULT, 1<sup>ST</sup> OEM WITH GOOGLE BUILT IN ON MASS MARKET CARS,  
STARTING WITH MEGANE EVISION**

**YOUR RENAULT WILL BECOME  
BETTER EVERYDAY**



**AI-POWERED CAR THAT  
LEARNS AS YOU DRIVE**

# BREAKING CONSUMERISTIC CYCLE, EXTRACTING VALUE FROM LIFECYCLE



**Used car  
regeneration factory**



**Battery  
repurposing/recycling**



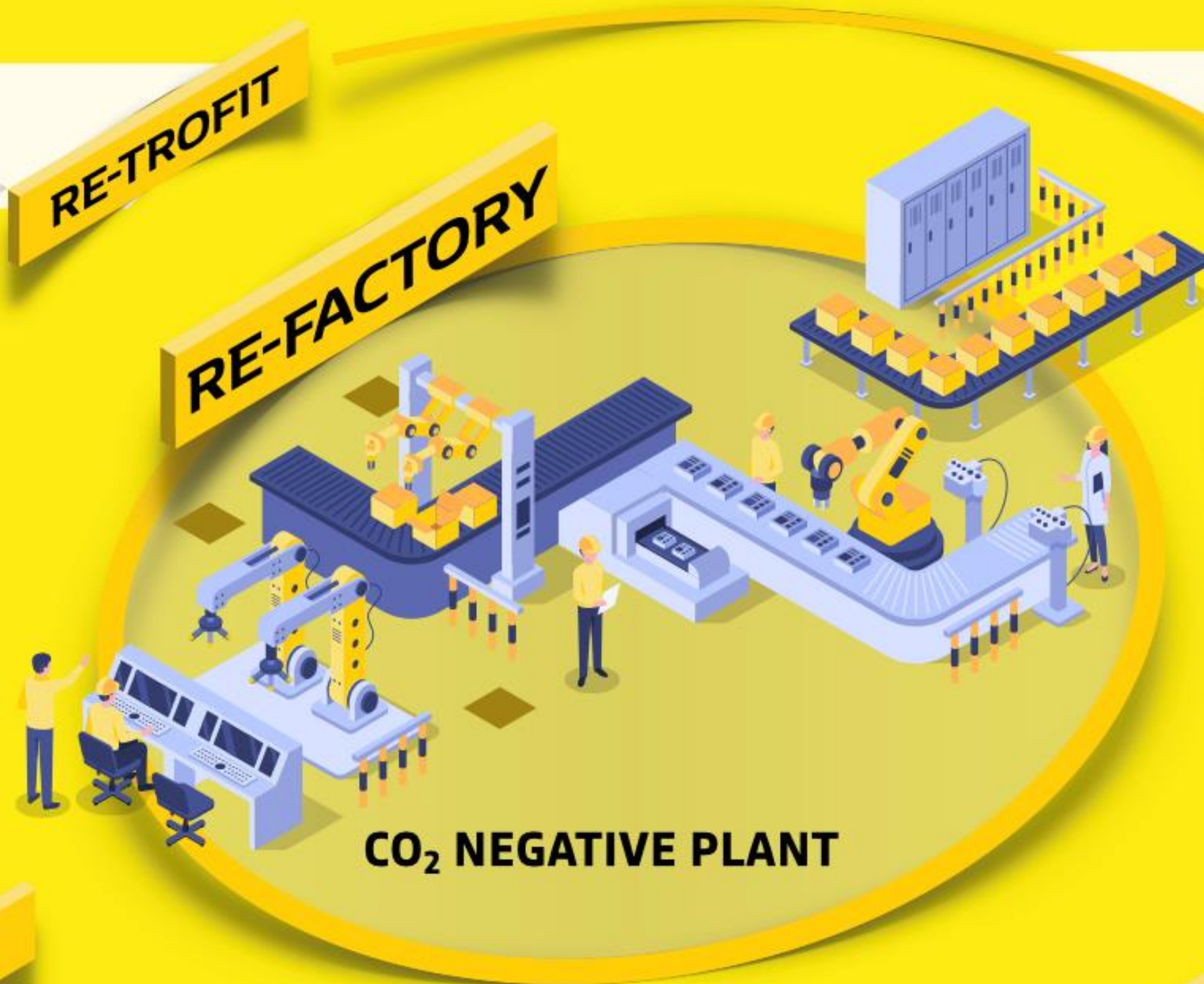
**RE-START**

**Station Flins**  
(Incubator and R&D hub for circular economy)



**RE-TROFIT**

**RE-FACTORY**



**CO<sub>2</sub> NEGATIVE PLANT**

**RE-ENERGY**

**RE-CYCLE**

**Parts & raw materials  
leading marketplace**





# RECONQUERING THE C-SEG WHILE DEFENDING B-SEG LEADERSHIP

100% ELECTRIFIED RANGE IN EUROPE, BEV<sup>1</sup> COVERING 80% OF DEMAND, TO FOCUS ON VALUE

	2021	2022	2023	2024	2025
D seg.					
C seg.					
B seg.					
A seg.					
LCV					

## 45%

OF BRAND'S SALES IN C/D-SEG  
IN 2025(e) IN EUROPE<sup>2</sup>

## 7

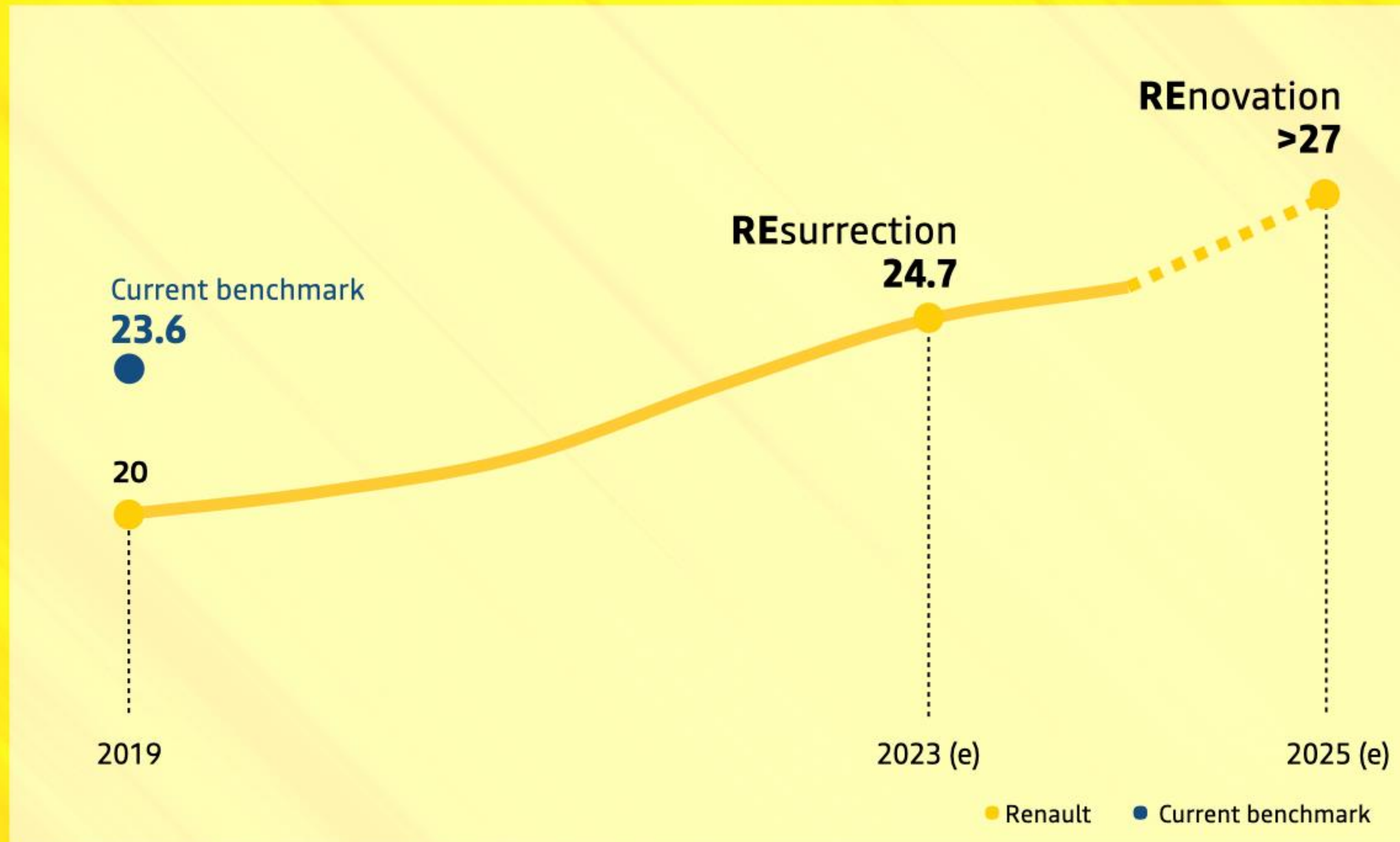
MODELS LAUNCHED IN C/D-SEG  
BY 2025 IN EUROPE

