

Renault  
Group

# CAPITAL MARKET DAY 2022



# Agenda

01 | Renaulution works

02 | Now, Revolution

03 | ESG at the core

04 | Cash talks

01

Renault  
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**RENAULTION**  
works



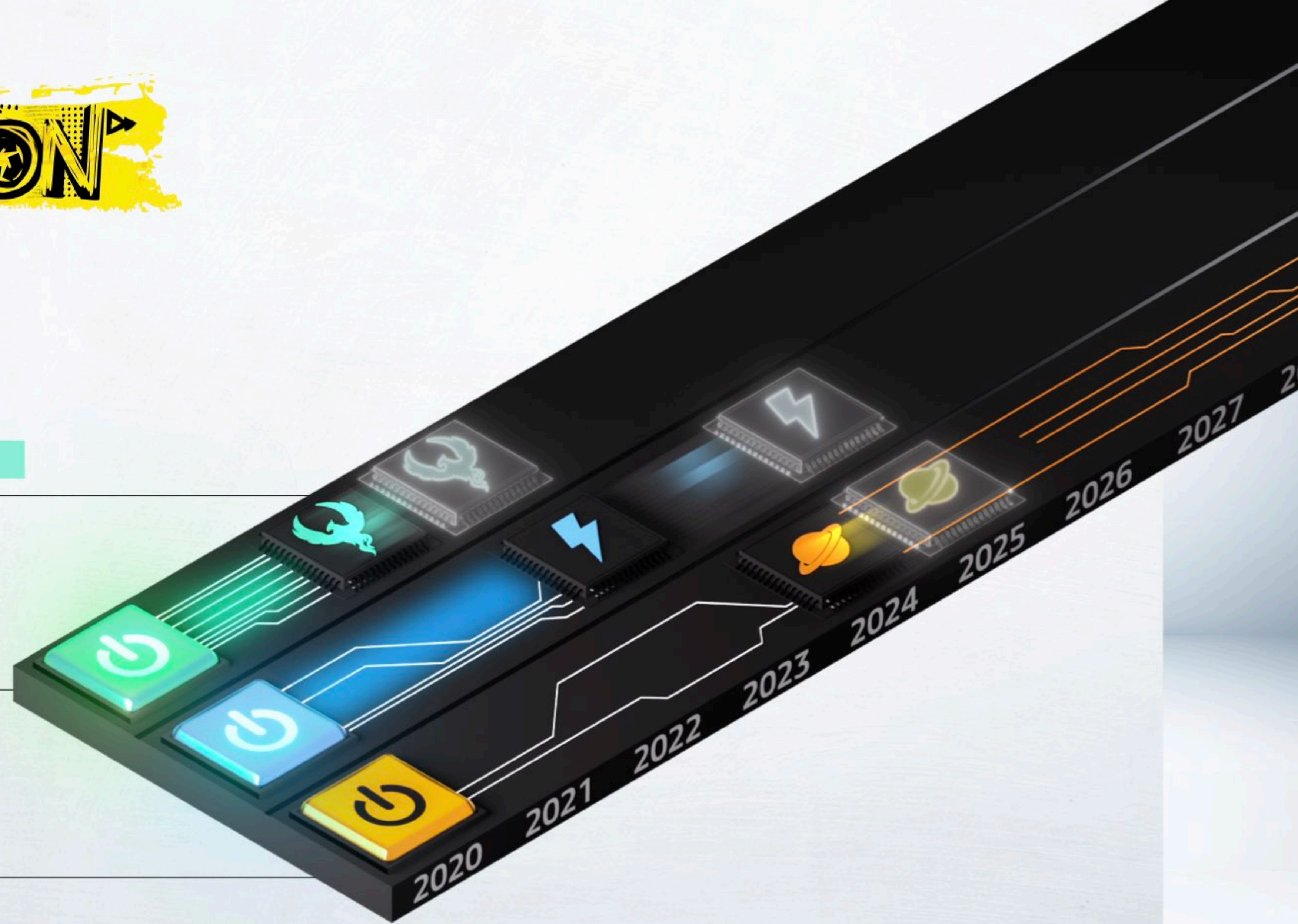
# REMANUATION

## Works

✓ **RESURRECTION**  
Achieved **ahead of schedule**

⏻ **RENOVATION**  
Already **secured**

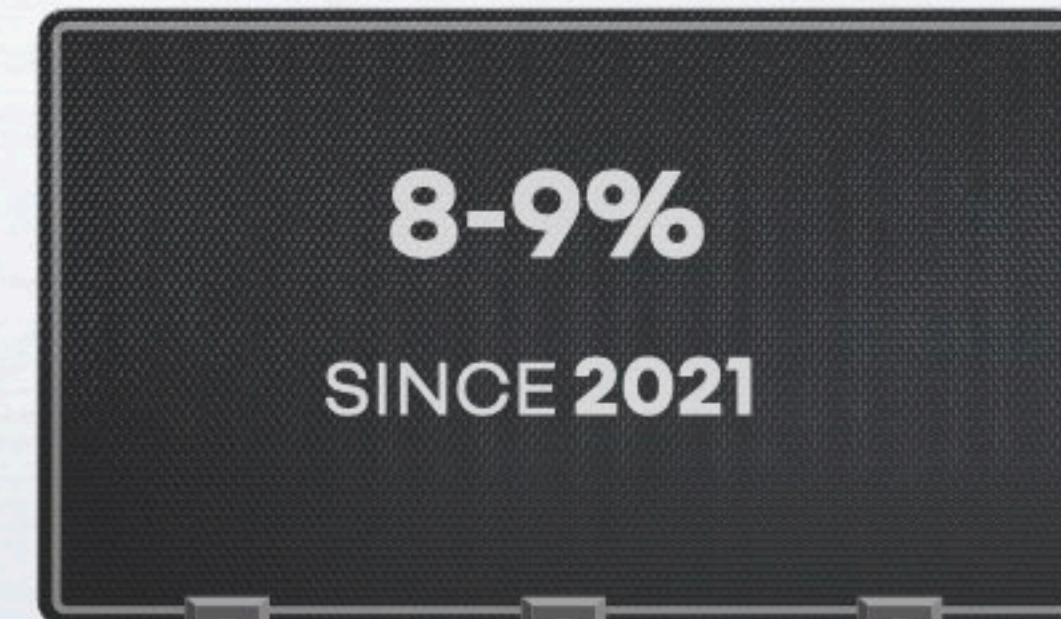
🚀 **REVOLUTION**  
Time to **accelerate**





# RESURRECTION is complete almost 3 years in advance

## RENAULT initial outlook



## Achievements

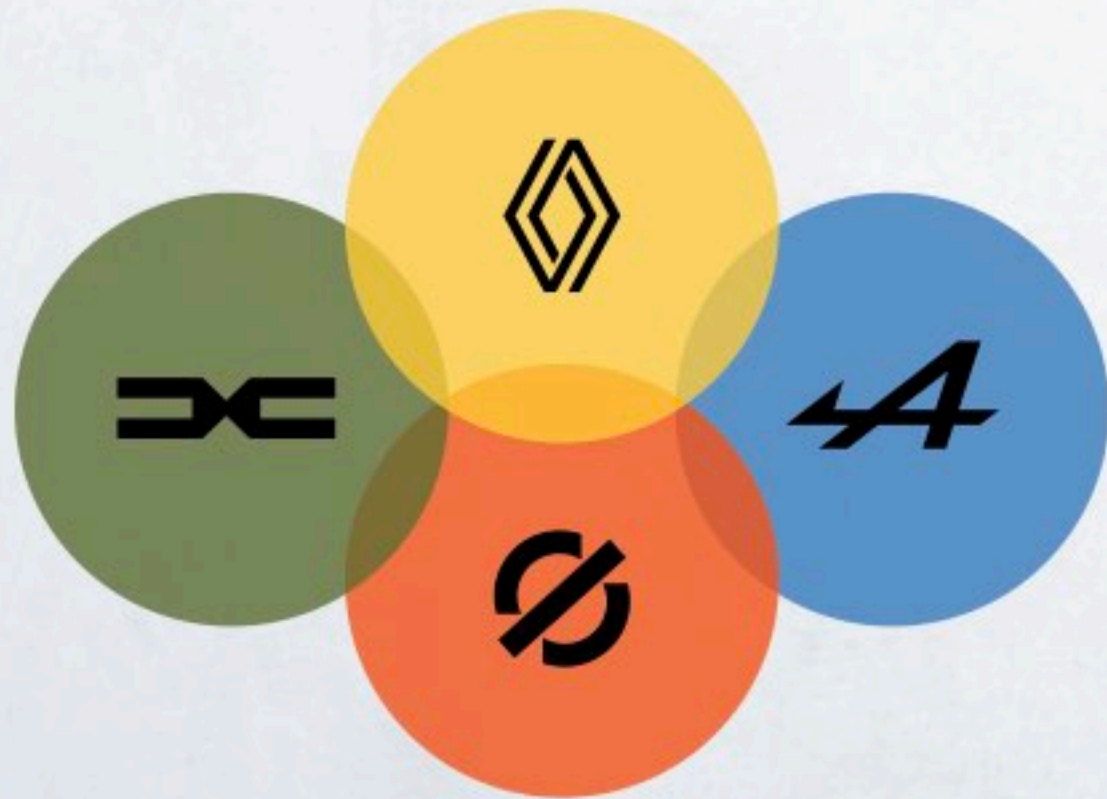


# RENOVATION already secured

Stronger  
**brands**

Right-sized  
**capacity**

Most ambitious  
**line-up in 30 years**



-1.2m | Units capacity vs 2019<sup>1</sup>  
 ~100% | Average plant utilization ratio<sup>1</sup>



25

Launches  
between 2022  
and 2025



>50%

C-segment



~50%

BEV

Renault Group has the potential to be anticyclical

1. Two-shifts utilization rate



# Let's talk now phase 3 **REVOLUTION**






## 5 addressable profit pools<sup>1</sup>

€bn, 2022-2030



Source: IHS, BCG (services), McKinsey (Software), Renault Group analysis  
1. Addressable profit pools for Renault Group

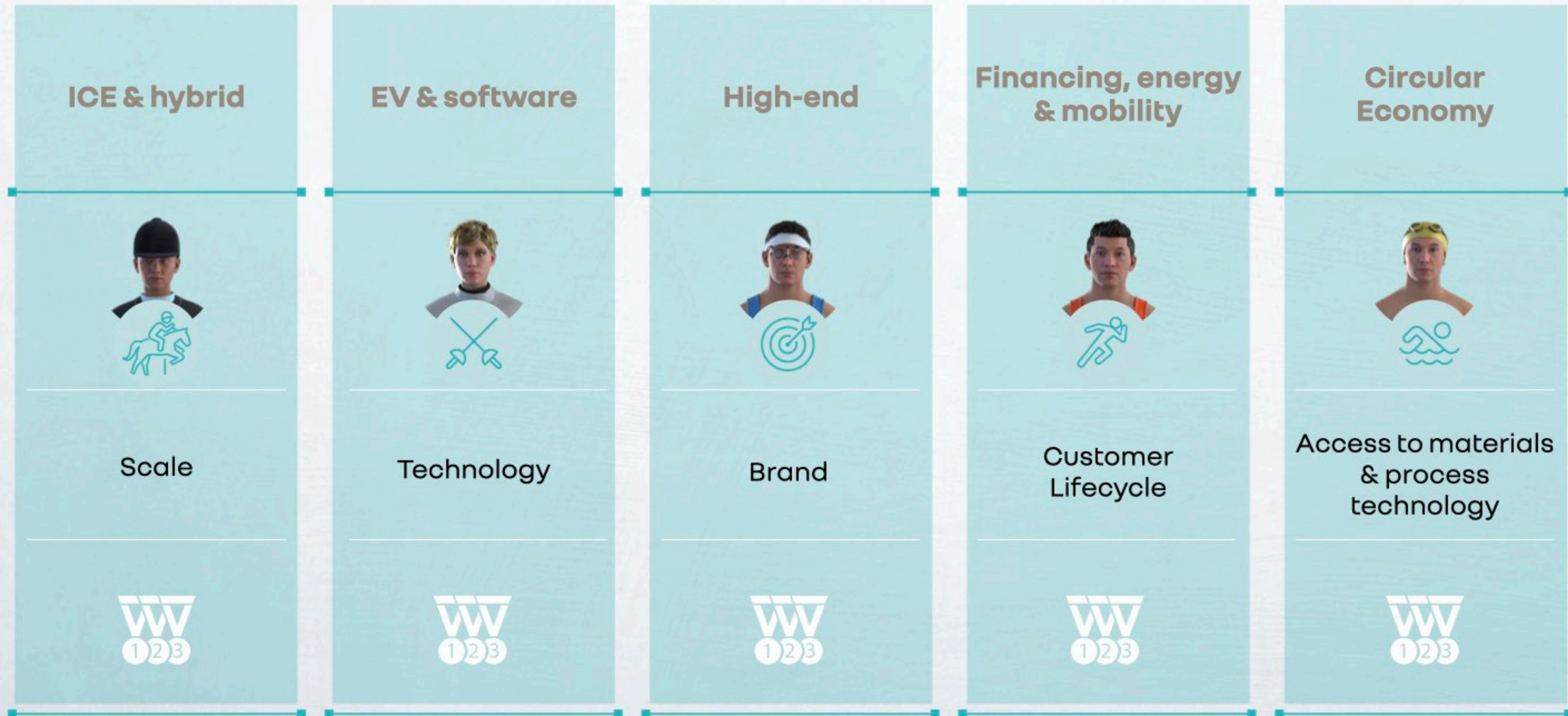
# Going for the medals

	 <b>ICE &amp; hybrid</b>	 <b>EV &amp; software</b>	 <b>High-end</b>	 <b>Financing, energy &amp; mobility</b>	 <b>Circular Economy</b>
<b>Key success factor</b>	Scale	Technology	Brand	Customer Lifecycle	Access to materials & process technology
<b>Product cycles</b>	~5-7 years	~3-5 years	~3-5 years	<2 years	>7 years
<b>Key technology</b>	ICE Hydrogen Synth. Fuels	Electrochemistry CarOS Semiconductor	Dynamic Performance Lightweight design	Banking Service platforms Infrastructure	Waste Management Metallurgy



# Going for the medals

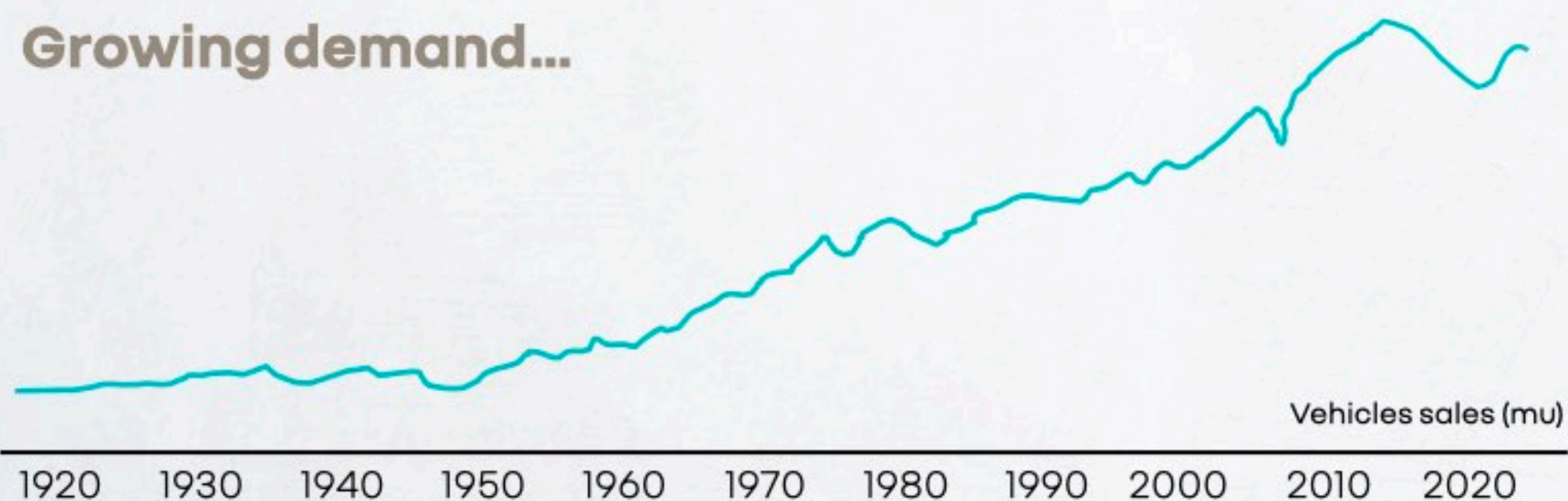
**Key success factor**



# New rules for a new game

**100+ years**  
of success

Growing demand...



