SECURITIES REPORT

1. This document is a printed copy, with table of contents and page numbers inserted, of the data of the Securities Report under Article 24, Paragraph 1 of the Financial Instruments and Exchange Act filed on May 27, 2021 through Electronic Disclosure for Investors' Network (EDINET) provided for in Article 27-30-2 of such Act.

2. The documents attached to the Securities Report filed as stated above are not included herein. However, a copy of the audit report is attached at the end hereof.

RENAULT

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(TRANSLATION)

Cover Page

Document Name:	Securities Report
Based on:	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act
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Filing Date:	May 27, 2021
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Corporate Name:	Renault
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Note (1) Unless otherwise specified herein, the "Company", "Renault", "Renault SA" or "Renault S.A." refers to Renault, and the "Group", the "Renault Group" refers to Renault and all of its fully consolidated subsidiaries.

Note (2) Unless otherwise specified herein, the reference to "Euro", "€" and "EUR" are to the lawful currency of European Union and French Republic. The telegraphic transfer for selling Euro against yen quoted by MUFG Bank, Ltd. as of March 25, 2021 was EUR 1 = JPY130.15**.** Any conversions made herein from the Euro amounts into Japanese yen was made at this exchange rate for conversion convenience purposes only and should not be deemed a representation of future exchange rates.

Note (3) Where figures in tables in this document have been rounded, the totals may not necessarily be the aggregate of the sum of the relevant figures.

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PART I CORPORATE INFORMATION

I. SUMMARY OF LAWS AND REGULATIONS IN THE COUNTRY TO WHICH THE COMPANY BELONGS

1. SUMMARY OF CORPORATE SYSTEM, ETC.

(1) CORPORATE SYSTEM IN THE COUNTRY OR STATE TO WHICH RENAULT BELONGS:

Most often used forms of limited liability companies are *Société Anonyme* and Société par actions *simplifiée* forms for larger scale companies and *Société à Responsabilité Limitée* form for smaller scale companies. The legal framework applicable to such companies is the French Commercial Code.

The following is a summary of the major provisions applicable to *Sociétés Anonymes* (hereinafter referred to as an "SA") under the French Commercial Code modified pursuant, amongst others, to a law dated May 15, 2001 titled N.R.E ("*Nouvelles Régulations Economiques*"), a law dated August 1, 2003 titled "*Loi de Sécurité Financière*", an Ordinance n°2004-604 dated June 24, 2004, a law dated July 26, 2005, titled "*Loi pour la confiance et la modernisation de l'économie,* a law dated August, 4, 2008 titled LME ("*Loi de modernisation de l'économie"),* an Ordinance n° 2010-1511 dated December 9, 2010 transposing the European Directive 2007/36 on the rights of the shareholders of the listed companies, a law dated March 22, 2012 titled *"Loi de simplification du droit et d'allègement des démarches administratives" ("Loi Warsman II"),* a law dated March 29, 2014 aiming at recapturing the real economy ("*Loi Florange*"), an Ordinance n°2014-863 dated July 31, 2014 relating to company law, an Ordinance n° 2014-948 dated August 20, 2014 on corporate governance and equity transactions in publicly-owned companies, an Ordinance n°2015-1127 dated September 10, 2015 reducing the number of shareholders in a non-listed SA, a Law n°2015-990 dated August 6, 2015 aiming at simplifying economy ("*Loi Macron*"), an Ordinance n°2016-131 dated February 10, 2016, aiming at reforming contract law, a Law n°2016-1691 dated December 9, 2016 aiming at fighting against corruption ("*Loi Sapin II*"), a Decree n° 2017-663 dated April 27, 2017, a Law n° 2018-771 dated September 5, 2018, providing new rules on gender pay equality, Law n° 2019-486 of May 22, 2019 - action plan for business growth and transformation and Law n° 2019-744 of July 19, 2019 aiming at simplifying, clarifying and updating the Companies Law. Certain temporary measures have been taken in the context of the state of emergency to address the consequences of the Covid-19 epidemic : Law n° 2020-290 of March 23, 2020, Ordinance n° 2020-321 of March 25, 2020, Decree n° 2020-418 of April 10, 2020, Decree n° 2020-925 of 29 July 2020, Ordinance n° 2020-1497 of 2 December 2020, Decree n° 2020-1614 of 18 December 2020 and Decree n° 2021-255 of 9 March 2021. These measures aim, *inter alia*, at simplifying and adapting the rules applicable to meetings of shareholders and corporate bodies of companies.

Upon the incorporation of an SA, the By-laws shall be prepared and signed by the initial shareholders. Such By-laws shall be filed with the Registrar of the authorized Commercial Court depending on the intended location of the SA's headquarters. The status of a legal entity can be obtained only when a registration certificate is issued by the Registrar of the Commercial Court.

The By-laws is a document which provides for the basic rules governing the SA.

Shareholders

A *société anonyme* is a corporation composed of at least two shareholders (seven in an SA with listed securities) created for a commercial purpose. The shareholders of an SA are subject to liability for the debts of the corporation only to the extent of their capital contributions thereto.

The shareholders are vested the ultimate power over the SA. In particular, the shareholders appoint the Supervisors ("membres du conseil de surveillance"), or the Executive Officers ("membres du directoire"), in a two-tier company, or the Directors ("administrateurs"), in a unitary company, as the case may be, and the Independent Auditor (*commissaire aux comptes*) of the corporation, may declare dividends, may approve the financial statements, may decide to dissolve the corporation and may authorize any modification of the registered capital, as well as any other amendments of the By-laws.

Capital Stock

Subject to certain limited exceptions, the registered capital of the SA may not be less than EUR 37,000 (*Article L. 224-2 of the French Code de commerce)*.

Under the French Law, the capital stock of the SA is divided into shares and may comprise, preferred shares, investment certificates (*certificats d'investissement*; hereinafter referred to as the "CI") and voting rights certificates (certificats de droit de vote; hereinafter referred to as the "Voting Right Certificate"), although it is no longer possible to issue new CI and Voting Rights Certificates.

There are no legal restrictions on the par value of a share and the par value of a share is not required to be provided in the By-laws. Shares may be issued by the SA either in nominative or in bearer form, except where the nominative form is mandatory pursuant to French laws or provisions set forth in By-laws. Shares issued by a listed company and which must not be in nominative form pursuant to French laws or provisions set forth in By-laws must be in bearer form. Whether the shares are in nominative form or bearer form, the ownership of such shares is represented by an entry in the shareholders' account and shareholders' registry opened with the company (in case of a nominative share) or with a financial institution (in case of a bearer share), instead of a share certificate.

CI are transferable securities deriving from the fractioning of existing shares or a share capital increase against cash, and representing the economic interests granted to the shares (i.e. right to dividend, surplus and residual property after liquidation) and granting a right to the CI holder to request for the same information held by a shareholder. The voting right of CI is represented by the Voting Right Certificate. Therefore, at the time CI were issued, the same number of the Voting Right Certificates was issued. The issued CI could not exceed 25% of the issued capital. In the event the CI and the Voting Right Certificate is transferred to the same person, such CI and Voting Right Certificate will be consolidated into one ordinary share. The Voting Right Certificate (if there is issued CI) may only be in nominative form. It is reminded that CI can no longer be issued by the company ("*titres en voie d'extinction*").

In order to render effective a transfer of shares, the shareholders are required in practice to give instructions to the company or, as the case may be, to the financial institution to implement the transfer of the shares from the initial shareholder to the benefit of the new shareholder. The shares may be freely transferred to a third party if no provision requiring approval (generally, approval of the Board of Directors or of the Supervisory Board, as the case may be) is provided in the By-laws. Such restricting provisions are not allowed in the By-laws of listed companies.

Form of Capital Investment

The shares are issued upon payment in cash or contribution in kind. The amount paid must be deposited with the bank, notary public or the *Caisse des Dépôts et Consignations*. Upon incorporation of the company and in certain circumstances, articles L. 225-11 and R. 225-12 of the French Commercial Code (as amended by Loi Sapin II) provide that such deposited funds may be withdrawn.

Should the shares be issued against cash (exclusively), upon incorporation of the company at least 50% of their nominal value must be paid at the point of issuance, the remaining portion of the nominal value having to be paid within the 5 years following incorporation. After incorporation of the company, at least 25% of the nominal amount of the shares issued against cash (exclusively) must be paid at the point of issuance, the remaining portion of the nominal value having to be paid within the 5 years following the share capital increase. By exception, in case the shares are issued with a premium, such premium must be paid in whole at the point of issuance.

When shares are issued in consideration of contribution in cash, the existing shareholders have a preferential right to subscribe for the shares to be issued. The shareholders can waive such preferential right during a shareholders meeting or individually.

In case the shares are issued in consideration of contribution in kind (tangible or intangible assets), a report on the amount of such contribution by an independent appraiser (*commissaire aux apports*) appointed by the Commercial Court will be required, except in certain circumstances. Such report, if any, shall be filed with the Registrar of the authorized Commercial Court.

Increase or Decrease of Capital

The capital of an SA may be increased either by an issuance of new shares or an increase in par value of outstanding shares or the exercice of rights attached to securities giving access to the company's share capital. The authorization to increase the capital is within the sole competence of the shareholders assembled at an Extraordinary General Meeting which can delegate this power or its competence to the Board of Directors or the Management Board, as the case may be. Issuance of shares can be generally made in consideration of (a) contributions made in cash, (b) contributions made in kind or (c) by capitalization of reserves, benefits, or issuance premiums.

An SA may reduce its capital by the reduction of the par value of its shares or by the reduction in number of its outstanding shares upon approval of the Extraordinary General Meeting of shareholders, who can delegate this power or its competence to the Board of Directors or the Management Board, as the case may be. Strict equality among the rights of the shareholders must be respected. Similarly, the corporation may not, by reducing its capital, place its creditors in a less advantageous situation.

Increase or decrease in capital requires certain filings with the Registrar of the Commercial Court.

Issuance of Bonds or Hybrid Securities

The Board of Directors may decide to issue, by its own(*), ordinary bonds (other than those giving access to the share capital of the company), except if this right is reserved to the General Meeting of the Shareholders in the By-laws or if the General Meeting has specifically used this right.

The Board of Directors, upon delegation of the shareholders at the Extraordinary General Meeting of the shareholders, may issue securities that grant, within a certain period or on a particular date, the holder of such securities the right to subscribe to shares representing a portion of the share capital of the company by way of conversion, exchange, redemption, presentation of warrants or any other method.

(*) The ordinance n°2017-970 dated 10 March 2017 has expanded the circle of persons who can be granted a delegation of power by the board of directors to issue bonds.

Management

The management of an SA is entrusted (a) either to a Board of Directors and its Chairman ("Président") and Chief Executive Officer ("Directeur Général") or (b) to a Management Board (*directoire*) acting under the supervision of a Supervisory Board (*conseil de surveillance*).

The management of Renault is entrusted to a Board of Directors and its Chairman and Chief Executive Officer – see Section I-1- (2) "Management" below.

At an Extraordinary Shareholders Meeting, the shareholders may decide, upon proposal of the management, to change the form of management.

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(a) Board of Directors and the Chairman and Chief Executive Officer

Power of representation of the company is entrusted (i) either to its Chairman and Chief Executive Officer being the same person or (ii) to its Chief Executive Officer (and having therefore a separate "non executive" Chairman). The law makes a distinction between the function of Chairman and Chief Executive Officer, even though both functions can be vested in a single person:

(i) either a management entrusted to its Chairman and Chief Executive Officer (CEO).

The management is vested in a single person who acts both as Chairman and Chief Executive Officer ("Président-Directeur Général"). Subject to the powers expressly assigned by law to Shareholders' Meetings and subject to the powers specially assigned by law to the Board of Directors, the Chairman and Chief Executive Officer has the broadest powers to act for the company in all circumstances. He provides the general management of the company, which he represents in its dealings with third parties.

(ii) or a management entrusted to its Chief Executive Officer (CEO).

Subject to the powers expressly assigned by law to Shareholders' Meetings and subject to the powers specially assigned by law to the Board of Directors, he has the broadest powers to act for the company in all circumstances. He provides the general management of the company, which he represents in its dealings with third parties. The Board of Directors may elect or dismiss such CEO.

In such case, the Chairman directs the work of the Board of Directors and executes its decisions whereas the CEO represents the company.

In both cases, on the CEO's motion, the Board of Directors may elect or dismiss one or more general managers ("*Directeurs Généraux Délégués*") limited to 5. The general manager(s) has the power to represent the company in accordance with article L. 225-56 of the French Commercial Code.

The Board of Directors consists of 3 or more and 18 or less Directors ("*membres du Conseil d'Administration*"). In the event of the death, resignation or dismissal of the Chairman of the Board of Directors and if the Board has not been able to replace him/her by one of its members, he may appoint, subject to the provisions of article L. 225-24 of the French Commercial Code, an additional director to perform the Chairman's functions. The Directors representing the employees and the Directors representing the employee shareholders, if any, are not taken into account when calculating the maximum number of Directors. In the event of a merger or consolidation of companies, the number of Directors may be increased up to 24 for 3 years. A Director may be a French national or a foreigner, an individual or a legal entity, in which case it must designate an individual as its permanent representative. The number of Boards of Directors that an individual can be a member of is, in principle, limited to five. Unless another age limit is set in the By-laws, the number of members of the Board of Directors exceeding the age of 70 cannot exceed one-third of the Board.

The By-laws may require that a director own a certain number of shares. Directors are appointed at the General Meeting of the shareholders with a maximum term of office of 6 years. A Director may be dismissed from its office by the shareholders without prior notice, reason or compensation, nevertheless, the dismissal procedure must not be abusive.

French law makes a clear distinction between the management power of the company conferred upon either the Chairman and CEO or CEO and the power of control of the company which is conferred upon the Board of Directors.

Powers are only restricted by the purposes of the company and powers granted to the General Meeting of the shareholders under law. Restrictions imposed on the powers of the CEO are binding internally within the company, but cannot be asserted against third parties. Resolutions at the Board of Directors are made by a majority vote of the Directors in attendance or represented by proxy. In the event of a tie vote, unless otherwise provided in the By-laws, the Chairman has the deciding vote. The quorum is half of the total number of Directors.

(b) Management Board and Supervisory Board

Under the French Commercial Code, an SA may be managed by a Management Board (*directoire*) which is under the supervision of the Supervisory Board (*conseil de surveillance*).

The Supervisory Board consists of 3 or more and 18 or less Supervisors (in the case of merger or consolidation of a company, 24 or less for 3 years). A Supervisor, unless otherwise provided in the By-laws, may be a French national, a foreigner (except otherwise provided in By-laws in respect of non EU residents), an individual or legal entity. The Supervisor is appointed by the shareholders for maximum a term of office of 6 years, and may be dismissed from its office without cause therefore at the Ordinary General Meeting of the shareholders. Nevertheless, the dismissal procedure must not be abusive. If a corporate body is a member of the Supervisory Board, such corporate body must designate an individual as its permanent representative. The number of Supervisory Boards that an individual can be a member of is limited to five, except otherwise provided in the By-laws. The number of members of the Supervisory Board exceeding the age of 70 cannot exceed one-third of the Board, or any other age limit set forth in the By-laws. Most of the provisions relating to the Supervisory Board are the same as those applicable to the Board of Directors; however, the Board of Directors has a management function whereas the Supervisory Board only supervises the Management Board, and has no power of management.

The Management Board consists of 1 or more and 5 or less members (in the case of a listed company, 7 or less members). Its members (Executive Officers) are required to be individuals and are appointed by the Supervisory Board. The Executive Officer does not need to be a shareholder. By exception, where an SA has a share capital of less than EUR 150,000, the Management Board may only be composed of one Executive Officer called the Sole Executive Officer ("*directeur général unique*"). The term of office of the member of the Management Board is 4 years if there are no relevant provisions in the By-laws and between 2 years and 6 years if there is such provision. The Management Board has extensive powers which are restricted by the purposes of the company and the powers granted to the Supervisory Board and to the General Meeting of Shareholders. Restrictions imposed on the powers of the Management Board are binding internally within the company, but cannot be asserted against third parties. Rules regarding management decisions to be made by the Management Board are set forth in the By-laws. The Management Board is a managing body adopting a council system. Any action made individually is considered made collegially by the Management Board. The members of the Management Board can, with the approval of the Supervisory Board and provided there is no contrary provision in the By-laws, distribute among themselves the tasks to be undertaken. Generally, one member of the Management Board is appointed as the representative of the company by the Supervisory Board. The person thus appointed shall be given the title of Chairman of the Management Board ("*Président du Directoire*"). The Chairman of the Management Board can be assisted by one or several Executive Officers called "*Directeurs Généraux*".

The Management Board submits a report to the Supervisory Board on a quarterly basis (at least). Within three months after the end of the financial year, the Management Board must establish and rule on the annual corporate accounts and consolidated accounts, if any, and submit them to the control of the Supervisory Board, together with its management report, which will be presented at

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the annual shareholders meeting approving the accounts. The member of the Management Board cannot at the same time be a member of the Supervisory Board of the same corporation. In order to dismiss a member of the Management Board, it must be approved by the Ordinary General Meeting of the shareholders or the Supervisory Board if provided in the By-laws. If a member of the Management Board is dismissed for no reason, it may claim compensation for damages.

Shareholders' Rights

(a) General Meetings of Shareholders

A General Meeting of the Shareholders ("*assemblée générale des actionnaires"*) must be held at least once a year, to ratify regulated agreements entered into in accordance with article L. 225-38 of the French Commercial Code, to receive the written report of the Board of Directors (or Management Board) and the Statutory Auditor on the operations of the corporation for the past fiscal year and to rule on the financial statements therefore. Other meetings of the shareholders may be convened from time to time: a meeting of the shareholders is called an Extraordinary General Meeting of the Shareholders ("*assemblée générale extraordinaire des actionnaires"*) when, due to certain fundamental changes in the structure of the SA, amendment(s) of the By-laws must be approved by the shareholders or modifications of the authorized capital must be authorized. Any other meeting is called an Ordinary General Meeting of the Shareholders ("*assemblée générale ordinaire des actionnaires"*).

Decisions at Ordinary General Meetings of the Shareholders are adopted by a simple majority of the voting shares present, or represented thereat; at Extraordinary General Meetings of the Shareholders, decisions are adopted by a two-thirds majority of the voting shares present, or represented thereat.

In the event the By-laws provide for various classes of shares, the rights granted to the various classes of shares cannot be changed without approval of the Extraordinary General Meeting of the shareholders duly notified to all shareholders. Such resolution must be approved beforehand by a special meeting of shareholders of the relevant class of shares.

(b) Voting Right

As a general rule, each share is entitled to one vote. Certain shares do not have the right to vote, while others may be granted double voting rights. Shareholder's agreements, voting trusts, voting pools, irrevocable proxies or any other mechanism tending to restrict a shareholder's ability to freely vote his shares are generally prohibited but subject to certain exceptions. Nonetheless, shareholders may grant a proxy, valid, in principle, for only one shareholders' meeting, empowering either another shareholder, his spouse; or his partner in a civil partnership ("*son partenaire pacsé*"), or in the case of a listed company any natural or legal person, to vote in his name and account. Shareholders may hold more than one proxy. Finally, where a shareholder grants a proxy without specifying who is to vote his shares and how they are to be voted, the chairman of the meeting of the shareholders is entitled to vote on behalf of the concerned shareholders provided that he votes in favor of the resolutions proposed or supported by the Board of Directors or the Management Board and against all other resolutions.

For companies whose shares are admitted on a regulated market, if the shares owned by a shareholder or jointly by shareholders become over or under the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50%, 2/3, 90% or 95% of the share capital or number of voting rights (in the event there is a difference between the number of shares and the number of voting rights), such shareholders must give a notice thereof to the company and the *Autorité des Marchés Financiers*.

Article L. 225-123 paragraph 3 of the French Commercial Code provides that, regarding the companies whose shares are admitted on a regulated market, a double voting right is attributed to

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all fully paid-up shares and for which proof of registration for two years in the name of the same shareholder is provided unless this is expressly disapplied in the By-laws. This registration must be unbroken and is to be considered as from April 2, 2014 for these companies which had not attributed any double voting rights before April 2, 2014. As a consequence, in these companies, eligible holders of registered shares benefit from double voting rights as from April 3, 2016.

(c) Dividends

Dividends must be approved by the shareholders. Dividends may only be declared out of distributable profits of the parent company (*bénéfice distribuable*) which are equal to the net after tax profit *minus* any loss carry-forwards (*reports à nouveau déficitaires*) or allocations to reserves (including as the case may be statutory reserves under French law) *plus* any profit carry-forwards (*reports à nouveau bénéficiaires*) and special reserves created by the By-laws or shareholder resolutions from which dividends may be declared.

Dividends may be declared, among other conditions, only after the shareholders have approved the financial statements of the corporation for the past fiscal year and have determined the amount of distributable profits. The only exception to this mandatory chronological sequence of events is the declaration by the corporation of interim dividends (*acomptes sur dividendes*) which may be declared from time to time under certain circumstances during the fiscal year by the Board of Directors or Management Board. All persons who are shareholders as of the date of the declaration of the dividend normally have the right to receive dividends.

