



Renault Group

Sustainable Bond Framework Presentation

March 2023

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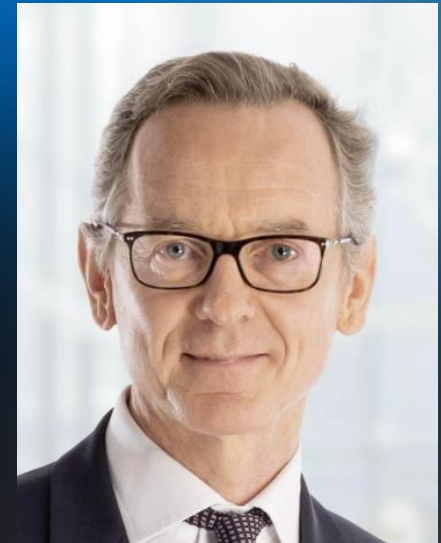
Renault Group's speakers



Philippine de Schonen
VP Investor Relations



Cléa Martinet
VP Sustainability



Patrick Claude
VP Finance



**Renault
Group**

01 Introduction

Renault Group key figures

34 plants

3 innovation labs

6 technical centers

106,000 employees

4 brands for **> 2** million vehicles sold



RENAULT

DACIA

DACIA



ALPINE

MOBILIZE

MOBILIZE

2022 results: profitable growth & cash generation

€46.4bn

Revenue

5.6%

Operating margin

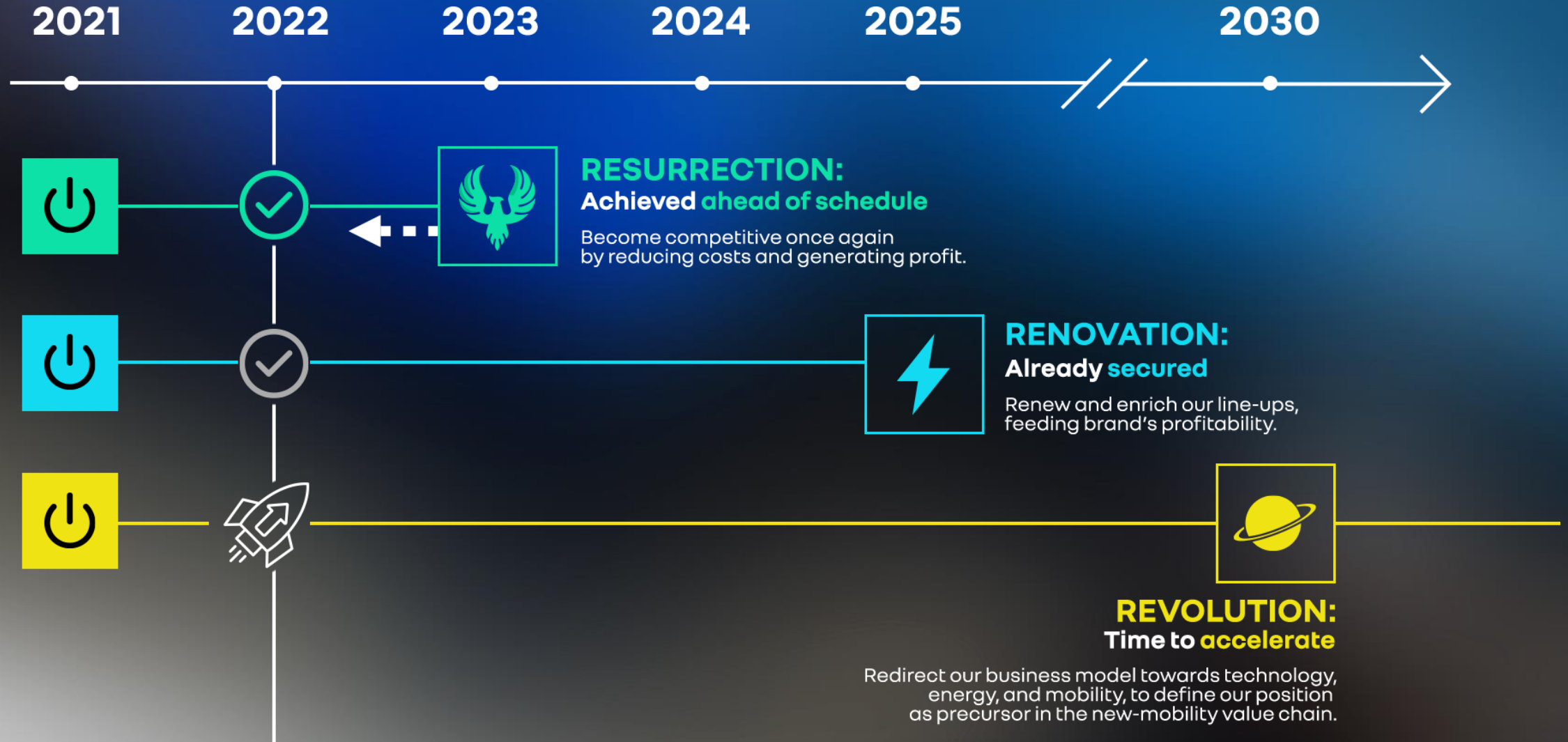
€2.1bn

Free cash flow⁽¹⁾

+€549m

Net cash position (dec.31st)

Renaulution: a 3-step plan



Building a Next Gen automotive company

5 clear P&Ls to foster accountability, transparency & performance both internally and externally



* Subject to market conditions

■ The Future Is NEUTRAL - Total Scope, sum of the parts - partially non-consolidated



**Renault
Group**

02

Sustainability at Renault Group

A dedicated governance for ESG



- **Governance is anchored** with the Board of Directors and the Board of Management