... and mature technology



Vertical integration



Scale & efficiency

**A new environment,**  
with different rules



Blurred  
**industry boundaries**



**Evolutionary technologies**



Extreme **volatility**  
**and instability**



Horizontal approach



Focus & effectiveness

# Playing Horizontally

**Focus on what matters...**

**Strategic  
focus**

**Effectiveness**

**Smart capital  
allocation**

**Best partners  
selection**

**Asset-light  
by design**

**... to leverage each ecosystem's multiplying effect**



**Reduce  
risks**



**Share  
investments**



**Become  
more agile**



**Push teams  
to innovation**

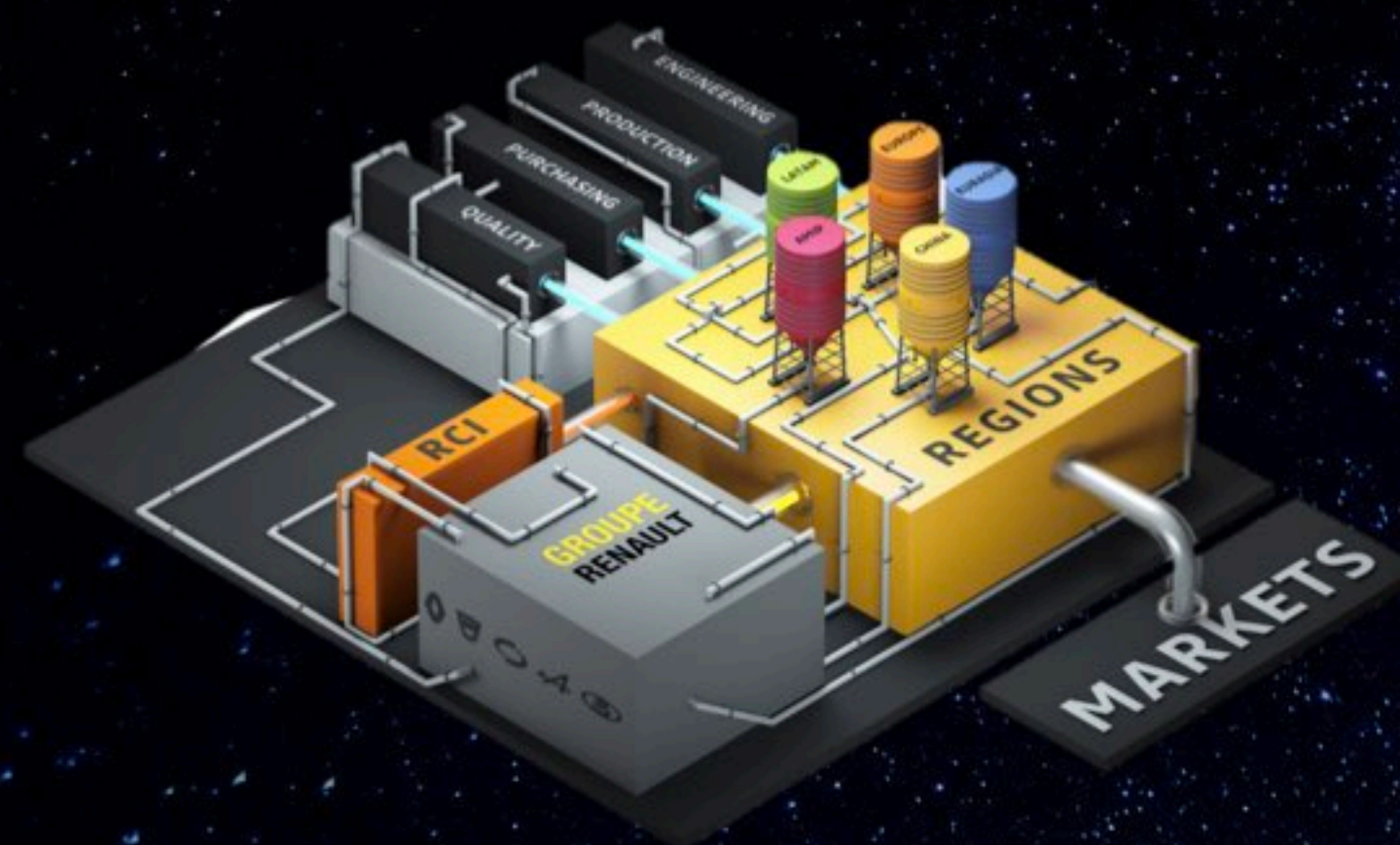


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**Now, Revolution**



# Organization drives value

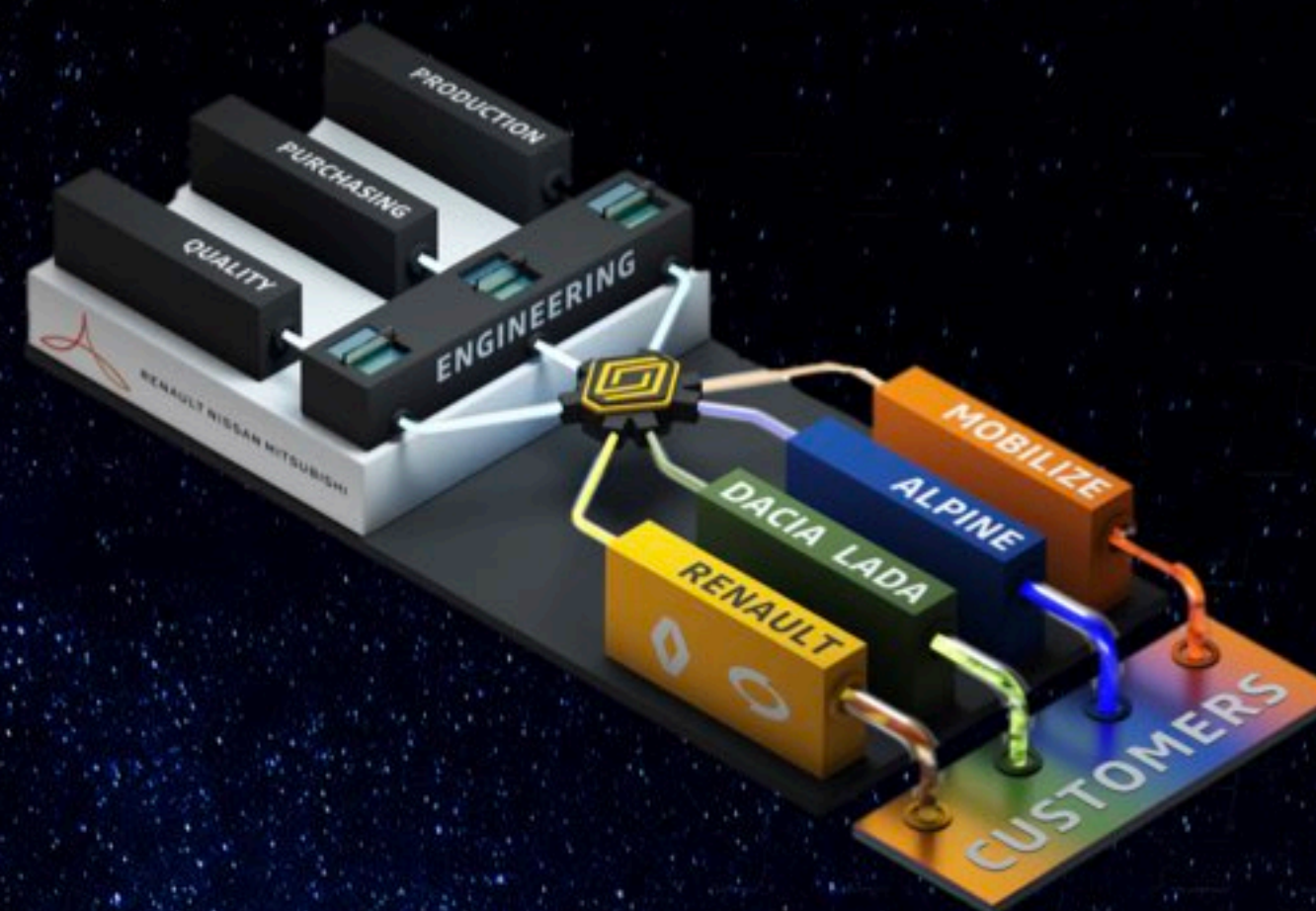


## RG in 2019

Complex matrix organization

**FCF**

€153m in 2019

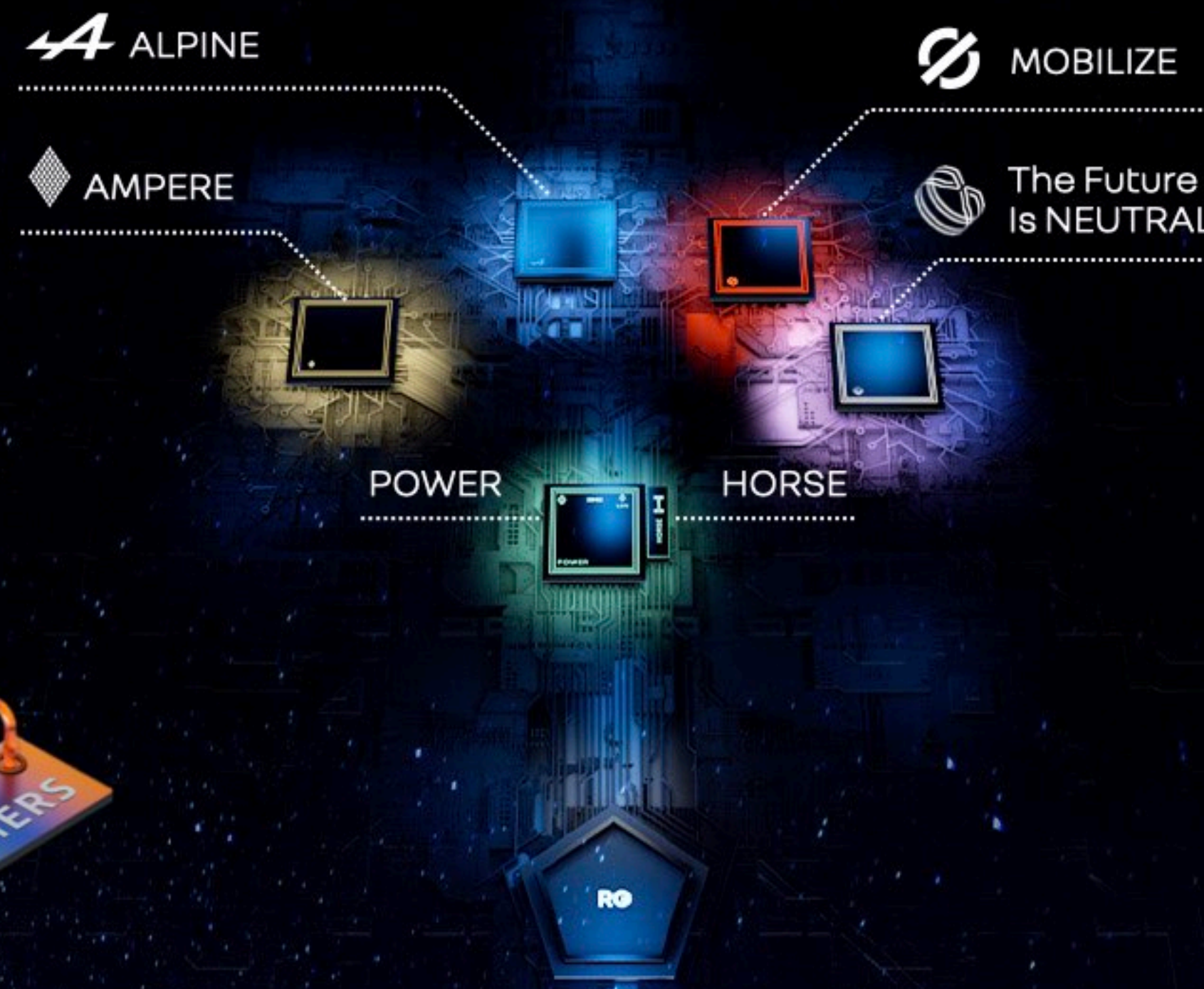


## RG in 2022

Brands pull / function push

**FCF**

>€1.5bn in 2022



## RG Revolution

Focused businesses

**FCF**


>€2bn per year on average 2023-2025  
>€3bn per year on average 2026-2030

# Next Gen automotive company

 ALPINE

 AMPERE

POWER

 MOBILIZE

 HORSE

 The Future Is NEUTRAL

# Accountability, Transparency, Empowerment: key words for Renault Group

Give strategic  
orientation

Coordinate & scale

Support the  
businesses

Cross-innovate

Keep it all together

# Technology to make it simple: welcome to Management 4.0

Digital platforms developed & connected thanks to strategic partnerships

DIGITAL TWIN



Google

Manhattan Associates



TEKION



PHYSICAL WORLD



Accelerate our decisions



Spread transparency



Break silos



Reduce costs



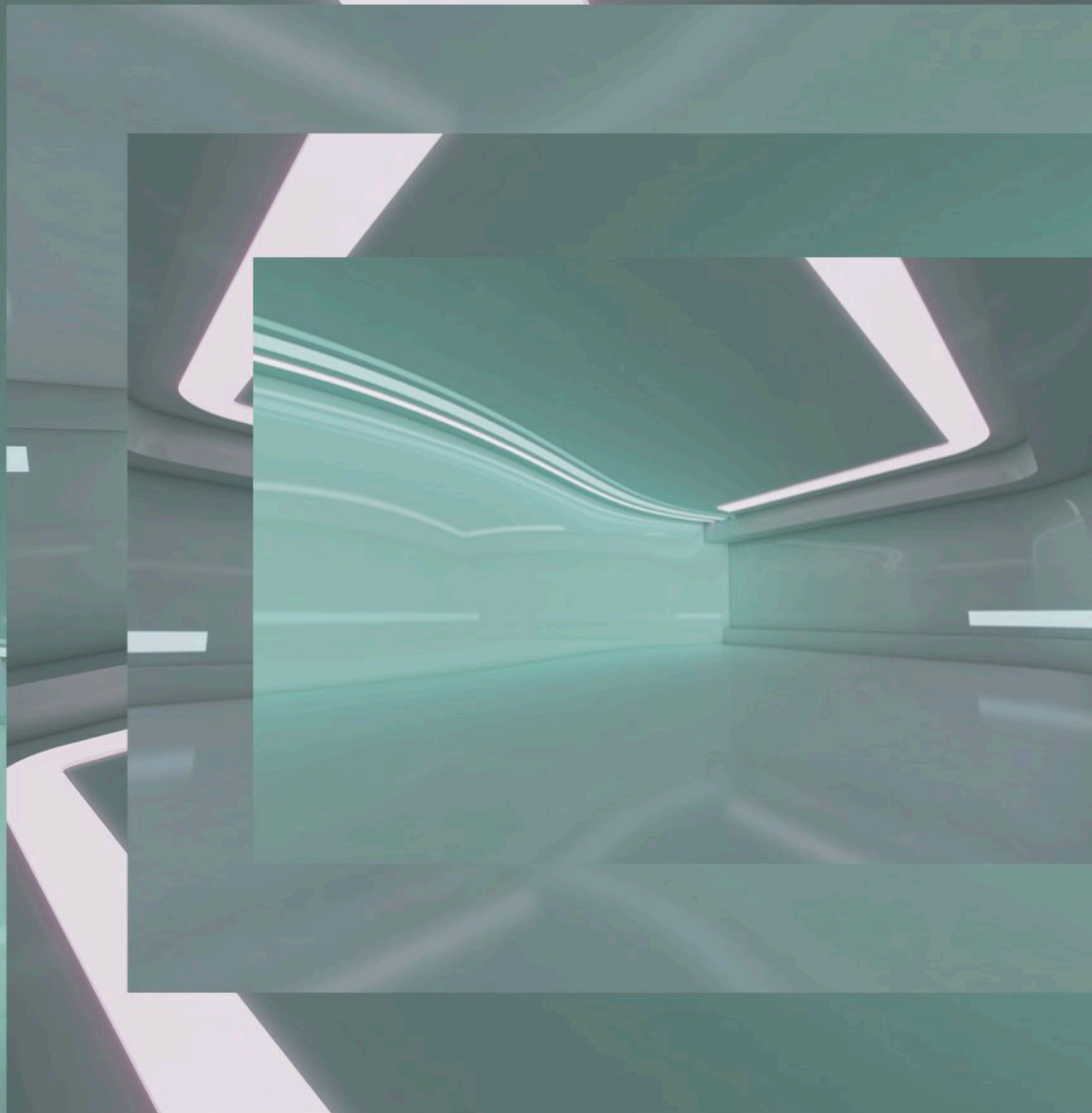
**02.1**

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**Power**

Low emissions

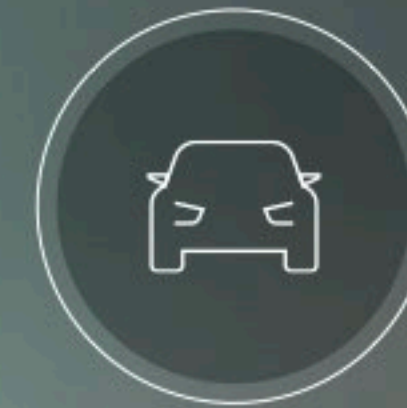
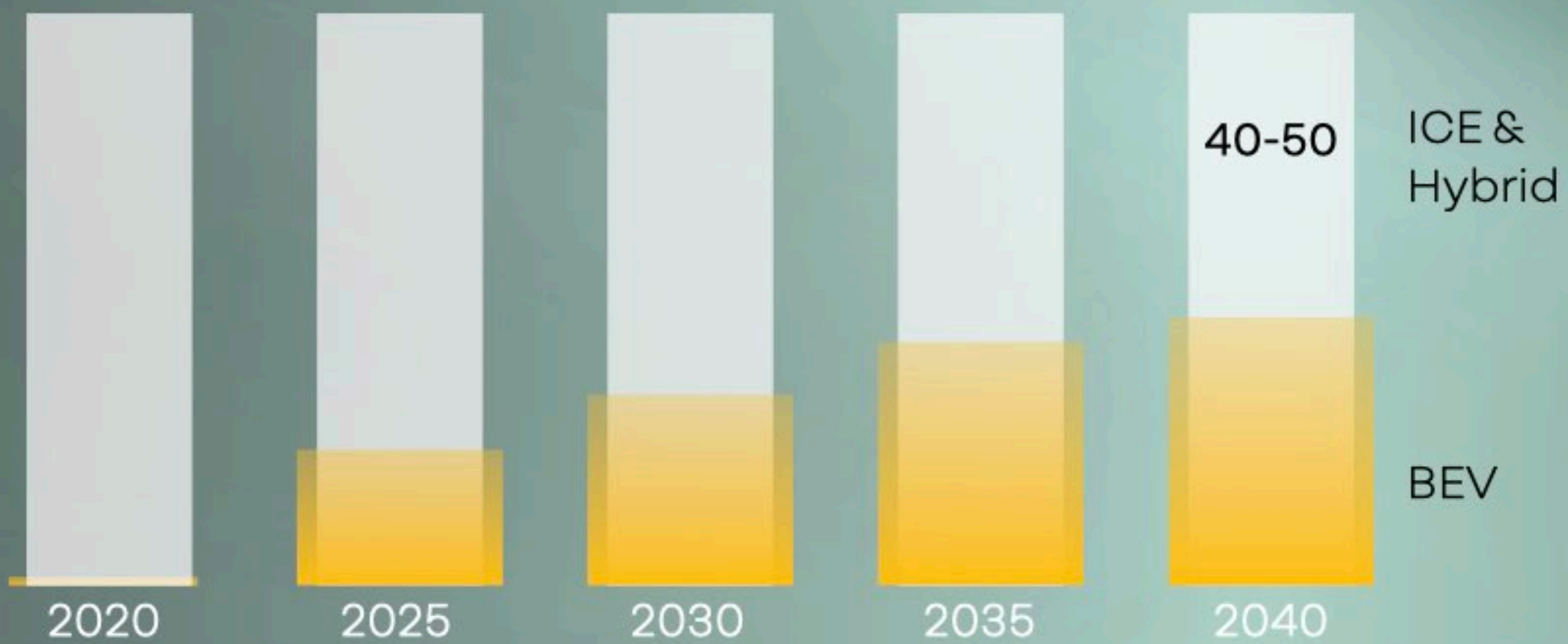
ICE & hybrid solutions