(d) Liquidation

An SA may be dissolved for any of a number of reasons, including the will of the shareholders, the end of its stated period of duration, the accomplishment of its corporate purpose, and the satisfaction of a condition precedent contained in the By-laws requiring dissolution.
Except where the company is wholly-owned by a sole shareholder, as soon as the decision to dissolve the SA has been taken, the corporation is in liquidation.

The liquidation is carried out by one or more liquidators appointed either by shareholders or the Commercial Court as applicable. The liquidator must carry out the formalities of publication, marshal the assets of the corporation and pay all of its outstanding debts.

Once all corporate debts and all shareholders benefiting from social distribution rights have been paid, the liquidator has the authority to distribute corporate assets to the shareholders.

Upon the termination of the liquidation, the liquidator must call a meeting of the shareholders to approve the liquidation and to declare the corporation definitively liquidated. After such meeting, the corporation ceases to exist as a legal entity.

(2) CORPORATE SYSTEM AND ORGANIZATION PROVIDED FOR IN BY-LAWS, ETC. OF RENAULT:

General Matters

Organized as a société anonyme (limited company) under French law, Renault is governed by the provisions of Book II of the Commercial Code, on commercial undertakings, and the provisions of the Employee Profit Sharing Act No. 94-640 of July 25, 1994. Renault was incorporated on June 28, 1955 and will cease to exist on December 31, 2088 except in the case of early termination or renewal. The head office is located at 13-15, Quai Le Gallo, Boulogne-Billancourt 92100 - France. Renault is registered with the Registrar of Companies in Nanterre under the number 441 639 465 (APE code 6420 Z; Siret code: 441.639.465.00018). Legal documents such as the By-laws, minutes of Annual General Meetings, auditors' reports and all other documents made

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available to shareholders in accordance with law may be consulted at the company's head office. Renault's corporate purpose is the design, manufacture, trade, repair, maintenance and leasing of motor vehicles (commercial, light commercial and passenger vehicles, tractors, farm machinery and construction equipment) as well as the design and manufacture of spare parts and accessories used in connection with the manufacture and operation of vehicles. It also encompasses all types of services relative to such operations and, more generally, all industrial, commercial, financial, investment and real estate transactions relating directly or indirectly, in whole or in part to any of the above purposes (see Article 3 of the By-laws). Renault's financial year runs for 12 months from January 1 to December 31.

Shareholders' Rights

(a) Rights and Obligations related to Shares

The shareholders, whose shares are fully paid up, have, in proportion to their shares, a preferential right to subscribe new shares created for a capital increase. Such preferential right shall be exercised in accordance with the terms, conditions and lead time prescribed by applicable law.

The shareholders may individually waive their preferential right.

A shareholders' meeting deciding a share capital increase may abrogate the preferential right. Subject to nullity of the decision, the meeting decides on the basis of a report by the Board of Directors and a report by the auditors made in accordance with legal and regulatory provisions.

Besides the right to vote, each share entitles to a part, equal to the portion of the share capital that it represents, of the ownership of the social assets and the liquidation surplus.

Each time the holding of several shares is required to exercise a right, the shares which are below the amount required shall not grant their owners any right against the company, and the shareholders shall be in charge, in such case, of gathering the necessary amount of shares.

Ownership of a share automatically entails acceptance of the By-laws of Renault and the Shareholders Meeting's resolutions.

The shares are non dividable vis-à-vis the company.

The joint owners of one or several shares shall be represented at the Shareholders' Meetings by one of them or by a single proxy of their choice.

In case of division of ownership of a registered share the entry in the company's book shall mention the name of the usufructuary (*usufruitier*) and of the bare owner(s) (*nu-propriétaire*). The voting right attached to a share shall belong to the usufructuary at all Shareholders' Meetings.

Every shareholder may vote by correspondence or give proxy powers according to the terms laid down by law and in regulatory provisions.

On February 12th, 2014, the Board of Directors has decided that the shareholders may, in accordance with the By-laws, take part in the General Meeting via visioconference or any other telecommunication means, under those conditions laid down in applicable regulations at the time such means are used.

At every Shareholders' Meeting each shareholder in attendance has as many votes as he holds or represents shares, subject to the provisions under the By-laws and subject to no limitation other than any resulting from legal provisions.

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(b) Right to Appoint Directors

Up to fourteen directors are appointed by the Annual General Meeting of Shareholders (art. 11 of the By-laws) (i), a French State representative is designated pursuant to Article 4 of Order No. 2014-948 of August 20, 2014 (ii), three directors are elected by the employees of the Company and of its direct or indirect subsidiaries, having registered office of French territory and two Directors are appointed by the French State (iii) and one director representing employee shareholders is appointed by the Ordinary Shareholders' Meeting, after a majority vote by the shareholders present or represented by proxy (iv).

(c) Right to Claim Dividends

Net income is appropriated in compliance with existing legislation.

Distributable income consists of the current year's income, less previous losses and amounts transferred to the legal reserves, plus retained earnings brought forward from previous years. Upon recommendation by the Board of Directors, the General Meeting may then determine portions of this income to be allocated to optional ordinary and special reserves or to be carried forward. The balance, if any, is divided among the shares in proportion to their paid-up and unamortized value.

In accordance with legal provisions, the Annual General Meeting has the authority to offer shareholders the option of receiving all or part of the dividend payout in cash or in shares. Requests for the payment of a dividend in shares must be submitted within the time period established by the Annual General Meeting without exceeding three months from the date of the Meeting. The Board of Directors may choose to suspend this period for up to three months if the share capital is increased.

Dividends are paid at the places and times set by the Shareholders' Meeting, or failing which, by the Board of Directors.

Dividends not claimed within five years of the date of payability lapse in the conditions prescribed by law.

Holding of Stock and Transfer Thereof

Shares are freely transferable in accordance with legislative and regulatory provisions. Such transfers are made in shareholders' account and shareholders' registry.

Statutory thresholds

Shares are registered in an account according to the provisions and terms established by law. Fully paid-up shares are in either registered or bearer form, at the discretion of their owner, subject to legislation in force and the By-laws. However, shares that are issued against cash and that are not fully paid-up must be in registered form. Renault is authorized to make use of the appropriate legal provisions for identifying shareholders having immediate or future voting rights in its own shareholders' meetings. In addition to the statutory requirement to inform the company of shareholdings exceeding a certain fraction of the share capital, any shareholder or management company for an undertaking for collective investment in transferable securities in a fund management organization holding a number of shares or voting rights greater than 2% of the share capital or a multiple of this percentage which is less than or equal to 5% of the share capital or the voting rights, is obliged to disclose to the company the total number of shares he possesses, by registered letter with acknowledgement of receipt, within a time period provided for in a decree of the Conseil d'Etat. Beyond 5%, the foregoing mandatory disclosure shall apply to any 1% fraction of the share capital or voting rights. For the purposes of determining the thresholds described above, indirectly held shares or shares assimilated to equity held as defined by the provisions of Article L.233-7 of the French Commercial

Code will also be taken into account. The declarer must certify that the said declaration includes all shares held or owned within the meaning of the preceding paragraph, and must indicate the acquisition date(s). The declaration requirement applies in the same manner if the holding falls below any of the aforementioned thresholds, 1% or 2 % as applicable.

If the conditions described above are not respected, any shares exceeding the fraction that should have been declared are deprived of voting rights for all shareholders' meetings for a period of two years after the required declarations are made, insofar as this is requested at the meeting by one or more shareholders who together hold at least 1% of share capital.

Management

As a preliminary it is specified that since shareholders meeting dated April 26, 2002, Renault has implemented the provision of the law dated May 15, 2001 titled N.R.E. as referred and further detailed in the above sub-section (1) "Corporate System in the Country or State to which Renault Belongs".

Members of the Board of Directors

According to the current By-laws, Renault is administered by a Board of Directors comprising:

A/Directors appointed by the Shareholders' General Meeting

These Directors shall not be less than 3 and at most 14 Directors and may be either natural or legal persons. Upon appointment, the latter shall designate a permanent representative which shall be subject to the same obligations and liabilities as if he were a Director in its own name, without prejudice to the joint liability of the legal person he represents.

Subject to the requirements to be fulfilled on renewal of Directors, the term of office of Directors shall be of four (4) years. However, where a Director is appointed in the place of another Director during his term of office, he shall exercise his functions only during the remainder of the term of office of his predecessor. The Directors chosen by the Shareholders' Meeting may be re-eligible subject to statutory provisions more particularly concerning age limits**.**

Any Director's function shall cease at the end of the Ordinary General Meeting called to approve the accounts of the previous fiscal year, and held during the year during which the said Director's term of office expires.

In the event of one or several vacancies in the Board of Directors, due to death or resignation, and notwithstanding that the number of Directors remains at least equal to the minimum required by the By-laws, the Board of Directors may, during the period elapsed between two General Meetings, provisionally appoint one or more new Directors to replace those who have died or resigned.

B/ As the case may be, a French State representative designated pursuant to Article 4 of Order No. 2014-948 of August 20, 2014

C/ Directors elected by the employees

There are three Directors elected by the employees, one of them is representing the engineers, executives and similar.

They shall be elected by the employees of Renault and its direct or indirect subsidiaries, having their registered office on French territory.

Since the Shareholders general meeting of April 29, 2008, their term of office shall be four years (6 years previously). However this shall cease ipso jure when these representatives no longer fulfill the eligibility requirements provided for in article L.225-28 sub.§ 1 of the French Commercial Code, or again in the event of the termination of their employment agreement in accordance with article L.225-32 sub.§ 1 of the French Commercial Code.

The status and the methods of election of these Directors are laid down by the provisions of articles L.225-27 to L.225-34 and R. 225-34-2 to R. 225-34-6 of the French Commercial Code on commercial companies and by the By-laws.

The three Directors representing employees shall be elected by separate electorates:

- Engineers, executives and similar (one seat) comprising electors usually voting in the third electorate (for companies having 3 electorates) for the election to the Workers Council (*Comité d'entreprise*). In companies or establishments not having three electorates or not having a Workers Council, the classification of Executive, as defined by the Collective Agreements applicable to the companies and establishments under consideration, shall be used.

  This seat shall be filled by a two-round majority vote. Each candidacy shall comprise the name of the candidate and his substitute.

- Other employees, comprising all the other employees (two seats). Seats shall be filled by a ballot for lists by proportional representation, the list with the greatest number of votes is winning, but with no possibility of including a name on one list in another. Each list shall contain twice as many candidates as the number of seats to be filled.

  In the event of a tie, candidates who have worked in Renault longest shall be elected.

Candidates or lists of candidates may be presented either by one or several representative organizations, in the meaning of article L.2314-8 and L.2122-1 of the French Labor code, or by 100 electors.

To be eligible, candidates must be party to an employment agreement with Renault or one of its direct or indirect subsidiaries, having their registered offices on French territory, for a minimum of two years prior to the date of effect of the term of office for which they have been elected, and corresponding to an effective work.

The number, place and composition of polling stations shall be fixed by Renault's establishments and subsidiaries concerned thereby, in conformity with accepted common practice in force for the elections of employee representatives.

Voting arrangements which are not specified by French Commercial Code or by the By-laws, and the conditions governing the term of office for Directors elected by the employees, shall be laid down by senior management after consultation of the unions which are representative at Renault's level.

D/One Director representing the employee shareholders:

A member representing employee shareholders and an alternate shall be elected by the Ordinary General Meeting from among two candidates for the position of full member and two candidates for the position of alternate, appointed by the employee shareholders as defined in Article L. 225-102 of the French Commercial Code under the conditions set out below, supplemented by special rules drawn up by the Board of Directors for the election.

The member representing employee shareholders and his/her alternate shall serve a four-year term of office.

However, the term of office of either one shall cease as of right and the member representing employee shareholders or his/her alternate shall be deemed automatically to have resigned in any of the following cases:

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- in the event of losing the status of employee of the Company or of an affiliated company as defined in Article L. 225-180 of the French Commercial Code;
- in the event of losing the status of shareholder of the Company or, for candidates appointed by Supervisory Boards, of the status of unit holder of a company mutual investment fund invested in shares of the Company, if the situation is not rectified within three months;
- if the Company of which he/she is an employee is no longer affiliated to the Company under the conditions provided for in Article L. 225-180 of the French Commercial Code.

In the event of death or resignation, the vacant seat shall be filled by the alternate member appointed by the employee shareholders together with the full member. The alternate member shall then replace the full member for the remaining term of office.

In the absence of an alternate candidate, the vacant seat shall be filled, as soon as practicable, in accordance with the procedure for the appointment and election of the director representing employee shareholders defined below. The term of office of the director thus appointed to replace the previous director shall expire on the date on which the latter’s term of office would have expired.

Appointment of candidates

The two candidates (full and alternate) for election to the office of member representing employee shareholders shall be appointed in accordance with the following provisions.

Each full candidate shall be appointed, together with his/her alternate, by:

- the Supervisory Boards of company mutual investment funds (FCPE) whose assets are composed of shares of the Company, in accordance with Article L. 214-165 of the French Monetary and Financial Code, and whose unit holders are current or former employees of the Company or of an affiliated company as defined in Article L. 225-180 of the French Commercial Code;
- employees of the Company or of an affiliated company as defined in Article L. 225-180 of the French Commercial Code who directly hold registered shares of the Company (i) following free share allocations made under Article L. 225-197-1 of the French Commercial Code and authorized by a decision of the Extraordinary General Meeting after August 7, 2015, (ii) within the framework of the employee savings plan or (iii) acquired under Article 31-2 of order no. 2014-948 of August 20, 2014 on governance and transactions affecting the share capital of companies with public shareholding and Article 11 of Law No. 86-912 of August 6, 1986 on privatization, in the version applicable prior to the entry into force of the above-mentioned order.

The timetable for appointing candidates shall be set by the Chairman of the Board of Directors. It shall be on display in all relevant companies at least three months prior to the Ordinary General Meeting called to elect the director representing employee shareholders and his/her alternate.

i) Appointment of the candidate and his/her alternate by employees and former employees holding units of the Company mutual investment fund

The full candidate and his/her alternate shall be appointed by the Supervisory Boards of Company mutual investment funds, convened specifically for this purpose, from among their employee members.

Only employees and unit holders shall be eligible for appointment as candidates.

The Supervisory Board members shall appoint the full candidate and his/her alternate by a majority vote of members present or represented at the meeting or having a postal vote, provided that each member has a number of votes equal to the number of Renault shares held by the Company mutual investment fund divided by the number of members of the Supervisory Board of that fund. In the event of a tie, the candidate for full member who is longest serving in the Group shall be selected.

The joint resolution of the Supervisory Boards shall appoint a full candidate and an alternate candidate to represent employee shareholders.

ii) Appointment of the full candidate and his/her alternate by employees directly holding registered shares of the Company

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The Chairman of the Board of Directors shall consult the relevant employee shareholders with a view to their appointment of a full candidate and an alternate candidate to represent employee shareholders.

The consultation shall be preceded by a call for applications. Only employees of the Company or an affiliated company as defined in Article L. 225-180 of the French Commercial Code directly holding shares in one of the categories defined above may apply for the position of full member or alternate member. Each application for the position of full member shall be submitted together with an application for the position of alternate member.

The consultation shall be organized with due regard for the confidentiality of the vote. A number of votes shall be allocated corresponding to the number of voting rights held by the employee.

The applicants receiving the highest number of votes shall be appointed as full and alternate candidates for the position of employee shareholders' representative. In the event of a tie, the candidate for full member who is longest serving in the Group shall be selected.

The consultation shall take place by any technical means able to ensure the reliability of the vote, and if necessary by electronic means or by post. The practical arrangements for the consultation, including the conditions for submitting applications with a view to the consultation of employee shareholders, shall be set out in special rules.

At the end of the consultation, a report shall be drawn up indicating the number of votes received by each candidate.

Election of the member representing employee shareholders and his/her alternate

The full member representing employee shareholders and his/her alternate shall be elected by the Shareholders' Annual General Meeting, upon presentation of the two candidates (full and alternate) appointed under the conditions described above, subject to the conditions of quorum and majority of Ordinary General Meetings.

In the event that a candidate is not appointed at the end of any of the appointment procedures referred to above, a single candidate may be submitted to the Shareholders' Annual General Meeting.

Organization of the Board of Directors

The Board of Directors shall designate a Chairman among its members, who shall be a natural person. The Chairman is re-eligible.

The term of office of the Chairman shall not exceed the term of his office as a Director. The Chairman must be aged less than 72 provided that if this age limit is reached during his term of office the Chairman shall continue in office until the end of the term of his mandate without being eligible for re-election.

Board meetings are chaired by the Chairman. In his absence or in case of impediment, the Board meeting shall be chaired by a Director designated by the Chairman for this purpose, or, failing such designation, the Board shall designate a meeting chairman.

The Board appoints a Secretary and may appoint an assistant Secretary, neither of whom needs be a Director.

On the Chairman's motion, the Board of Directors may decide the setting up of committees which are assigned specific tasks.

Meetings of the Board of Directors

The Board of Directors shall meet as often as Renault's interest so requires. It meets on call by its Chairman, or one third of the Directors if a Board meeting has not been held in over two months, either at the registered office, or at any other place specified in the notice of meeting.

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Notices of meeting may be made by all means, even verbally. The Board of Directors may validly take resolutions, even without notice of meeting, if all members are present or represented.

Resolutions are adopted under quorum and voting rules provided by law; in the event of a tie, the chairman of the meeting has a casting vote, unless the vote is on the appointment or revocation of the Chairman of the Board of Directors.

Any Director may, for any meeting, give his proxy in any way to another Director to vote in his stead; no Director may represent more than one other Director. In the event of one or several vacancies for any reason whatsoever in the seats of Directors elected by the employees, whom could not be replaced as laid down by the provisions of article L.225-34 of the French Commercial Code, the Board of Directors shall be deemed validly composed with the remaining Directors and may validly meet and take resolutions before the election of the new Directors representing employees.

Persons invited by the Chairman to attend Board of Directors' meetings shall be bound by the same duty of confidentiality as the Directors.

The internal regulations appended to these By-laws shall, pursuant to laws and regulations, determine the conditions for the organisation of meetings of the Board of Directors which may take place through videoconferencing or means of telecommunication which guarantee the effective participation of the Directors.

Board resolutions are evidenced by minutes signed by the chairman of the meeting and at least one Director. If the chairman of the meeting cannot sign, the minutes are signed by at least two Directors who took part in the resolutions. The minutes are entered on loose-leaf sheets numbered and initialed continuously and bound in a special book, all in accordance with legal and regulatory provisions.

Copies or excerpts from the minutes are validly certified by the Chairman of the Board of Directors, a general manager, the acting chairman or the Secretary of the Board of Directors expressly authorized to do so.

The number of incumbent Directors and their presence at a Board meeting, in person or by proxy are sufficiently evidenced by a copy of or an excerpt from the minutes.

Functions of Chairman

The functions of Chairman shall be exercised according to legal and regulatory provisions.

On April 26, 2002, the Board of Directors of Renault decided that the management will be vested in a single person who will act both as chairman and chief executive officer. Further details are provided in Part I-1-(1) under the heading « management ».

Since a decision of the Board of Directors dated April 29, 2005, the functions of Chairman and CEO were split. The Board of Directors decided in May 6, 2009 that the management will be vested in a single person again, who will act both as Chairman of the Board and Chief Executive Officer. The Board of Directors adopted a governance method in which the functions of Chairman of the Board of Directors and Chief Executive Officer have been separated since January 24, 2019.

The Chairman organizes and directs the work of the Board of Directors, accounts for the same to the Shareholders' Meetings and executes its decisions. He ensures the proper working of the corporate decision-making bodies and ensures that the Directors are able to fulfill their tasks.

In case the Chairman cannot exercise his functions for any reason whatsoever, the Board may assign them in all or in part to a Director, provided such assignment which may be renewed, is made for a limited time if the impediment is temporary, or until the appointment of the new Chairman in the event

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of his death.

Remuneration of Directors – Expenses

The Shareholders' Meeting may grant to the Directors, as attendance fees, a remuneration which amount, fixed by the Shareholders' Meeting shall be maintained until a new decision.

The Board of Directors allocates such amount among the Directors in a manner that it deems fit and in compliance with the law.

Directors may, upon presentation of relevant documents, obtain the reimbursement by Renault of expenses incurred in the exercise of their functions.

Liability

Directors shall be liable, individually or jointly as the case may be, vis-à-vis Renault or third parties, for any infringement of the statutory provisions applicable to limited liability companies, and for any infringement of the By-laws.

General Meeting of Shareholders

The General Meeting is comprised of all shareholders whose shares were registered in the name, at the latest two business days before the date of the meeting under the following conditions.