- **Ownership & responsibility** to drive actions is anchored in line of business
- A central **ESG steering committee** to coordinate activities
- The Board has committed to **link remuneration** to key ESG targets

Our ESG strategy ensures Renault's sustainable deployment

CORPORATE
PURPOSE

"Our spirit of innovation takes mobility further to bring people closer"



CORPORATE
STRATEGY

Green company

Tech company

New businesses

ESG
VISION

GREEN AS A BUSINESS

CARING CARS

CARING COMPANY

ESG
CLAIM

"Carmakers, care makers. We make cars while taking care of the people who design and manufacture them, of our customers who use them, of the resources from which they're produced and of the planet on which they run"

FOCUS
AREAS

Circular economy
Decarbonization
for Climate

Safe & smart cars

Sustainable Growth

Safe workplace
Workforce
Transformation

Fair transition to low-carbon & safer mobility for everyone

RG

Climate: 12 years of continuous progress in decarbonization

-25% commitment achieved

Carbon neutrality

2010

2022

38.3

28.5

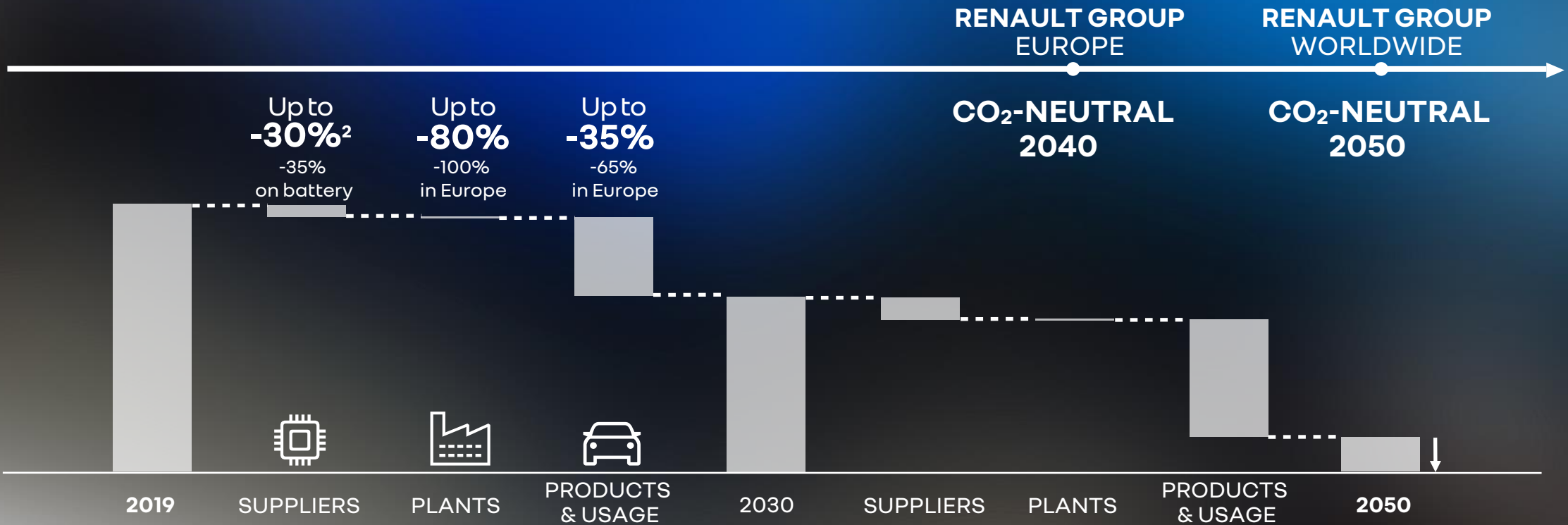
In tCO₂e/vh.
@150,000 km,
Renault, Dacia,
Alpine, RKM