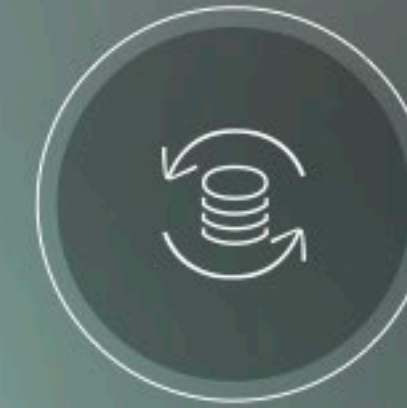
# ICE & hybrid are undergoing their Revolution

**Efficient hybrid** technology  
complements efficiently BEV

Worldwide Powertrain mix<sup>1</sup> (% - PC+LCV)



Usage  
coverage



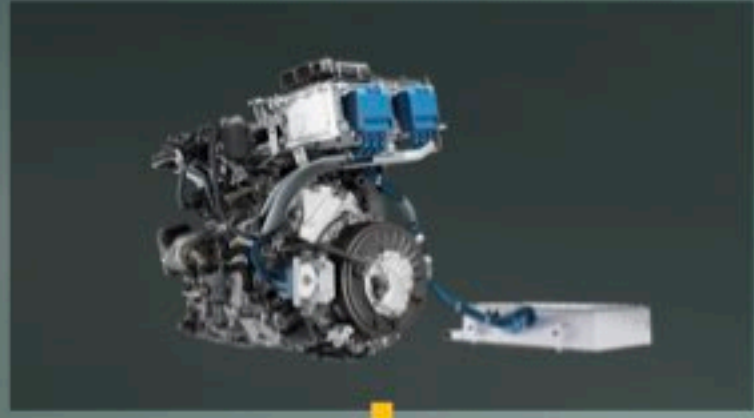
Cost  
convergence



Carbon  
efficiency

1. BEV: Battery Electric Vehicle; PC: Passenger Cars; LCV: Light Commercial Vehicles

# The 4 Musketeers



## HORSE project

Global Supplier  
of ICE & hybrid  
powertrain  
technologies

**Reinventing  
combustion**



Passenger Cars  
ICE & hybrid

**Globally  
uplifted**



Passenger Cars  
ICE & hybrid

**A unique value  
proposition**



Light Commercial  
Vehicles (LCV)