For the bearer shares, proof of entitlement to attend General Meetings shall take the form of an accounting record of the shares in the shareholder's name or in the name of the intermediary registered on the shareholder's behalf in accordance with Article L.228-1 of the Commercial Code, on the second business day preceding the General Meeting at midnight, Paris time, either in the registered share accounts kept by the Company or in the bearer share accounts held by the authorized intermediary. The registration or the accounting records of shares held in accounts kept by the authorized intermediary shall be recorded in a shareholding certificate issued by said intermediary.

Any shareholder may give his proxy to any other designated person (physical or legal), shareholder or not, to represent him at Shareholders' Meeting.
Shareholders' Meetings are convened in accordance with the legal and regulatory provisions.

The agenda of every Shareholders' Meeting is set by the author of the notice.

However, one or more shareholders may, in the conditions prescribed by law, request the entry in the agenda of items or draft resolutions.

Shareholders' meeting may not vote on a matter which is not entered on the agenda except for the dismissal (*révocation*) of Directors and Supervisors and their replacement.

Every Shareholders' Meetings is held at Renault's registered office or any other place specified in the notice.

Resolutions are adopted by Shareholders' Meetings under the legal quorum and voting rules.

The calculation of the quorum and voting majority shall include the shareholders who attend the Meetings through videoconferencing or via means of telecommunications allowing them to be identified, the nature and conditions of which shall be fixed by a Decree enacted in the *Conseil d'État* (French supreme body responsible for administrative law).

Every Shareholders' Meeting is chaired by the Chairman of the Board or, in his absence or in case of

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unavailability, by the Director delegated by the Board of Directors for this purpose.

The two shareholders of the Shareholders' Meeting having the largest number of votes and willing to do so serve as tellers *(scrutateurs)*.

The Chairman of the Shareholders' Meeting and the *scrutateurs* appoint the Secretary of the meeting, who do not need to be a shareholder.

An attendance list is kept at every Shareholders' Meeting in accordance with the law.

The proxies of the shareholders present by proxy and the ballot (*bulletin de vote*) received by mail are attached to the attendance sheet.

The attendance list, duly initiated by the shareholders and proxy agents, is certified by the Chairman of the Shareholders' Meeting and the *scrutateurs* of the Shareholders' Meeting.

Every shareholder may vote by correspondence or give proxy powers according to the terms laid down by law and in regulatory provisions.

On February 12^{th}, 2014, the Board of Directors has decided that the shareholders may, in accordance with the By-laws, take part in the General Meeting via the Internet, under those conditions laid down in applicable regulations at the time such means are used. Those shareholders, who use the electronic voting form proposed on the site for this purpose, within the given deadlines, shall be assimilated to shareholders who are present or represented.

The proxy power or the vote which is thereby expressed prior to the General Meeting via such electronic means, as well as the confirmation of receipt which is given, are deemed to be non-revocable writs which may be relied upon against all parties, it being specified that in the event of sales of shares prior to 0:00 hours (Paris time) on the second business day preceding the General Meeting, Renault will consequently invalidate or amend, as applicable, the proxy powers or votes expressed prior to that time and that date.

At every Shareholders' Meeting each shareholder in attendance has as many votes as he holds or represents shares, subject to no limitation other than any resulting from legal provisions and subject to the provisions under the By-laws.

Shareholders' decisions are evidenced by minutes entered on loose-leaf sheets numbered and initialled continuously and bound in a special book, all in accordance with legal and regulatory provisions.

Copies or excerpts from the minutes are validly certified by the Chairman of the Shareholders' Meeting and the *scrutateurs* .

An Ordinary Shareholders' Meeting is the one called to make all decisions which are not to be taken by the Extraordinary Shareholders' Meeting.

The Board's report on the company's businesses is reported at the Ordinary Shareholders' Meeting. The auditors' report is also reported to the Ordinary Shareholders' Meeting.

The Ordinary Shareholders' Meeting approves or disapproves the balance sheets and accounts.

The Ordinary Shareholders' Meeting allocates the profits and declares dividends in accordance with article 34 of the By-laws.

The Ordinary Shareholders' Meeting appoints the auditors.

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The Ordinary Shareholders' Meeting fixes the attendance fees granted to the Board of Directors.

The Ordinary Shareholders' Meeting decides on the special auditor's report on conventions authorized by the Board of Directors in accordance with the law.

The Ordinary Shareholders' Meeting may authorize all issues of bonds or other similar securities.

The Extraordinary Shareholders' Meeting may amend the By-laws in all respect authorized by law.

Auditors (Commissaires aux Comptes)

The Annual General Meeting shall appoint at least two statutory auditors responsible for conducting the audits required under applicable legislation.

Said statutory auditors shall meet the eligibility conditions required by law. They shall be appointed for a term of six financial years and shall be re-eligible for office.

Accounting

The fiscal year is the calendar year. It starts on January 1 and ends on December 31 of each calendar year.

2. FOREIGN EXCHANGE CONTROL SYSTEM: FOREIGN INVESTMENTS IN FRANCE

According to French law (in particular articles L.151-1 to L.152-6, R.151-1 to R.152-11 and R.165-1 of the Monetary and Financial Code (the "CMF"), *arrêté* of March 7, 2003 and arrêté of December 31, 2019 (the "***Arrêté***")), foreign investments ("FDI") in France may be subject to a statistical declaration to Banque de France (A), and/ or prior authorization from the French Ministry of Economy (B).

A *décret* n°2019-1590 (the so-called "Bruno Le Maire Decree") and the *Arrêté* both dated December 31, 2019, applicable since April 1st, 2020, finalised the reform that began with a *décret* of November 29, 2018 and the law of May 22, 2019 (the so called "Pacte law") and harmonised FDI legal framework in France with the new notification obligations set out in EU Regulation 2019/452 dated 19 March 2019 establishing a framework for the screening of foreign direct investments into the European Union ("FDI Regulation") which will apply only from 11 October 2020.

Two further milestones have also recently been taken by the French government in response to the COVID-19 pandemic:

- A new *arrêté* dated April 27, 2020, permanently added the biotechnology sector to the list of R&D activities; and
- A *décret* n°2020-892 and an *arrêté* both dated July, 22 2020 temporarily lowered the threshold of FDI control for the acquisition of stakes by non-European investors in the share capital of strategic French listed companies from 25% to 10% until 31 December 2020.

A-Transactions subject to a statistical declaration to the Banque de France

Definitions

Residents: individuals having their main interest in France, French civil servants and other public service employees in office abroad as from their first day of employment, as well as French or foreign entities for their establissements in France (article R.152-11 2° of the CMF).

Non-residents: individuals having their main interest abroad, foreign civil servants and other public service employees in office in France as from their first day of employment as well as French or foreign entities for their establissements abroad (article R.152-11 3° of the CMF).

Applicable rules

The credit institutions, investments companies and other finance related companies have to make monthly statistic declarations related to settlements between residents and non-residents which are made in France and which exceed Euro 12,500 based on elements disclosed to them by such residents (Article R.152-1 I of the CMF).

Companies or groups of companies for which the amount of transactions with foreign countries, exceed, for some services Euro 30,000,000 in a fiscal year have to declare on a monthly basis all transactions made with foreign countries or in France with non-residents (Article R.152-1 II of the CMF and Article 1 of the Arrêté of March 7, 2003).

Residents directly making transactions abroad, from, *inter alia*, accounts opened abroad, or by way of debt set off/compensation, have to declare on a monthly basis to the *Banque de France* if such transactions exceed Euro 1,000,000 (Article R.152-1 III of the CMF and Article 2 of the Arrêté of March 7, 2003).

Certain other transactions have to be declared to the *Banque de France* within 20 business days (*jours ouvrables*) following their completion if their amount exceeds Euro 15,000,000 (Articles R.152-3 and R.152-11 of the CMF and Article 3 of the arrêté of March 7, 2003):

- Direct foreign investments or their divestment in France or French investments abroad involving transactions by which non-residents or residents purchase at least 10% of the share capital or the voting rights, or cross the 10% threshold, of respectively a resident or a non-resident company. Any kind of transactions between related companies are also involved here (e.g. loans, deposits...) as well as real estate investments;

- Acquisition or sale of non-resident companies by residents;

- Acquisition or sale of real estate abroad by residents, and in France by non-residents.

B-Investments subject to prior authorization by the Ministry of Economy

Definitions

A Foreign Investor[1] :any individual of foreign nationality; any French individual who is not a French tax resident[2] ; any entity governed by a Foreign law ; or any entity governed by French law that is controlled (as defined in Article R.151-1 III of the CMF) by one or more foreign investor.

EEA investor: investors from EEA (European Economic Area) States which have entered into a convention on administrative assistance with France to prevent tax fraud and tax evasion.

Applicable rules

Notwithstanding the foregoing, some specific foreign investments are subject to the prior authorization of the Ministry of Economy, *Direction Générale du Trésor* (Articles L.151-3 and

[1] Article R.151-1, I of the CMF.

[2] See definition of French tax resident under article 4 B of the French tax code (CGI).

R.151-1 to R.151-3 of the CMF and Article 1 of the *Arrêté*):

Definition of 'foreign investment' submitted to prior authorization depends on whether the investor is a non-EU/EEA or a EU/EEA investor (Article R.151-2 of the CMF).

With regard to both non-EU/EEA and EU/EEA investors, the CMF defines a 'foreign investment' as:

(1) the acquisition of control, within the meaning of Article L.233-3 of the Commercial Code, of a company having its registered office in France;

(2) the acquisition of all or part of a branch of activity of a company having its registered office in France,

However, if the investor is a non-EU/EEA investor, the CMF also defines 'foreign investment' as:

(3) the crossing directly or indirectly, alone or in concert, of 25% of holding of the voting rights in a company having its registered office in France (Article R 151-2 of the CMF).

In the context of the COVID-19 pandemic, France has temporarily lowered the 25% threshold to 10% until 31 December 2020 for such foreign investment in French strategic company whose shares are admitted to trading on a regulated market and simplified the procedure before the Ministry of Economy in order to limit the impact on market liquidity and avoid blocking the acquisitions of minority stakes in French strategic listed companies (décret n°2020-892 and arrêté both dated July 22, 2020).

If the foreign investment falls within one of the three categories above, it will be subject to prior approval by the Minister of Economy if it is also made in one of the strategic business sectors listed below (regardless of whether it is a non EU/ EEA investor or a EU/EEA investor) (the "**Strategic Sectors**"):

(A) Activities likely to prejudice the interests of national defence, participating in the exercise of public authority or to be prejudicial to public order and public security, i.e. activities related to:

- national defence, weapons and explosives;
- dual-purpose goods and technologies;
- cryptology, interception of communication and information system security;
- gambling (except casinos);
- evaluation and certification of the security of information technology systems and products;
- equipment, devices or any means against illegal use of pathogenic or toxic substances;
- data hosting activities, the compromise or disclosure of which is likely to affect the activities or interests related to the abovementioned activities and sectors or to the activities and sectors listed under (B) below.

(B) Activities likely to prejudice the interests of national defence, taking part in the exercise of public authority or likely to prejudice public policy and public security, when these activities relate to infrastructure, goods or essential services that ensure the:

- integrity, the safety and the continuity of the supply of water;
- integrity, the safety and the continuity of electricity, gas, hydrocarbons and any other source of energy;
- integrity, the safety and the continuity of operation of transport networks and services;
- integrity, safety and continuity of space operations;
- integrity, the safety and the continuity of electronic communications networks and services;

- integrity, the safety and the continuity of electronic and IT systems necessary for the duties of the national police, the national gendarmerie, the civil security services or the exercise of the public security duties of the customs;
- integrity, the safety and the continuity of operation of facility, installation or structure which are of vital importance within the meaning of Articles L. 1332-1 and L. 1332-2 of the French Defence Code;
- protection of public health;
- production, processing or distribution of agricultural products listed in Annex I of the Treaty on the Functioning of the European Union, when they contribute to the purpose of national food security as mentioned in 1,17 and 19 of I of article L.1 of the French Rural and Maritime Fishing Code; and
- publishing, printing or distribution of press publications.

(C) Research and development activities related to cybersecurity, artificial intelligence, robotics, additive manufacturing, semiconductors, quantum technologies, energy storage and biotechnology and to dual-purpose goods and technologies;

The Bruno Le Maire Decree set forth a two-phase procedure for the processing of applications for authorisation (R.151-6 of the CMF):

- Phase one. The Ministry of the Economy conducts a preliminary assessment of the application in order to decide whether the investment falls within the scope of FDI rules. The Ministry must give a response within 30 business days (*jours ouvrés*) from the date of receipt of the authorisation application.

- Phase two. This phase will be implemented if the Ministry considers at the end of phase one that the investment falls within the scope of the FDI rules and requires further review to determine whether the national interest can be preserved by attaching conditions to the authorisation. The Ministry must issue a rejection or authorisation decision (potentially subject to conditions) no more than 45 business days (*jours ouvrés*) after the end of phase one.

If the Ministry does not respond at the end of phase one or at the end of phase two, the application for authorisation is automatically deemed rejected.

The Ministry of Economy may give its approval subject to commitments being undertaken by the foreign investor (Articles L.151-3 II and R. 151-8 of the CMF). In this respect, the Minister may order the divestment of any activity falling within the scope of the Strategic Sectors (i.e. even if the activity represents a very significant part of the targeted business or company).

As mentioned above, in the context of the COVID-19 pandemic, décret 2020-892 and arrêté both dated July 22, 2020 simplified the procedure for the acquisition by non-EU/EEA investor of more than 10% of voting rights in French listed companies carrying out sensitive activities: following the prior notification (which is much more straightforward than the standard application), the Ministry of Economy would have 10 business days (jours ouvrés) to decide either:

- To object to the transaction in which case the investor will have to file the standard and lengthier application under the usual regime to obtain the Ministry of Economy's authorisation on the contemplated investment (the Ministry's complete review could still result in a refusal of the investment), or

- To remain silent in which case the transaction is deemed authorised at the end of the 10 business day period following the notification.

Any undertaking, agreement or covenant which, directly or indirectly results in the completion of an investment in a protected sector without prior authorisation having been obtained is null and void

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(Article L.151-4 of the CMF).

Failure to request such authorization or to comply with any commitments imposed by the French Ministry of Economy can also give rise to an injunction from the Ministry and, potential administrative, criminal sanctions or pecuniary sanctions and/or conservatory measures (such as suspension of voting rights related, prohibition or limitation of the distribution of dividends or compensation, or suspension, restriction or temporary prohibition of the free disposal of all or part of the assets).

According to Article R. 151-11 of the CMF and article 3 of the *Arrêté*, completion of an investment duly authorized by the Ministry of Economy shall be notified within two (2) months following the completion of the investment in the conditions set forth by the Arrêté.

Pacte Law introduced the foreign investors' obligation carrying out activities in Strategic Sectors to communicate to the Ministry of Economy, on its request, all the documents and information necessary for the performance of its mission, without the legally protected secrets being able to be opposed to it.

In any cases, if a foreign investor wishes to practice in France within an economically regulated sector, it will also be subject to the particular regulations required by a practice in such regulated sector.

3. TAXATION:

(1) Taxation In France

The following is a general summary of the material French tax consequences of acquiring, owning and disposing of bonds for a person (i) who is a resident of Japan for the purposes of Japanese tax and the "Convention Between France and Japan for the Avoidance of Double Taxation with Respect to Taxes on Income" dated March 3, 1995 (the "Treaty") and the rider dated January 11, 2007, (ii) who is entitled to the benefits of the Treaty and (iii) whose payments under the bonds are made on an account opened in its name of or for its benefit in Japan.

This discussion is intended only as a descriptive summary. It does not cover all aspects of French tax laws and of the Treaty which may be relevant to a bondholder of bonds with respect to his particular situation.

1) Taxation on Interest on the Bonds

Payments of interest and other revenues made on bonds issued on or after 1 March 2010 are not subject to the withholding tax set out under Article 125 A III of the French *Code Général des Impôts* unless such payments are made outside France in a non-cooperative State or territory ("*Etat ou territoire non cooperatif*") within the meaning of Article 238-0 A of the French *Code Général des Impôts*. If such payments under the bonds are made in a non-cooperative State (i.e. an account opened in a non-cooperative State in the name of or for the benefit of a bondholder), a 75% withholding tax will apply, subject to certain exceptions and the more favourable provisions of an applicable tax treaty. As Japan is not listed as a non-cooperative State, the payments of interest and other revenues made in Japan on bonds issued on or after March 1, 2010, will be made without deduction or withholding in France.

2) Taxation of capital gains

Pursuant to the Treaty, a bondholder will not be subject to French tax on any gain from the sale or disposal of his bonds.

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3) French Estate and Gift Taxes

Since France and Japan have not entered into an estate and gift tax treaty, the transfer of bonds by gift or by reason of death of the Bondholder will, under French domestic law, be subject to French gift or inheritance taxes. Bondholders should consult their own tax advisor concerning the application of estate and gift tax to their holding of the Bond.

4) Stamp Duty on Transfer of Bonds

The transfer of bonds issued by a company established in France shall be subject to a fixed tax of EUR 125 but only if such transfer is concluded in an agreement filed voluntarily with the French registry office.]

(2) Taxation In Japan

Resident of Japan and Domestic Corporation

Interest on the Company's bonds (hereinafter referred to as the "Bonds"), any excess of the redemption amount of the Bonds over the purchase price for the Bonds and any income derived from disposing of the Bonds that will be received by a resident of Japan or a domestic corporation in Japan are in principle subject to the taxation under the current Japanese tax laws.

Non-resident and Foreign Corporation

Interest on the Bonds, any excess of the redemption amount of the Bonds over the purchase price for the Bonds and any income derived from disposing of the Bonds that will be received by a non-resident of Japan or a foreign corporation are in principle not subject to the taxation in Japan if such non-resident of Japan or foreign corporation does not have a permanent establishment in Japan. Interest on the Bonds, any excess of the redemption amount of the Bonds over the purchase price for the Bonds and any income derived from disposing of the Bonds that will be received by a non-resident of Japan or a foreign corporation having a permanent establishment within Japan could be subject to the taxation under the current Japanese tax laws where such interest, excess and income are attributable to the business conducted through the permanent establishment within Japan as well as in certain other circumstances. Applicable tax treaty provisions may restrict or eliminate these tax liabilities for non-resident of Japan or foreign corporation.

4. LEGAL OPINIONS

A legal opinion has been provided by Quitterie de Pelleport, Group General Counsel of Renault, to the effect that:

(i) Renault has been duly incorporated and validly exists as a corporation in good standing under the laws of the Republic of France;
(ii) to the best of its knowledge, the statements with respect to the matters concerning the laws of the Republic of France in this Securities Report are accurate in all material respects.

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II. OUTLINE OF THE COMPANY

1. DEVELOPMENT OF MAJOR MANAGERIAL INDEX, ETC.:

Please read following charts together with the information provided in VI. Financial Condition of this PART I.

1.1 Consolidated Figures

The figures for the years 2016, 2017, 2018, 2019 and 2020 are presented under IFRS**.**

(Years ended December 31)
(Unit: EUR million, except otherwise indicated)

	Under IFRS							
(Consolidated figures(1))	2016(2)	2017(3)	2017 restated (4)	2018(5)	2018 Restated (5 bis)	2019(6)	2019 restated (6 bis)	2020
Revenues	51,243	58,770	58,770	57,419	57,419	55,537	55,537	43,474
Operating margin(7)	3,282	3,854	3,854	3,612	3,612	2,662	2,662	(337)
Operating income	3,283	3,806	3,806	2,987	2,987	2,105	2,105	(1,999)
Group pre-tax income(8)	4,598	6,101	6,214	4,174	4,174	1,473	1,473	(7,626)
Net income	3,543	5,210	5,308	3,451	3,451	19	19	(8,046)
Net income - parent company shareholders' share (f)	3,419	5,114	5,212	3,302	3,302	(141)	(141)	(8,008)
Comprehensive income	3,558	3,682	3,780	3,388	3,388	159	193 (6 bis)	(9,824)
Average number of shares outstanding (9) (in thousand) (b)	271,968	271,080	271,080	269,850	269,850	271,639	271,639	271,349
Number of shares at December 31 (g)	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284
Share capital	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127
Shareholders' equity(10) (a)	30,924	33,442	33,679	36,145	36,088(5 bis)	35,331	35,331	25,338
Total assets (e)	102,452	109,943	109,899	114,996	114,996	122,171	122,171	115,737
Capital adequacy ratio (%) (a)/(e) (rounding to two digits to the right of the decimal point)	30.18	30.42	30.65	31.43	31.38	28.92	28.92	21.89
Shareholders' equity per share(10) (EUR) (a)/(g) (rounding to two digits to the right of the decimal point)	104.57	113.09	113.89	122.23	122.03	119.47	119.47	85.68
Net dividend per share (EUR)(c)	3.15(11)	3.55(12)	3.55	3.55(13)	3.55(13)	0 (14)	0 (14)	0 (15)
Earnings per share (EUR) (d)=(f)/(b) (rounding to two digits to the right of the	12.57	18.87	19.23	12.24	12.24	-0.52	-0.52	-29.51

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decimal point)								
Cash flows from operating activities	4,389	5,702	5,702	6,285	6,285	5,599	5,599	5,753
Cash flows from investing activities	(1,907)	(3,632)	(3,632)	(4,662)	(4,662)	(5,107)	(5,107)	(4,239)
Cash flows from financing activities	(2,845)	(1,707)	(1,707)	(953)	(953)	(253)	(253)	5,605
Dividend payout ratio (%) (c)/(d) (rounding to two digits to the right of the decimal point)	25.06	18.81	18.46	29.00	29.00	0	0	0
Number of employees at December 31(persons) (*Excluding employees under the early retirement scheme.)	124,849	181,344	181,344	183,002	183,002	179,565	179,565	170,158

(1) This information is for reference only and is not always directly comparable year-on-year, since it may include changes in scope and/or accounting standards or methods.