- Scope 3 downstream "usage"
- Scopes 1&2 "industry"
- Scope 3 upstream "supply"

- **E-TECH technology:**
 - 700k EVs sold since 2010
 - 270k hybrid vehicles sold since 2019
- **-40%** CO₂ "industry" emissions (scopes 1&2) since 2010
- **50%** share of renewable electricity reached

Leading the organization towards carbon neutrality

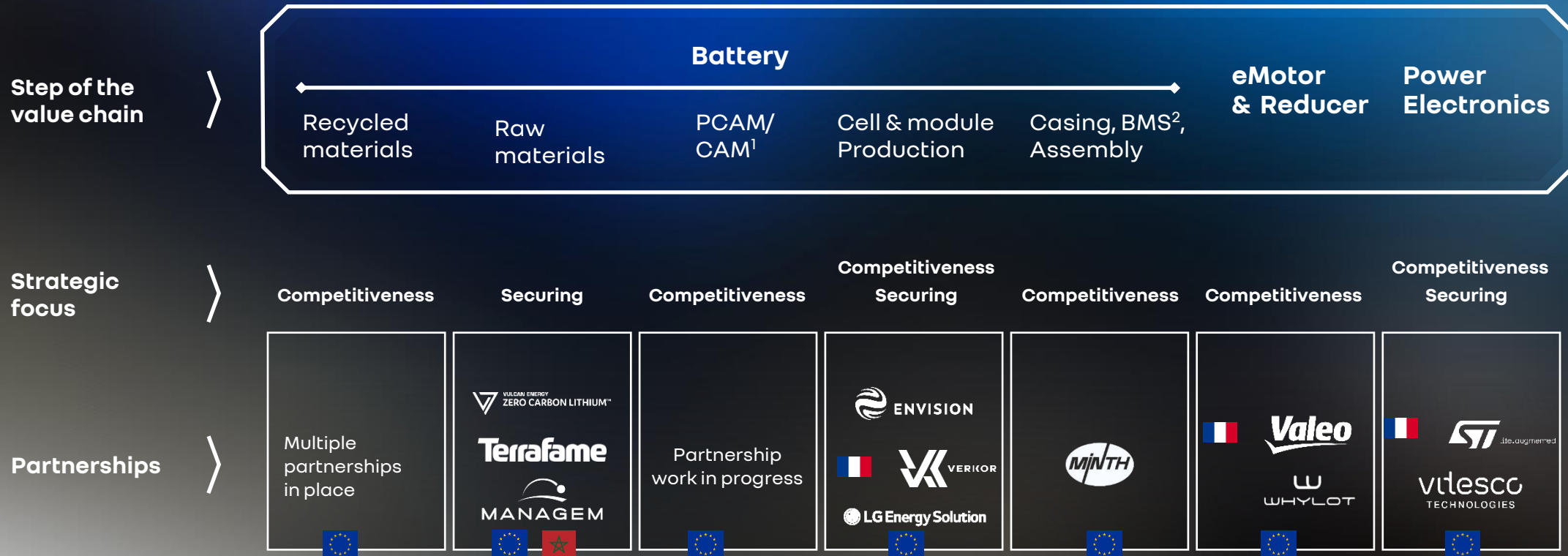
CO₂ emissions in tCO₂/vehicle
(cradle-to-grave emissions)¹