**Revolution  
for Pros**

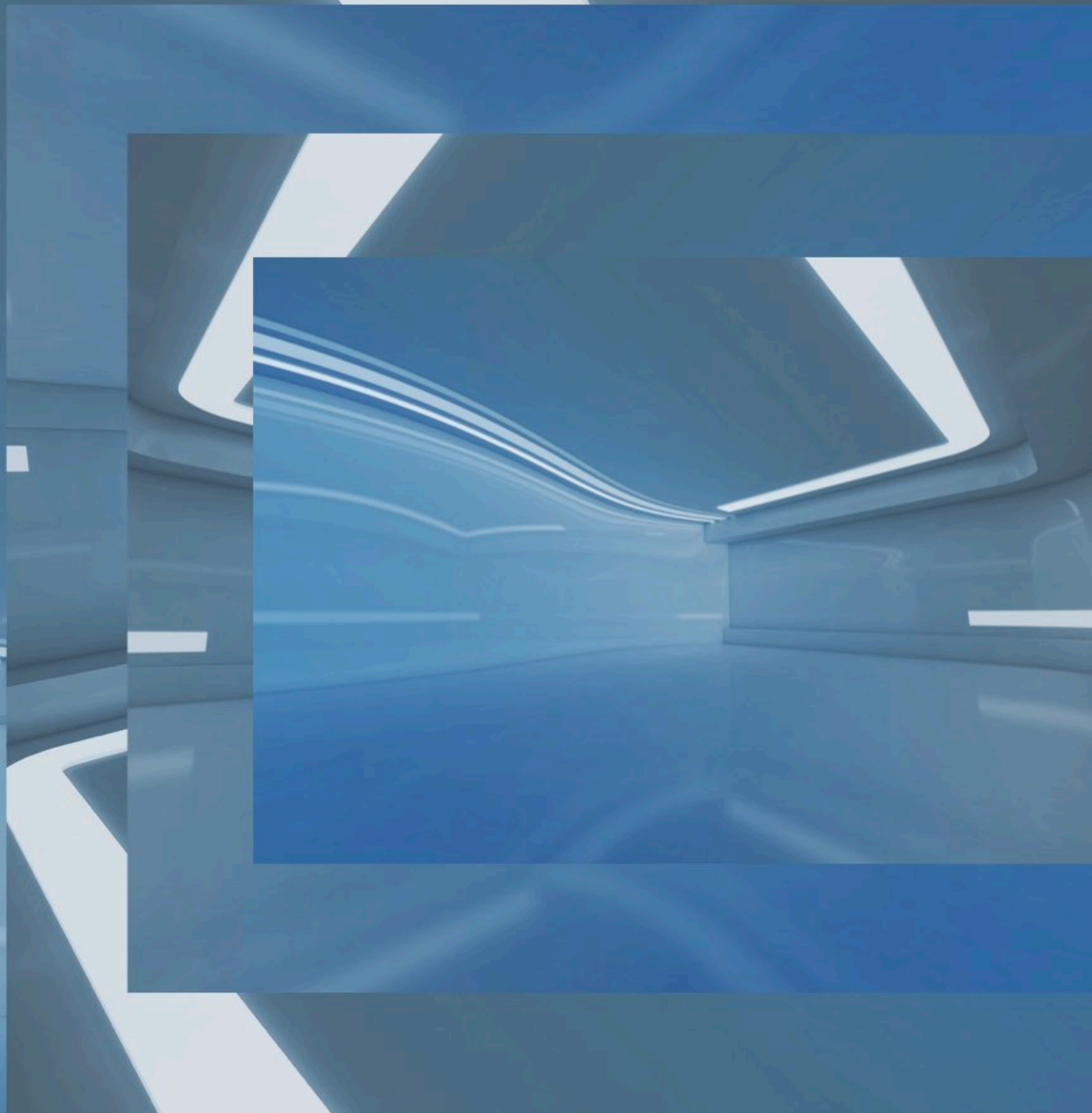
**Renault Group**

**2.1**

**Renault  
Group**

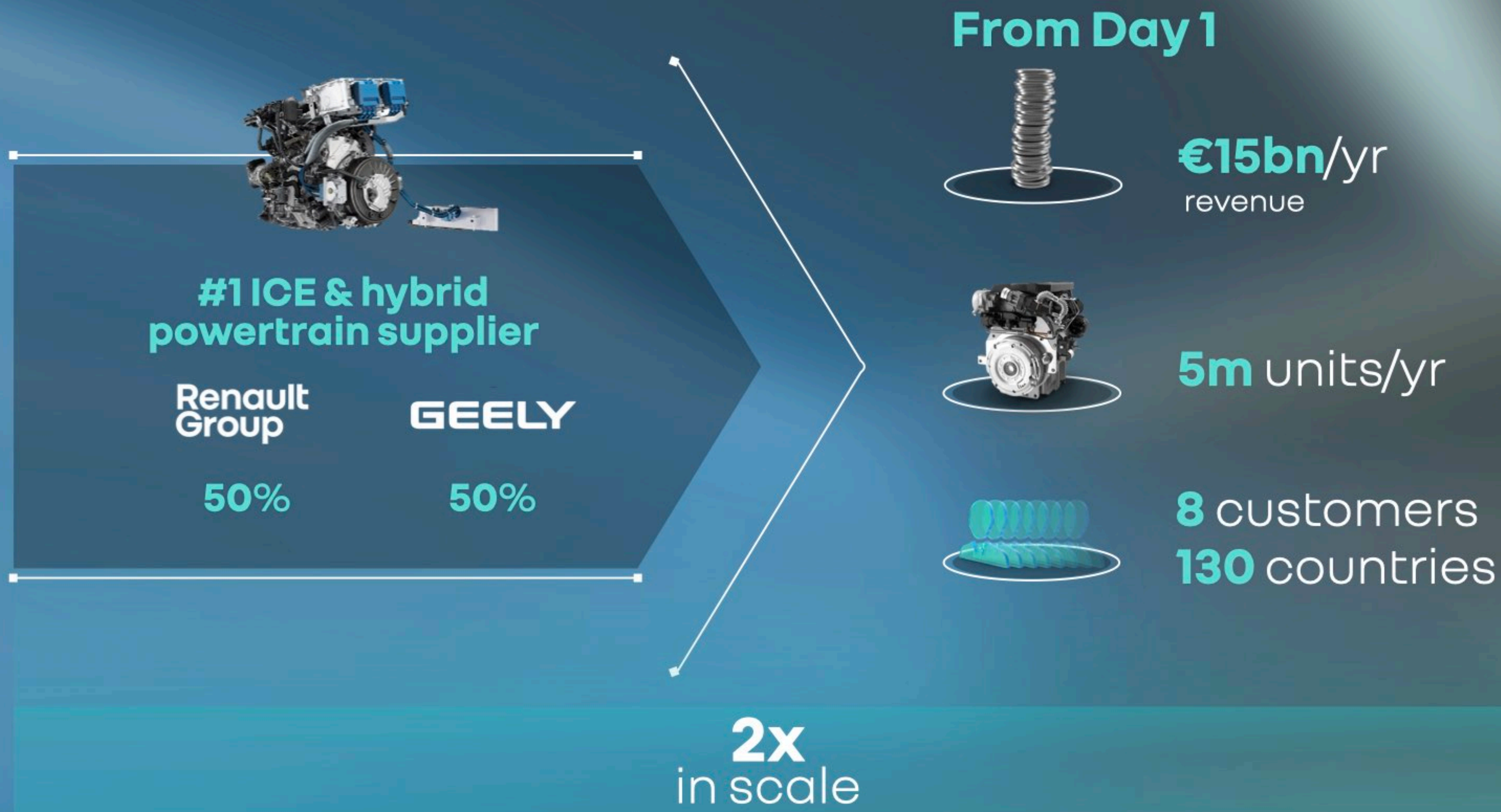
# **HORSE project**

Reinventing combustion



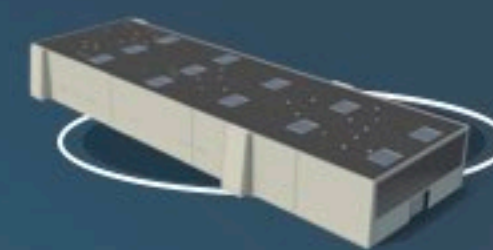
# HORSE project

A leading supplier of ICE & hybrid powertrain technologies

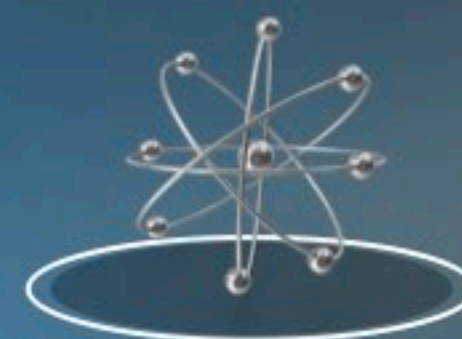


# HORSE project

When scale matters



**17** plants  
o/w 8 for Renault Group



**5** R&D centers  
o/w 3 Renault Group



**19k** employees  
o/w 9k Renault Group

**A global and fully integrated player**

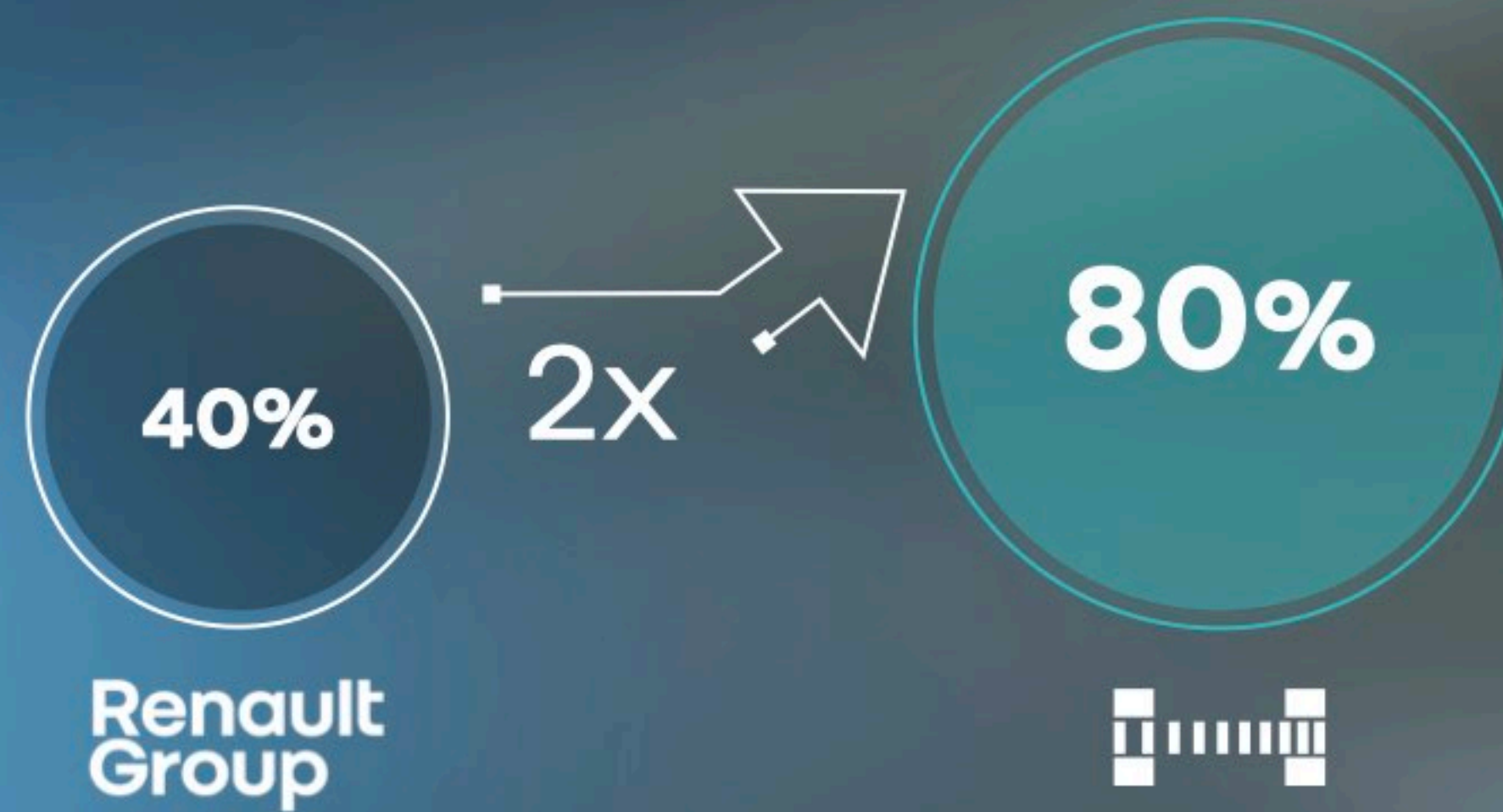
# HORSE project

## A global line-up allowing to double market coverage



### 2x in market coverage

Thanks to product complementarity



# HORSE project

## Cradle-to-grave is the real thing

### Disruptive technology with up to 70% decarbonization potential

Step of the value chain

Fuel providers

Component suppliers

OEMs & other customers

Public authorities

Strategic focus

Develop green H<sub>2</sub> & synthetic fuels

Establish technology leadership

Increase scale and market coverage

Meet cradle-to-grave best decarbonization

Partnerships & Technologies

Under discussion

GEELY  
E-TECH

NISSAN  
Renault Group  
MITSUBISHI MOTORS  
PROTON  
GEELY  
VOLVO



Potential to reach lower cradle-to-grave carbon footprint than BEV



Solutions for decarbonization of new vehicles as well as existing fleets



**O2.1**

**Renault  
Group**

**Renault**

Globally uplifted

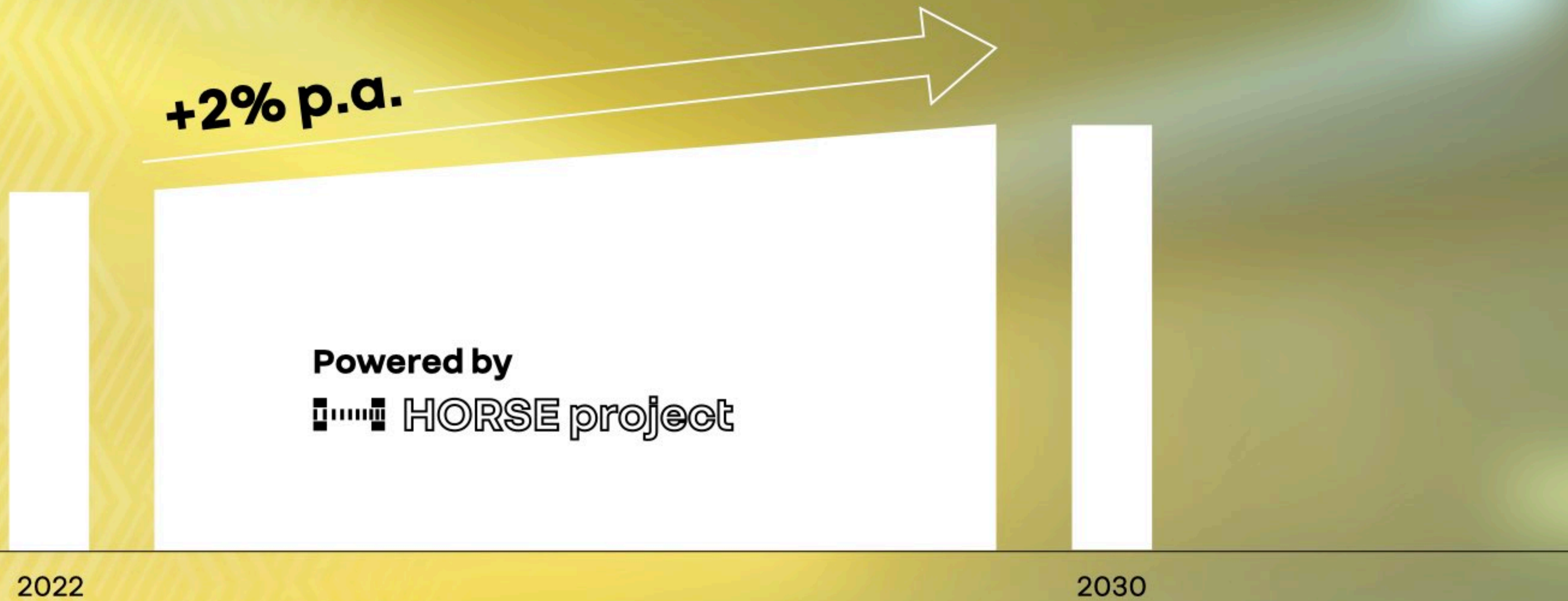


# RENAULT BRAND PASSENGER CARS

A growth story



## Renault Brand ICE & hybrid sales evolution 2022-2030



# RENAULT BRAND PASSENGER CARS

A value story

## Net revenue

ICE & hybrid, €bn

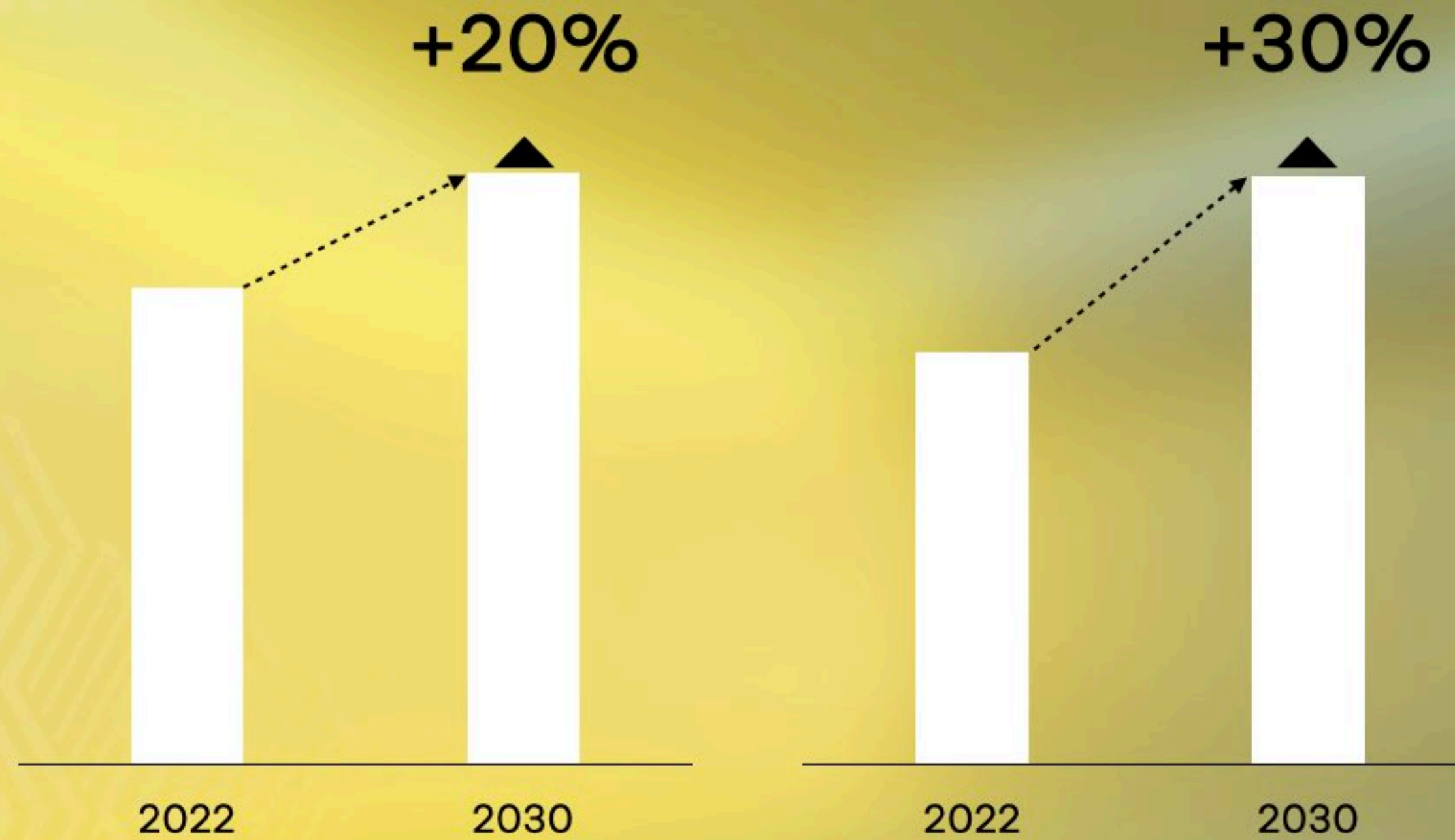
## Contribution margin

ICE & hybrid, €bn



# 9

**C-SEGMENT**  
PRODUCT LAUNCHES

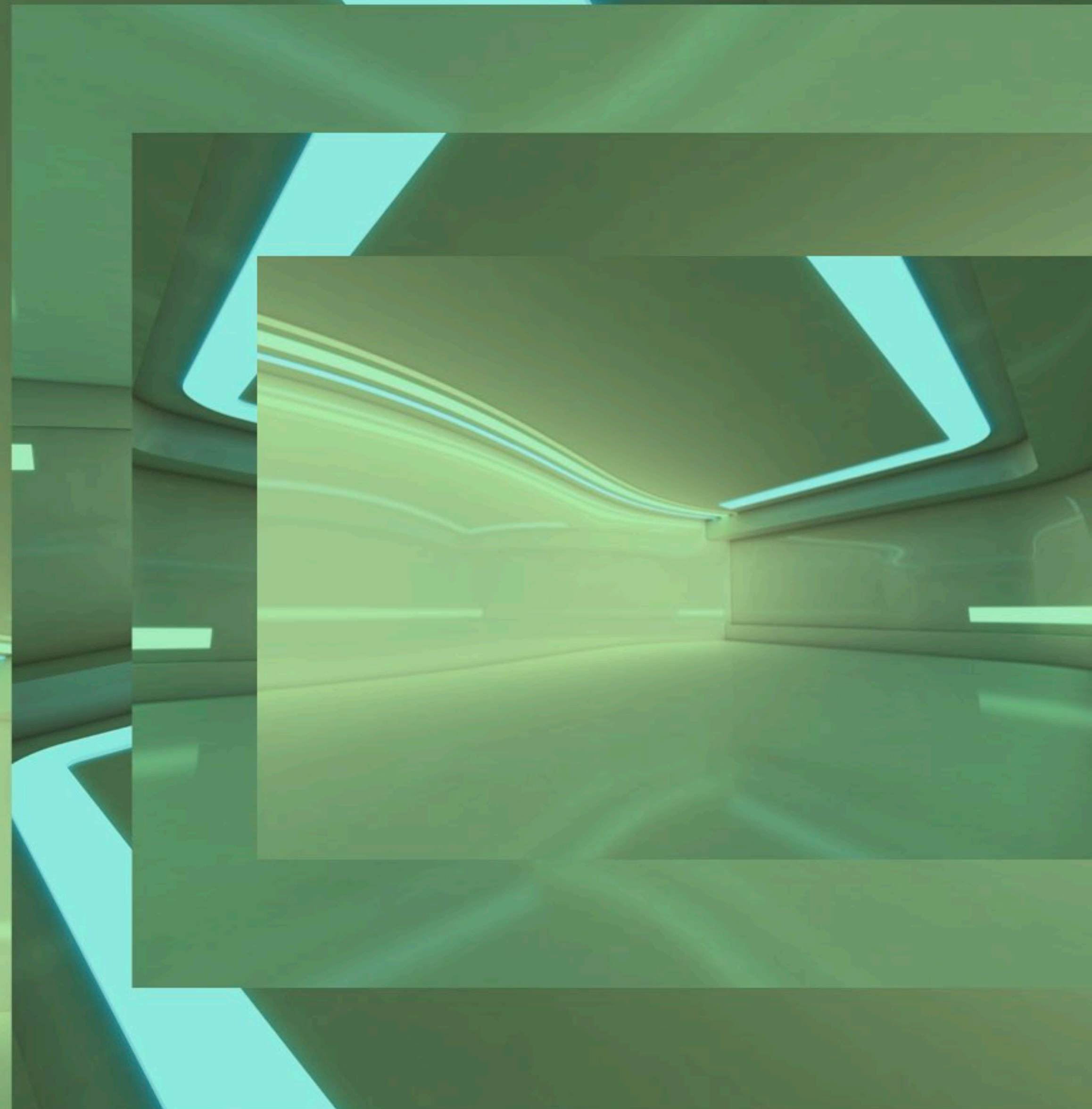


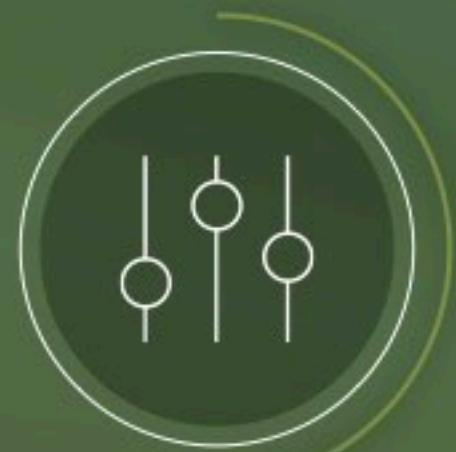
02.1

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**Dacia**

a unique value  
proposition





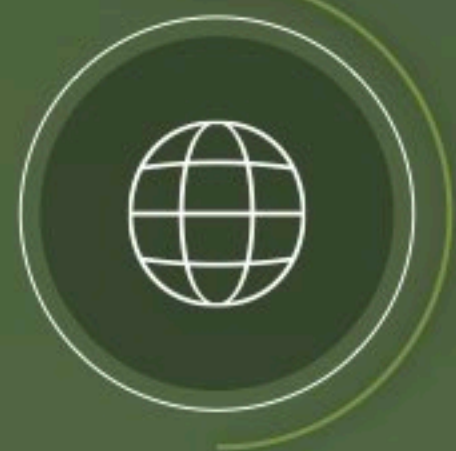
### Design-to-cost leveraging group assets

- Focus on the essentials
- Lightweight cars
- Solid double-digit cost advantage



### Efficient **sourcing** ecosystem

- Benchmark cost competitiveness
- High plant utilization rate > 120%<sup>1</sup>



### Lean **distribution** model

- Distribution cost -50%  
vs Western European average
- <300 combinations per car
- 85% retail



**>10%**  
operating margin  
in 2022

# Dacia remains Dacia... only bolder: 15% operating margin by 2030

## C-segment offensive

3 product launches in C-segment by 2030



Bigster

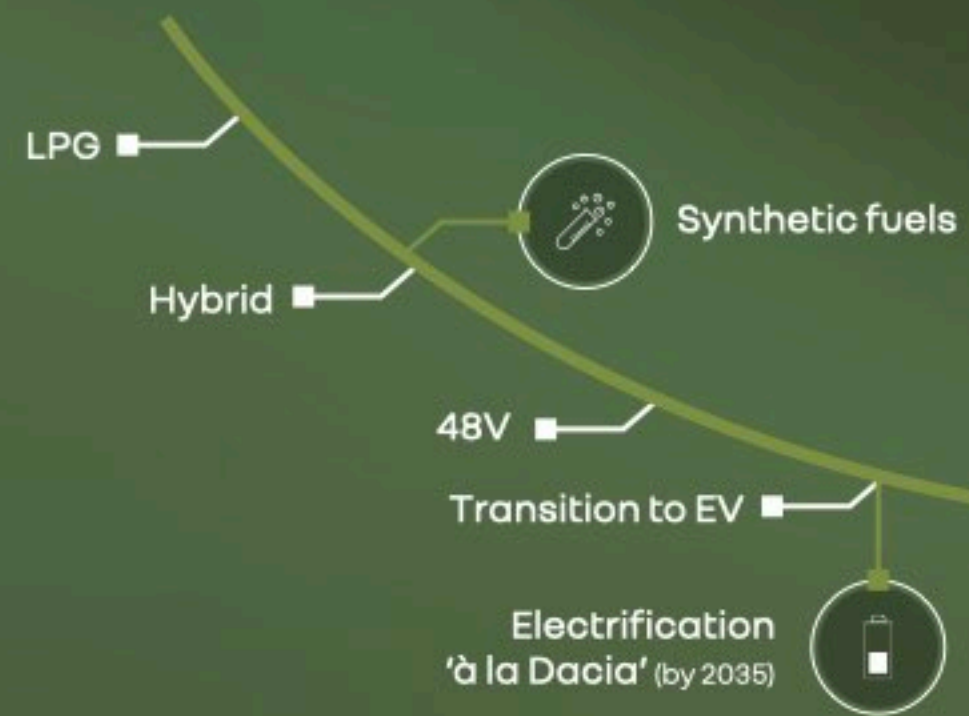


C-segment to be announced

Profit pool coverage > x2

## Smooth transition

tCO<sub>2</sub>/veh. lifetime vs 2019 (cradle-to-grave)



-50% carbon footprint by 2035...

...while reaching -15% cost advantage vs. competition

## Boosted scale effect

From <1m to ~2m units on global CMF-B platform



From



>10% operating margin

to



15% operating margin

2.1

Renault  
Group

**LCV Business**

Revolution for the Pros



# By experts for experts



1. In Revenue, Europe, IHS 2022



# The professional world is changing, us too

## New LCV players

with staggering capital raises

## New growth opportunities

10% growth per year in Last Mile Delivery segment

## New regulation

30% of the LCV park to be renewed by 2030

## New technologies

EV, H<sub>2</sub>, skateboard platforms, rapid customization

**2 game-changing** projects to propel LCV into the **future**



# Complete hydrogen ecosystem "3-in-1"

## Full hydrogen value chain coverage

Step of the value chain

Green H<sub>2</sub> refueling station

Fuel cell

Vehicle OEM

Distribution

Strategic focus

Integration of green energy, electrolyzer & refueling station

Technology leadership

Vehicle integration

Integrated business model (vehicle + stations)

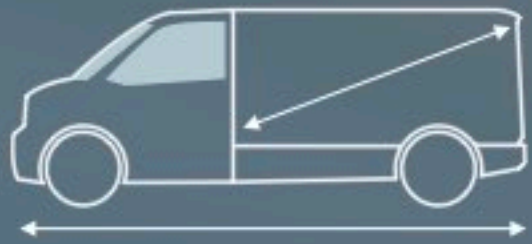
Partnerships & Technologies



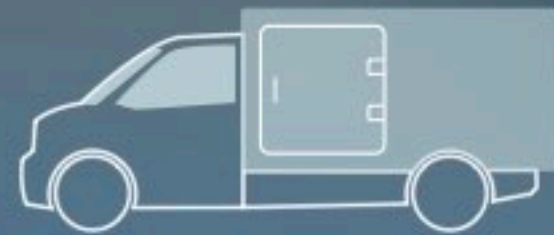
**30% H<sub>2</sub> market share in 2030**  
**Cumulated order intake target of €1bn by 2026**

# The game changer: FLEXEVAN

**EV native  
for urban needs**



**Skateboard design  
for modularity**



**Upgradeability**



**Software-Defined  
Vehicle**



**2026**  
**-30% Total Cost of Usage**

**FLEXIS**

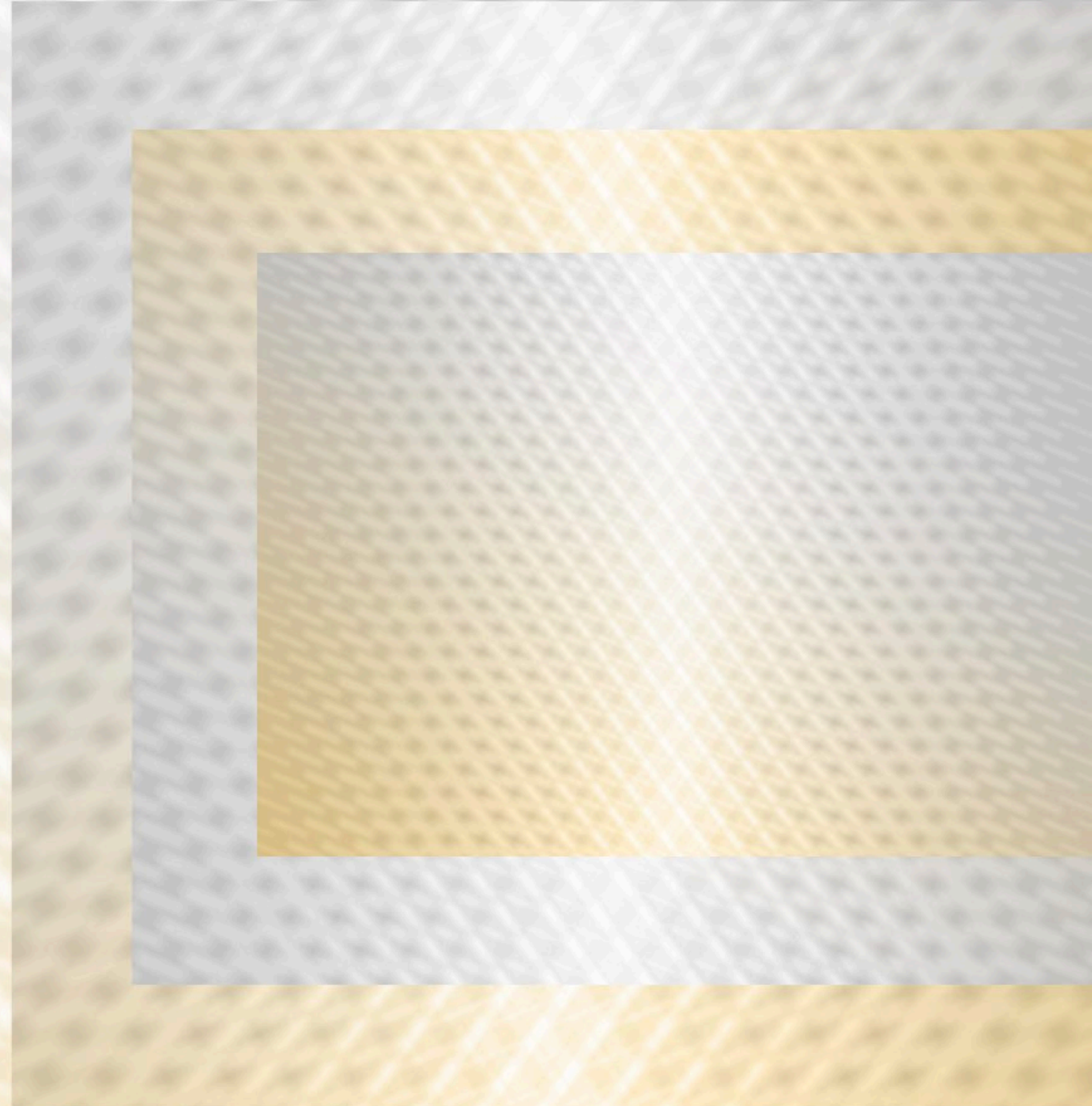
**Dedicated company project partnering with Tech & LCV champions**