Renault Core Renault International 100% EV

Source: Groupe Renault  
1. Battery Electric Vehicle (=100% EV)  
2. Passenger cars only

# LA NOUVELLE VAGUE: FROM VOLUME TO VALUE

AVERAGE TRANSACTION PRICE EVOLUTION, RENAULT VS BEST-IN-CLASS BENCHMARK, €k

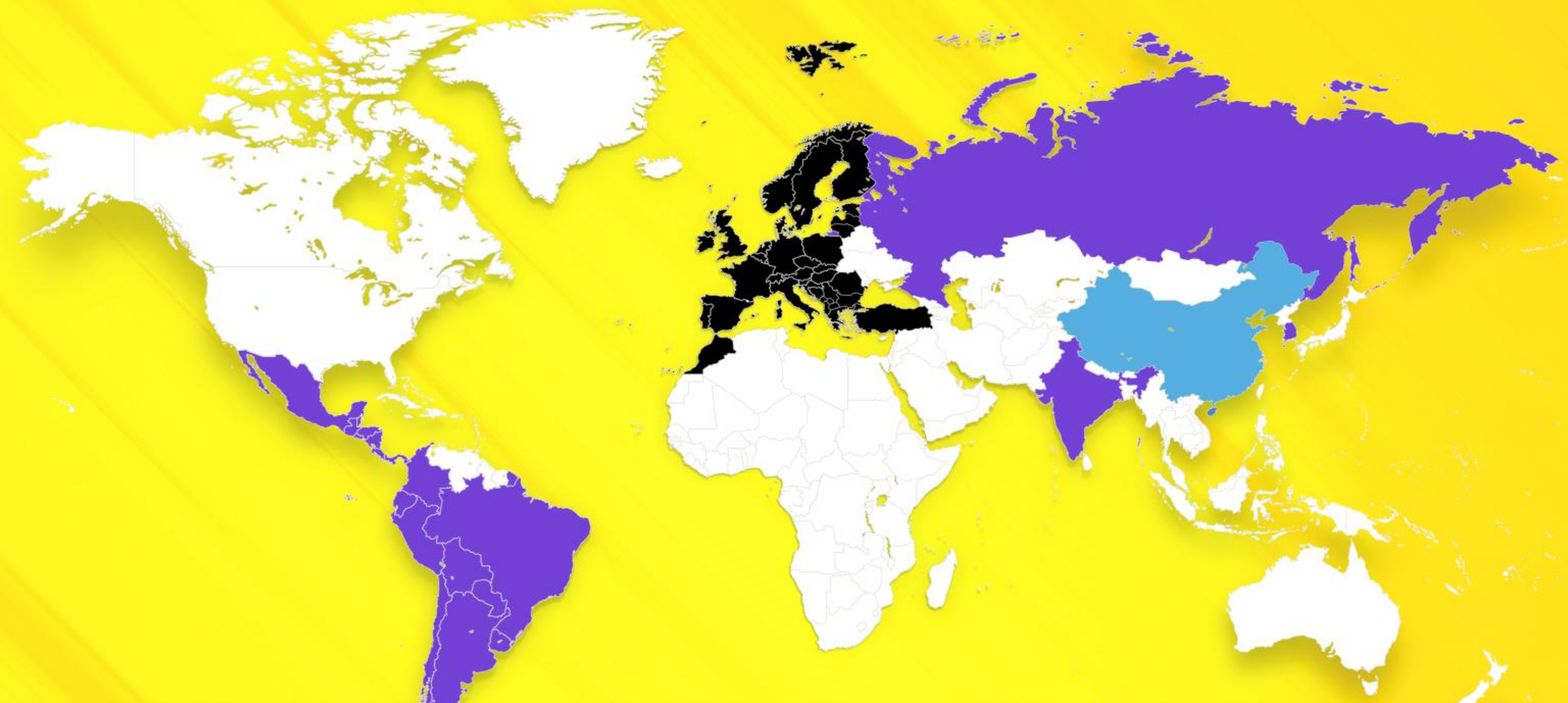


**BETTER PRODUCTS**  
LEADING ELECTRIFICATION  
AND LIFETIME VALUE

**BETTER SEGMENT MIX**  
RECONQUERING C-SEGMENT  
& DEFENDING B-SEGMENT

**BETTER VERSION**  
MIX & PRICING DISCIPLINE

# STAYING GLOBAL, AIMING ALL MARKETS TO BE PROFITABLE BY 2023(E)



**Focus on profitable segments & channels**

India, LatAm, Russia, South Korea

**Strengthen position, optimize distribution**

Europe, Morocco, Turkey

**Reinvent business model**

China



LA NOUVELLE VAGUE

**3 PILLARS OF MODERNITY AT THE CORE**  
ENERGY, TECH & SERVICES

**DOUBLE-DOWN ON ELECTRIFICATION**  
PROFITABLE EV LEADER

**HIGH-TECH CATALYST**  
AI, DATA & SOFTWARE ECOSYSTEM

**REVAMPED LINEUP**  
C-SEGMENT OFFENSIVE & BRAND UPLIFTING

**LIFECYCLE SERVICES**  
LEARNING & RE-GENERATED CARS

**MOVE FROM VOLUME TO VALUE**  
AIMING ALL MARKETS TO BE PROFITABLE BY 2023(e)

# DACIA

TOUT. SIMPLEMENT



# LADA



**GROUPE** RENAULT

# DACIA & LADA: AN INCREDIBLY PROFITABLE BUSINESS MODEL



Design-to-cost



Unbeatable labor cost,  
plant utilization ratio **>90%**



Lean distribution model,  
low discount

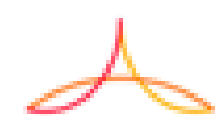


**BRAND DNA**

**>10% VARIABLE COST ADVANTAGE VS COMPETITORS**

**BEST VALUE FOR MONEY**

**85% RETAIL**



# REAL PEOPLE'S CHOICE

**LADA**

**GRANTA**



**1.2M**  
CARS SOLD

**#1** IN THE RUSSIA MARKET

**VESTA**



**0.5M**  
CARS SOLD

**#2** IN THE RUSSIA MARKET

**DACIA**

**LOGAN**



**1.9M**  
SALES

**1<sup>ST</sup>** LOW-COST  
CAR LAUNCHED

**DUSTER**



**1.8M**  
CARS SOLD

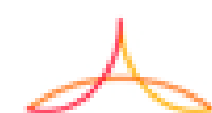
**#1** SUV SOLD TO RETAIL  
CLIENTS IN EUROPE