1. Assumption: 150,000 km lifetime
2. CO₂e/kg material

Extensive coverage of EV value chain to secure supply & competitiveness

**OVER 80 GWH BATTERY NEEDS IN 2030
80% COVERAGE BY 2030**

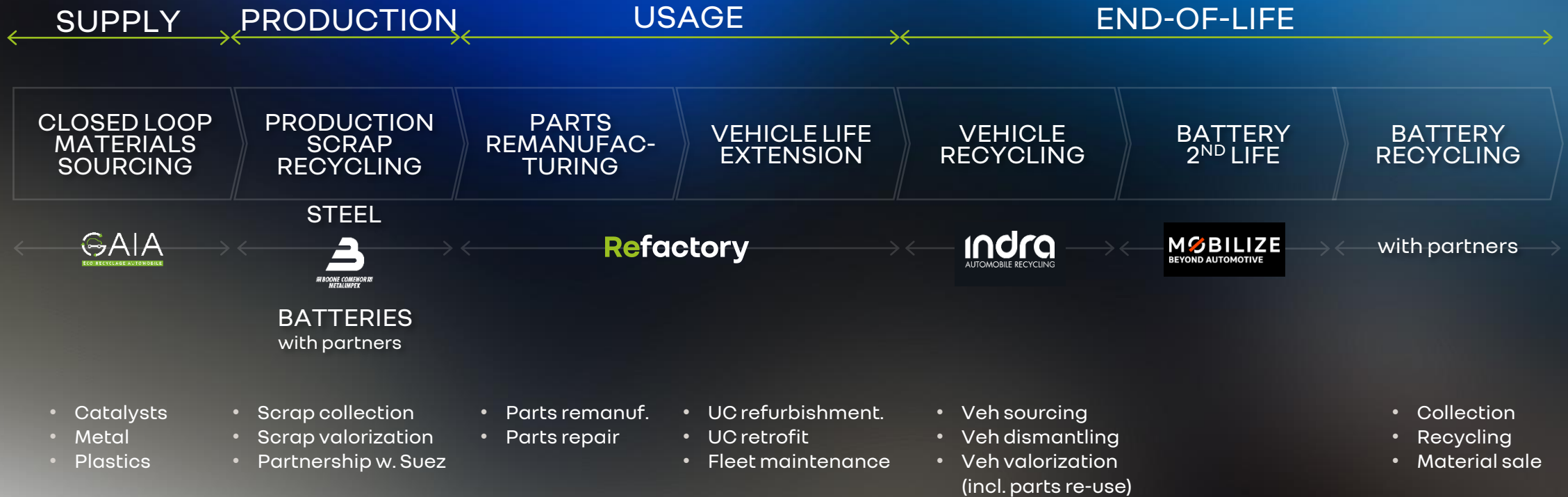


1- PCAM / CAM: Precursor / Cathod Active Material
2- BMS : Battery Management System

Circular economy solutions throughout the car's lifecycle

VALUE CHAIN COVERAGE

TODAY ~ 50% ← → 2030 > 90%



The Future Is NEUTRAL

The 1st 360° automotive circular economy entreprise
that creates high value

THE FUTURE
IS NEUTRAL 



PIONEER
IN AUTOMOTIVE
CLOSED LOOPS



GLOBAL LEADER
IN METAL PROCESS
SCRAP RECYCLING



RECOGNIZED
GLOBAL LEADER
OF VEHICLE
DISMANTLING

BATTERY
RECYCLING

FUTURE LEADER
IN BATTERY
CLOSED LOOPS

Focused businesses with embedded ESG targets

←
Creating sustainable value chains
Preparing for a carbon-neutral future
Ensuring inclusiveness within the Group



Power

- Affordable mobility
- Up to -70% CO₂ emissions per vehicle by 2030

Ampere

- 100% EV line-up
- Carbon neutrality in production in 2025
- Local value chain
- Upskilling & reskilling