(2) The figures at December 31, 2016 related to shareholders' Equity and Total Assets include corrections determined in 2017 relating to the final allocation of the purchase price paid by Renault to acquire the control over AVTOVAZ , which was completed in 2017 (refer to note 3-B of the 2017 Consolidated Financial Statements), and are thus different from the previously published 2016 figures.

(3) The income statement of the Alliance Rostec Auto b.v. joint-venture and the AVTOVAZ group, which together make up the AVTOVAZ segment, is fully consolidated from January 1, 2017. The relevant figures are provided in the operating segments notes to the 2017 Consolidated Financial Statements (Information by operating segment - A1 Consolidated income statement by operating segment»).
The cash flows of the Alliance Rostec Auto b.v. joint-venture and the AVTOVAZ group, which together make up the AVTOVAZ segment, are fully consolidated from January 1, 2017. The relevant figures are provided in the operating segments notes to the 2017 Consolidated Financial Statements (Information by operating segment – A3 Consolidated cash flows by operating segment»).

(4) In the 2018 consolidated Financial Statements, the figures at December 31, 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures. For more details, please see note 2-A5 of the 2018 consolidated Financial Statements.

(5) The figures for 2018 are established in application of IFRS 9 "Financial instruments" and IFRS 15 "Revenue from contracts with customers". The changes related to the application of these new standards are presented in note 2-A of the 2018 consolidated Financial Statements.

(5bis) In the 2019 consolidated Financial Statements, Shareholders' equity at December 31, 2018 has been adjusted by an amount of €(57) million due to correction of an error concerning operations in the Americas region, with a corresponding entry in other provisions.

(6) The figures for 2019 are established in application of IFRS 16 "Leases". The impacts of application of IFRS 16 from January 1, 2019 are presented in note 2-A2 of the 2019 Consolidated Financial Statements

(6bis) In the 2020 consolidated financial statements, the 2019 comprehensive income has been adjusted as reserves no longer include index-based restatements of equity items in hyperinflationary economies in accordance with the IFRS IC agenda decision issued in March 2020 (see note 2-A of the 2020 consolidated Financial Statements.

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(7) Corresponds to operating income before “other operating income and expenses”
(8) Group pre-tax income includes share in net income (loss) of companies accounted for by the equity method.
(9) Weighted average number of ordinary shares in circulation during the period, i.e. after neutralization of treasury shares and Renault shares held by Nissan.
(10) Under IFRS, non-controlling interests are included in shareholders’ equity.
(11) Dividend proposal by the Combined General Meeting of June 15, 2017. Such dividend has been paid on June 23, 2017.
(12) Dividend proposal by the Combined General Meeting of June 15, 2018. Such dividend has been paid on June 25, 2018.
(13) Dividend proposal by the Combined General Meeting of June 12, 2019. Such dividend has been paid on June 20, 2019.
(14) The Board of Directors, at its meeting of February 13, 2020, had proposed the payment of €1.10 per share in respect of the 2019 financial year. At its meeting of April 9, 2020, the Board of Directors of Renault decided to withdraw the proposal to pay this dividend. The Shareholders’ Annual General Meeting held on June 19, 2020 approved the non distribution of dividends in respect of 2019.
(15) The Board of Directors had proposed to the Shareholders’ Annual General Meeting, held on April 23, 2021, not to pay any dividend in respect of 2020. The Shareholders’ Annual General Meeting held on April 23, 2021 approved the non distribution of dividends in respect of 2020.

1.2 Non-consolidated Figures

Non consolidated figures have been prepared in accordance with accounting principles generally accepted in France.

Moves to strengthen the Alliance between Renault and Nissan and delegate strategic management to Renault-Nissan b.v. made it necessary to reorganize Renault. This resulted in the formation of a simplified joint-stock company, Renault s.a.s., wholly owned by Renault S.A.

Renault S.A. transferred its operating assets to Renault s.a.s., in accordance with the contribution agreement of February 22, 2002. This transfer was approved by Renault shareholders at the Extraordinary General Meeting of Renault Shareholders of March 28, 2002 and by Renault s.a.s.’s sole shareholder. It took effect on April 1, 2002, with a retroactive effect as at January 1, 2002 for accounting and tax purposes.

After the transfer, in addition to Renault s.a.s. and its subsidiaries, Renault S.A.’s assets primarily consist of the equity interest in Nissan, while its liabilities mainly comprise redeemable shares, financial liabilities and bank borrowings.

Since October 11, 2019, Renault s.a.s. is managed by the Chairman of the Board of Directors of Renault S.A. and by a Board of Directors composed of the same members as Renault S.A.’s Board of Directors. This reorganization has no effect on Renault’s staff or shareholders, or consolidated financial statements.

(Years ended December 31)
(Unit: EUR million, except otherwise indicated)

Non-consolidated	2016	2017	2018	2019	2020
Revenues	0	0	0	0	0
Operating income/(expense)	(47)	(37)	(48)	(58)	(54)
Income before tax and exceptional items	586	841	1,646	302	167
Pre-tax income	1,301	842	1,635	303	(239)

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Net income (f)	1,382	937	1,726	383	(139)
Number of shares at December 31(g)	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284
Share capital	1,127	1,127	1,127	1,127	1,127
Shareholders' equity (a)	19,030	20,894	21,822	20,789	16,798
Total assets (e)	29,349	31,580	31,965	31,924	33,002
Capital adequacy ratio (%) (a)/(e) (rounding to two digits to the right of the decimal point)	64.84	66.16	68.27	65.12	50.90
Shareholders' equity per share(EUR) (a)/(g) (rounding to two digits to the right of the decimal point)	64.35	70.65	73.79	70.30	56.80
Net dividend per share (EUR)(c)	3.15(1)	3.55(2)	3.55(3)	0 (4)	0 (5)
Number of employees (persons)	0	0	0	0	0

(1) Dividend proposal by the Combined General Meeting of June 15, 2017. Such dividend has been paid on June 23, 2017.

(2) Dividend proposal by the Combined General Meeting of June 15, 2018. Such dividend has been paid on June 25, 2018.

(3) Dividend proposal by the Combined General Meeting of June 12, 2019. Such dividend has been paid on June 20, 2019.

(4) The Board of Directors, at its meeting of February 13, 2020, had proposed the payment of €1.10 per share in respect of the 2019 financial year. At its meeting of April 9, 2020, the Board of Directors of Renault decided to withdraw the proposal to pay this dividend. The Shareholders' Annual General Meeting held on June 19, 2020 approved the non distribution of dividends in respect of 2019.

(5) The Board of Directors had proposed to the Shareholders' Annual General Meeting, held on April 23, 2021, not to pay any dividend in respect of 2020. The Shareholders' Annual General Meeting held on April 23, 2021 approved the non distribution of dividends in respect of 2020.

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2. HISTORY:

1898
The Renault Frères company is founded.

1945
The Company is nationalized and becomes the Régie Nationale des Usines Renault and concentrates on producing the 4CV.

1972
Launch of the Renault 5: one of the Group's best-selling models ever.

1984
Launch of the Renault ESPACE: the first crossover van in the Company's history.

November 1994
The French government opens Renault to outside capital, a first step toward privatization, which takes place in July 1996.

1998
Coinciding with Renault's centenary, the Technocentre is inaugurated in Guyancourt, France. This engineering center is intended to bring together all the actors involved in designing the brand's new models.

1999
Renault and Nissan sign an agreement serving as the basis for a cooperation combining cross-shareholding and industrial collaboration. Renault acquires a 36.8% stake in Nissan. The Renault-Nissan alliance is born.

2000
After Dacia, Renault acquires a 70.1% stake in Samsung Motors and thus forms Renault Samsung Motors, which produces and sells vehicles in Korea.

2003
The year of the MEGANE II, with five different bodies added to the two models launched in 2002, seven models are launched in 17 months and the MEGANE becomes the best-selling car in Europe.

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2005-2006
Over these two years, Fernando Alonso takes the world title at the wheel of a Renault. Thanks to these victories, the Renault F1 Team is named World Constructors' Champion.

2008
Renault acquires 25% of the shares of the carmaker AVTOVAZ, a leader on the Russian market with the LADA brand.

2010
- Unveiled at the Paris Motor Show, the DeZir concept car marks the resurgence of Renault's design strategy spearheaded by Laurens van den Acker. It represents the first petal (Love) of the daisy in the life cycle, on which this strategy is based.

- The Alliance and Daimler AG sign a long-term strategic cooperation agreement. Daimler holds 3.1% of Renault and Nissan shares, and Renault and Nissan each hold 1.55% of the Daimler shares.

2013
- The ZOE, an all-electric car, is launched.

- 2013 is also marked by the signature of a joint venture between Renault and the Chinese automaker Dongfeng, forming the DRAC (Dongfeng Renault Automotive Company). This signature paves the way for the construction of a new plant in Wuhan.

2015
- ALPINE celebrates 60 years of motorsport passion by unveiling its new ALPINE Celebration show car, developed specially for the Le Mans race.

2016
- After DeZir in 2010, Renault unveils TreZor, its new concept car.
- Japanese carmaker Mitsubishi joins the Renault-Nissan alliance.

2017
- The Group unveils SYMBIOZ. This concept car illustrates the vision of Groupe Renault for the automobile and its place in society between now and 2030.
- Creation of eGT New Energy Automotive Co. Ltd, a new joint venture (Renault 25%, Nissan 25% Dongfeng 50%) to develop zeroemission mobility in China.

- Groupe Renault and Brilliance China Automotive sign an agreement for the creation of a joint venture for the manufacture and sale of light commercial vehicles in China in three segments and three brands – Jinbei, Renault and Huasong.

2018

- The three robot vehicle concepts, EZ-GO, EZ-PRO and EZ-ULTIMO, illustrate the Group's vision for urban, shared mobility of the future.
- Renault celebrates its 120 YEARS OF MOBILITY: a new era dawns in the world of transport but our vision remains steadfast: provide sustainable mobility for all, today and tomorrow.

2019

- Creation of a new business line for mobility services: Renault M.A.I (Mobility as an Industry)
- Launch of the New ZOE, the third generation of Europe's best-selling electric city car, which has extended its range (up to 395 km).
- Launch of the TRIBER in India, a brand new spacious and ultra-modular model that can accommodate up to seven adults in a length of less than four meters, a world first specially designed for the Indian market.
- Arrival of E-TECH hybrid technology on the CLIO E-TECH Hybrid and the CAPTUR E-TECH Plug-in Hybrid.

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3. CONTENTS OF BUSINESS:

The Group's activities have been organized into three main types of operating activities, in 134 countries:

- **Automotive**, with the design, manufacture and distribution of products through its distribution network (including the Renault Retail Group subsidiary):
- new vehicles, with several ranges (PC, LCV and EV [exclusively Renault]) marketed under five brands: Renault, Dacia, Renault Samsung Motors, Alpine and Lada. Vehicles manufactured by Dacia and RSM may be sold under the Renault badge in some countries,
- used vehicles and spare parts,
- the Renault powertrain range, sold B2B;
- **Sales financing** (RCI Banque group and its subsidiaries): sales financing, leasing, maintenance and service contracts;
- **Mobility Services**, which brings together the new mobility service activities in the Renault M.A.I. holding company, created in October 2019.

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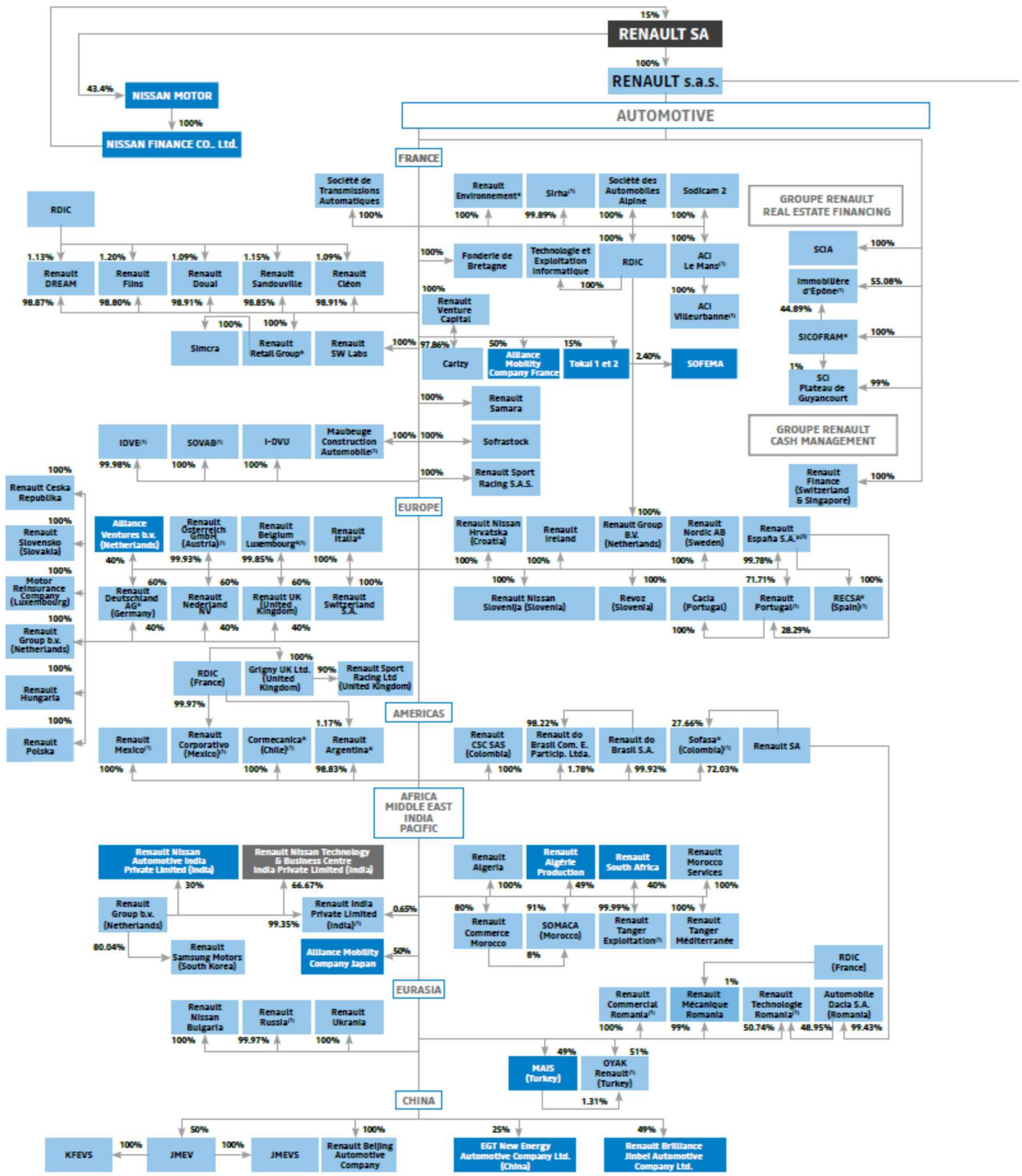
The information contained below regarding the "Detailed organization chart of the consolidated Group as of December 31, 2020" strictly contains information presented in the Renault Universal Registration Document, which was filed on March 15, 2021 for the period ending December 31, 2020. For further information on the progression of the organization of the Renault group please refer to "4. Statement of Related Companies" below.

Detailed organization chart of the consolidated Group as of December 31, 2020



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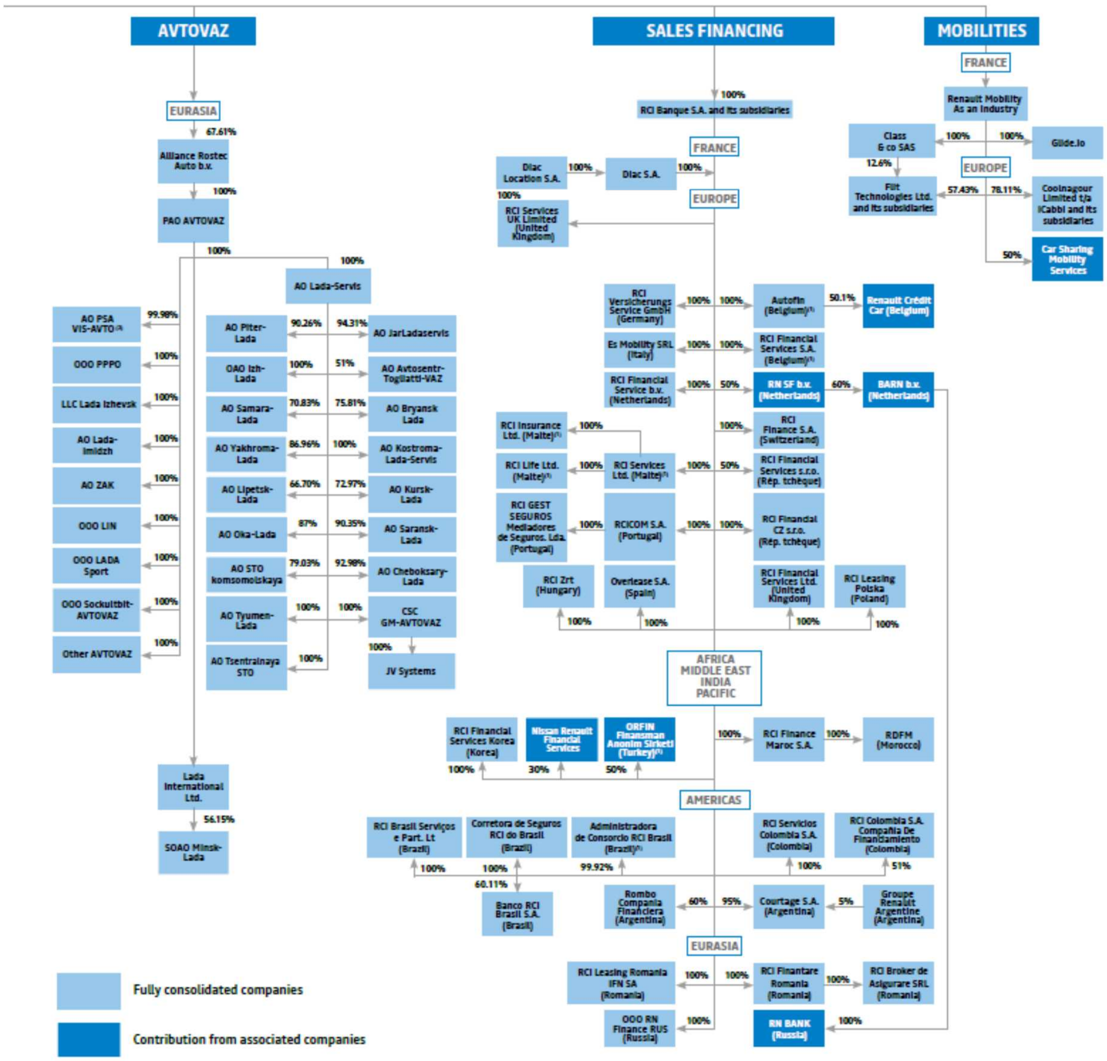

Fully consolidated companies

Contribution from associated companies

Companies consolidated according to percentage of participation of each element of the balance sheet and profit and loss account

* and subsidiaries

Percentages correspond to the share of capital held.
You are remIndiad that this may differ from the percentage ownership.

(1) Other subsidiaries holdings of less than 1%.
(2) Third-party holdings of less than 1%.

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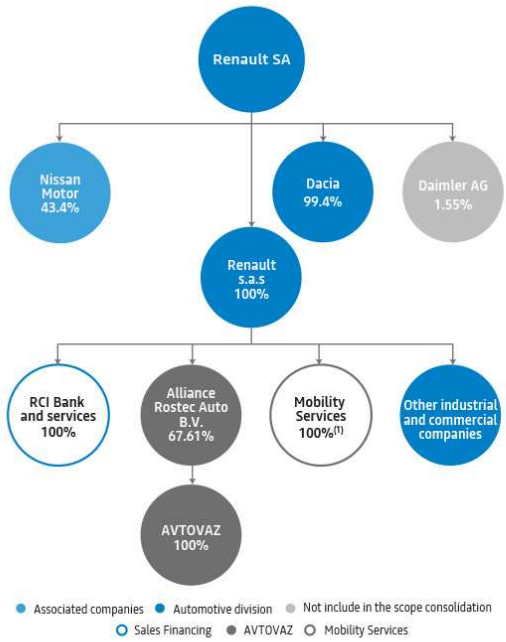
In addition, Renault has equity investments in the following two companies:

- Renault's equity investment in Nissan;
- Renault's equity investment in AVTOVAZ.