**SANDERO**



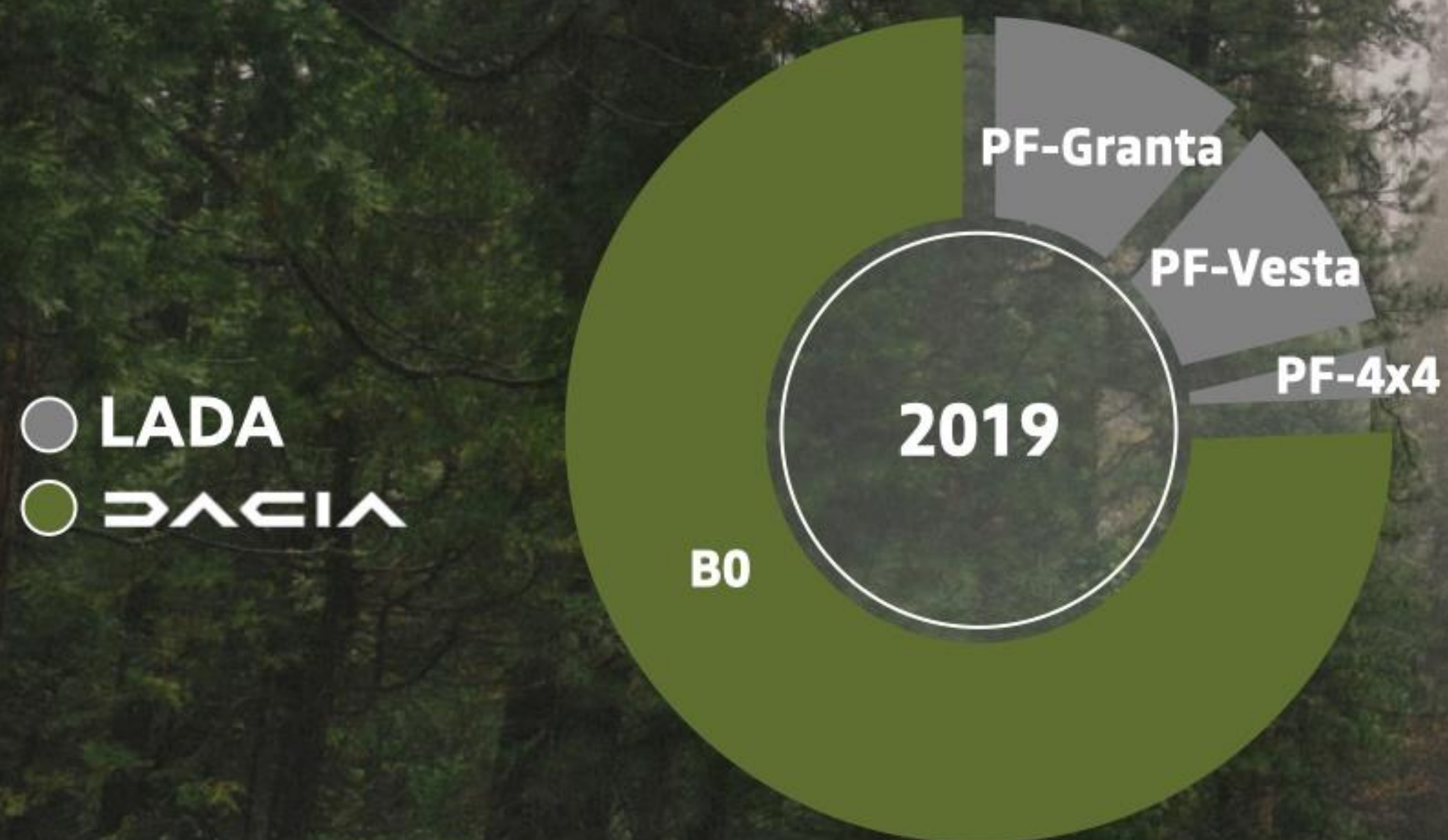
**2.2M**  
CARS SOLD

**#1** CAR SOLD TO RETAIL  
CLIENTS IN EUROPE



# ONE BUSINESS UNIT TO FOSTER SYNERGIES

## PLATFORM EFFICIENCY



DACIA  
+  
LADA

## REDUCED NB OF BODYTYPES





# BREAKING GLASS CEILING TO C-SEGMENT

LADA

DACIA

	2021	2022	2023	2024	2025
<b>C</b> seg.					
<b>B</b> seg.					
<b>C</b> seg.					
<b>B</b> seg.					
<b>A</b> seg.					

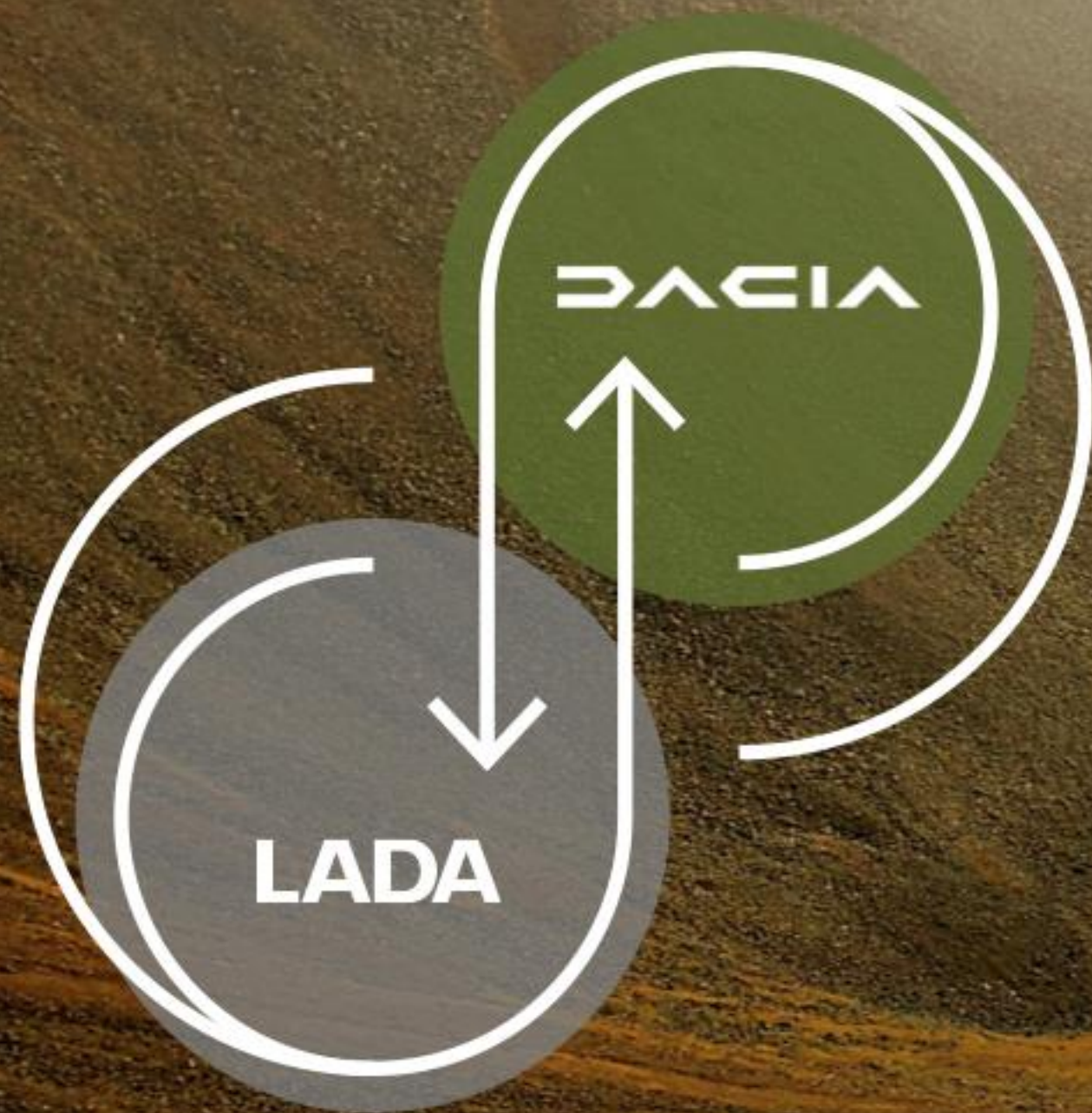
ALL NEW



ADDRESSABLE  
PROFIT POOL  
INCREASE<sup>1</sup>  
FROM **€3B** TO **€5B**  
2020 VS 2025(e)