O2.2

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## Ampere

The 1<sup>st</sup> EV & software  
pure player born from  
an OEM disruption





# AMPERE

## Playing with new rules

**Fully fledged OEM**  
focused on EV and software



**Innovation-driven tech company :**  
35% engineers (half on software)



**A DEDICATED  
COMPANY  
FOR A NEW  
ENVIRONMENT**

**Owner of its technology backbone**  
High-tech manufacturing,  
EV value chain, SDV



**Agile model** with ~10,000  
employees leveraging  
Renault Group for scale

**1** Relentless focus  
on **growth**

**2** A unique **tech culture**  
to attract and retain  
best talents

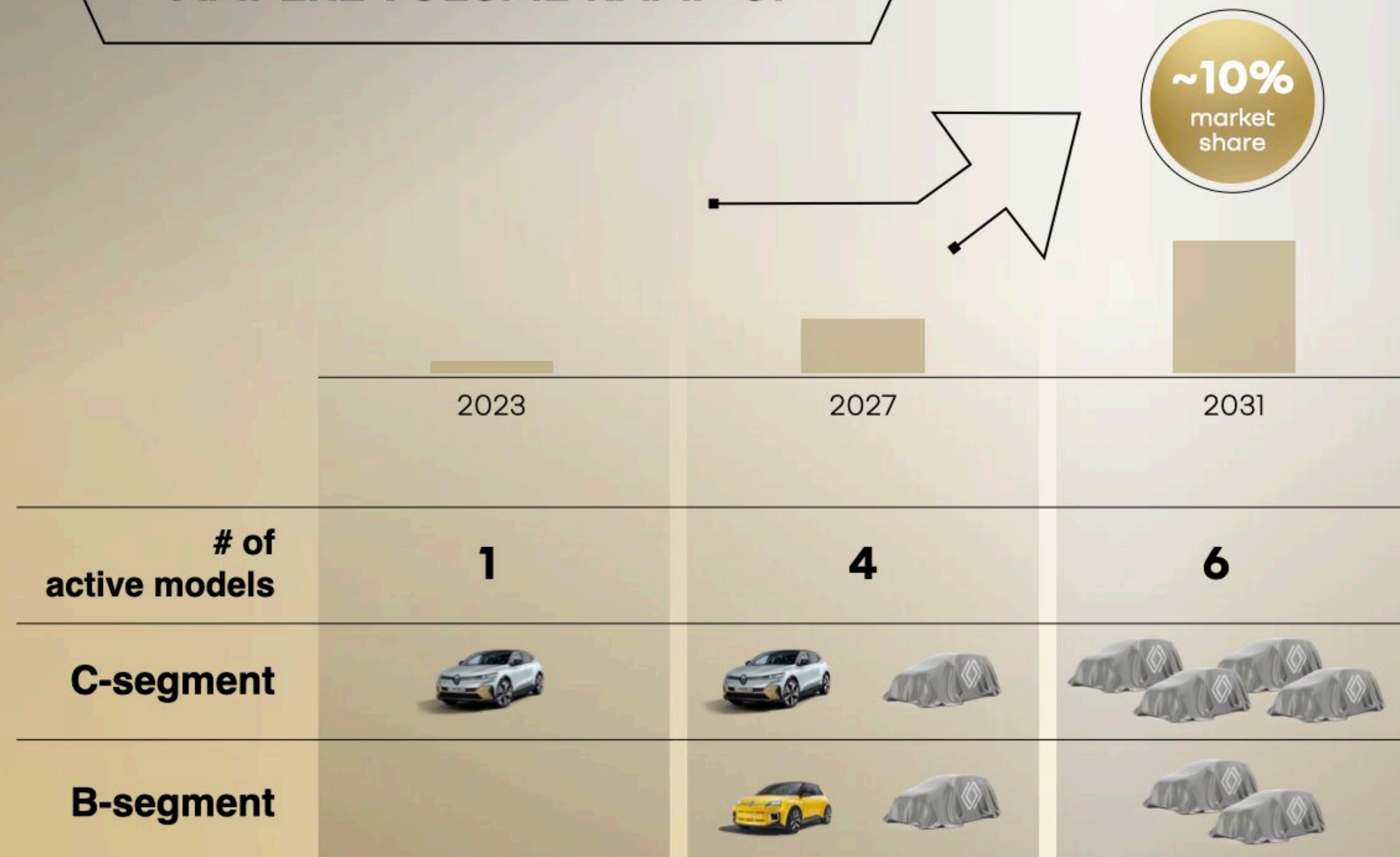
**3** **Horizontal**  
and **ecosystemic**  
by design



# AMPERE

## Riding the growth

### AMPERE VOLUME RAMP-UP



**~10%**  
market share

**>30%**  
2022-2030 CAGR

**1 million**  
vehicles in 2031

**80%**  
EV profit pool coverage<sup>1</sup>

**2/3**  
vehicles in C-segment

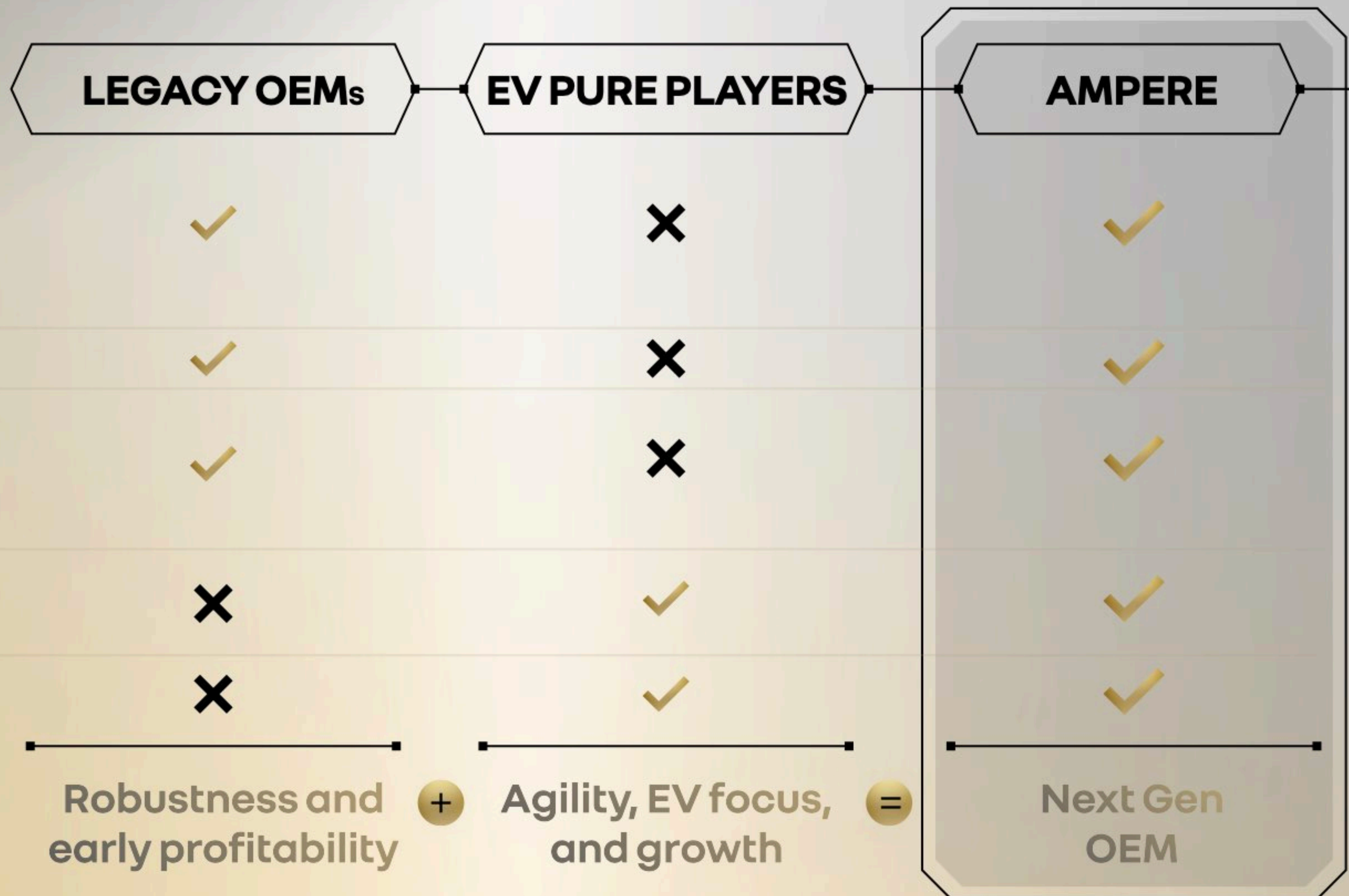
**80%**  
investments made  
on the first 4 vehicles<sup>2</sup>

1. % coverage of EU mainstream EV profit pool  
2. Cash cost, as of 2023 End Of Year



# AMPERE

## The best of both worlds





# AMPERE

## A pitch with substance

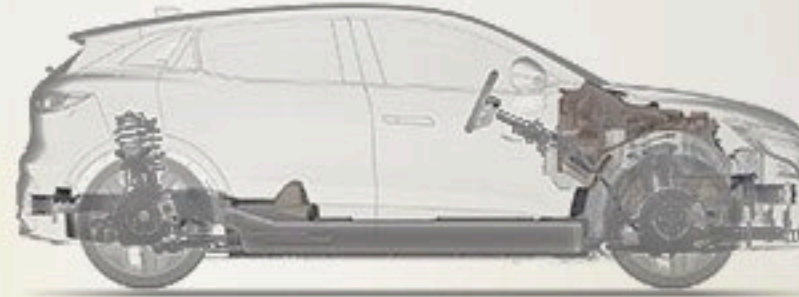
Tech backbone #1

**High-tech  
manufacturing**



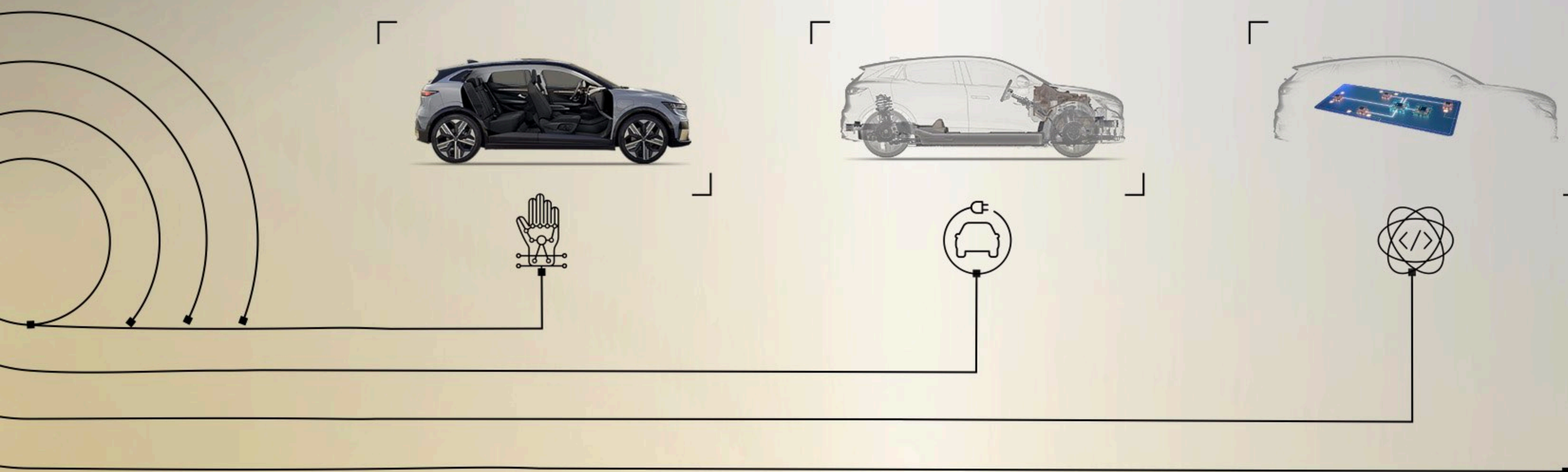
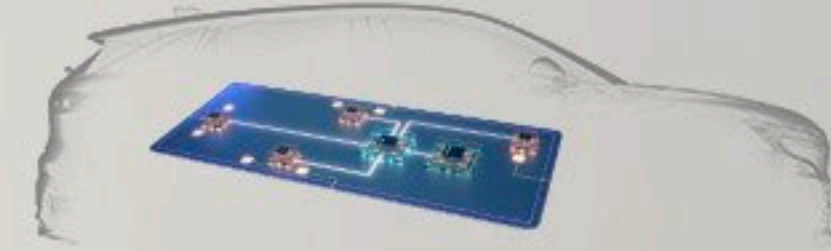
Tech backbone #2

**EV value  
chain**



Tech backbone #3

**Software-Defined  
Vehicle**







# AMPERE

## A top-competitive industrial footprint in France

### ElectriCity

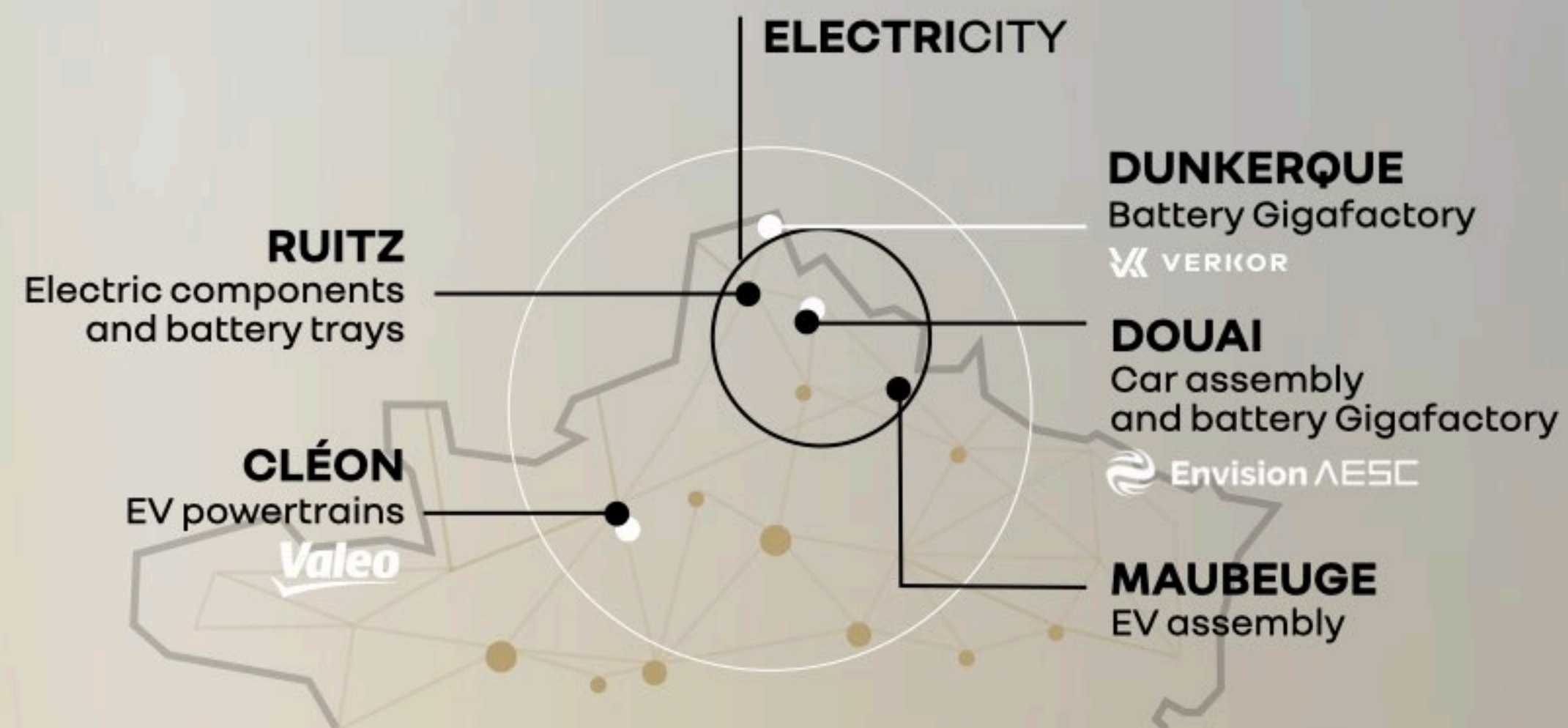
Tech backbone #1



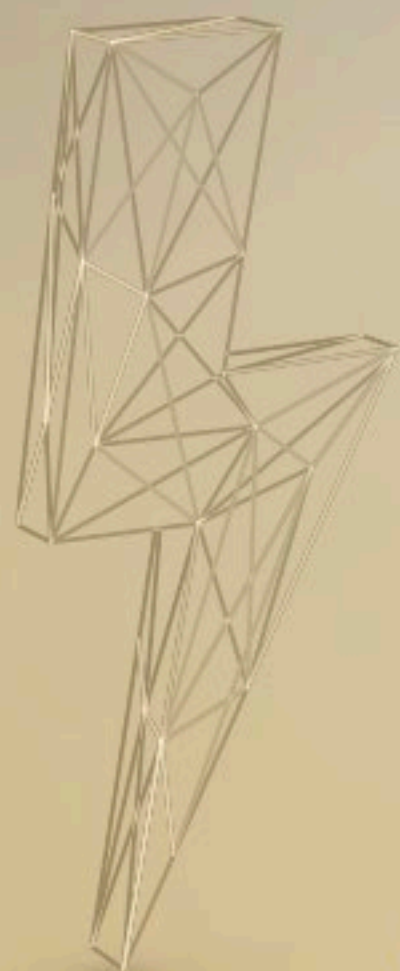
#### Top competitive EV maker

- **Ready Day 1** with capacity of 400ku per year
- **Hours per unit:** <10h in 2025 (less than EV pure players)
- Total **manufacturing + logistic cost as competitive as Eastern Europe**
- **Unique ecosystem**
  - **Suppliers** (incl. batteries): 80% <300km
  - **Customers:** 2/3 European market <1,000km
  - **Scalability:** ~620ku per year in 2028, scalable to 1Mu within Renault Group