The investment in Nissan is consolidated under the equity method in the Group's financial statements, that in AVTOVAZ is fully consolidated.

STRUCTURE OF GROUPE RENAULT

(as a % of shares issued)



(1) Indirect interest held by Renault s.a.s.

(1) ACTIVITIES

A. Automotive:

(I) brands and ranges

Groupe Renault designs, manufactures and sells passenger cars and light commercial vehicles and innovative services accessible to as many people as possible under five automotive brands: Renault, Dacia, Renault Samsung, Alpine and LADA.

The Renault brand: a creative brand for modern living

Renault is the inventive and popular French car brand that put France on four wheels. It innovates tirelessly to improve mobility and, with it, everyone's lives. It dreams up creative solutions adapted to modern life. Bold in its offer, attentive to people, upbeat and brimming with life, the Renault brand has been inventing the future of mobility since 1898.

Renault cars have often been synonymous with progress, and that is why, like the R4, the TWINGO and more recently the ZOE, they have become icons. The first fully electric vehicle for the general public, the ZOE, is Europe's leading car in its segment today.

A pioneer in electric vehicles, Renault is continuing to electrify its entire range. Thanks to the Formula 1 innovation laboratory, Renault has developed its E-TECH hybrid powertrain. Protected by 150 patents, it has served in the development of two types of hybrid engine: hybrid and plug-in hybrid, which can be found on the new CLIO, the new CAPTUR and the new MEGANE Estate. The MEGANE eVision, with its know-how and ingenuity, embodies a breakthrough that is at once emotional (design), innovative (cabin) and technological (electric) at the very heart of the Renault range. With it, Renault continues its role as an innovator and creator of cars for living.

In 2020, in addition to the renewal of the MEGANE, TALISMAN, ESPACE (Europe), KAPTUR Phase 2 (Russia), and DUSTER (Brazil), Renault plans to roll out an extensive electrification program for the entire range. This year was marked by the launches of the TWINGO Electric (all-electric technology), the CLIO E-TECH Hybrid (full hybrid technology), the CAPTUR and the MEGANE E-TECH Plug-in Hybrid (plug-in hybrid technology).

In 2021, Renault will continue to refresh its vehicles in Europe and pursue its international expansion: in Latin America with the CAPTUR Phase 2, in Russia, Colombia and Argentina with the New DUSTER, in India with the all-new KIGER SUV, and in Turkey with the replacement of the SYMBOL, which will go on sale in spring 2021, under a new name.

Passenger cars (PC)

In the small car segment (A and B-segments and similar passenger cars), Renault offers a wide range of complementary models: the KWID, LOGAN, SANDERO, SANDERO Stepway, TRIBER, TWINGO, CLIO, CAPTUR and SYMBOL.

In the A segment of small city cars, the TWINGO once again maintained its clear leadership in France (31.4% A segment market share in 2020, +5 pts), putting it well ahead of its competitors, the Fiat 500 (13.1% segment share) and the Peugeot 108 (11.6% segment share). It is thus taking full advantage of its overhaul in 2019 to consolidate its fourth ranking in Europe, with a growing market share (9.5% segment share in 2020, +2.1 pts).

After selling nearly 4 million units in 25 countries, the TWINGO opened a new chapter in its story this year with the launch of the TWINGO ELECTRIC, its all-electric version. Renault has used its in-depth knowledge of the small city car segment to develop an electric car whose handling, range and equipment are tailored to the needs of owners of mini-city cars. Built on a platform that is natively predisposed to electric vehicles, the TWINGO ELECTRIC offers performance that retains everything that has already made the TWINGO a success and further maximizes its appeal. Like its thermal twin, the TWINGO ELECTRIC has the best turning radius on the market. With its 22 kWh battery, the TWINGO ELECTRIC can crisscross the city for an entire week on a single charge. And its charging versatility allows it to charge up to four times faster than its competitors on the 22 kilowatt AC terminals frequently found in public spaces. The TWINGO ELECTRIC takes up TWINGO's playful design, endearing personality and unique potential for personalization, enriched by a few details that show off its electric identity.

On international markets, the KWID, launched in October 2015 on the Indian market, followed by South Africa, in 2017 in Brazil and Argentina and in 2019 along the Pacific coast in Mexico and Colombia, has already sold over 730,000 cars. Its success reflects the unique, trusted product offering designed to be affordable for as many people as possible, as well as the quality of the sales strategy that accompanied the launches: a dealer network that is motivated and fully supported by modern and efficient digital tools. KWID thus confirms its very strong potential for global expansion: positioned in the Top 3 in Latin America in Segment A and with the 2019 launch of the new KWID in India. The KWID continued its dynamic path in 2020 in Latin America and India with the introduction of two-tone bodywork.

In the B segment (station wagon & sedan), the CLIO 5, launched in Europe in 2019, extended its range this year with an electrified offering, the CLIO E-TECH, Groupe Renault's first full hybrid. With its new self-rechargeable hybrid engine, the CLIO E-TECH Hybrid offers unprecedented driving pleasure and allows city driving in electric mode up to 80% of the time.

During this first full year, the CLIO confirmed its steady growth since 2005 and once again consolidated its first place in Europe, not only in the B Hatch segment (market share of 11.9%, +2.2 pts vs. the Peugeot 208, No. 2) but also in the entire B segment (market share of 6.5%, +1.3 pts vs. the Peugeot 208, No. 2). In France, the CLIO remained the best-selling vehicle for the eighth consecutive year, with 114,102 vehicles sold.

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The CLIO 5 was rolled out internationally throughout 2020. The CLIO continued to grow outside France, in particular in Turkey, where it is the undisputed leader in its segment (market share of 50.7% in 2020).

In 2020, a total of 340,098 CLIOs were sold worldwide. Sales of the ESTATE variant of the CLIO 4 were maintained in parallel with the CLIO 5 throughout 2020, but this variant will be discontinued from 2021.

In the growing B-crossover sub-segment, the CAPTUR 2 was launched at the end of 2019: new, fully customizable design and the best levels of technology and modularity in the category. The new CAPTUR has reinvented itself, while keeping the best of its classic features that have made it such a success throughout the world over the past seven years.

In the second half of 2020, the new CAPTUR E-TECH Plug-in Hybrid joined the range: it is the first plug-in hybrid vehicle available on a mass-produced scale, making this technology accessible to everyone. Eschewing compromises, the CAPTUR E-TECH Plug-in Hybrid offers a driving experience that is fully electric on weekdays and hybrid on weekends or for longer trips (65km range in all-electric mode in cities and 50km in a combined cycle – WLTP). In addition, at the core of the range, the 1.3 L TCe 140 gasoline engine is enhanced by a 12V micro-hybridization system. Finally, the E-TECH Hybrid engine (full hybrid) will come to the market in the first half of 2021. The new CAPTUR will thus propose a fully electrified offer, for increasing versatility and controlled fuel consumption/CO_2 emissions.

Although the competitive environment is still very aggressive, the New CAPTUR managed to retain its leadership in 2020 in its main markets: in Europe, the CAPTUR 2 continues to occupy first place (with a 10.9% Segment B crossover share in 2020. The vehicle remains popular with our customers and continues to contribute significantly to the Brand's image.

Following Russia in 2016, the KAPTUR/CAPTUR made its entry on the various markets of Latin America and India in 2017. Produced in the Moscow, Curitiba and Chennai plants, the KAPTUR/CAPTUR, a C-segment SUV, is well matched with the DUSTER, thanks to its very attractive design and product characteristics adapted to the requirements of these markets. The KAPTUR/CAPTUR confirmed its strong global expansion potential with over 266,000 sales.

Following the renewal of the SANDERO, the STEPWAY and the LOGAN in Latin America in 2019, a major focus has been placed on the performance of retail sales in 2020, in parallel with a net pricing policy. These efforts contributed to an improvement in overall profitability, causing a slight weakening of market share in the Region (-0.5 pt vs. 2019 for these models, at 1.9%) in a highly competitive environment.

These vehicles maintained their positions on the Russian market, with market shares of 1.7% for the SANDERO and 2.0% for the LOGAN and their STEPWAY versions, stable versus 2019. They will benefit from a refresh this year to include new stylistic elements (fun stickers, new upholstery and interior materials), to support the commercial performance on this key market, six years after their launch.

2020 marks the end of the marketing of the SYMBOL in Turkey. It will be replaced by a brand-new model in the second quarter of 2021. The new vehicle aims to cover a large part of the compact sedan market and will drive Renault's revival in this segment thanks to a new line, a new name, new equipment and all the stylistic codes of the Renault brand.

In India, the TRIBER continues to shake up the B segment with its unique positioning. After several months on the market, the TRIBER has confirmed its commercial success, with market share of more than 2% in the second quarter of 2019 and 1.4% in 2020. Super flexible, ultra-modular, benefiting from the tax advantages of vehicles under 4.00 meters but offering unrivaled spaciousness, the TRIBER is on the way to becoming a blockbuster in India. The TRIBER was launched to great acclaim in South Africa in February 2020 and in Indonesia as well. The arrival of the Easy-R robotic gearbox in the spring has further expanded the engine/transmission range for this model.

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Renault will complete its range in India from the beginning of 2021 with the arrival of the KIGER: a small, dynamic SUV with a racy design built on and with all the advantages of the TRIBER platform, particularly in terms of roominess.

Segment C represented 36.6% of the global market in 2020 and 39.1% in Europe, where Renault was in eleventh place (behind VW, Peugeot, BMW, Ford, Kia, Skoda, Toyota, Mercedes and others) with a 3.9% segment share and more than 181,000 vehicles sold, a drop of 44.4% from 2019, due in large part to the current health crisis.

The C segment as a whole continues to be by far the world's leading segment in terms of volumes, on a growing trend expected over the coming years. Against this backdrop, Renault is adapting its commercial ranges to best meet the expectations of customers in the segment. Thus, each of the three models launched a new, simpler and more efficient range in 2020.

In Europe, the **C-SUV sub-segment** is the largest, representing more than 2.2 million vehicles sold, or nearly half of C-segment sales (46.6%).

Based on its two main strengths (exterior design and comfort), and in an increasingly competitive market, the KADJAR sold over 69,000 units worldwide in 2020.

For the KADJAR in Europe, this means sales of over 63,000 and a segment share of 3.2% in 2020. In some major markets, it performed well, as it did in France, where the model is in the top sellers with a segment share of 7.8% and more than 20,000 registrations.

The DUSTER's success is embodied by excellent international sales spanning all continents – India, Russia and Latin America – with nearly 1.5 million units sold since its launch, putting it in the top three of the C-SUV segment in Russia and Latin America.

Launched in Brazil in 2020, the new DUSTER will set out to conquer other Latin American countries and Russia in 2021, with a compelling exterior and interior design that has been completely overhauled. It now features striking new equipment: new multimedia system with 8-inch screen, hands-free access card, and new driving aids: blind spot warning, multi-view camera, downhill speed control (4X4).

With this new generation, perceived quality improves without compromising on the attributes that have made the DUSTER so successful: robustness, roominess, reliability, off-road capabilities and equipment adapted to the needs of the various markets.

Launched in June of this year in Russia, the KAPTUR Phase 2 has seen its interior significantly improved in terms of finishes, with better quality materials, as well as in terms of usability. Its new equipment – and above all its new 1.3 l turbo engine – have been widely acclaimed by the press and customers. This engine already accounts for more than half of the model's sales. This model will set out to conquer Latin America at the end of next year.

The ARKANA, launched in September 2019, continues to attract new customers for the Renault brand in Russia thanks to its unique design in this price range. In 2021, this model will gain traction from the release of a new limited series and continuous improvement, particularly around perceived quality.

The **C-HATCH sub-segment** fell 14.3% worldwide in 2020, while in Europe it decreased by 24.3%. The C-ESTATE sub-segment also fell, by 17.6% worldwide and by 20% in Europe.

In 2020, the HATCH+ESTATE sub-segment accounted for 42.9% of the C-segment, in which the MEGANE is in eleventh place with a segment share of 3.6% (-1.25 pts vs. 2019) and 71,968 vehicles sold in Europe (PC).

In 2020, the MEGANE HATCH fell in France but remained in second place (20,640 vehicles sold excluding company), with a 14.0% segment share (-2.43 pts vs. 2019). The MEGANE is also among the Top 6 in Spain, with a 6.4% segment share (-0.78 pts vs. 2019); The MEGANE is in the Top 4 in Portugal, 13.3% segment share, -4.31 pts vs. 2019), and second in France with a 20% segment share (-1.97 pts vs. 2019).

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The MEGANE SEDAN had a very good year in Turkey, ranking second in its segment with more than 40,000 units sold during the year (+73.6% vs. 2019) bringing its segment share to 15.4% (+1.76 pts vs. 2019).

With 130,096 units sold (PC+LCV), including 71,968 in Europe (PC) and 62,309 including LCV, the MEGANE, in its three versions, is the largest sales volume in the Segment C for Renault. The model is very popular with its buyers for its design, level of equipment and comfort. Moreover, the design continues to be the first reason for choosing the model, in a segment where the first reason for buying is usually brand loyalty.

The New MEGANE was launched in spring 2020, and continues to be popular thanks to an even more attractive design and new on-board technologies. Its increasingly advanced range of engines meets customer expectations in terms of comfort and the environment. The New MEGANE ESTATE presents the first plug-in hybrid powertrain (E-TECH) in the history of the MEGANE and Renault's C-segment, pending its next unveiling in the Sedan version in 2021.

The **C-MPV sub-segment** was down 46% to represent only 5.5% of Segment C in Europe in 2020.

In 2020, the SCENIC held up well, attracting 37,048 customers on the continent, with a 14.5% segment share (-2 pts vs. 2019). This year, it occupied third place in the European C-MPV market, and was leader in France and Belgium. In France, the SCENIC (17,845 vehicles sold) represents a segment share of 38.5% (-2.94 pts vs. 2019). In Belgium, the SCENIC (4,376 vehicles sold) achieved a segment share of 32.5% (-3.56 pts vs. 2019). To continue increasing its attractiveness, in 2020, the SCENIC benefitted from a fresh design and updated engines that are increasingly efficient and compliant with current European standards.

The KANGOO, which has been made in Maubeuge (France) for 13 years, is in its last year of production for Europe in 2020. It thus finishes in seventh place in the Combispace segment in Europe, with a range limited exclusively to BVM diesel engines. The new generation KANGOO was unveiled in picture in November 2020, with its elegant and athletic design sparking enthusiasm. The first deliveries are slated for the spring of 2021. For some countries outside Europe, the New KANGOO will be supported by the New EXPRESS made in Tangiers (Morocco).

With its full range of high-end vehicles, Renault now covers all segments in the category: MPV with the ESPACE, sedans with the TALISMAN, also available in a station wagon version for Europe, and an SUV with the KOLEOS. These three models also ensure wide geographic coverage, accounting for approximately 65% of sales in Korea (SM6 and QM6) and China (KOLEOS).

The new Renault ESPACE launched in June 2020 adds new features to better meet the needs of high-end customers thanks to:

- its design: the new Renault ESPACE maintains its crossover silhouette and reinforces the conventions of SUVs (new, more assertive front bumper, new 20’’ wheel trims, new rear ski). For the first time in the Renault range, the new Renault ESPACE has integrated MATRIX Vision LED adaptive lights that combine design and technology. Inside, the new Renault ESPACE adopts the new design interpretation of the high-end brand INITIALE Paris. This version accounts for 65% of the versions sold;
- its unique driving experience: the new Renault ESPACE still has MULTI-SENSE, with four unique driving modes, and can also be coupled to the 4CONTROL four-wheel steering chassis with active damping. The New ESPACE also has new driving aids such as the traffic and highway assistant;
- its connectivity: the New Renault ESPACE has the Renault EASY CONNECT ecosystem, which offers a new connected mobility experience. It incorporates the new Renault EASY LINK multimedia system, which is displayed on a 9.3-inch central screen, and has a 10.2-inch digital Driver Display on the dashboard.

Renault ESPACE offers comfort to all passengers, up to seven seats, with its enveloping seats, brightness with its panoramic windshield, loading volume. It embodies business class comfort. It sold

4,345 vehicles in 2020 with a 5.6% market share in its category in Europe (excluding right-hand drive vehicles). It is the undisputed leader in this category in France, with a 52% share of the segment.

The New TALISMAN - launched in October 2020 - is in the highly competitive large sedan and station wagon segment (low-driving Segment D, representing 45% of Segment D in Europe). To appeal to potential clients, whether private individuals or company executives, the TALISMAN offers even more refinement and technology and boasts five key strengths:

- even more assertive design, including its new light signature, new LED MATRIX VISION headlamps and new taillights with a touch of chrome and scrolling indicators;
- revisited INITIALE PARIS version combining the best of equipment and even better perceived quality, presenting 30% of the model's sales in Europe;
- Renault EASY LINK multimedia system controlled via the 9.3-in central touch screen, complemented by a 10.2-in digital screen on the dashboard;
- new EASY DRIVE driving aids including the highway and traffic assistant, plus the exclusive 4CONTROL chassis system with 4-wheel steering and controlled damping;
- a wide and revamped range of powerful and efficient meeting the latest WLTP D-Full standards: two gasoline turbo engines with FAP, flexible and frugal (140 to 165hp TCe 140 and 160 EDC) and two turbo diesel engines with SCR technology (160 to 190hp Blue dCi with EDC), combining pleasure and efficiency with low consumption and CO_2 and NO_x emissions.

In 2020, the Renault TALISMAN sedan and ESTATE sold 8,028 units and accounted for 3.1% of their category in Europe, excluding right-hand drive countries, luxury and premium brands, ranking in seventh place. In France, the TALISMAN ranks second with 16.4% market share. The TALISMAN is also sold beyond the borders of Europe, in Turkey and Morocco.

Sold in 87 countries, the new Renault KOLEOS is the most international high-end vehicle with 55% of sales in Europe, 30% in Asia Pacific (with 2,408 vehicles sold in Australia), as well as sales in the Americas region totaling 18% and bringing the Company to No. 3 in the D-SUV segment in Mexico. In 2020, a total of 15,278 vehicles were sold. The new KOLEOS has updated the following features:

- its design: an SUV with broad shoulders and muscular flanks, the new Renault KOLEOS has been enriched with new full-LED front and rear lights, with scrolling indicators, a new interior ambience featuring the introduction of new Riviera Camel color leather upholstery and a new Highland Gray body color. Design is the first reason for choosing the new Renault KOLEOS in every region where it is sold;
- its refined interior and on-board comfort: the New RENAULT KOLEOS has adopted the new design interpretation of the high-end brand INITIALE Paris. This version accounts for 30% of the versions sold. The new Renault KOLEOS offers comfort to every passenger: in the front, with heated, massaging and ventilated seats, in the rear with unequaled habitability;
- new engines: In Europe, in addition to the new Blue dCi 190 EDC Euro6 D-Full available in 4X2 and 4X4 versions, the engine offering has been enhanced with a new gasoline unit particularly suited to the needs of our individual and fleet customers: the TCe 160 EDC. Powerful, quiet, flexible and fuel-efficient, this engine emits only 153g of CO_2/km, making it the best in its class.

Its top-of-the-range equipment has been enriched over the years, notably in terms of ADAS features, with Adaptive Cruise Control, pedestrian and cyclist AEBS and Easy Park Assist, while its 4x4 version now includes hill descent control.

Renault also stands out in passenger transport with the complete renewal of its TRAFIC range in early 2021: the New TRAFIC Combi and New Renault SPACECLASS make it possible to transport up to nine people in exceptional comfort and performance conditions: volume and modularity, without compromising on comfort or the number of seats available.

The exterior design has been modernized, with a more expressive and dynamic front end, and the cabin has been revisited to make it even more practical and elegant, notably with a new dashboard.

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The new passenger transport range also benefits from latest-generation driving aids for enhanced safety and the Renault EASY LINK multimedia system.

The upmarket versions of the SpaceClass - for transporting VIP customers - provide a veritable mobile lounge for an improved on-board experience, with features including up to six seats facing each other (best knee radius on the market), individual sliding, swivel and removable seats and a sliding table.

The New TRAFIC Combi and New Renault SpaceClass offer an expanded and renewed range of efficient engines that meet FULL Euro 6d standards with a 2.0 l diesel engine boasting from 110 to 170hp and an EDC6 automatic transmission available from 150hp.

Sold in over 40 countries, the Renault TRAFIC PC accounts for nearly 15.2% of TRAFIC sales worldwide, with 11,999 sales in 2020.

Light commercial vehicles (LCVs)

Groupe Renault is continuing to develop light commercial vehicles, not only under the Renault brand but also through manufacturing partnerships with Nissan, Renault Trucks, and Daimler since 2016.