Source: Groupe Renault  
1. Global profit pool estimate



ALL-WEATHER EFFICIENT BUSINESS MODEL:

- **>10% VARIABLE COST ADVANTAGE**
- **LEVERAGING GROUP TECH ASSETS** FOR CAFE COMPETITIVENESS

FURTHER BOOSTED BY NEW BUSINESS UNIT

- **FROM 4 PLATFORMS TO 1**
- **FROM 18 BODY-TYPES TO 11**

REINFORCED BRAND IDENTITIES:

- **DACIA:** OUTDOORSY WITH A TOUCH OF COOLNESS
- **LADA:** ROUGH & TOUGH

REVAMPED COMPETITIVE LINE-UP EXPANDING INTO C-SEGMENT

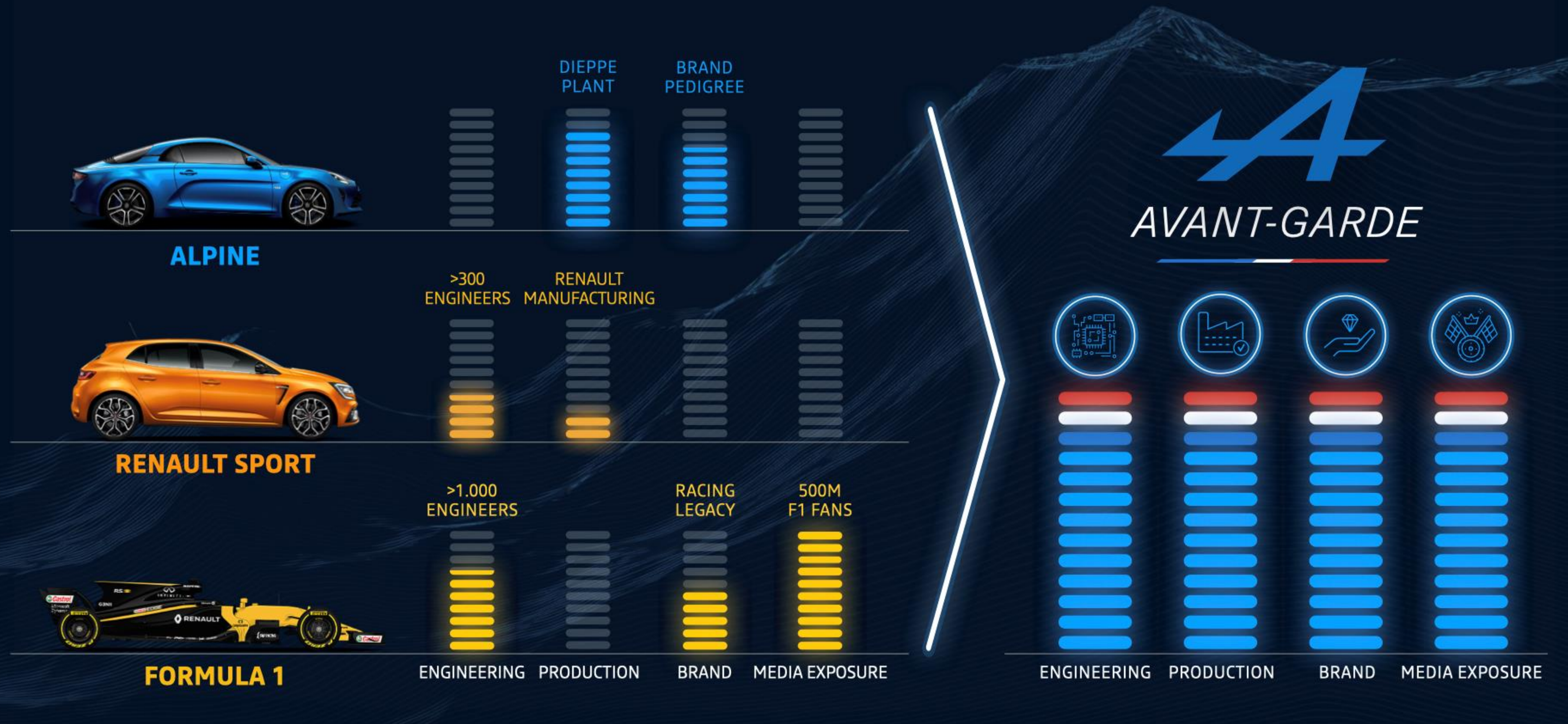
- **7 MODELS** LAUNCHED BY 2025, 2 IN C-SEG, 1 ICONIC MODEL
- **ADDRESSABLE PROFIT POOL INCREASE FROM €3B TO €5B**

ALPINE  
AVANT-GARDE



GROUPES RENAUULT

# FROM SCATTERED ASSETS TO FULLY-FLEDGED BUSINESS UNIT



# LEVERAGING GROUP ASSETS



# LEARNING ON F1 TECH TO MULTIPLY VALUE



## LEADING-EDGE ENERGY MANAGEMENT SYSTEM

- ADVANCED MATERIALS
- V2G / ENERGY TRADING



## HIGH-FREQUENCY DATA EXCHANGE CAPABILITIES

- FAST RESPONSE SAFETY SYSTEMS
- HIGH-SPEED CONNECTIVITY



## AI-POWERED DATA ANALYSIS & PROCESSING

- REAL-TIME PATTERN RECOGNITION
- CUSTOMIZED SERVICES

# GOING FULL ELECTRIC



ALLIANCE CMF-B  
PLATFORM



ALLIANCE CMF-EV  
PLATFORM



PARTNERSHIP WITH  
TOP-NOTCH PLAYER

 ALREADY AVAILABLE

# DREAM GARAGE



FOR ME



FOR US



FOR THE WEEKEND





**HIGH-TECH AND CRAFTSMANSHIP**

**EXCLUSIVE AUTHENTIC BRAND**

**100% ELECTRIC HIGH-PERFORMANCE VEHICLES**

**PROFITABLE BY 2025  
(ALL-IN, INCLUDING INVESTMENTS IN MOTORSPORT)**

# MOBILIZE

BEYOND AUTOMOTIVE



# EMBRACING DISRUPTION

## GAP BETWEEN USAGE AND COST



OF THE TIME  
CARS STAY UNUSED



PROVIDE MOBILITY  
ALTERNATIVES

## FAST ASSET VALUE DECREASE



VALUE DROPS  
AFTER 3 YEARS

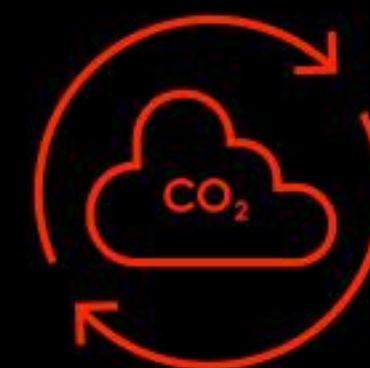


ADDRESS RESIDUAL VALUE  
DICTATORSHIP

## ENVIRONMENTAL CONCERNS



OF CO<sub>2</sub> EUROPE EMISSIONS  
FROM AUTO INDUSTRY



DESIGN SUSTAINABLE SOLUTIONS  
BASED ON EV AND ENERGY

# FUTURE IS:

MOBILITY

ENERGY

DATA

Revenue pools in Europe

2019 (e)

€200B



2030 (e)

€350B

Subscription  
Car sharing  
Ride-hailing & taxis  
On-demand transit  
Goods delivery