#### High-tech manufacturing



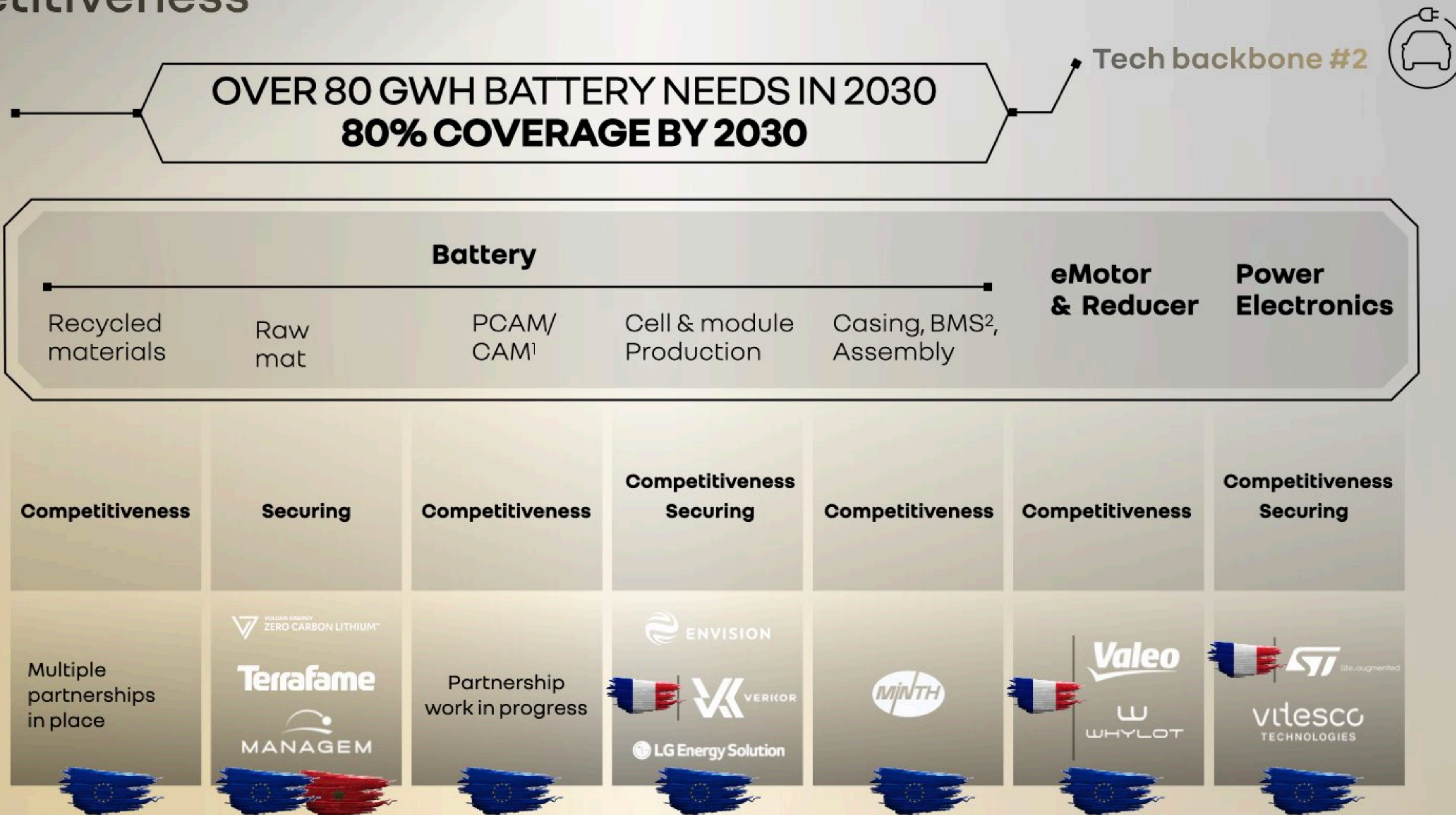
- Ampere factories
- Partnership
- One industrial cluster for all EV production
- ElectriCity





# AMPERE

## Extensive coverage of the EV value chain to secure supply & competitiveness

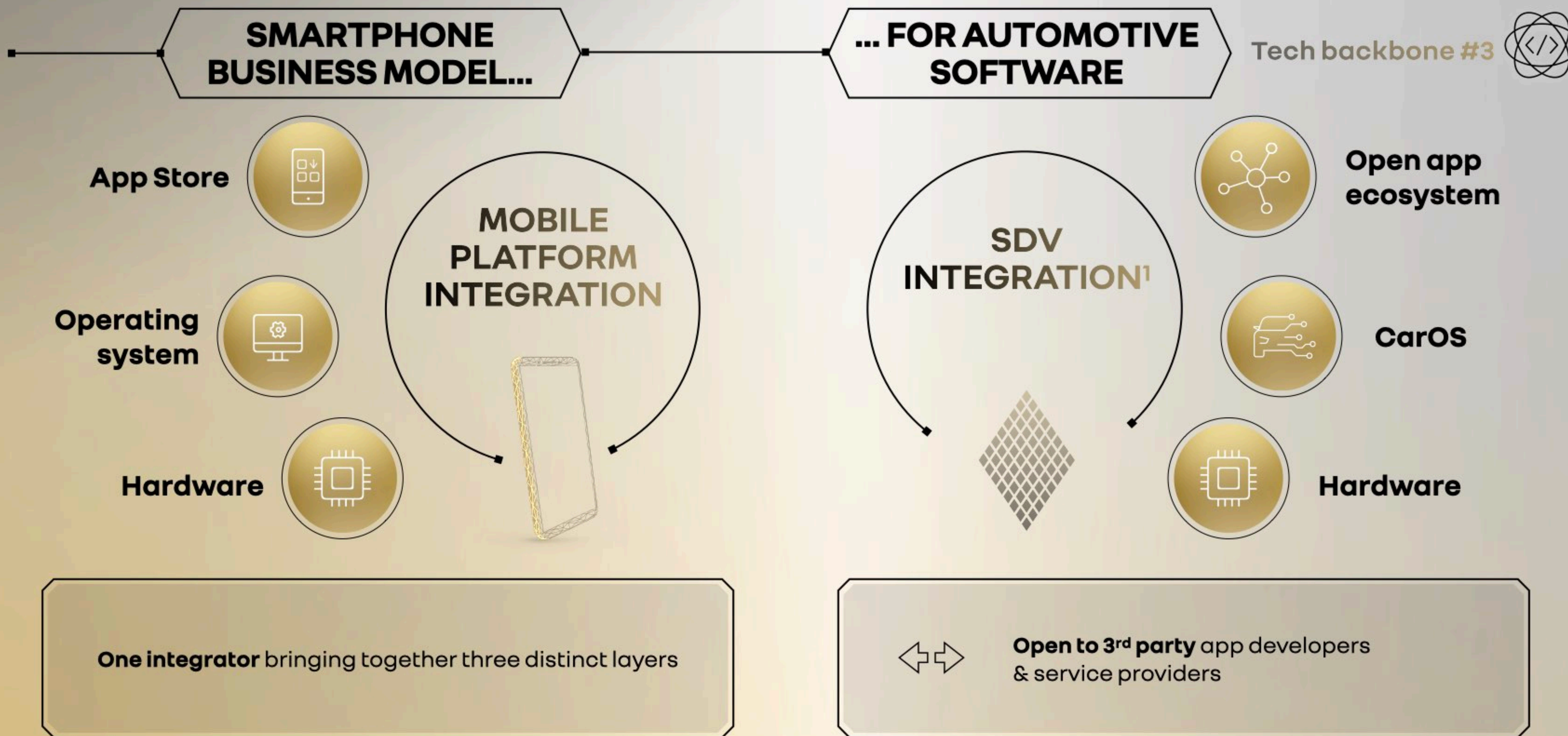


1. Cathode Active Material & Precursor  
 2. Battery Management System



# AMPERE

## From Mobile to Auto-Mobile



1. Including SDV software contribution in middleware and applications

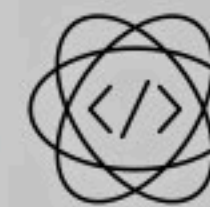


# AMPERE

## Google, Qualcomm, Renault: what else?

**A UNIQUE PARTNERSHIP WITH THREE LEADERS IN THEIR AREAS OF EXPERTISE**

Tech backbone #3



Step of the value chain

Computing platform

Operating System

Auto service-oriented software

End-to-end applications

Cloud platform

Strategic focus

SoC<sup>1</sup> platform

**Next Gen SDV platform**

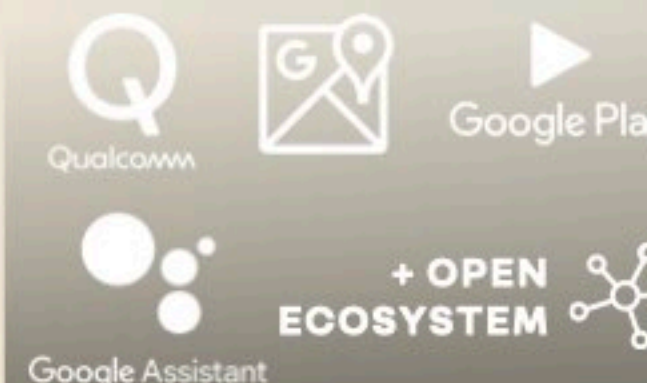
beyond entertainment

Architecting, development, integration & validation

Features, in-car services & applications

Digital twin, SDK<sup>2</sup>, service enablers

Partnerships Contributions



**Shared R&D effort,**  
with 25% cost reduction



**2,000 employees core team in place, with proven expertise**



**2x faster development<sup>3</sup>, reduced execution risk**

1. System on Chip  
2. Software Development Kit  
3. Considering initial R&D and feature development

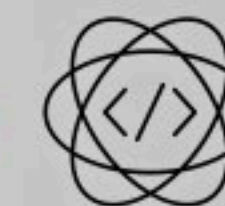


# AMPERE

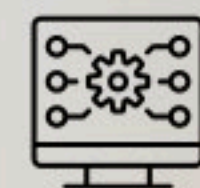
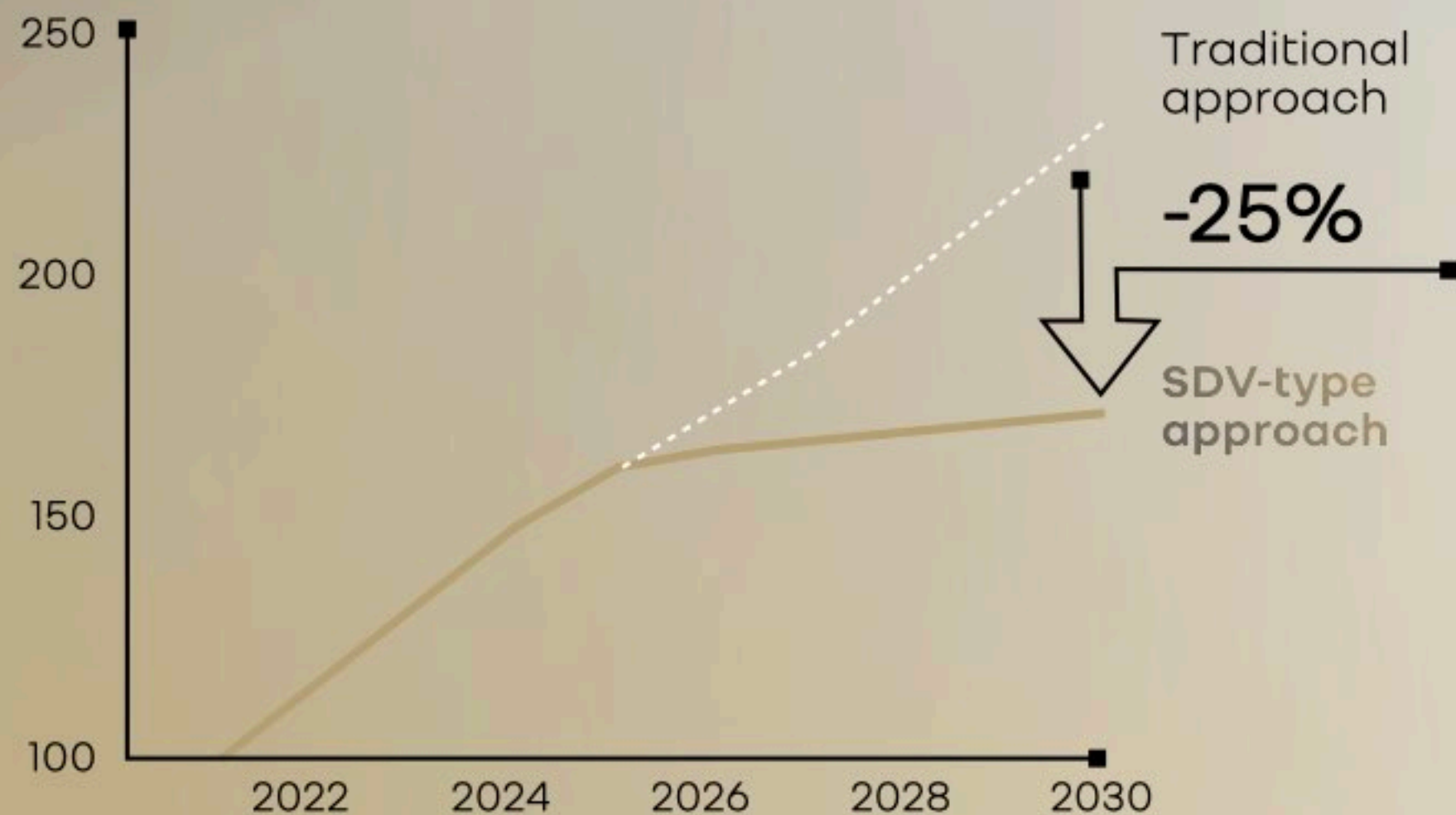
## In Code we trust

### CENTRALIZED ARCHITECTURE TO CONTAIN COSTS WHILE DELIVERING MORE VALUABLE CARS

Tech backbone #3



Software spending forecast<sup>1</sup>  
(100-base in 2021)



**> €1.5bn<sup>1</sup>**

R&D cost avoidance over the next decade



**More valuable cars**

+2pts residual value  
+10pts aftersales retention



**Connected services**

Hundreds of euros revenue per year per car



1. Cost Avoidance to 2030; Economics benefits once SDV deployed

**2.3**

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**Alpine**

Light is right



Heritage, sporty, global, electric: rings a bell?

2022



2020

Iconic since 1962

Alpine A110 sports coupé



Racing heritage and DNA



Top notch engineering



Selected distribution



Distinctive manufacturing



## Competition creates value

### #1 & still growing motorsport media platform

**1.55 billion**  
Cumulative TV audience (2021)

**+13%**  
YoY growth of global audience per race<sup>1</sup>

**23+**  
GPs in all key EU, Asia & US timezones

### New & optimized franchise economic model

**x2** F1 income 2020-21  
Media revenue expected to keep growing

**+30%**  
Sponsoring revenue increase, 2021-2022

**\$140m**  
Investment already made, secure until 2026 (chassis cost cap, engine frozen)

### Distinctive Alpine's capabilities

**23**  
Champion titles, 170+ victories in 40+ years

**1** of the **4** works teams<sup>3</sup>  
That won 75% of 20 latest titles

**>700** engineers  
And own strong tech assets



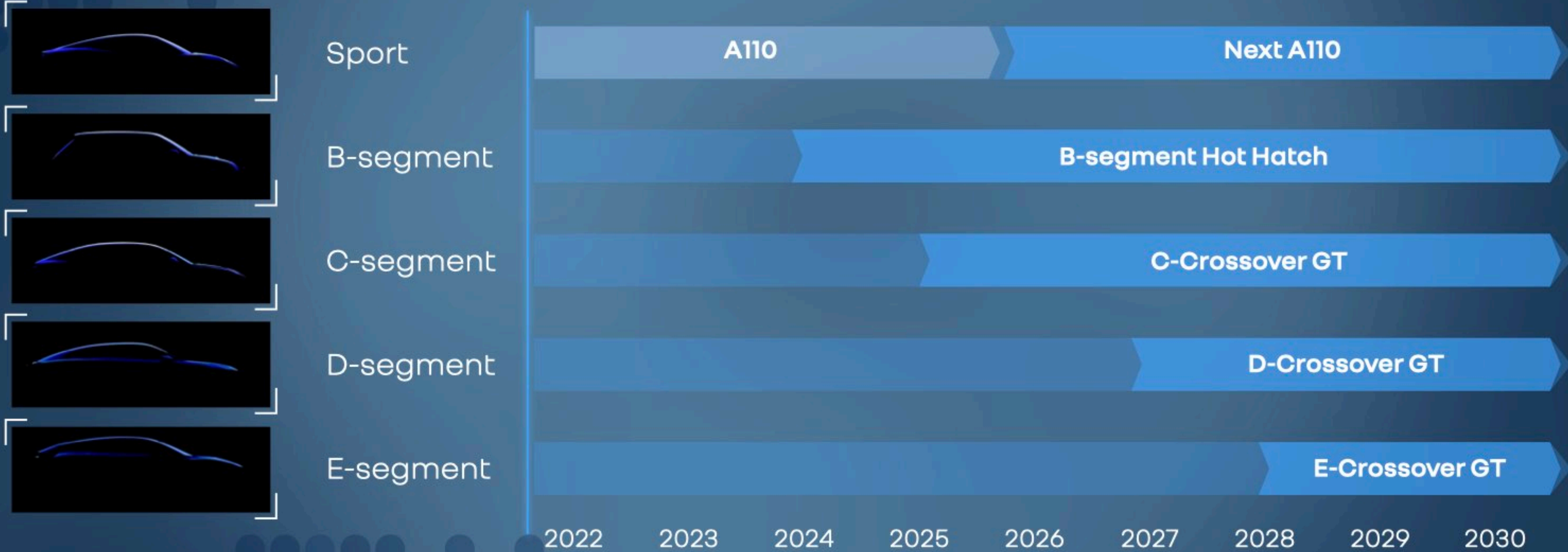
Alpine F1's ambitions  
**Contend for championship title & maximize franchise business opportunity**