At the end of 2015, Renault launched the "Renault Pro+" expert brand dedicated to professional customers. It covers a wide range of LCVs and services, tailored offers of converted and bodyworked vehicles, and a network of Renault Pro sales and after-sales specialists.

Renault Pro+ aims to offer its customers intelligent innovations to make their day-to-day work easier and thus help them grow their business in a sustainable way.

The specialized Renault Pro+ network is the spearhead of the expert brand. This specialized network currently comprises 626 points of sale that meet standards tailored to business customers' expectations, demonstrating its efficiency year after year. It celebrated its tenth birthday in 2019.

Groupe Renault's commercial performance in 2020 was hampered by the complex economic context of COVID-19. With 520,640 LCV sales (including JINBEI), or 5.48% of global market share (excluding North America), the drive for international sales continued and accounted for 47.8% of global LCV sales, compared with 42.3% in 2019.

In non-pick-up markets in Europe, the Renault brand ranked in the Top 2 with 14.6% of the LCV market. Renault was also in the Top 2 excluding pick-ups in the four largest markets in Latin America.

Renault's LCV range comprises vehicles from 1.6 to 6.5 metric tons and from 2 to 22 m^3 in gasoline, diesel and electric vehicles (ZOE Company, KANGOO Z.E. and MASTER Z.E.). Renault is the European leader in LCV EV sales, with a 37.1% market share thanks to the KANGOO Z.E., the best-seller with almost 10,000 sales and the ZOE LCV.

In the small van segment (weight <2 metric tons), the KANGOO remains an essential benchmark in the market. The KANGOO and KANGOO Z.E. remain firmly entrenched in the Top 3 in Europe, with 14% of the small van segment. The KANGOO Z.E. – the electric model – took 29.2% of the electric LCV market, with nearly 10,000 vehicles sold over the year. More than 55,000 KANGOO Z.E. cars are on the road in Europe, making it a major contributor to sustainable mobility in the field of professional activities.

The combined PC+LCV KANGOO, now on the market for 13 years, has racked up more than 1.5 million sales worldwide. It will continue its life a little in 2021, but will soon be supported by a new generation of two models: the New EXPRESS van and the New KANGOO van, which were unveiled in picture in November 2020, with the first deliveries due in the spring of 2021. The new KANGOO van offers some very appealing innovations that will once again revolutionize the market and the way user companies work.

In Latin America, the new generation of KANGOO vans, made in Cordoba (Argentina) and launched in mid-2018, is suffering from the very unfavorable economic environment in Argentina, but is

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extending its marketing reach into countries like Mexico pending its entry into the Brazilian market with flex-fuel engines. The KANGOO thus ranked third in Latin America in 2020.

In the van segment (between 2 and 6.5 metric tons), Renault is continuing its offensive with a brand New TRAFIC and MASTER range that has been available since September 2019 and which sold 141,072 units in 2020.

The TRAFIC is a versatile van with a refined interior design and expressive exterior (full LED headlights and light signature) and new 2.0 l engines with up to 170hp and 380Nm and an EDC6 automatic transmission.

More comfortable, and designed to be used as a mobile office by professionals, the TRAFIC has record dimensions for usable length (4.15m), with volume ranging from 5.2 to 8.6m^3. The TRAFIC is available in 275 versions from vans to flatbeds to crew cabs or numerous layout variations for panelwork and windows, lengths or heights.

The Renault TRAFIC recorded annual sales of 63,221 in the Compact LCV segment in Europe (with a segment share of 14%). It is manufactured at the Sandouville plant in France.

In the Large Van segment, the Renault MASTER offers a new, larger and more robust front end, a completely redesigned interior, new ADAS (Advanced Driver-Assistance Systems) and new, more powerful and quieter engines. It makes drivers' lives easier with new innovative equipment (extractable dashboard tablet, drawer-style glove box, induction smartphone charger, and for the first time in the segment, "rear view assist", a rear view monitoring assistant).

The Renault MASTER offers "made-to-measure" features, with over 350 versions, four lengths, three heights, vans, combis, platform and chassis cab, front and rear-wheel drive, *etc*., offering a working volume of between 8 and 22m^3.

In terms of engines, the Renault MASTER has a new range of 2.3 l dCi engines even better suited for professional uses. These engines now meet Euro 6d-temp/Euro VI (depending on the version) standards and all of them have Twin Turbo technology. They have increased power of up to 180hp and increased torque of up to 400Nm for a more dynamic and responsive driving experience while keeping fuel consumption low.

The Renault MASTER is manufactured at the Batilly plant (France) and Curitiba plant (Brazil). It is sold in nearly 50 countries. In Europe, the share of the LCV Large Vans segment stood at 14% (including sales of Renault Trucks), thus allowing the Renault MASTER to consolidate fourth place on the podium. Internationally, in 2020 the Renault MASTER positioned itself as a leader on strategic markets, including Brazil (42.8% segment share) and Morocco (31.5% market share). The MASTER maintains its position on the podium in Australia (14.4%) and Argentina (17.2%).

The Pick-up market represents a potential for Renault to win new customers. The Renault ALASKAN and the Renault OROCH form the backbone of this market offensive.

In America, the Renault ALASKAN has taken a new step forward. In November 2020, the Renault Santa-Isabel plant in Cordoba began manufacturing the Renault ALASKAN for the Argentinian market. This launch rounds out the ALASKAN's footprint in the Americas with an entry into Colombia, where it recorded a segment share of 5.7% in 2020.

In Europe, the ALASKAN has suffered from a complicated commercial and industrial environment, with the transition to the E6dTemp range, the impact of COVID-19 and the consequences of Nissan's announced withdrawal from the Barcelona plant at the end of 2021. Despite this backdrop, a limited "Ice Edition" will be marketed in January 2021 to highlight one of the model's strengths: its highly expressive design.

Sales of the OROCH were constrained by production capacities in 2020, despite the downturn in markets linked to COVID-19 and its economic fallout. However, the OROCH remained at the top of its segment or took second or third place in most countries (ranked first in Colombia, second in Argentina and Mexico). The Renault OROCH is sold in many regions, including Africa and Asia-Pacific.

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Groupe Renault's electric range: pioneer and leader in the electric market, Groupe Renault is expanding its product offensive

In 2020, the European electric vehicle market enjoyed the fastest growth in the world, with volumes doubling versus 2019, and a new record was set with more than 755,900 electric vehicles sold. Growth in the market for fully electric vehicles is accelerating, with more and more competitors entering the market in all segments.

Germany has become the leading electric vehicle market in terms of volumes, with 197,400 units sold and market share of 6.2% in electric vehicles. Norway remains Europe's leading vehicle market in terms of share of a market in which: two out of every five vehicles sold are electric. France is the second-biggest country in terms of volumes, with 119,700 units and electric vehicles accounting for 5.8% of the overall market.

Renault maintains its leadership in Europe thanks to the ZOE's record sales performance, with 100,815 sales in 2020 for this scope. The Renault ZOE was also the best-selling electric model in Europe in 2020. Groupe Renault's biggest markets are France, Germany, Italy, the United Kingdom and Spain. The range expands with the launch of the TWINGO Electric.

In the electric light commercial vehicle segment:

- for the tenth consecutive year, the KANGOO Z.E. remains by far the leader in Europe, with electric segment share of 29.2%. At the end of 2020, cumulative sales of the KANGOO Z.E. in Europe totaled more than 55,000 units. In 2021, the New KANGOO van will take over with its Z.E. versions, bringing improvements and innovations that should continue to convince companies to switch to sustainable mobility for their transport and service activities;
- with the MASTER Z.E., Renault now offers the widest variety of versions of large electric vans, with a new chassis-cab version recently and a payload of up to 1,700 kg.

The new range offers:

- the choice between three types of bodies (van, floor-cab, chassis cab);
- a gross vehicle weight rating (GVWR) of 3.1 or 3.5 metric tons, allowing a payload of up to 1,700 kg (before transformation);
- from 8m^3 to 23m^3 of useful volume.

The new offer has been made possible in particular thanks to developments in the electric motor gearbox. The entire MASTER Z.E. range offers an WLTP range of 130 km and a full charge in six hours with the WallBox 32A/7.4 kW.

Since it launched its electric program, Renault has sold more than 370,000 electric vehicles in Europe and more than 397,000 worldwide: 284,800 ZOE, 59,150 KANGOO Z.E., 11,400 FLUENCE Z.E./SM3 Z.E., 4,600 K-Z.E., 31,100 TWIZY, 770 MASTER Z.E. and 5,100 TWINGO Electric in 2020.

The Group has reached technical and commercial maturity in this segment thanks to its experience dating back more than 10 years. This offers a competitive advantage over other carmakers. In 2020, Groupe Renault announced several new products: launch of the TWINGO ELECTRIC to round out the range for urban use and presentation of the DACIA SPRING, which promises to be the most affordable offer on the market to open up electric mobility for all. Through the MEGANE eVISION show car, the Group is also announcing the arrival of an offer in the C segment.

To facilitate the use of electric vehicles, Renault continues to develop innovative connected services. The MyRenault app brings together all the connected services linked to the electric vehicle so as to support the customer's day-to-day experience. This app also ushers in new services such as a trip planner factoring in charging needs and time, and the real-time availability of nearby charging stations.

Renault is also committed to ecosystem development that promotes – and is encouraged by – the widespread roll-out of electric mobility. For example, the Group has set up solutions with its partners that allow used batteries to be reused for different applications: stationary energy storage, which allows better integration of renewable energies in the energy mix, or even maritime use by electrifying boats

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going up and down the Seine. The transformation of the Flins plant into a center of excellence in the circular economy is another example of Groupe Renault's determination to promote the development of sustainable mobility.

The Dacia brand: a focus on the basics

A Groupe Renault brand since 1998, Dacia was founded in Romania in 1968 to manufacture Renault models under license for the local market. Revived with the LOGAN in 2004, the Dacia brand is now present in 44 countries, mainly in Europe and the Mediterranean region.

The first Dacia vehicle sold outside Romania, the LOGAN was the result of close collaboration between the Romanian engineering teams and those based at the Renault Technocentre. From the outset, the program broke with automotive industry practice by rethinking the entire production chain based on cost constraints. This equation has made – and continues to make – the brand a success.

With the launch of the SANDERO and then the DUSTER, Dacia has confirmed its boldness and ability to shake up the codes by offering spacious, practical and robust new cars at the best value for money in the market. Drawing on proven and amortized technologies, the vehicles' equipment and features are kept to a strict minimum, and are easy to use and maintain. Dacia's commercial offering (equipment, price policy) makes the purchase as simple as possible.

A large proportion of Dacia customers come from the used vehicle market and are accessing a new vehicle for the first time. However, Dacia is also attracting a new type of consumer who is choosing to consume in a different, more thoughtful way. This behavior expresses itself as a lesser degree of interest in the race for technological innovation and a focus on only the best of what automobiles have to offer: the freedom to move. In fact, the positioning of the Dacia brand is based on the idea of serving the basic needs of all these pragmatic customers, who want to pay a fair price for what they need, without foregoing any modern features.

Over the past 15 years, Dacia has enjoyed growing success, with more than 7 million customers, many of them Dacia enthusiasts, meeting at community events in many countries and exchanging views on social networks about the use of their cars.

2020, the start of a new chapter

The COVID-19 health crisis has had a considerable impact on the sale of vehicles, particularly to private individuals, the preferred channel for the Dacia brand. Nearly 521,000 vehicles were sold during the year, a 29% decline on the record set in 2019. Despite the bleak backdrop, Dacia now boasts all-time high levels of market share in Spain and Hungary, and remains the undisputed leader in Romania and Morocco.

In Europe, the SANDERO was the best-selling vehicle for individual customers for the fourth year in a row. The ECO-G, bi-fuel gasoline-LPG powertrain offered on the majority of the range achieved a significant breakthrough: more than one in two cars with engines running on LPG sold in Europe was a Dacia.

2020 was the year of the launch of the new generation of the iconic LOGAN and the no less emblematic SANDERO and SANDERO Stepway. This launch has allowed Dacia to refresh its offering in the city and multi-purpose compact segments to meet all the needs of individuals. The new SANDERO, SANDERO Stepway and LOGAN are revitalized incarnations of the spirit of their elders. For a price that is still as low as ever, they provide access to a new model at the best value for money on the market. Retaining their external dimensions, they offer more modernity, volume and versatility without repudiating their fundamentals of simplicity and reliability. They change platforms and offer a higher level of equipment, active and passive safety, new engines including a dual gasoline/LPG format, a new automatic gearbox and a new six-speed manual gearbox.

The SANDERO has become the best-seller of the range since its launch. With nearly 2.2 million units sold, it accounted for 41% of the brand's sales in 2020. Its Stepway version represents 68% of the SANDERO family sales mix.

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The LOGAN is Dacia’s flagship model and the brand’s legacy family sedan. In 2005, it revolutionized the automotive market by making new cars accessible to a wider public. Fifteen years later, still true to its original values, the new generation offers increased comfort and record-breaking roominess. A key model for sedan markets like Romania and Morocco, the New LOGAN represents 27% of cumulative Dacia brand sales and will continue to appeal to customers looking for spacious cars.

Three years after the launch of the new generation model, DUSTER’s success story continues as it retains its ranking among the SUVs with the highest sales in the individual market in Europe. Its still very attractive price, well thought-out features such as the multi-view camera system and hands-free card, combined with its 4x4 capacities, continue to attract more and more customers.

The DOKKER, the practical, versatile 5-seater Combispace, and DOKKER Van, its LCV version, had an excellent year in 2020, with 71,000 sales, mainly in the Combispace segment in Europe, ranking in fourth place with 14.1% of segment share. Since their launch the DOKKER and the DOKKER Van have exceeded 630,000 sales. In 2021, the DOKKER Van will give way to a 100% Renault Van offer with the New EXPRESS Van and the New KANGOO Van.

2020 was also the year of a new chapter in Dacia’s history with the unveiling of its first fully electric model. The brand’s entry into the electric city car market was heralded in March 2020 with the presentation of the Dacia SPRING Electric show car. The SPRING Electric is a revolution: positioned as the cheapest electric city car in the market, it makes electric mobility even more accessible. Behind its disruptive SUV look, it boasts record-breaking roominess, a simple and reliable electric engine and a reassuring range. Robust and well-equipped, the SPRING Electric will address both retail customers and new areas of electric mobility such as car sharing and last-mile delivery.

Renault Samsung Motors

Founded in 2000, the Renault Samsung Motors (RSM) brand is marketed exclusively in South Korea, with a range of five sedans (including one 100% electric model) and two SUVs.

Particularly renowned for its quality of service, in 2020, RSM ranked as the leader in customer satisfaction for the nineteenth consecutive year in sales, and for the fifth consecutive year in after-sales.

The brand’s volumes amounted to 90,300 units in 2020, an increase of 14% compared with 2019, with market share of 5.5%.

In sedans, the SM3 covers the C segment and is only available in an electric version (SM3 Z.E.) (857 units sold, an increase of 8%).

The SM6 sedan is closely derived from the Renault TALISMAN. Both vehicles were developed at the same time by the two engineering centers Renault Technologies Korea in Seoul and the Renault Technocentre in France. First marketed in March 2016, the SM6’s immediate success continued into 2017 and 2018. The New SM6, launched last July, sold 8,527 vehicles in 2020, giving it a 4.4% segment share (third place), just behind the local brands, thanks in particular to the arrival of two new turbo gasoline engines (powerful yet frugal TCe160 EDC and TCe225 EDC).

For SUVs, the range includes the QM6, launched on September 1, 2016. Sold under the Renault Samsung Motors brand, the QM6 is positioned in the D-SUV segment. In 2020, 46,825 units were sold, only a slight decline of 1.7% compared with 2019, despite the crisis. The QM6 thus maintained its third ranking in its category, with a 19.4% segment share in a market dominated by local players.

In 2020, Renault Samsung Motors introduced the XM3 SUV Coupé, based on the 2019 XM3 Inspire show car. RSM is the first mass-market carmaker to launch this type of concept on the South Korean market. The XM3 is the Korea-specific version of the Renault ARKANA SUV Coupé, already on sale in Russia. The XM3’s launch is part of Groupe Renault’s international strategy. Manufactured at the Busan plant south of Seoul, the XM3 conquered the South Korean market from its launch, with 34,091 units sold in 2020 and an 18% segment share (No. 3 behind local brands).

All RSM brand models are manufactured at the Busan plant. Illustrating the synergies of the Alliance, this plant also produces the ROGUE model for Nissan, which is exported to North America, with a total of 253,924 units sold in 2020 (this model shares the RSM QM6 and Renault KOLEOS platform).

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Alpine: an enriched A110 range and competition built into its wiring

The Alpine is the Groupe Renault brand dedicated to innovative, authentic and exclusive sports cars. 2020 was a pivotal year for it, with the announcement of its arrival in Formula 1 in 2021 and its move up to LMP1, the premier category of the World Endurance Championship (WEC). On the product side, Alpine is enriching its A110 offer – a multi-award-winning model whose range consists of the A110 Pure, the A110 Legend, the A110S – with the launch of two limited series: the A110 Color Edition 2020 and the A110 Legend GT. In 2020 the brand logged a total of 1,525 registrations.

The A110 Color Edition 2020 is not only a limited-edition version, but also a new annual program. Mirroring the world of fashion and its seasonal collections, the A110 Color Edition will be renewed every year. In 2020, the A110 Color Edition took its inspiration from the intense and vibrant A110S. It offers an exclusive Sunflower Yellow finish and was available for sale until the end of 2020. That hue was then removed from the color palette.

With only 400 units produced worldwide – all in 2020 – the A110 Legend GT is based on the current A110 Legend. With custom-designed design interior and bodywork features, it enhances the elegance of the A110 Legend. This reinterpretation gave birth to the most sophisticated version of the A110 to date, giving the brand real prominence – especially among the most discerning sports car buyers.

2020 also marked the beginning of its customization offer with the Atelier Alpine, which includes 29 new colors, each limited to 110 cars worldwide, four new caliper colors, three new wheel finishes and thousands of possible combinations to make each A110 as unique as its owner.

With competition built into its wiring, Alpine completed its third single-brand championship this year, the Alpine Elf Europa Cup. Developed with its competition partner Signatech, it is making an appearance on some of the most beautiful circuits in Europe. For the most experienced drivers, Alpine offers the A110 GT4, a competition version also developed by Signatech. In 2020, the A110 Rallye successfully took part in its first races in France. In September, it received FIA R-GT approval, thereby becoming eligible for all international events.

Lada: complete transformation of the range continues

An iconic leader in the Russian market for over 50 years, LADA is Groupe Renault’s fifth brand.

LADA vehicles are designed, produced and sold by AVTOVAZ, Russia's leading carmaker and a partner of Groupe Renault since 2008, which also manufactures cars for the Renault-Nissan- Mitsubishi Alliance for the Russian market and CIS countries.

With the launch of the LADA Vesta in 2015, thanks to the LADA XRAY a new era began for the LADA brand, with major ambitions: a fully renewed range of vehicles and services, accessible and adapted to local markets, attractive new design concepts and a rapidly changing network. In 2019, with the renewal of the legendary 4X4, LADA marked a new step in the enrichment of the brand and confirmed its leadership as an unbeatable all-terrain vehicle manufacturer.

In 2020, LADA confirmed its dynamism, not only with exciting new developments on renowned and popular models, but also with a continuous transformation of the dealer network in Russia reflected in a clear improvement on quality and customer service. LADA is in line to maintain its leadership in the Russian market and expand abroad.

Thanks to the success of its renewed line up and efforts to develop new market opportunities and brand sustainability, and in the context of the COVID-19 health crisis, LADA sales worldwide fell by 5% to 394,000 cars (including the NIVA): of this total, 354,000 were sold in the Russian market and 41,000 internationally.

The LADA brand is leader in the Russian automotive market with a market share of 21.5%, an improvement of 0.9 point compared to 2019 and giving it the highest market share since 2011.

This sustainable growth in recent years is driven by the success of its models in a very competitive environment, with three LADA vehicles among the Top 10 most sold passenger cars in Russia, including the LADA Granta at No. 1 (for the 2 second year in a row), the LADA Vesta at No. 2 (also for the 2 second year in a row) and the LADA Largus VP at No. 7.

In a very challenging environment, LADA has preserved its leadership in Belarus (LADA Vesta No. 1) and Azerbaijan, and ranks in the Top 3 in all CIS countries. Sales volumes increased by 12% in Kazakhstan, where Granta ranks No. 1 in terms of sales. LADA confirmed its position as the No. 1 imported brand in Uzbekistan, with an extensive and refreshed dealer network of 16 centers. Growth was also recorded in Central Asia and the Caucasus, led by Tajikistan (+30%), Kyrgyzstan (+110%) and Armenia (+45%), thanks to the opening of new concessions, fleet contracts and the appointment of new importers.

AVTOVAZ also produced more than 74,000 vehicles for the Alliance, including popular models such as: the Renault LOGAN, LOGAN Stepway, SANDERO and SANDERO Stepway.