€1B



€15B

Infrastructure management  
Energy supply & services  
Battery 2<sup>nd</sup> life & recycling

€2B



€12B

Data monetization  
Connected services

# WHY WE WILL SUCCEED

## OUR ASSETS...



**PURPOSE-DESIGNED VEHICLES**

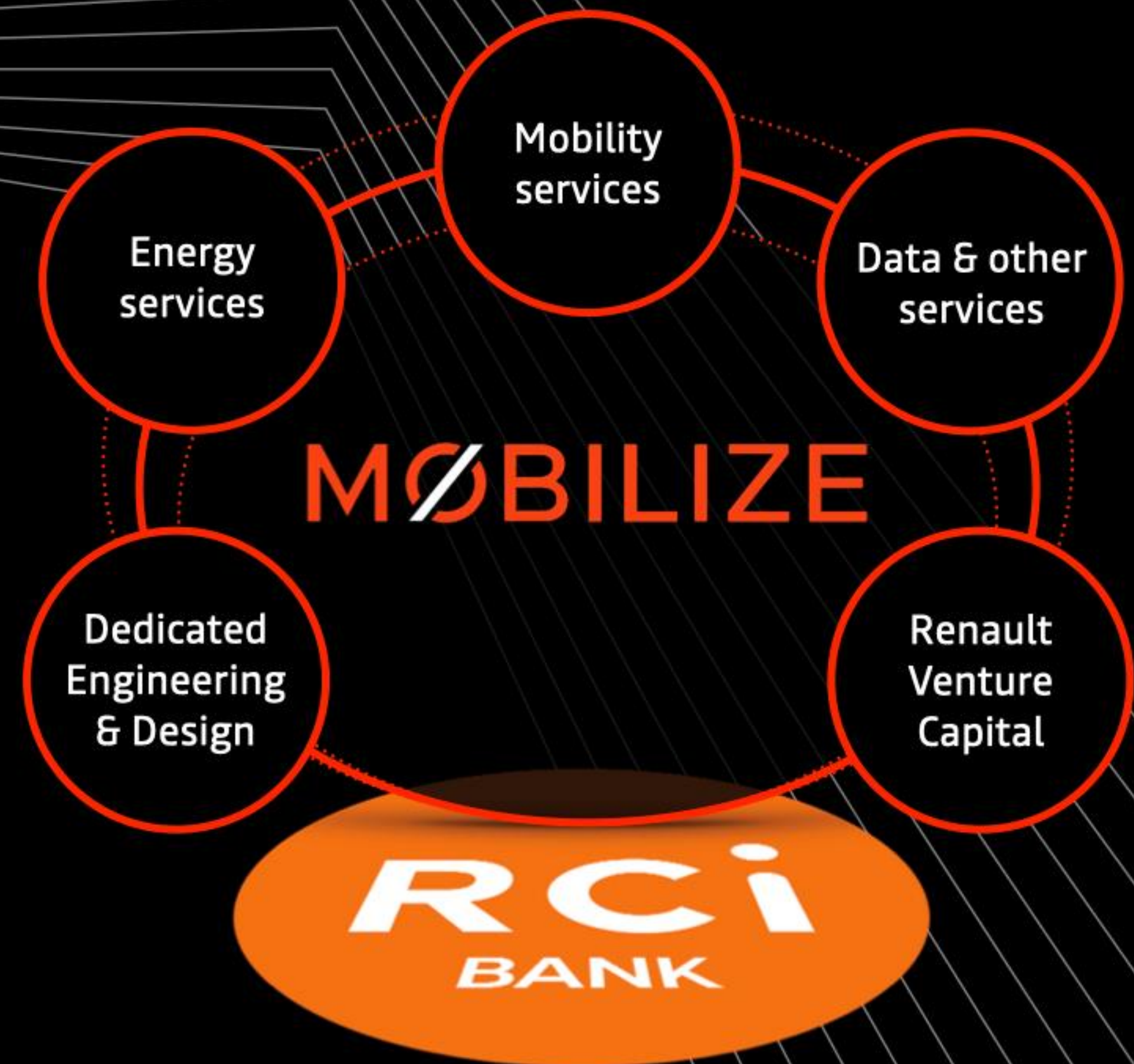
**CAPTIVE FINANCIAL SERVICES (RCi)**

**SOFTWARE RÉPUBLIQUE**

**NETWORK OF DEALERS**

**RE-FACTORY**

## ... LEVERAGED BY A DEDICATED BUSINESS UNIT



# UNLOCKING THE TRADE-OFF BETWEEN ACCESS AND PROFITABILITY

## PURPOSE-DESIGNED VEHICLES



### DEDICATED ENGINEERING

Durable vehicles by service

**-20%**  
OPERATION COSTS

## 2<sup>ND</sup> LIFE TCO OPTIMIZATION



### FLINS RE-FACTORY

Recycled battery and re-used vehicles

**+>€1K**  
PER BATTERY

## ADVANCED TECHNOLOGIES



### SOFTWARE RÉPUBLIQUE

Software co-developed with partners to better predict demand & dispatch vehicles

**+20%**  
VEHICLE UTILIZATION

## FINANCING ARM



### RCi

Fleet financing enabling an asset light model

**REDUCED**  
COST OF OWNERSHIP