1. 2020-2021, in markets where like-for-like broadcasting arrangements remained in place from 2020 (Source : F1 official press release)

2. Last season pre-covid (2019) - 2021 figure = 2,7M 3. Works team = chassis + power unit team (optimizing aero development through better power unit integration)



## Our opportunity to go global



## Superior asset-light model to achieve fast line-up & geographical expansion

Step of the value chain

Battery & electronics

Platform

Sports dynamics

Manufacturing

Strategic focus

High performance chemistry supply

Platform sportiness

Driving experience

Scalability & customization

Alpine capabilities

~2,000 dedicated employees, of which 50% engineers

CMF-EV-S sporty version

Torque vectoring

Dedicated factory

Road / track synergies



Ampere platforms<sup>1</sup> and powertrain

ElectriCity

Partnerships

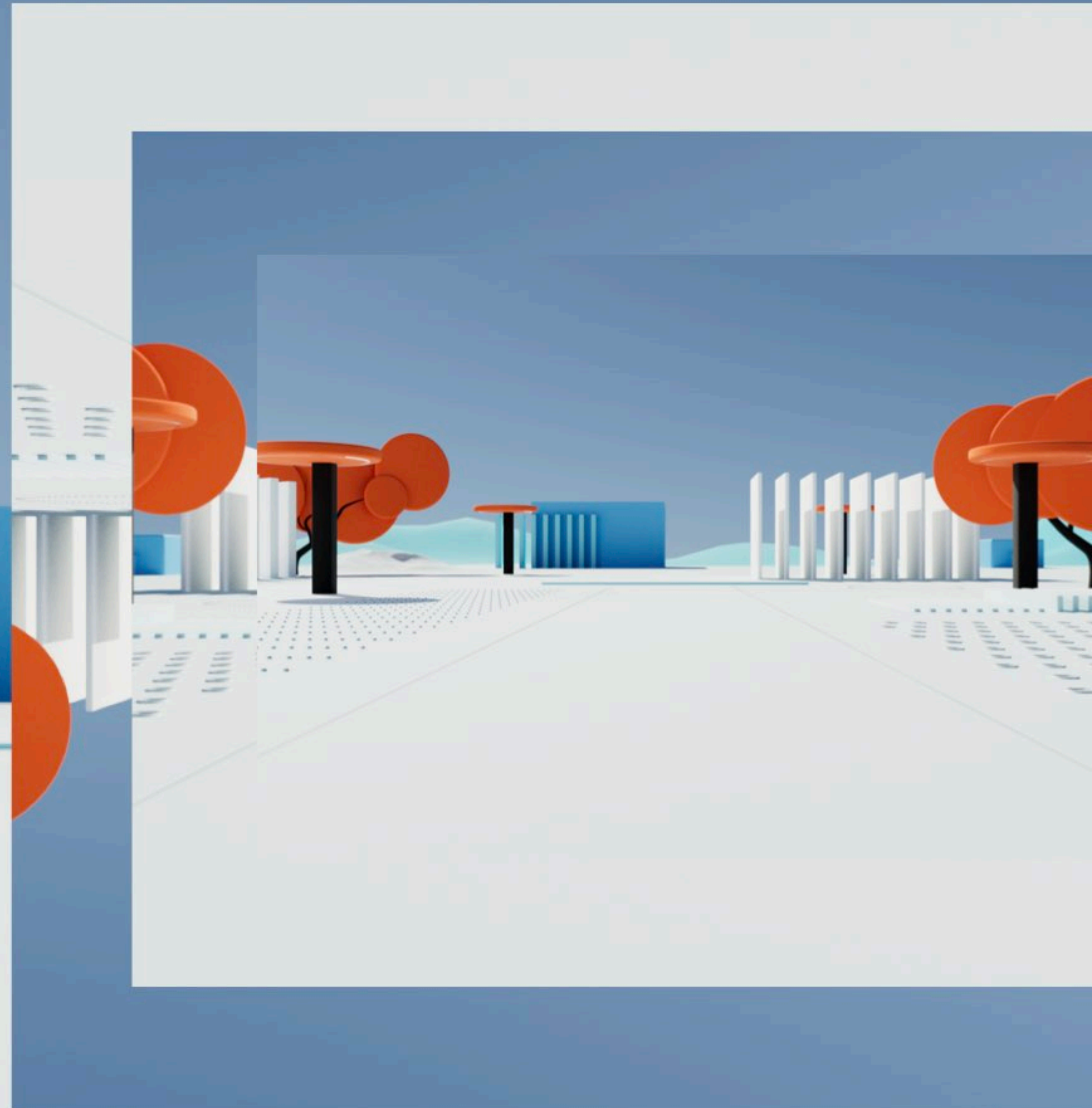
Access to D-segment + platform by partnering with leading EV player

Commercial partners & investor support to accelerate growth & international expansion

02.4

Renault  
Group

**Mobilize**  
beyond automotive



€3bn

~50%

+53

4m

**MOBILIZE**  
FINANCIAL SERVICES

Revenue

Penetration  
rate

Net promoter  
score

Customers

**MOBILIZE**  
BEYOND AUTOMOTIVE



**ENERGY**  
SERVICES



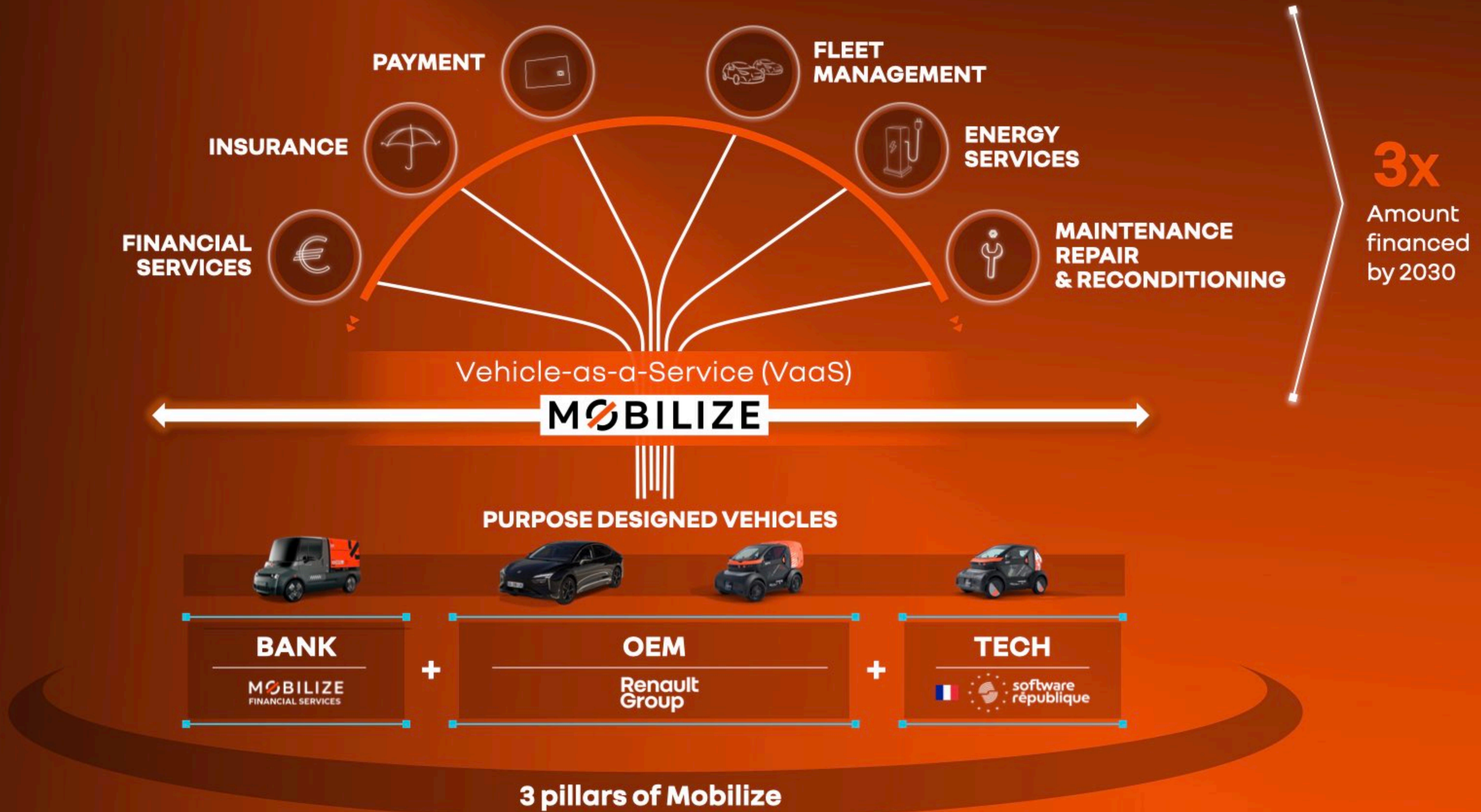
**MOBILITY**  
SERVICES



**SOFTWARE**  
ECOSYSTEM

**Mobilize is fully empowered to grow faster thanks to strong assets**

## VaaS, where V stands for Value



## Nobody covers this value chain like Mobilize

**Step of the value chain**

Bank

Purpose-designed vehicles

Software ecosystem

Distribution

Reconditioning

**Strategic focus**

Financial services

TCU<sup>1</sup> optimization, new services

Technology, engineers, upgradability, new services

Maintenance, charging

2<sup>nd</sup> & 3<sup>rd</sup> life management

**Mobilize coverage**



**Competition**



**Potential partnerships**


Leasing companies, fintech, insurtech

Mobility & logistics operators

Start-ups, Software République

Dealers

 Legacy OEMs

 EV Pure Players

 Banks & leasing companies

1. Total Cost of Usage





 **FINANCIAL SERVICES**

-  • **Mobilize Visa card**  
Already 10k cards in use
-  • **Creation of Mobilize Insurance**
-  • **Car subscription in 7 key markets**

 **ENERGY SERVICES**

-  • **Mobilize Fast Charge**  
200 stations in 2024, leveraging RG dealers
-  • **Charge Pass**  
50% take rate
-  • **Wallbox**  
30% take rate
-  • **Battery Company**  
to manage 2<sup>nd</sup> life batteries, static or mobile (BetterPack)

 **MOBILITY SERVICES**

-  • **Launched**  
in Lyon and Milan
-  • **Launched in Madrid, Paris to come**
-  • Reached **1 billion rides milestone**
-  • **Concept presented**  
at Paris Motorshow

**Our mission: make mobility cleaner, shared, more accessible and more affordable**

02.5

THE FUTURE  
IS NEUTRAL



# The Future Is NEUTRAL

Circular economy  
as a business

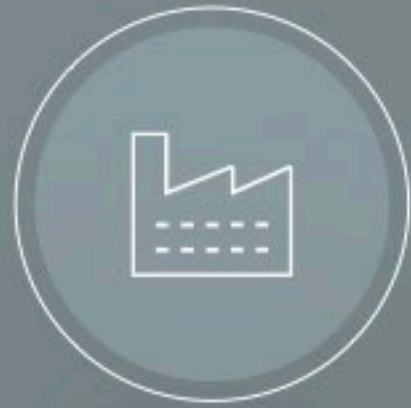


# The Future Is NEUTRAL is for ALL



## Closed-loop recycling solutions at each stage of a vehicle's life

for all car makers, suppliers, professionals & individuals



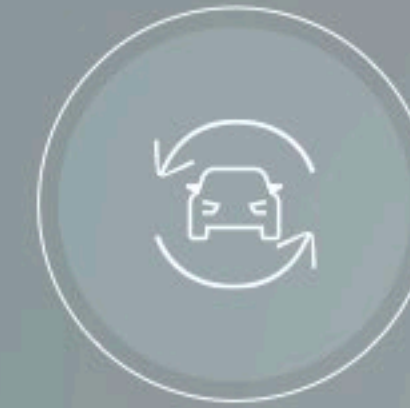
**Production**

Increase vehicle  
recycled content rate



**Usage**

Provide affordable  
& eco-friendly parts



**End-of-life**

Dispose old vehicles  
responsibly

**Certified training & consulting services**

# Circular economy solutions throughout the car's lifecycle

From ~50% value chain coverage today to >90% by 2030

Step of the value chain

Supply

Production

Usage

End-of-life

Closed-loop materials sourcing

Production scrap recycling

Parts remanufacturing

Vehicle life extension

Vehicle recycling

Battery 2<sup>nd</sup> life

Battery recycling

Partnerships

**GAIA**  
CEO RECYCLAGE AUTOMOBILES

**STEEL**

**3** Boone Comenor Metalimpex

**BATTERIES**  
with partners

**ReFactory**

**indra**  
AUTOMOBILE RECYCLING

**MØBILIZE**  
BEYOND AUTOMOTIVE

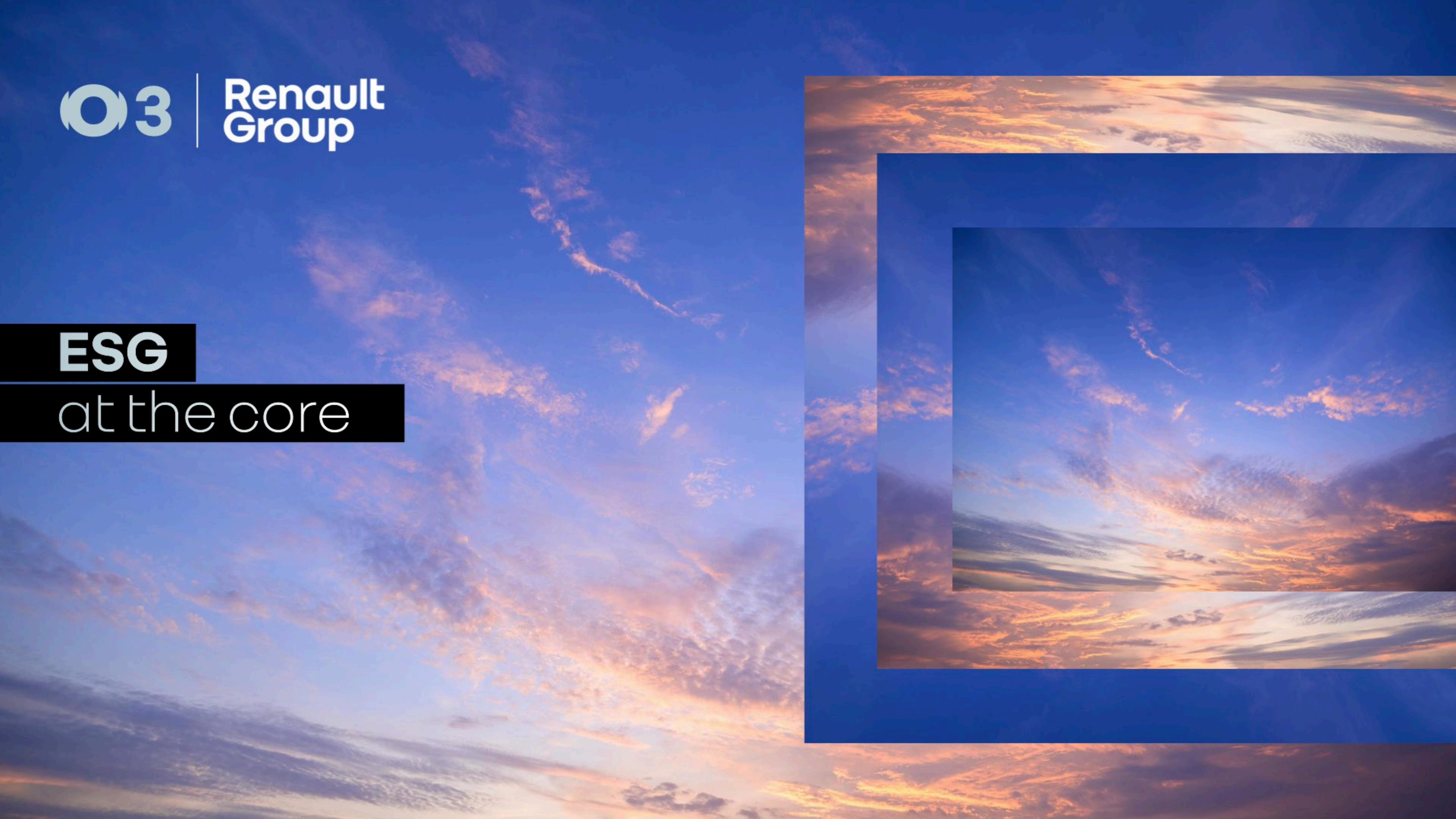
with partners



Renault  
Group

**ESG**

at the core



# Focused businesses with embedded ESG targets

Secure sustainable value chains and prepare for a carbon neutral and inclusive future



## Power

- **Affordable** mobility
- Up to **-70% CO<sub>2</sub>** 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

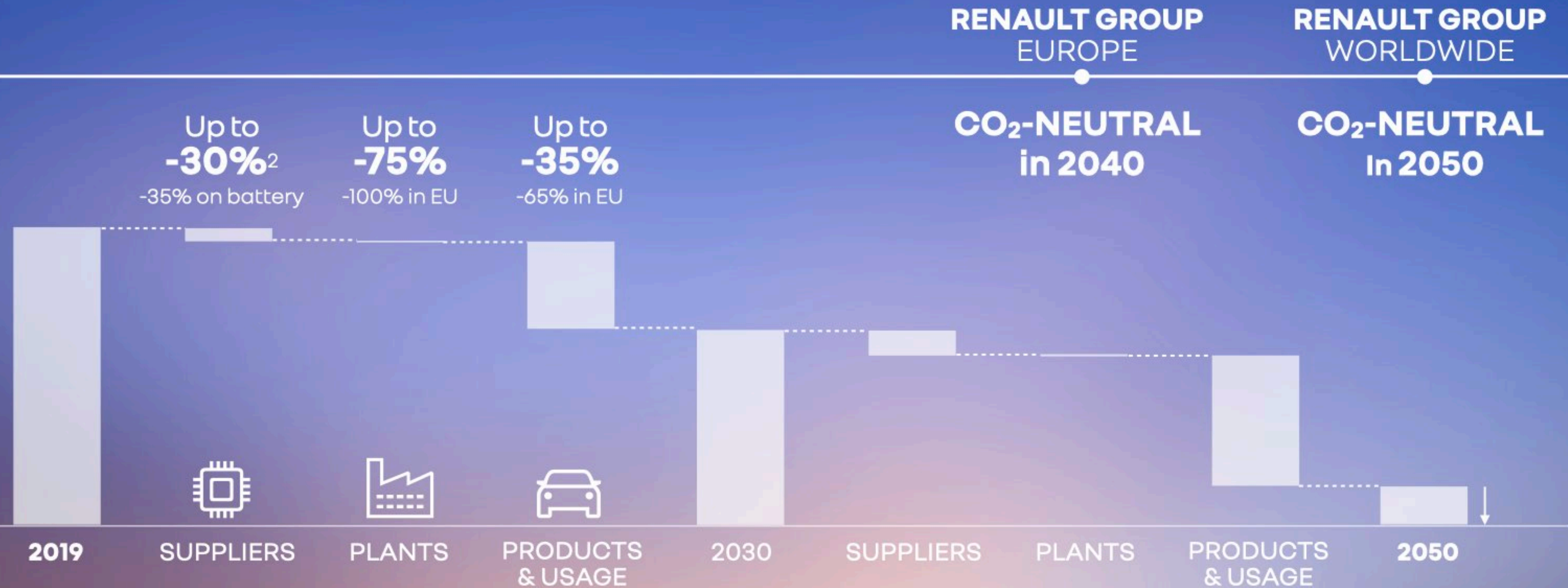
- Car-to-car parts & materials **closed loops**
- **Battery recycling**
- **>90%** coverage of the **circular economy** value chain by 2030