Alpine

- 100% EV line-up by 2026
- Carbon neutrality in production by 2030

Mobilize

- 100% EV line-up
- Renewable energy
- Battery second life

The Future Is NEUTRAL

- Car-to-car parts & materials closed loops
- Battery recycling
- >90% coverage of the circular economy value chain by 2030

ReKnow University: support the transition



>10,000 people
already trained

Sector-wide reskilling & upskilling

3 academies for future automotive skills

- Electric mobility
- Circular economy
- Software, cybersecurity & data

2025 ambition

- 15,000 upskilled & reskilled employees
- 4,500 external (students & external companies) trained to future auto industry skills

Caring company, caring cars

Inclusive mobility

- **50% jobseekers** state they have refused training or employment due to a lack of mobility solutions

CareMakers

- Created to propose various personal mobility solutions (new cars, used cars, car maintenance & repair, carsharing...) in close collaboration with social authorities and microcredit specialists
- Already **2,000 people helped in France**, with measured impact on professional status
- More offers to develop, more countries to cover

Advanced safety

- **Still 16,000 road fatalities** In Europe every year



- A holistic approach that puts the driver at the center of everyone's safety:
 - Vehicle
 - Behavior
 - Infrastructure
 - Driving conditions
- 50+ safety features at R&D stage, aiming at being deployed on all models of all brands



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03

Sustainable bond
framework

Renault Group sustainable bond framework

Framework overview

Use of proceeds

5 environmental categories

- Clean Transportation
- Circular Economy
- Renewable Energy
- Energy Efficiency
- Sustainable Water and Wastewater Management

3 social categories

- Fair transition
- Inclusive and solidary mobility
- Advanced safety

Project evaluation and selection process

Prospective projects will be assessed for eligibility by a Sustainable Finance Committee

Management of Proceeds

Full allocation with potential reallocation within 2 years after issuance and possibility of refinancing

Reporting

Allocation and impact reports published annually starting a year after issuance

Aligned with most recent standards

Following EU Taxonomy substantial contribution criteria for Climate Change Mitigation on four Environmental Categories: Clean Transportation, Circular Economy, Renewable Energy, Energy Efficiency



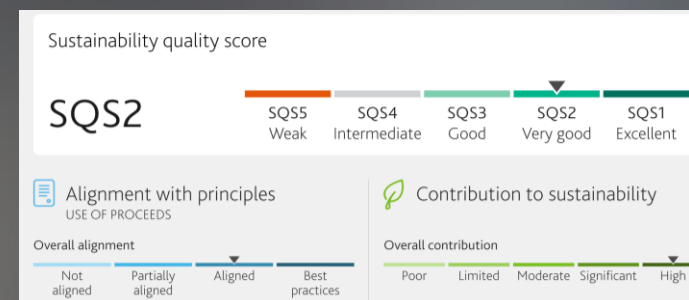
Aligned with market guidelines



Positive contribution to UN SDGs



Strong Second-Party Opinion



Green categories



Clean Transportation



Circular Economy

Eligibility criteria

- Zero tailpipe emissions vehicles
- Charging points for BEVs

- Prevent the generation of waste and enhance the reuse and recovery of materials for vehicles
- Waste management facilities and processes at Renault Group

Examples



Renault 5

- Battery Electric vehicles
- Fuel-Cell Electric vehicles
- Powertrains, platforms

THE FUTURE IS NEUTRAL 
Refactory



Flins dismantling line

EU environmental objective & UN SDGs

- Climate Change Mitigation



- Climate Change Mitigation
- Transition to a circular economy



Green categories



Renewable Energy



Energy Efficiency



Sustainable Water and Wastewater Management

Eligibility criteria

- Construction, development, acquisition, maintenance and operation of renewable energy projects
- Energy efficiency industrial equipment and processes at Renault Group sites
- Renovation of buildings leading to a reduction of the Primary Energy Demand of at least 30%
- Water efficiency and improved water quality in production, and sustainable water management in industrial processes