## END-CUSTOMERS



## CORPORATES



## CITIES & GOVERNMENTS

BOOSTED BY GEOGRAPHICAL COVERAGE OF DEALERS' NETWORK

# OUR CAR(D)S TO PLAY THE GAME

2023



THE ACE

2021



THE KING

2022



THE QUEEN

202X



THE JACK OF ALL TRADES



# MOBILIZE: A UNIQUE MODEL WITHIN AUTOMOTIVE INDUSTRY

**MOBILITY** | TURNKEY SOLUTIONS ASSEMBLER

**ENERGY** | ENERGY MANAGEMENT  
& CIRCULAR ECONOMY PLAYER

**DATA** | SECURITY AND  
MONETIZATION OPERATOR

## MOBILIZE



BRIDGING THE GAP  
BETWEEN USAGE AND COST



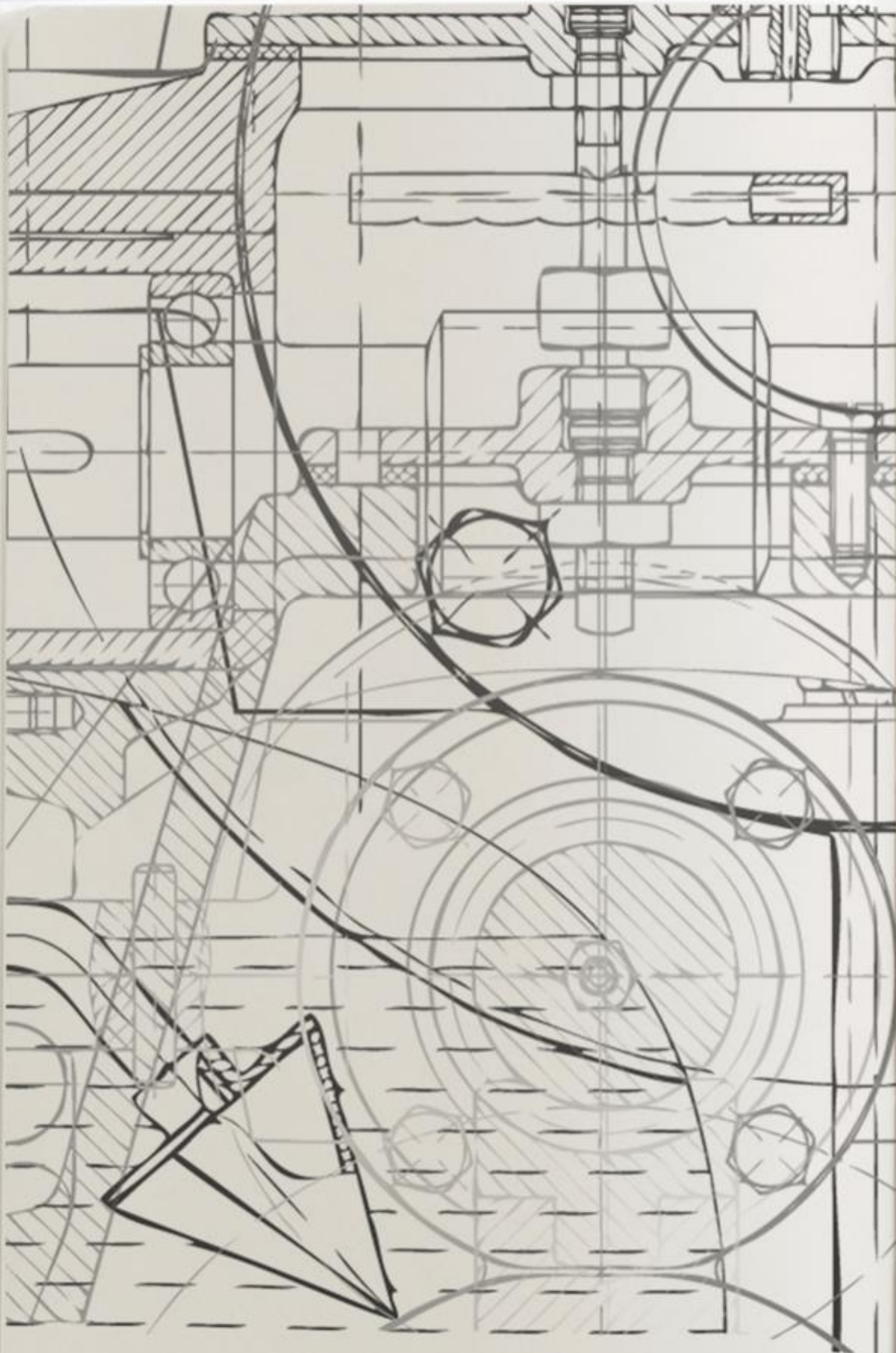
MAXIMIZING ASSET VALUE  
OVER LIFETIME



REDUCING AUTO INDUSTRY  
ENVIRONMENTAL FOOTPRINT

**MORE THAN 20% OF  
GROUP'S TURNOVER  
BY 2030**





GROUPE RENAULT

DIAGNOSTIC

**RENAU<sup>U</sup>LUTION<sup>U</sup>**

FROM VOLUME TO VALUE

THE FUNCTIONS PUSH

THE BRANDS PULL

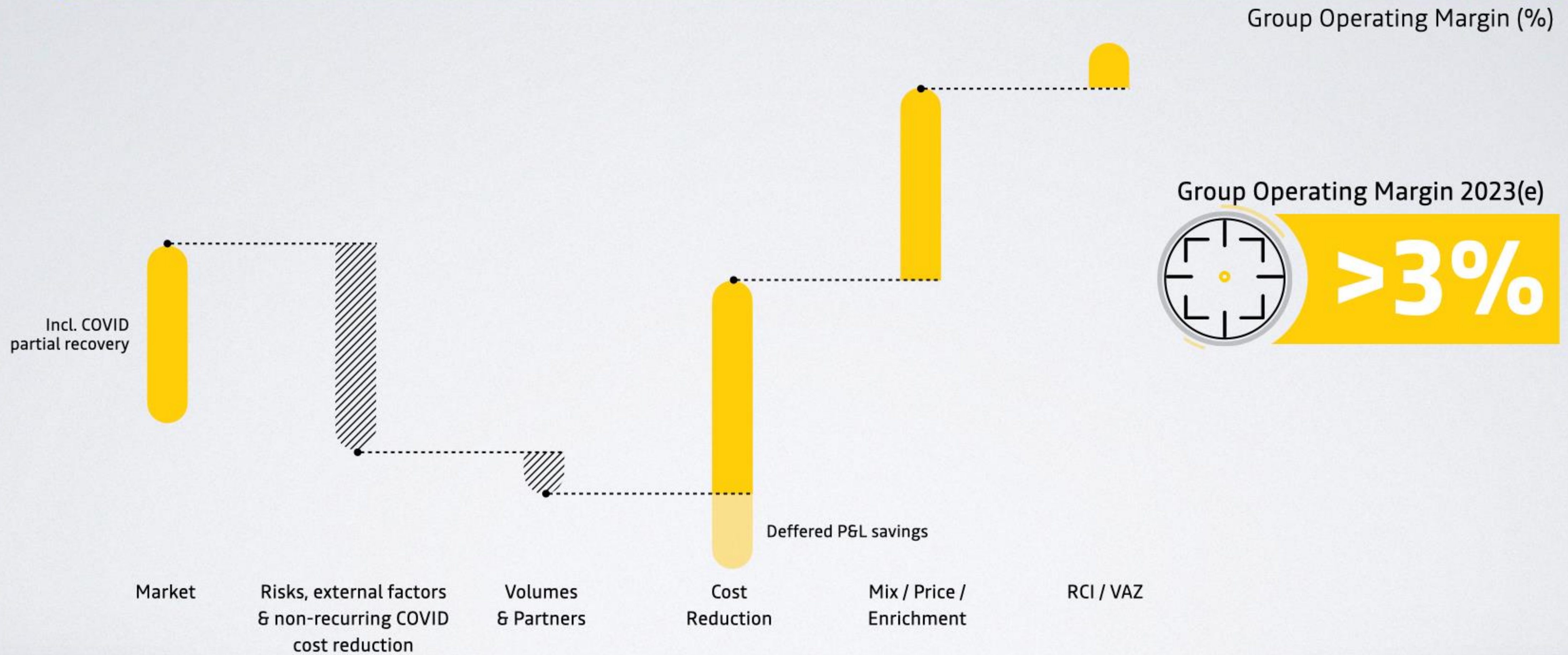
**A NEW BEGINNING**



GROUPE RENAULT

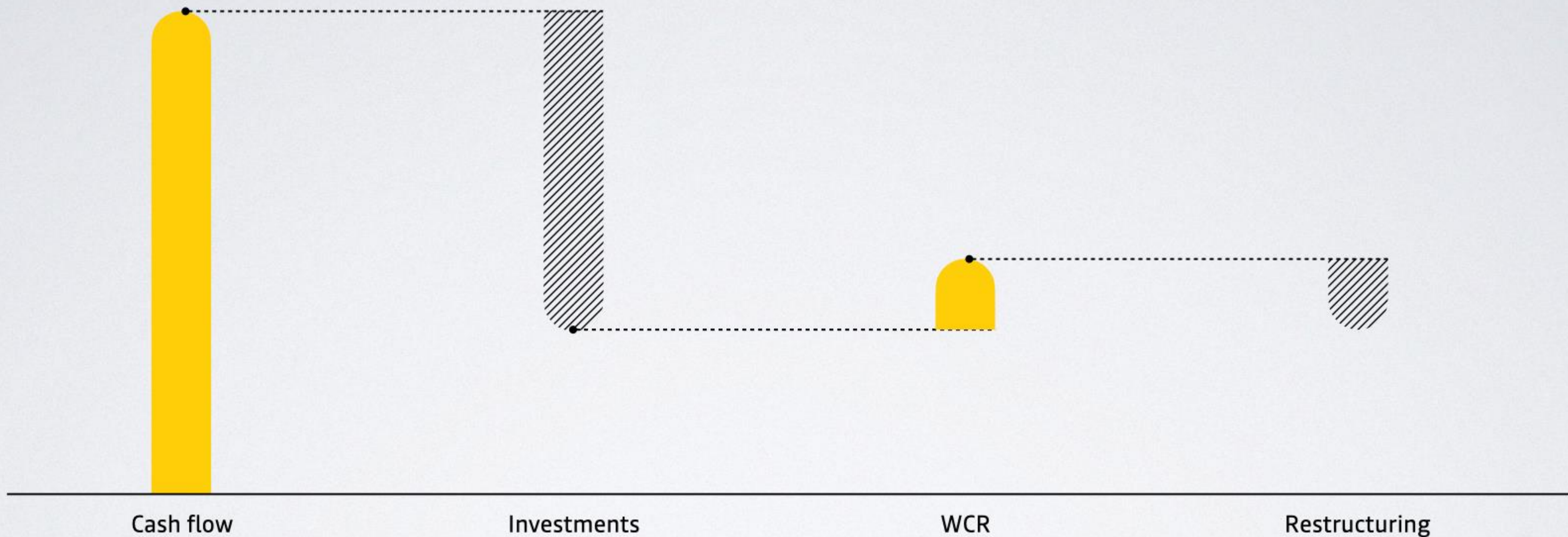
# BETTING ON VALUE RATHER THAN VOLUMES

Main levers for margin improvement, cumulated 2021-2023(e)