# Leading the organization towards carbon neutrality



**Caring**  
for the climate

**CO<sub>2</sub> emission in tCO<sub>2</sub>/vehicle**  
(cradle-to-grave emissions)<sup>1</sup>



**RENAULT GROUP EUROPE**  
**CO<sub>2</sub>-NEUTRAL in 2040**

**RENAULT GROUP WORLDWIDE**  
**CO<sub>2</sub>-NEUTRAL in 2050**

1. Assumption: 150,000 km lifetime  
2. CO<sub>2</sub>e/kg material

→ Achieved through emission compensation actions (single-digit)

# ...while turning climate actions into a performance lever



**Caring**  
for the climate

## MANUFACTURING



Up to  
**-48% CO<sub>2</sub> emissions**  
worldwide 2025

## SUPPLY CHAIN



Up to  
**-30% CO<sub>2</sub> emissions**  
in upstream transport,  
worldwide 2030

✓ > **-30%**  
MWh/vehicle produced  
2025

✓ > **De-risking gas  
dependency,**  
through renewable  
energy coverage

✓ > **-30% km**  
traveled upstream  
transport

✓ > **-€50**  
logistic cost/vehicle<sup>1</sup>

✓ > **€200m**  
saved on inventories<sup>1</sup>

**Efficiency leading to less impact, more value**

# Already ahead on Circular Economy



**Caring**  
for the resources

**In our investment strategy**



**Vehicle, battery & production waste recycling**

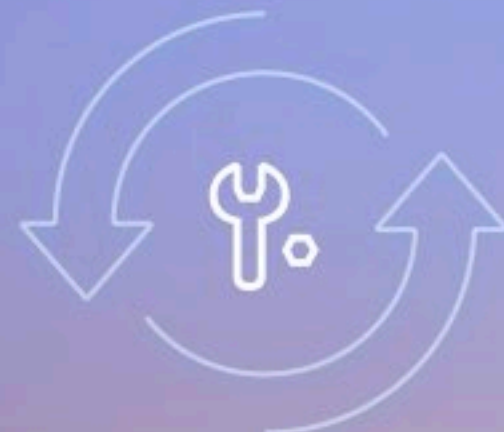


**In our factories**



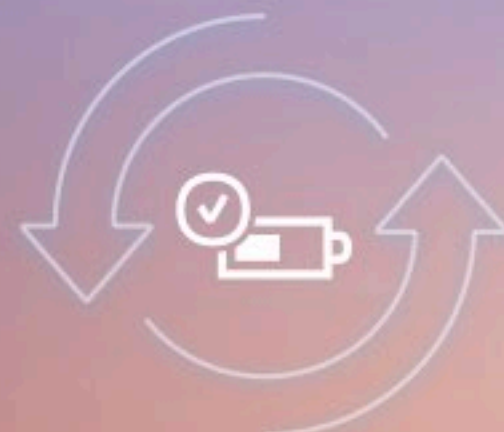
**Refurbishing & remanufacturing**

**In our sales & services network**



**Circular economy parts & retrofit in aftersales**

**In our Mobilize business**



**2<sup>nd</sup> & 3<sup>rd</sup> life services for vehicles & batteries**

# RG



# ReKnow University: to be fair



**Caring**  
for the people



In 2022  
**7,800** 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



# ESG outlook 2025 - 2030



## People & Safety

- **0%** gender pay gap by 2025
- **Training 15,000 employees** in the Group's new businesses through ReKnow University by 2025
- Achieve a target of **50% women in the Top 4,000 / Top 11,000** by 2050 (30% by 2030, 35% by 2035)



## Environment

- Ambition to reduce the **carbon footprint of parts & materials up to 30% per kilogram of material by 2030** (compared to 2019) (scope 3 upstream)
- Decarbonizing plants by **achieving carbon neutrality of sites for ElectriCity in 2025, Europe in 2030 and reducing emissions from sites worldwide up to 75%** in 2030 (scope 1 & 2)
- Ambition to reduce **well-to-wheel emissions up to 65% in Europe & up to 35% worldwide** by 2030 (compared to 2019) (scope 3 downstream)
- Ambition to reduce the **carbon footprint of batteries by an average of 35%** by 2030 (part of scope 3 downstream)



**Renault  
Group**

# Cash talks

# A simpler & more transparent organization

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



The Future Is NEUTRAL: Total Scope, Sum of the Parts – Partially non-consolidated

# No way back, only fast forward

## Value over volume

- ✓ Net pricing **+24pts**
- ✓ Retail channel **70%**



PRODUCT  
OFFENSIVE

## Competitiveness

- ✓ Cash fixed costs **>-€2bn**
- ✓ Breakeven point **>-40%**



VARIABLE COSTS,  
SUPPLIER NETWORK  
& DIGITIZATION

## Capital efficiency

- ✓ R&D Capex **capped at 8-9%**
- ✓ Renault Retail Group divestment **€530m**



ECOSYSTEM  
PARTNERSHIPS,  
EXTERNAL FUNDING,  
ASSET-LIGHT BY DESIGN

**+ 3pts automotive operating margin  
2022-2025**

**ROCE:  
from high single-digit in 2022  
to >30% from 2025**

# Partnerships will fuel the Revolution



is self-financed



## Free cash-flow generation

- 2023-2025: >€2bn / year on average
- 2026-2030: >€3bn / year on average

## Accelerated by partnerships & external fundings



Capture growth opportunities



Access businesses with margin > traditional auto



Accelerate innovation & time to market



Optimize costs & capital requirements



Reduce & share risk

**ROCE above 30% from 2025**

# Managing the energy transition financially



**External fundings**



**Partnerships**



**AMPERE**



**HORSE project**



# AMPERE

## Low cash-burn & external funding

Limited cash burn  
and FCF > 0 in 2025

Potential strategic  
cornerstone investors  
(including Qualcomm)

Alliance scale:  
equity participation  
under study

Envisaged IPO, H2 2023  
at the earliest<sup>1</sup>  
Renault Group keeping  
strong majority



1. Subject to market conditions

# HORSE project

## Financially optimizing the ICE & hybrid powertrain future

### HORSE project

Worldwide supplier  
in ICE & hybrid  
powertrain  
technologies

50% **Renault  
Group**

50% **GEELY**

 SUPPLIES

 PC ICE  
& hybrid



 LCV

SELLS



THIRD PARTIES

### Carve-out impact from H2 2023

- €2.5bn fixed assets reduction
- €1.2bn fixed costs variabilization, per year on average 2023-2030
- €2.4bn reduction in R&D and CAPEX 2023-2030

- Dividend stream
- Potential future capital gain

### Powertrain cost competitiveness:

- €2.5bn productivity 2023-2030
- Positive impact as earliest as 2024



# Expanding our horizons

## Partnerships benefits



## Software-Defined Vehicle

## Flexis



Capture growth opportunities



Access businesses with margin above traditional auto



Accelerate innovation & time-to-market



Optimize costs & capital requirements



Reduce & share risk



# Financial outlook per business: profit & cash are king

	Power	Ampere	Alpine	Mobilize	The Future Is NEUTRAL
	<b>Cash-flow generation</b>	<b>Profitable growth &amp; innovation with low execution risk</b>	<b>Internationally growing high-end anchor</b>	<b>Recurring services revenue with high margins</b>	<b>Sustainable &amp; profitable growth</b>
	<ul style="list-style-type: none"> <li>• <b>+4% CAGR</b> (revenue) 2022-2027</li> <li>• <b>-4% CAGR</b> (revenue) 2027-2030</li> </ul>	<ul style="list-style-type: none"> <li>• <b>&gt;30% CAGR</b> (revenue) 2022-2030</li> <li>• <b>~1 million vehicles</b> in 2031</li> <li>• <b>11% R&amp;D Capex</b> (in % of revenue, on average, 2022-2030)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>40% CAGR</b> (revenue) 2023-2030</li> <li>• <b>€2bn revenue</b> in 2026</li> <li>• <b>&gt; €8bn revenue</b> in 2030</li> </ul>	<ul style="list-style-type: none"> <li>• <b>+8% CAGR</b> (revenue) 2022-2025</li> <li>• <b>+14% CAGR</b> (revenue) 2026-2030</li> </ul>	<ul style="list-style-type: none"> <li>• <b>From €0.8bn</b> revenue in 2022 <b>to &gt;€2.3bn</b> in 2030</li> </ul>
<b>OPERATING MARGIN</b>	<ul style="list-style-type: none"> <li>• <b>~ +3pts</b> auto operating margin 2022-2025</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Breakeven</b> in 2025 and <b>~10%</b> in 2030</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Breakeven</b> in 2026, <b>&gt;10%</b> in 2030</li> </ul>	<ul style="list-style-type: none"> <li>• <b>MBA: breakeven</b> by 2025 and <b>double-digit</b> by 2027</li> <li>• <b>MFS high double-digit operating margin</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>&gt;10%</b> in 2030</li> </ul>

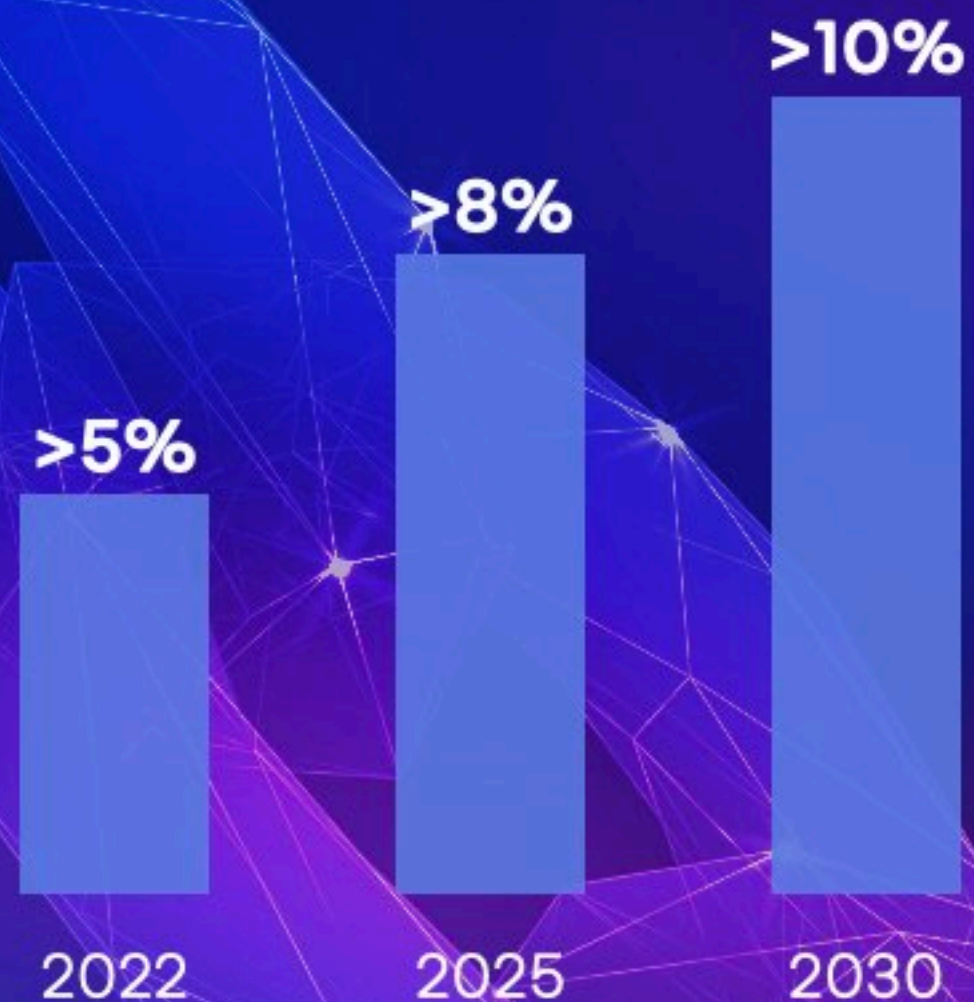
MBA Mobilize Beyond Automotive  
MFS Mobilize Financial Services

The Future Is NEUTRAL outlook: Total Scope, Sum of the Parts – not entirely within Renault Group scope of consolidation

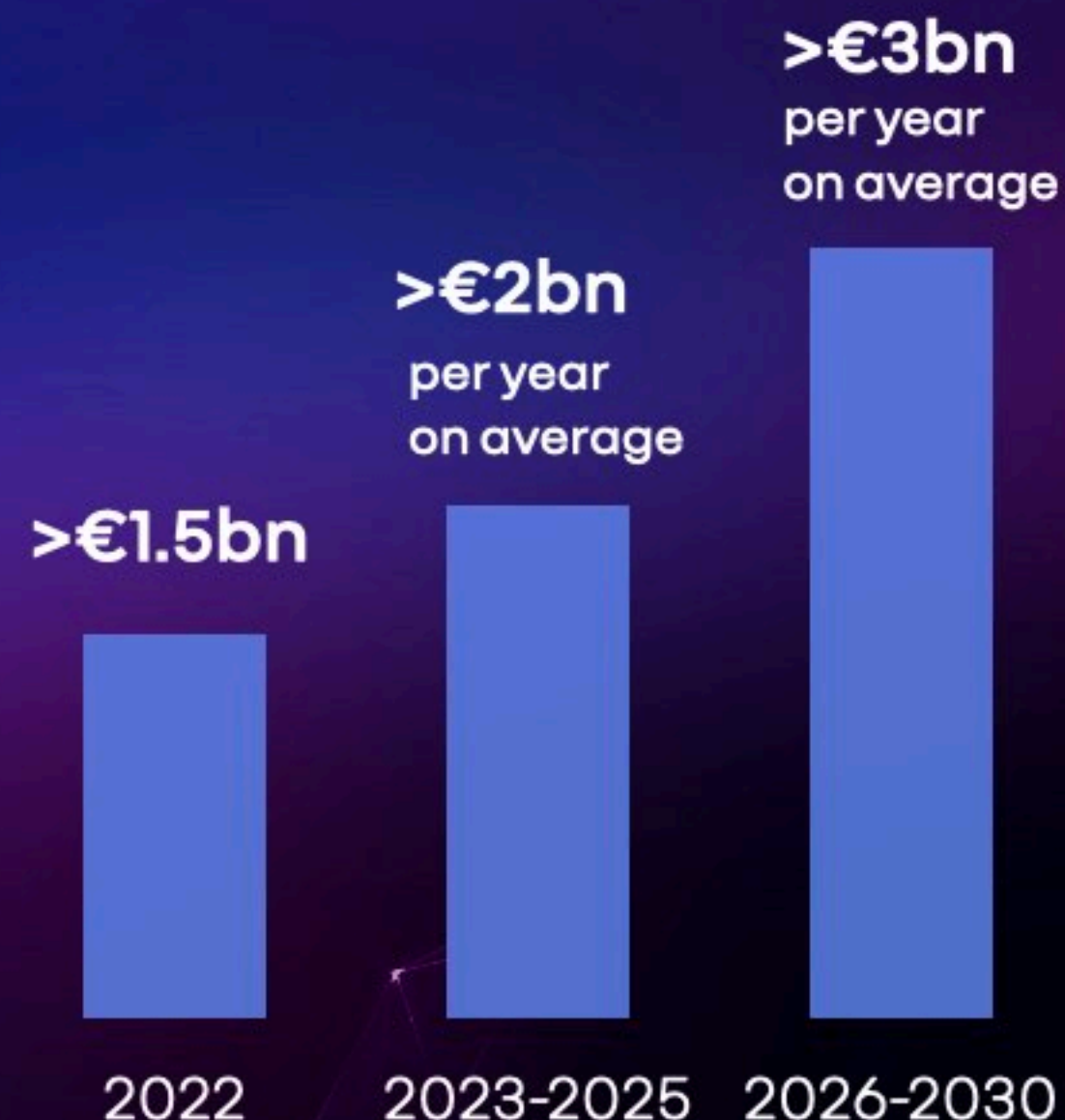


# Financial outlook: new heights!

## Operating margin



## Free cash-flow



- R&D / Capex < 8% of revenue over the period
- Mobilize Financial Services dividend >€500m p.a on average

(subject to regulatory and MFS board approvals)

**ROCE > 30% from 2025**

# Reinstating the dividend

**A gradual and disciplined evolution of the dividend payout ratio moving forward**



# Implementing a balanced capital allocation policy

## Guiding principles

- Priority to return **to investment grade**
- **Dividend policy** (starting in 2023): progressive ramp-up to 35% payout ratio on Group consolidated net income- parent share
- **Financial investment** representing no more than 15%-20% of Free Cash-Flow, subject to high thresholds
- **Stronger employee stock ownership** program with a view to reach 10% employee ownership by 2030

## A disciplined capital allocation structure



# Now, Financial Revolution



## **Return to stakeholders**

Balanced capital allocation, clear dividend policy, broader employee shareholding

## **Accelerated performance**

Smart partnerships, external funding, Alliance scale

## **Continued financial discipline**

Not going back, taking the non-negotiables to the next level

## **Accountability & transparency**

Simpler, more transparent performance management & external reporting

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