(II) Internationalization of the Group - Sales figures

GROUP INTERNATIONAL SALES

Sales excluding Europe *(%)*

Year	2011	2012	2013	2014	2015	2016	2017(1)	2018(2)	2019(3)	**2020**
Group sales internationally *(%)*	43.1%	50.1%	50.5%	46.0%	42.5%	43.3%	49.2%	50.6%	48.1%	51.0%
Group sales internationally *(volume)*	1,172,696	1,277,229	1,326,288	1,247,101	1,194,735	1,379,999	1,850,253	1,963,553	1,803,903	1,506,617

(1) Including the Lada brand from 2017.

(2) Including the Jinbei & Huasong brands from 2018.

(3) Including AVTOVAZ Niva from December 2019.

ALL BRANDS WORLD MARKET BY REGION IN 2020

In volume and as a % of the TAM PC + LCV

	In volume	In % of the TAM Worldwide PC + LCV
TOTAL EUROPE	**13,662,952**	**18.1**
France	2,052,501	2.7
G9	11,610,451	15.4
TOTAL INTERNATIONAL	**61,866,946**	**81.9**
Africa – Middle-East – India Pacific	14,786,093	19.6
Eurasia	2,997,561	4.0
Americas	4,162,788	5.5
China	23,843,522	31.6
North America	16,076,982	21.3
TOTAL WORLDWIDE	**75,529,898**	**100.0**

GROUPE RENAULT SALES WORLDWIDE BY REGION

By volume, including Renault, Dacia, Renault Samsung Motors, Alpine, Lada and Jinbei & Huasong

	2020	2019	Change
TOTAL EUROPE	**1,445,354**	**1,945,833**	**-25.7%**
France	535,591	698,723	-23.3%

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G9	909,763	1,247,110	-27.1%
TOTAL INTERNATIONAL	**1,506,617**	**1,803,903**	**-16.5%**
Africa – Middle-East – India - Pacific	346,275	451,282	-23.3%
Eurasia	743,512	748,486	-0.7%
Americas	260,457	424,564	-38.7%
China	156,373	179,571	-12.9%
TOTAL WORLDWIDE	**2,951,971**	**3,749,736**	**-21.3%**

GROUPE RENAULT SALES WORLDWIDE BY BRAND

In volume of PC + LCV

	2020	2019	Change
Renault			
Passenger cars	1,473,679	1,942,328	-24.1%
Light commercial vehicles	314,666	411,963	-23.6%
TOTAL RENAULT	**1,788,345**	**2,354,291**	**-24.0%**
Dacia			
Passenger cars	484,330	689,287	-29.7%
Light commercial vehicles	36,655	46,020	-20.3%
TOTAL DACIA	**520,985**	**735,307**	**-29.1%**
Renault Samsung Motors			
Passenger cars	90,300	79,081	+14.2%
Alpine			
Passenger cars	1,527	4,832	-68.4%
LADA			
Passenger cars	369,510	400,308	-7.7%
Light commercial vehicles	14,505	12,662	+14.6%
TOTAL LADA	**384,015**	**412,970**	**-7.0%**
Jinbei & Huasong			
Passenger cars	2,161	8,449	-74.4%
Light commercial vehicles	154,815	153,452	+0.9%
TOTAL JINBEI & HUASONG	**156,976**	**161,901**	**-3.0%**
AVTOVAZ			
Passenger cars	9,823	1,354	+625.5%
Groupe Renault			
Passenger cars	2,431,330	3,125,639	-22.2%
Light commercial vehicles	520,641	624,097	-16.6%
TOTAL GROUPE RENAULT	**2,951,971**	**3,749,736**	**-21.3%**

Europe Region sales

MARKET ALL BRANDS EUROPE REGION

By volume of PC + LCV registrations

	2020	2019	Change
Germany	3,189,549	3,916,069	-18.6%

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France	2,052,501	2,694,063	-23.8%
United Kingdom	1,930,134	2,687,526	-28.2%
Italy	1,539,893	2,101,547	-26.7%
Spain + Canary Islands	1,009,966	1,474,031	-31.5%
Belgium + Luxembourg	558,314	696,906	-19.9%
Poland	486,209	621,952	-21.8%
Netherlands	416,698	521,644	-20.1%
Sweden	323,249	410,163	-21.2%
Austria	285,449	372,941	-23.5%
Switzerland	271,186	351,915	-22.9%
Denmark	229,740	259,939	-11.6%
Czech Republic	220,107	270,351	-18.6%
Norway	174,956	181,694	-3.7%
Portugal	172,996	262,251	-34.0%
Hungary	150,315	184,316	-18.4%
Finland	110,076	129,799	-15.2%
Ireland	110,040	142,439	-22.7%
Greece	87,356	122,370	-28.6%
Slovakia	82,618	110,102	-25.0%
Baltic States (1)	81,699	104,080	-21.5%
Slovenia	61,586	84,503	-27.1%
Croatia	43,064	72,081	-40.3%
Serbia	26,064	29,250	-10.9%
Other Balkans (2)	21,400	27,979	-23.5%
Greek Cyprus	11,866	14,527	-18.3%
Iceland	10,418	13,170	-20.9%
Malta	5,503	8,495	-35.2%
TAM EUROPE	**13,662,952**	**17,866,103**	**-23.5%**

(1) "Baltic States" include Estonia, Latvia and Lithuania.
(2) "Other Balkans" includes Kosovo, Montenegro, Bosnia, Macedonia and Albania.

RENAULT BRAND SALES [3] AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Renault markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
France	436,473	21.3	+0.7	554,975	20.6
Germany	150,645	4.7	+0.6	160,816	4.1
Italy	98,008	6.4	+0.1	131,913	6.3
Spain + Canary Islands	73,853	7.3	-0.4	113,034	7.7

3 *Excluding sales to governments.*

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United Kingdom	55,489	2.9	-0.1	78,829	2.9
Belgium + Luxembourg	46,009	8.2	-1.3	66,645	9.6
Poland	29,701	6.1	+0.1	37,108	6.0
Netherlands	26,957	6.5	-0.2	34,834	6.7
Portugal	22,708	13.1	-1.0	37,007	14.1
Austria	16,952	5.9	-0.0	22,279	6.0
Switzerland	14,625	5.4	+0.8	16,163	4.6
Denmark	12,677	5.5	-0.3	15,080	5.8
Sweden	10,353	3.2	-1.6	19,751	4.8
Slovenia	10,066	16.3	+1.7	12,333	14.6
Czech Republic	9,206	4.2	-0.4	12,326	4.6
Ireland	6,902	6.3	-0.9	10,190	7.2
Hungary	6,777	4.5	-0.9	9,917	5.4
Baltic States	4,508	5.5	-0.7	6,485	6.2
Slovakia	4,454	5.4	+0.8	5,029	4.6
Croatia	4,252	9.9	-0.5	7,491	10.4
Norway	3,581	2.0	+0.2	3,429	1.9
Finland	3,410	3.1	-0.4	4,605	3.5
Greece	3,269	3.7	+0.1	4,492	3.7
Serbia	2,512	9.6	+1.4	2,405	8.2
Other Balkans	1,336	6.2	+0.1	1,718	6.1
Greek Cyprus	437	3.7	+0.3	490	3.4
Malta	271	4.9	-0.8	490	5.8
Iceland	255	2.4	-1.2	485	3.7
TOTAL RENAULT	**1,055,686**	**7.7**	**+0.1**	**1,370,319**	**7.7**

DACIA BRAND SALES [4] AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Dacia markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
France	98,370	4.8	-0.4	140,568	5.2
Italy	56,849	3.7	-0.5	88,536	4.2
Germany	52,310	1.6	-0.5	83,521	2.1
Spain + Canary Islands	49,771	4.9	+0.2	70,187	4.8
Poland	22,464	4.6	-0.5	31,802	5.1
Belgium + Luxembourg	19,801	3.5	+0.1	23,998	3.4
United Kingdom	18,918	1.0	-0.2	30,951	1.2
Hungary	11,591	7.7	+1.1	12,152	6.6
Czech Republic	10,336	4.7	-1.1	15,542	5.7

4 *Excluding sales to governments.*

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Austria	7,330	2.6	-0.1	9,842	2.6
Switzerland	6,589	2.4	+0.0	8,548	2.4
Portugal	4,897	2.8	+0.2	6,851	2.6
Slovakia	3,791	4.6	-1.0	6,145	5.6
Slovenia	3,137	5.1	+0.1	4,250	5.0
Croatia	2,577	6.0	+0.2	4,162	5.8
Denmark	2,485	1.1	-0.2	3,354	1.3
Netherlands	2,319	0.6	-0.1	3,414	0.7
Sweden	2,142	0.7	-0.6	5,001	1.2
Baltic States	1,966	2.4	-0.8	3,318	3.2
Ireland	1,892	1.7	-0.5	3,103	2.2
Greece	1,874	2.1	+0.5	2,024	1.7
Serbia	1,665	6.4	-1.4	2,290	7.8
Other Balkans	1,481	6.9	-1.8	2,431	8.7
Finland	909	0.8	-0.6	1,829	1.4
Greek Cyprus	153	1.3	+0.5	119	0.8
Iceland	138	1.3	-4.0	700	5.3
Malta	87	1.6	+0.3	106	1.2
Norway	87	0.0	-0.0	165	0.1
TOTAL DACIA	**385,929**	**2.8**	**-0.3**	**564,909**	**3.2**

ALPINE BRAND SALES

In volume of PC

Alpine Markets	**2020**	2019
France	744	3,172
Germany	166	324
Belgium + Luxembourg	113	302
United Kingdom	105	171
Switzerland	70	183
Austria	31	51
Netherlands	26	57
Italy	19	62
Spain + Canary Islands	14	39
Poland	19	16
Sweden	9	20
Portugal	6	24
Czech Republic	3	4
Norway	1	1
Hungary	0	1
Baltic States	0	1
TOTAL ALPINE	**1,326**	**4,428**

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LADA BRAND SALES

In volume of PC + LCV

LADA market	**2020**	2019
Germany	1,812	2,533
Other Balkans	234	379
Austria	138	224
Czech Republic	121	136
Baltic States	31	453
Italy	6	46
Poland	4	27
France	4	8
Slovakia	3	1,023
Hungary	1	635
Finland	1	3
Croatia	1	6
Serbia	0	413
Belgium + Luxembourg	1	67
Spain + Canary Islands	0	18
Switzerland	1	17
TOTAL LADA	**2,358**	**5,990**

Sales Africa – Middle-East – India – Pacific Region

MARKET ALL BRANDS AMI PACIFIC REGION

By sales volume PC + LCV

Principal markets	**2020**	2019	Change
Japan	4,503,621	5,089,109	-11.5%
India	2,858,011	3,519,889	-18.8%
South Korea	1,847,342	1,752,164	+5.4%
Australia	891,551	1,034,379	-13.8%
Thailand	760,231	1,007,551	-24.5%
Malaya	507,489	604,287	-16.0%
Indonesia	483,780	1,030,126	-53.0%
Saudi Arabia	446,750	535,021	-16.5%
South Africa + Namibia	360,103	509,542	-29.3%
Vietnam	240,811	281,262	-14.4%
Philippines	238,292	410,406	-41.9%
Israel	216,954	258,632	-16.1%
Egypt	219,000	170,568	+28.4%
Morocco	133,308	165,916	-19.7%
Pakistan	124,429	187,714	-33.7%
New Zealand	115,764	149,293	-22.5%
TAM AFRICA – MIDDLE-EAST – INDIA – PACIFIC	**14,786,093**	**17,910,171**	**-17.4%**

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RENAULT BRAND SALES [5] AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

Renault principal markets	2020 Sales	2020 Market share *(%)*	2020 Change in share *(pts)*	2019 Sales	2019 Market share *(%)*
India	80,518	2.8	+0.3	88,869	2.5
South Africa + Namibia	16,687	4.6	-0.7	27,249	5.3
Morocco	16,557	12.4	-2.2	24,238	14.6
Egypt	14,245	6.5	-2.6	15,550	9.1
French overseas departments*	10,960	17.6	+1.0	12,840	16.5
Saudi Arabia	8,124	1.8	+0.2	8,839	1.7
Israel	7,837	3.6	-0.2	9,831	3.8
Australia	6,904	0.8	-0.1	8,634	0.8
Japan	5,775	0.1	+0.0	6,454	0.1
South Korea	5,639	0.3	-0.1	7,778	0.4
TOTAL RENAULT	**199,903**	**1.4**	**-0.2**	**279,139**	**16**

** French overseas departments: Reunion, Martinique, Guadeloupe, Guyana and Saint-Pierre-et-Miquelon.*

DACIA BRAND SALES [5] AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

Dacia principal markets	2020 Sales	2020 Market share *(%)*	2020 Change in share *(pts)*	2019 Sales	2019 Market share *(%)*
Morocco	38,173	28.6	+0.9	46,043	27.8
French overseas departments*	5,212	8.4	-0.5	6,879	8.9
Israel	2,108	1.0	-0.3	3,317	1.3
Tunisia	1,626	3.3	+0.6	1,343	2.7
New Caledonia	801	10.5	-0.9	887	11.4
Mayotte	452	22.7	+2.2	438	20.6
Algeria	378	2.2	-16.3	23,066	18.5
Tahiti	331	7.0	-2.1	665	9.1
Lebanon	96	1.5	+0.1	316	1.4
Palestine	40	57.1	-23.6	88	80.7
TOTAL DACIA	**52,350**	**0.4**	**-0.1**	**88,732**	**0.5**

** French overseas departments: Reunion, Martinique, Guadeloupe, Guyana and Saint-Pierre-et-Miquelon.*

ALPINE BRAND SALES

By sales volume PC

Alpine markets	**2020**	2019
Japan	183	349

5 *By sales volume + Brokers.*

Singapore	9	15
Australia	7	35
French overseas departments*	0	4
TOTAL ALPINE	**199**	**403**

** French Overseas departments: Reunion, Martinique, Guadeloupe, Guyana and Saint-Pierre-et-Miquelon.*

LADA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

LADA markets	2020			2019	
	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
Egypt	2,183	1.0	-0.5	2,603	1.5
Jordan	116	0.8	+0.4	97	0.4
Lebanon	103	1.6	+0.5	257	1.1
Ghana	75	1.6	+1.6	0	0.0
Tunisia	49	0.1	-0.1	77	0.2
TOTAL LADA	**2,526**	**0.0**	**+0.0**	**3,034**	**0.0**

SAMSUNG MOTORS BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

Renault Samsung Motors market	2020			2019	
	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
South Korea	90,300	5.5	+0.4	79,081	5.1
TOTAL SAMSUNG MOTORS	**90,300**	**0.8**	**+0.2**	**79,081**	**0.5**

JINBEI & HUASONG BRAND SALES

In volume and as a % of the TAM PC + LCV

Jinbei & Huasong principal markets	2020	2019
Egypt	650	500
Nigeria	200	0
Myanmar	87	129
South Africa + Namibia	28	39
Angola	20	0
Vanuatu	10	10
Jordan	0	200
Cuba	0	3
Lebanon	0	12
Bangladesh	2	0
Laos	0	0
TOTAL JINBEI & HUASONG	**997**	**893**

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Eurasia Region Sales

MARKET ALL BRANDS EURASIA REGION

By sales volume PC + LCV

Principal markets	2020	2019	Change
Russia	1,598,369	1,759,532	-9.2%
Turkey	772,788	479,060	+61.3%
Uzbekistan	195,000	197,103	-1.1%
Romania	146,128	181,889	-19.7%
Ukraine	95,493	97,608	-2.2%
Kazakhstan	89,202	71,818	+24.2%
Belarus	51,861	64,505	-19.6%
Bulgaria	30,258	43,785	-30.9%
TAM EURASIA	**2,997,561**	**2,927,003**	**+2.4%**

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Renault principal markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
Russia	128,408	8.0	-0.2	144,989	8.2
Turkey	101,534	13.1	-0.4	64,977	13.6
Ukraine	17,128	17.9	+1.1	16,480	16.9
Romania	11,799	8.1	-0.4	15,427	8.5
Belarus	6,892	13.3	-5.2	11,895	18.4
TOTAL RENAULT	**272,164**	**9.1**	**+0.1**	**261,821**	**8.9**

DACIA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Dacia principal markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
Romania	47,380	32.4	+2.4	54,638	30.0
Turkey	30,800	4.0	-0.2	20,006	4.2
Bulgaria	3,683	12.2	-1.0	5,772	13.2
Moldova	828	16.3	-1.7	1,232	18.0
TOTAL DACIA	**82,691**	**2.8**	**-0.0**	**81,648**	**2.8**

ALPINE BRAND SALES

By sales volume PC

Alpine markets	2020	2019
Bulgarie	1	0
Roumanie	1	0
TOTAL ALPINE	**2**	**0**

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LADA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
LADA principal markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
Russia	343,512	21.5	+0.9	362,356	20.6
Kazakhstan	17,454	19.6	-1.8	15,364	21.4
Belarus	10,317	19.9	-5.3	16,281	25.2
Uzbekistan	5,031	2.6	-0.8	6,631	3.4
Azerbaijan	1,102	24.6	+0.8	1,592	23.8
TOTAL LADA	**378,832**	**12.6**	**-1.2**	**403,663**	**13.8**

AVTOVAZ BRAND SALES

By sales volume PC

AVTOVAZ markets	2020	2019
Russia	8,822	1302
Kazakhstan	674	32
Azerbaijan	105	0
Belarus	99	5
Uzbekistan	51	0
Ukraine	38	13
Armenia	34	2
TOTAL AVTOVAZ	**9,823**	**1,354**

Americas Region Sales

MARKET ALL BRANDS AMERICAS REGION

By sales volume PC + LCV

Principal markets	2020	2019	Change
Brazil	1,941,834	2,651,737	-26.8%
Mexico	949,353	1,317,727	-28.0%
Argentina	324,542	441,506	-26.5%
Chile	259,044	348,575	-25.7%
Colombia	173,121	248,689	-30.4%
Peru	110,832	155,507	-28.7%
Porto Rico	103,487	101,928	+1.5%
Ecuador	78,244	119,197	-34.4%
TAM AMERICAS	**4,162,788**	**5,689,508**	**-26.8%**

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Renault principal markets	Sales	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
Brazil	131,467	6.8	-2.2	239,173	9.0

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Argentina	42,861	13.2	-1.2	63,452	14.4
Colombia	39,848	23.0	+0.2	56,639	22.8
Mexico	25,516	2.7	+0.2	32,890	2.5
Chile	5,203	2.0	-0.5	8,719	2.5
TOTAL RENAULT	**258,228**	**6.2**	**-1.2**	**420,897**	**7.4**

LADA BRAND SALES

By sales volume PC + LCV

LADA principal markets	**2020**	2019
Bolivia	299	235
Chile	0	48
TOTAL LADA	**299**	**283**

ALPINE BRAND SALES

By sales volume PC

Alpine market	**2020**	2019
Brazil	0	1
TOTAL ALPINE	**0**	**1**

JINBEI BRAND SALES

By sales volume PC

Jinbei principal markets	**2020**	2019
Peru	847	908
Chile	797	1,716
Bolivia	212	552
TOTAL JINBEI	**1,930**	**3,383**

China Region Sales

MARKET ALL BRANDS CHINA REGION

By sales volume PC + LCV

Principal markets	**2020**	Change	2019
China	23,432,840	-3.8%	24,368,969
Taiwan	379,915	-10.6%	425,000
Hong Kong	30,767	-8.9%	33,777
TAM CHINA	**23,843,522**	**-4.0%**	**24,827,746**

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2020			2019	
Renault principal markets	Sales [1]	Market share *(%)*	Change in share *(pts)*	Sales	Market share *(%)*
China	2,267	0.0	-0.1	21,869	0.1

Confidential C

Hong Kong	57	0.2	-0.0	77	0.2
TOTAL RENAULT	**2,324**	**0.0**	**-0.1**	**21,946**	**0.1**
(1) Sales from January to March 2020, following the withdrawal from the Chinese market.					

JINBEI & HUASONG BRAND SALES

By sales volume PC + LCV

Jinbei & Huasong market	**2020**	2019
China	154,049	157,625
TOTAL JINBEI & HUASONG	**154,049**	**157,625**

Groupe Renault worldwide electric vehicle sales

	2020	2019	Change
ZOE	102,868	48,332	+112.8%
KANGOO Z.E.	10,313	10,388	-0.7%
TWINGO Z.E.	5,116		+++
SPRING	1,722		+++
SM3 Z.E.	857	795	+7.8%
MASTER Z.E.	351	304	+15.5%
K-ZE	242	2,658	-90.9%
FLUENCE Z.E.	1		
TOTAL Z.E.	**121,470**	**62,477**	**+94.4%**

Worldwide TWIZY sales

	2020	2019	Change
TWIZY	**2,016**	**3,273**	**-38.4%**

(III) Business-to-business Powertrain activity

The powertrain business provides major manufacturing R&D synergies with the other Alliance members and Groupe Renault partners. A dedicated department oversees this B-to-B Powertrain activity, both in respect of exchanges of powertrain parts with partners, and for related engineering activities. The aim of these synergies is to pool development costs, absorb fixed production costs, and generate economies of scale in the industrial activities of Renault and its suppliers in order to optimize Groupe Renault's free cash flow. In addition to the Alliance with Nissan and MMC, which share a common range of products, an industrial system and a supplier network, this activity seeks to promote and offer Renault’s powertrain units in the context of automotive cooperations or third-party sales. These operations enable our partners to benefit from Renault technology and give Renault access, where useful, to its partners’ developments and manufacturing capacity. This activity also serves to identify and set up one-off cooperation projects and to evaluate our competitiveness and level of quality compared to our competition.