# REACHING SUSTAINABLE CASH GENERATION

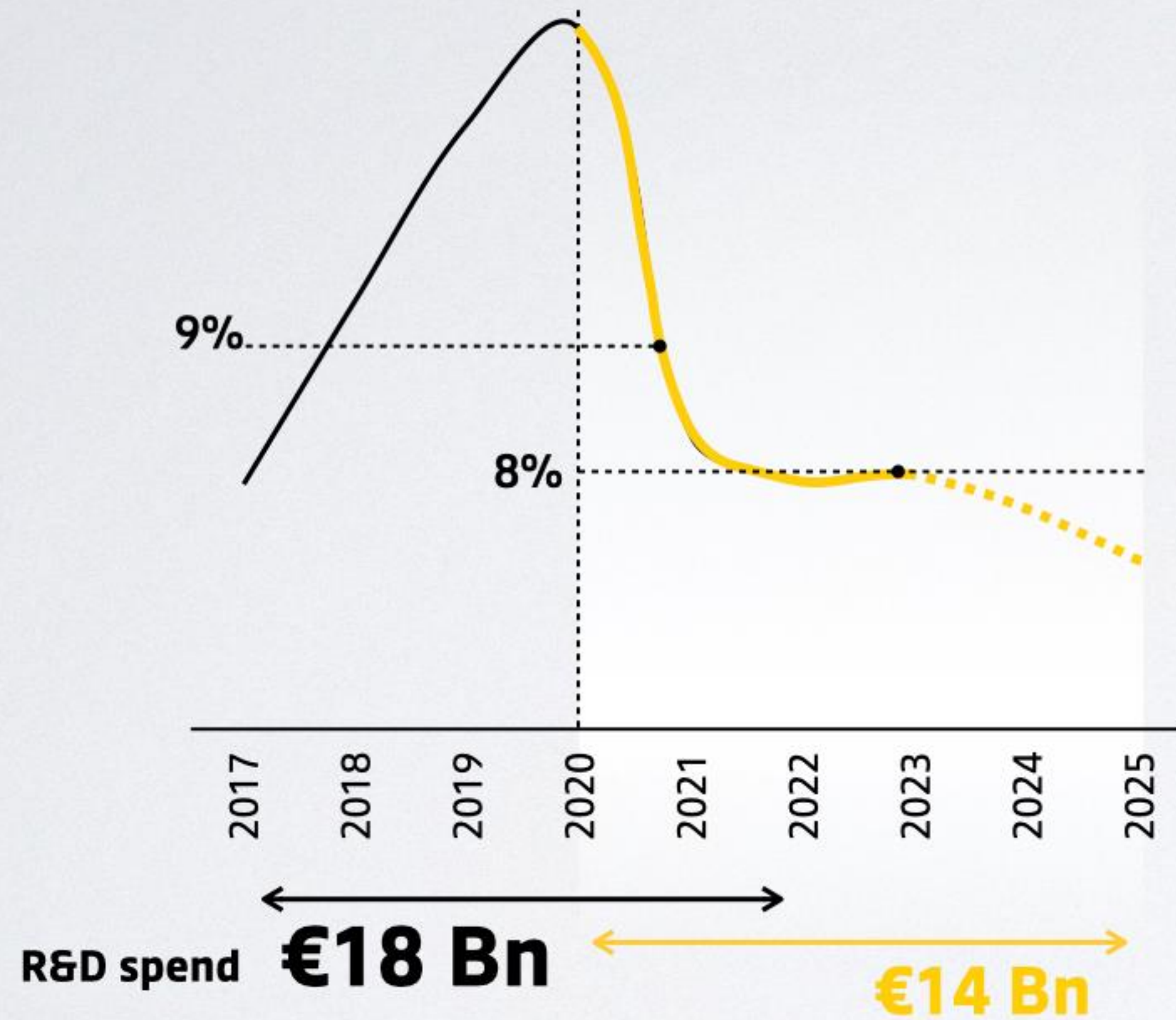
Automotive Operational FCF\*, cumulated 2021-2023(e), €M