Examples



Cléon, Douai, Flins, Sandouville
40 ha PV panels



Le Mans



Tangier

EU environmental objective & UN SDGs

- Climate Change mitigation
 -  
- Climate Change mitigation
 -  
- Pollution prevention and control
- Sustainable use and protection of water and marine resources
 -   

Social categories



Fair Transition



Inclusive and Solidary Mobility



Advanced Safety

Eligibility criteria

- Expenditures and investments in workforce upskilling and reskilling programs for Renault Group and more broadly sector employees

- Expenditures and investments in CareMakers mobility program

- Expenditures and investments in advanced safety technologies

Examples

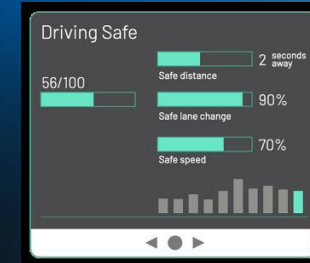


ReKnow University

Cléon



CareMakers subscription platform



Safety coach

Target Population

- Renault Group, industrial partners and automotive sector employees

- People with a professional insertion project (excluding students and retirees)
- Low-income people with difficult access to credit and mobility

- All drivers with emphasis on vulnerable population in case of accidents, young people and aging drivers
- Rescuers, municipalities

EU Social objective & UN SDGs

- Decent work including value chain workers



- Inclusive and sustainable communities and societies



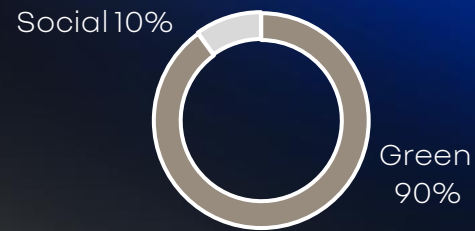
- Adequate living standards and wellbeing for end users



Indicative portfolio

Indicative description of eligible portfolio

Indicative share of Green/Social projects in the eligible portfolio



Indicative share of proceeds used for refinancing



Main investments



Clean Transportation

Other categories



Safety



Circular Economy



Fair Transition

Other pillars of the sustainable bond framework

Process for project evaluation and selection

- Bi-annual Sustainable Finance Committee (SFC) ensuring eligibility of selected projects
- Allocation of proceeds approved by the SFC
- Identification and monitoring of environmental and social risks associated to proceeds will be conducted by the SFC

Management of proceeds

- Full allocation **within two years after the issuance**
- Unallocated proceeds earmarked and managed in accordance with Renault's Group treasury policy
- **Refinancing within two years prior to the issuance**
- Share of the bonds allocated to refinancing will be disclosed
- If eligible projects exit the eligibility criteria, reallocation will be made as soon as reasonably practicable

Reporting

- **Allocation report** including outstanding bonds issued under the framework, the amount allocated to each projects /categories or unallocated, the share of refinancing and significant material developments
- **Impact report** with the metrics followed for each category and subsequent methodology
- Reporting one year after the bond issuance or after material development

Verification

- **External review** of allocation and impact metrics by an **external auditor**



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Group**

Appendices

The Future Is NEUTRAL poised to significantly grow in next 8 years

REALIZED IN 2021



STEEL

RECYCLED FROM PRODUCTION SCRAP

>1.8m

TONS



TARGET 2030: x2

>3m

TONS



PLASTICS & COPPER

RECYCLED FROM END-OF-LIFE VEHICLES

>1,300

TONS



TARGET 2030: x6

>9,000

TONS



PLATINOIDS

(PLATINIUM, PALLADIUM, RHODIUM)
RECYCLED FROM END-OF-LIFE VEHICLES

>300

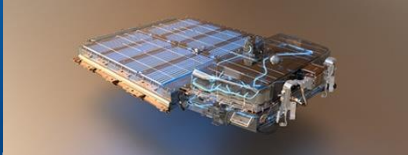
KG



TARGET 2030: x3

>1,000

KG



BATTERY MATERIALS

(LITHIUM, COBALT, NICKEL)
RECYCLED FROM POST CONSUMER & PRODUCTION SCRAP

2024

START



4,500

TONS



EOL VEHICLES

DISMANTLED

>300_K

VEHICLES



TARGET 2030: x4

>1,200_K

VEHICLES

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