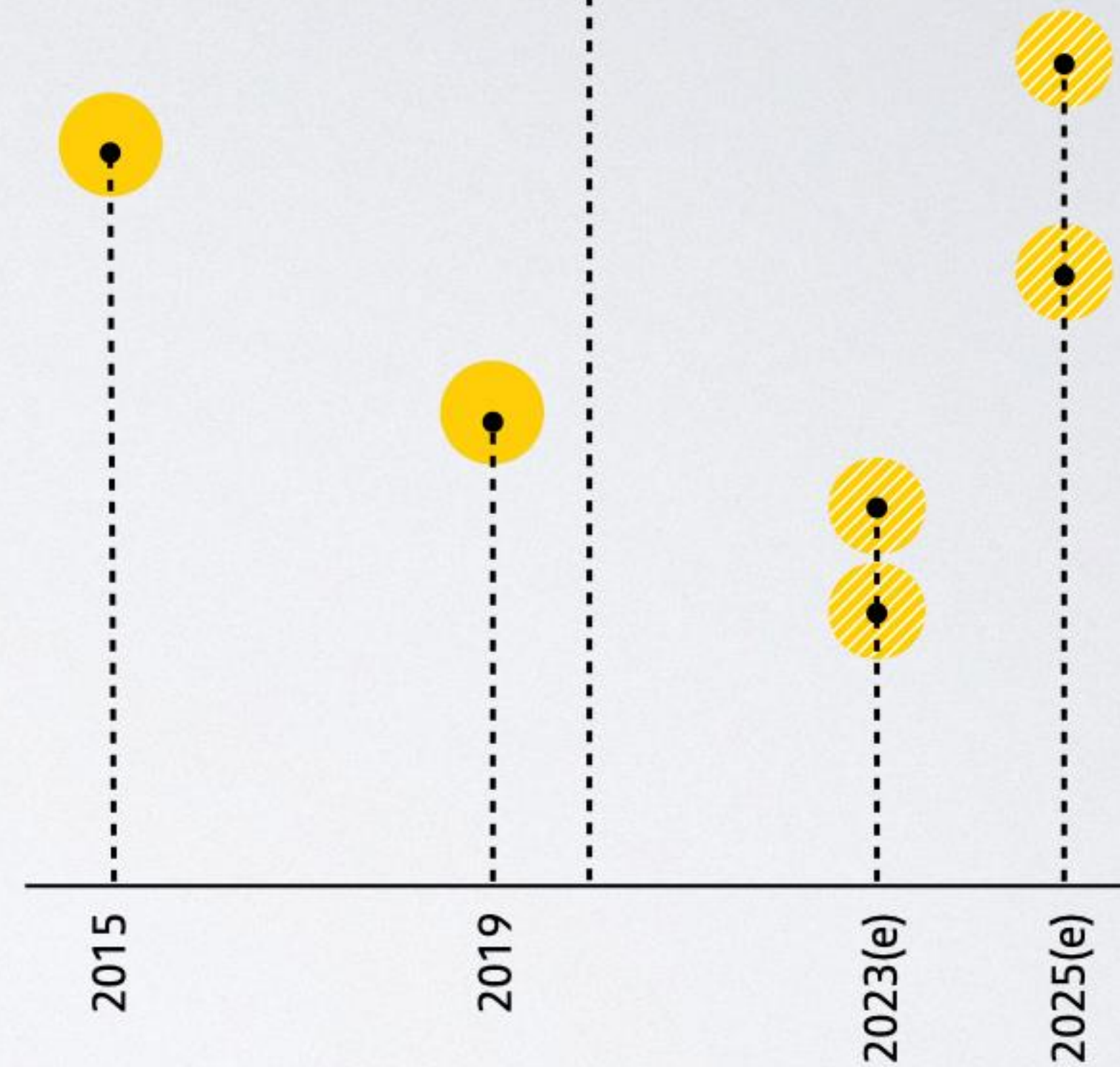
# WISELY LEVERAGING INVESTED ASSETS

## R&D and Capex

In % of revenues



## ROCE\*



Source: Groupe Renault

\* ROCE =  $\frac{\text{Auto Operating Profit (incl. VAZ)} \times (1 - \text{average tax rate})}{\text{PP\&E} + \text{intangibles assets} + \text{financial assets} - \text{investments in RCI/Nissan/Daimler} + \text{WCR}}$



**GROUPE RENAULT**

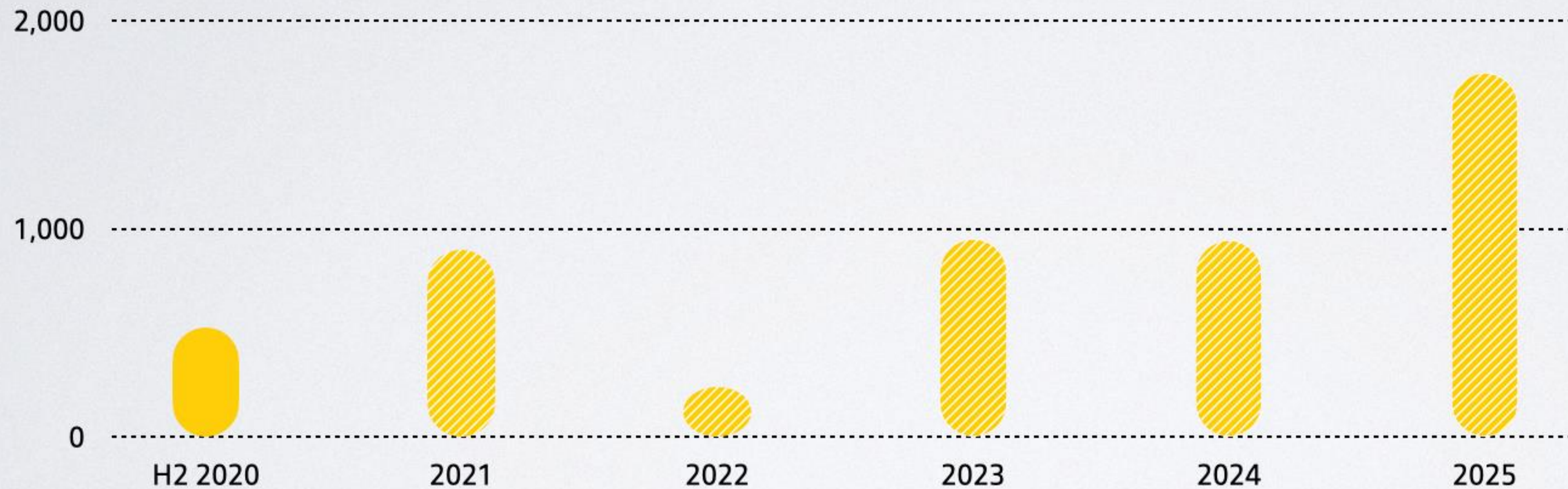
# RESURRECTION!

AUTO DIVISION LIQUIDITY RESERVES  
(2020-06-30)

€16.8Bn

## REDEMPTION SCHEDULE<sup>1</sup> 2020-2025 - RENAULT SA

Bonds, Banks & assimilated, excluding CP & redeemable shares (in million euros, at 2020-06-30)



2020-2025<sup>2</sup>  
LIQUIDITY  
RESERVES

>20%

OF REVENUES  
EVERY YEAR

Source: Groupe Renault

1. Not including state-guaranteed loan

2. With no new bond issuance



GROUPE RENAULT

A NEW BEGINNING

| 77

# CLEAR PATH TO TURNAROUND

..... SOCIALLY & ENVIRONMENTALLY RESPONSIBLE .....

 AMBITION  
2025(e)

**PROFITABILITY**  
**≥5%**  
GROUP OPERATING MARGIN  
IN 2025

**CASH GENERATION**  
**~€6B**  
AUTO OPERATIONAL FCF  
CUMULATED 2021-2025

**ROCE**  
**≥+15pts**  
VS 2019

CAUTIOUS VOLUME ASSUMPTIONS  
POTENTIAL UPSIDE FROM PARTNERS NOT EMBEDDED

Source: Groupe Renault

Note: Ambitions based on current known emission standards

$$ROCE = \frac{\text{Auto Operating Profit (incl. VAZ)} \cdot (1 - \text{average tax rate})}{\text{PP\&E} + \text{intangibles assets} + \text{financial assets} - \text{investments in RCI/Nissan/Daimler+WCR}}$$



Auto operational FCF = cash flows after interest & tax (excl. dividends received from publicly listed companies) minus tangible & intangible investments net of disposals +/- change in the WCR

# FROM PROFITABLE CARMAKER INTEGRATING TECH...

**BY 2025**

**GROUPE  
RENAULT**



## Operational resilience

- Fixed costs reduced by >€2.5B
- Right-sized manufacturing capacity



## Product efficiency

- 3 Alliance platforms, >6 Mu in total
- 1 ICE powertrain family<sup>1</sup>
- Variable costs increase addressed & covered

**RENAULT**

**DACIA | LADA**

**ALPINE**

**MØBILIZE**

**2025**

## Focus on value

- New value-driven organization
- 24 new models, 10+ EVs launched
- EVs' contribution margin per unit > ICE
- C-seg reconquest driving price up 20%

**SOCIALLY & ENVIRONMENTALLY RESPONSIBLE**



# ... TO TECHMAKER INTEGRATING CARS

**TOWARDS 2030**

ENERGY  
TRADING V2G

PEOPLE  
& GOODS  
MOBILITY

ELECTRONICS & DEEP TECH

CENTRALIZED ECU ARCHITECTURE

AI & CONNECTIVITY

EV & H<sub>2</sub> TECHNOLOGY

ETECH HYBRIDIZATION

CONVENTIONAL  
& GREEN FUEL ICES

DRIVERLESS  
MOBILITY

ALPINE

RENAULT

MØBILIZE

DACIA | LADA

2<sup>ND</sup>-TO-END  
LIFE MANAGEMENT



# DISCLAIMER

Information contained within this document may contain forward looking statements. Although the Company considers that such information and statements are based on reasonable assumptions taken on the date of this report, due to their nature, they can be risky and uncertain (as described in the Renault Registration Document filed with the *French Autorité des Marchés Financiers*). Actual results may differ materially from those projected or implied in these forward looking statements.

These forward looking statements are made as of the date of this presentation. Renault does not undertake to provide updates or revisions, should any new statements and information be available, should any new specific events occur or for any other reason.

Renault makes no representation, declaration or warranty as regards the accuracy, exhaustiveness, adequacy, effectiveness and genuineness of any statements and information contained in this report.

This information does not constitute an invitation to invest in shares or constitute or form a part of any offer for the sale or subscription of, or any offer to buy or subscribe for, any securities or other financial instruments.

Further information on Renault can be found on Renault's web site ([www.group.renault.com](http://www.group.renault.com)), in the section Finance/Regulated Information.



**GROUPE**  
**RENAULT**

RENAULT