Advantages

A modern, CO_2-efficient powertrain range: with its internal combustion, hybrid and electric range, Renault has once again demonstrated its commitment to reducing the environmental footprint of vehicles throughout their life cycle. The qualities of the Renault powertrain range have convinced our partners of the advantages of using our engines for their vehicles.

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Nissan, Renault's partner in the Alliance, has thus relied on the latest generations of Renault engines to reduce average CO_2 emissions in its range of passenger cars in Europe. Groupe Renault is one of the most efficient manufacturers in Europe in terms of consumption and approved CO_2 emissions (for more details, see (3)-C-"Vehicle use" section below).

The organization

In Renault's Strategy, Business Development and Business Management department, dedicated teams work to detect opportunities, prepare bids, and negotiate contracts. Sensitive to the expectations of carmaker customers, these teams allow for optimal responsiveness by interfacing with all Renault Engineering departments.

(IV) Main manufacturing sites - production figures

To meet the demands of its customers, Groupe Renault relies on an industrial footprint consisting of 38 industrial sites located around the world as close as possible to the markets in which it sells its brands' vehicles.

All these sites operate under common principles:

- making employee a priority;
- a desire to satisfy our customers;
- constantly working to improve the competitiveness of our sites, in particular through convergence toward our industry 4.0 vision..

Our production capacity utilization rate in 2020 is 88% worldwide and 68% in France (using the Harbour method on the basis of two shifts, calculated on the standard of 3,760 hours per year).

The Alliance and Renault's strategic partnerships offer opportunities for synergies based on the pooling of production resources and enable us to increase the industrial activity of our sites. Therefore:

- Renault-Nissan vehicles are produced by AVTOVAZ in Russia;
- Flins, Batilly, Maubeuge, Sandouville, Moscow and Cordoba are Renault plants that produce vehicles for Nissan. In 2020, Sandouville started the production of a van for Mitsubishi;
- the Renault plants in Maubeuge and Novo Mesto produce vehicles for Daimler;
- Sandouville and Batilly produce light commercial vehicles for other partners such as GM, Renault Trucks or Fiat;
- finally, in India, Renault and Nissan share a plant common to both.

For the production of powertrain parts, the cross-utilization of Alliance plants provides manufacturing opportunities that allow us to share investments and optimize the use of our production capacities. Some examples:

- for Nissan and Daimler, diesel engines are produced in the Renault plants in Cléon and Valladolid and gasoline engines in Valladolid and Pitesti;
- in Europe, Nissan's Sunderland plant produces engines for Renault. In Japan, Nissan's Yokohama plant also produces a gasoline engine for Renault. In India, Nissan's Chennai plant produces powertrains for Renault;
- gearboxes are assembled for Daimler and Nissan in Cléon, for Nissan in Pitesti, Seville, Cacia and Los Andes;
- AVTOVAZ assembles engines and gearboxes for Renault and Nissan;
- the Le Mans plant manufactures chassis for Nissan, Mitsubishi, Daimler and GM as well as for Groupe Renault brands.

Production by plant and Region	2020
FRANCE	

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Production by plant and Region	2020
Batilly (Sovab)	
Renault MASTER	88,840
MASTER Z.E.	265
Nissan NV400	5,271
Other	34,626
Caudan (Fonderie de Bretagne)	
Iron foundry (metric tons)	9,519
Choisy-le-Roi	
ES transmissions	9,296
ES engines	12,545
Cléon	
Transmissions	238,664
ICE engines	396,593
Electric engine	240,219
Aluminum foundry (metric tons)	12,731
Dieppe	
Alpine A110	1,279
Douai	
ESPACE	4,841
SCENIC	35,700
TALISMAN	8,516
Flins	
ZOE	92,621
Nissan MICRA	35,998
Le Mans	
Rear suspensions	257,255
Front suspensions	617,888
Iron foundry (metric tons)	68,863
Maubeuge	
KANGOO/CITAN	88,727
KANGOO Z.E.	9,092
Nissan NV250	2,282
Other	239
Ruitz (STA)	
Automatic gearboxes	100,356
Sandouville	
Renault TRAFIC	80,132
Nissan NV300	5,620
Mitsubishi Express	2,598
Other	18,039
Villeurbanne	
Front suspensions	227,634

EXCLUDING FRANCE	
SPAIN	
Palencia	
MEGANE	47,873
MEGANE ESTATE	35,643
KADJAR	65,286
Seville	
Transmissions	590,205
Valladolid	
New CAPTUR	193,754
Valladolid Motores	
Engines	849,833
Aluminum foundry (metric tons)	7,828
Barcelona (Nissan group plant)	
Alaskan	20
PORTUGAL	
Cacia	
Transmissions	359,610
SLOVENIA	
Novo Mesto	
CLIO	57,683
TWINGO/SMART (Daimler)	68,583
TWINGO Z.E./SMART Z.E. (Daimler)	15,449
AFRICA, MIDDLE-EAST, INDIA, PACIFIC	
ALGERIA	
Oran	
LOGAN	173
SANDERO	354
CLIO	227
SOUTH KOREA	
Busan (Renault Samsung Motors)	
SM6	8,040
XM3/ARKANA	37,554
KOLEOS/QM6	62,494
TWIZY	2,562
Engines	99,264
Aluminum foundry (metric tons)	2,175
INDIA	
Chennai [Nissan group plant]	
DUSTER	2,527
KWID	42,753
CAPTUR	7
TRIBER	43,293

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KIGER	406
MOROCCO	
Casablanca (SOMACA)	
LOGAN	17,891
SANDERO	49,761
New SANDERO	53
Tangiers	
LODGY	26,937
SANDERO	95,383
New SANDERO	8,627
DOKKER	72,062
LOGAN MCV	6,769
Other	228
EURASIA	
ROMANIA	
Mioveni (Dacia)	
LOGAN	30,387
LOGAN MCV	8,563
New LOGAN	447
SANDERO	21,694
New SANDERO	14,719
New DUSTER	183,286
Transmissions	339,044
Engines	367,413
Front suspensions	456,376
Rear suspensions	752,421
Aluminum foundry (metric tons)	19,062
RUSSIA	
Moscow	
CAPTUR	18,955
DUSTER	34,180
New DUSTER	141
ARKANA	12,320
Nissan TERRANO	10,239
Togliatti (AVTOVAZ)	
LOGAN	35,007
SANDERO	27,578
Lada X-RAY	20,741
Lada Largus	54,195
Lada Kalina	17,653
Lada Granta	117,677
Lada 4x4	34,559
Datsun MI-DO	1,208

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Datsun ON-DO	10,298
Transmissions	381,838
Engines	441,506
Chassis	880,956
Iron foundry (metric tons)	65,853
Aluminum foundry (metric tons)	44,317
Izhevsk (AVTOVAZ)	
Lada Vesta	107,503

TURKEY	
Bursa (Oyak-Renault)	
CLIO IV	43,945
CLIO IV ESTATE	10,728
CLIO V	196,577
MEGANE SEDAN	57,963
Transmissions	185,755
Engines	431,337
Front suspensions	310,728
Rear suspensions	308,568
Aluminum foundry (metric tons)	302
CHINA	
CHINA	
Wuhan – DRAC [partner plant]	
KOLEOS	51
CAPTUR	101
Shiyan (eGT-NEV) [partner plant]	
SPRING/K-ZE	4,699
Shenyang – RBJAC [partner plant]	
Jinbei Haise/Granse/F50/Konect	24,717
Nanchang (JMEV) [partner plant]	
EV3/E400/Others	1,276
AMERICAS	
ARGENTINA	
Cordoba	
SANDERO	7,391
LOGAN	5,002
KANGOO,(DOKKER)	8,526
ALASKAN	754
Nissan NAVARA/FRONTIER	11,037
Planta Fundicion Aluminio (PFA)	
Aluminum foundry (metric tons)	1,501
BRAZIL	
Curitiba	
MASTER	6,225

DUSTER Pick-up	18,050
New DUSTER	19,449
SANDERO	26,347
LOGAN	12,288
CAPTUR	18,379
KWID	75,145
Engines	199,774
Aluminum foundry (metric tons)	2,647
CHILE	
Los Andes (Cormecanica)	
Transmissions	178,875
COLOMBIA	
Envigado (Sofasa)	
LOGAN	7,381
SANDERO	15,297
DUSTER	15,544
New DUSTER	49
MEXICO	
Cuernavaca (Nissan group plant)	
ALASKAN	65

(V) The Groupe Renault sales network

Organization of the distribution networks

Groupe Renault distributes vehicles under its brands through both primary and secondary distribution networks.

The primary network is contractually bound to Renault via a concession agreement (or agency or authorized repair center agreement, depending on the country) and comprises:

- dealers independent of Groupe Renault;
- establishments belonging to Renault through its subsidiary Renault Retail Group (RRG) or branches as described in "(VI) Renault Retail Group (RRG)" below.

The secondary network includes mainly smaller sites, independent of Groupe Renault, and bound contractually to the primary network, most often via an agency contract, or authorized distribution or repair center contract. These sites have the role of supplementing the territorial coverage of the catchment areas of Renault's primary networks.

The main change in our distribution network is the accelerated marketing of our "E-TECH" range of vehicles – EV, PH-EV, HEV – with the widespread roll-out of Expert Sites, which enable us to provide all the services related to these New Energies.

At the same time, the main initiatives taken to support our sales network in 2020 focused on:

- the recommendation of a very strict health protocol to manage the impact of the COVID-19 pandemic on our activities, while developing new remote services to ensure continuity of service for customers;
- the upgrade of our network in terms of training, equipment, methods and charging infrastructure in order to market and maintain the entire E-TECH range under the best conditions, as it represents a growing part of our sales mix;

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- the continuation of our policy aimed at improving customer satisfaction by constantly upgrading our methods (for the development of remote solutions for example) and supporting our network in their implementation.

	2020		2019	
Number of Renault sites	Worldwide	o/w Europe	Worldwide	o/w Europe
Primary network	5,084	2,670	4, 872	2,469
o/w RRG dealers and branches	*193*	*185*	*205*	*190*
o/w Renault Pro+ specialized dealerships	*664*	*525*	*626*	*485*
Secondary network	5,569	5,249	6,026	5,709
TOTAL SITES	**10,653**	**7,919**	**10,898**	**8,174**

	2020		2019	
Number of Dacia sites	Worldwide	o/w Europe	Worldwide	o/w Europe
Primary network	3,057	2,679	2,838	2,456

	2020		2019	
Number of Alpine sites	Worldwide	Europe	Worldwide	Europe
Primary network	81	60	81	59

	2020	2019
Number of Renault Samsung Motors sites	Korea	Korea
Primary network*	715	665
** change in scope*		

	2020		2019	
Number of Lada sites	Worldwide	o/w Russia	Worldwide	o/w Russia
Primary network	470	296	594	288

	2020	2019
Number of Jinbeï sites	China	China
Primary network	246	288

(VI) Renault Retail Group (RRG)

A wholly-owned subsidiary of the manufacturer, RRG is Groupe Renault’s leading European distributor of vehicle sales and related services and after-sales activities.

RRG’s mission is to distribute all of the Alliance’s products and services (Renault, Dacia, Alpine and Nissan, in some countries) to professional and individual customers.

Activities cover new vehicles, used vehicles and spare parts and also includes maintenance, mechanics, bodywork, express repairs (Renault Minute), short-term rental (Renault Rent), mobility services (Renault Mobility), financing and brokerage.

RRG has nearly 185 sales and service outlets in 14 European countries: Austria, Belgium, the Czech Republic, France, Germany, Ireland, Italy, Luxembourg, Poland, Portugal, Spain, Slovakia, Switzerland and United Kingdom.

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In 2020, RRG opened two plants dedicated to used vehicles for the preparation and reconditioning of used cars. One of the two used-vehicle plants is located in France, in Seclin in the Nord department, and the other in Madrid, Spain.

The other highlight of 2020 was the sale of RRG's sites in view of the planned change in its scope of consolidation in France by 2024. On November 30, 2020, RRG sold six sites: Montbéliard, Mulhouse, Strasbourg (HESS), Nancy (BymyCar), Nîmes (GGP), and Orléans (WARSEMANN) to reliable and robust buyers who have preserved jobs.

2020	Revenues *(€ billion)*	NV sales	UV sales
TOTAL	**8.9**	**285,000**	**181,000**
France	5.5	169,000	129,000
Europe	3.4	52,000	52,000

	2020		2019	
Number of Renault Retail Group sites	Worldwide	o/w Europe	Worldwide	o/w Europe
o/w RRG dealers and branches		*185*		*190*

Renault Pro+: the specialized business customer network

Since 2009, the Renault Pro+ expert network has been tasked with supporting business customers worldwide.

The Renault Pro+ specialized network currently has 664 points of sale, all of which apply a high level of sales and after-sales standards to meet the expectations of business customers. These Renault Pro+ specialized dealerships are bound by a triple customer pledge based on:

- the specialization of sales teams and after-sales staff, with a dedicated area for business customers;
- a large range of options, including for chassis cabs, facilitated by the wide range of vehicles on display and available for test drive;
- guaranteed mobility for business customers with a dedicated after-sales team.

(VII) Automotive cash flow management

For Automotive, Groupe Renault has established a financial organization whose aims are to:

- automate the processing of routine cash inflows and outflows;
- meet the subsidiaries' refinancing requirements and pool surplus cash;
- centralize the handling of euro-denominated and foreign exchange transactions so as to optimize the management of currency, liquidity, interest rate, counterparty and country risk while reducing financial and administrative costs;
- centralize virtually all financing operations, including securities issuance, bank loans and credit agreements, at parent company level.

Within this framework, Renault's Financing and Treasury department, which is responsible for cash management and financing for the Group's industrial and commercial activities in Europe, has a specialized entity, Renault Finance, which it uses to:

- conduct capital market trading after intra-Group netting: forex, rates, commodities and short-term investments;
- make foreign currency payments for French and European subsidiaries;
- conduct cash pooling in the currencies of certain subsidiaries (United Kingdom, Hungary, Poland, Sweden, Switzerland, Australia and the Czech Republic).

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For the euro zone, cash is centralized through a Renault SA IT platform that manages all subsidiaries' euro-denominated transactions and interfaces with the automotive sector's banks.

Outside the euro zone, Renault Finance offers certain subsidiaries access to centralized cash management tools.

Renault Finance

A Swiss company domiciled in Lausanne, Renault Finance is active in the international financial markets, following a set of strict risk management rules. Its arbitrage activity allows it to obtain very competitive quotes for financial products from foreign exchange markets, interest rates or raw materials. This makes it Renault's natural counterparty for most automotive market transactions. By extending this service to the Nissan group, Renault Finance has become the Alliance's trading room.

To optimize the quality of the service provided to the Alliance, Renault Finance is equipped with some of the most advanced tools on the interbank markets and has a wholly owned subsidiary in Singapore, Renault Treasury Services.

B. Nissan, AVTOVAZ, partnerships and cooperations

Nissan

Renault's shareholding in Nissan is described in detail in "(2) THE ALLIANCE" below.

Nissan's market capitalization at December 31, 2020 was ¥2,364 billion (€18,686 million), based on a closing price of ¥560 per Nissan share.

Renault holds 43.4% of Nissan's share capital. At December 31, 2020, the market value of the shares held by Renault totaled €8,110 million, based on a conversion rate of ¥126.49 for €1.

Renault accounts for its shareholding in Nissan using the equity method, as described in note 12 of the notes to the consolidated financial statements.

AVTOVAZ

In Russia, AVTOVAZ, the Russian market leader, continued its recovery in 2020, despite the impact of the COVID-19 crisis on the Russian automotive market and exports.

For the fourth consecutive year, AVTOVAZ made a positive contribution to Groupe Renault's results with market share in Russia increasing to 21.5% and an operating margin of €141 million, *i.e.* 5.5% of revenues.

These results are the fruit of the mid-term plan approved by AVTOVAZ shareholders in 2016, which aims to achieve a return to growth and profitability. In 2020, AVTOVAZ was able to offset less favorable market conditions and exchange rates thanks to the in-depth restructuring of the company undertaken in recent years, which focused on reducing costs by increasing local integration, boosting exports and developing product ranges in anticipation of the launch of a new product plan validated by shareholders at the end of 2020.

In 2020, AVTOVAZ finalized the integration of the activities of its subsidiary LADA West resulting from the purchase at the end of 2019 of GM's share of the GM-AVTOVAZ joint venture. That enabled AVTOVAZ to take over the right to use the NIVA trademark, which will be extended to future LADA models intended to revive the brand.

At the end of December 2019, Renault's stake in Alliance Rostec Auto B.V. was 67.61%, with Alliance Rostec Auto B.V. holding 100% of the capital of AVTOVAZ, which was transformed into a private company in 2019.

Strategic cooperation between the Renault-Nissan alliance and Daimler AG

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The Alliance has demonstrated its ability to cooperate with various partners. These strategic cooperations make it possible to increase economies of scale, accelerate growth in new regions, gain access to new technologies, share costs and jointly fund research and development of next-generation vehicles and engines. Existing and potential partners of the Alliance especially appreciate its ability to deepen collaboration over several business cycles.

The Alliance's most significant strategic collaboration is by far the one with the premium manufacturer Daimler. This partnership began in April 2010. This strategic cooperation is strengthened by cross-shareholdings: Daimler holds 3.1% of Renault's and Nissan's share capital, while Renault and Nissan each hold 1.55% of Daimler's share capital.

This co-operation is managed by a Cooperation Committee co-chaired by Mr Jean-Dominique Senard, Chairman of the Alliance Operating Board, and Mr Ola Kaellenius, Chairman of the Management Board of Daimler AG and CEO of Mercedes-Benz AG, comprises the senior executives of Renault, Nissan, Mitsubishi Motors and Daimler. This committee, which meets nearly every month, ensures the implementation of the agreed projects and makes proposals for new ones. No specific areas of potential collaboration are excluded. When teams suggest projects that could benefit all partners, they then launch feasibility studies. If senior executives and Board members of all companies agree, then the project is approved.

In 2018, Mitsubishi Motors was fully integrated into the cooperation with Daimler.

The cooperation between the Alliance and Daimler now covers projects developed on three continents. The key projects in which Renault is currently participating are as follows:

- in addition to the thermal versions of the TWINGO and SMART, an electric version of the SMART 2- and 4-seater was launched in 2017, and an electric version of the TWINGO was launched in 2020. The electric engines are being built at the Renault plant in Cléon. The battery of the electric SMART is produced by a Daimler subsidiary, Deutsche ACCUmotive, in Kamenz, Germany, and the TWINGO battery is produced in Novo Mesto (Slovenia);
- Renault developed a small light commercial vehicle based on KANGOO for Daimler. This vehicle has been manufactured in the Renault Maubeuge plant since 2012. The successors of KANGOO and CITAN are currently under development in both ICE and electric versions;
- Renault continues to supply Daimler with engines and gearboxes, including a 1.7-liter diesel version for certain Mercedes-Benz commercial vehicles;
- the Alliance and Daimler AG have jointly developed a new direct-injection turbocharged small gasoline engine family (1l and 1.3l). These new, more compact engines feature state-of-the-art technology enabling improvements in fuel economy, as well as significant reductions in emissions. The new engines debuted in Daimler, Renault and Nissan vehicles in late 2017.

Autonomous vehicles

In June 2019, Groupe Renault and Nissan signed an exclusive Alliance agreement with Waymo for the study of autonomous mobility services for people and goods in France and Japan.

This agreement pools the three partners' strengths and extends their expertise through the assessment of market opportunities and joint research work on commercial, legal and regulatory issues related to autonomous mobility service offers in France and Japan. Their international dimension and the complementary fit of their offers, covering every segment of light commercial vehicles and passenger cars, perfectly position Groupe Renault and Nissan to undertake this exploratory work with Waymo, a company specializing in driverless technologies with more than 32 million kilometers on roads under its belt.

New mobilities and services

For five years, Groupe Renault has been committed to the development of new shared mobility services (Renault Mobility, Zity in Madrid and Paris since May 2020, in partnership with the Ferrovial group), and has made targeted acquisitions and equity investments in various start-ups in the field (Karhoo, iCabbi, two new acquisitions (Mobile Knowledge in Canada and Original Software in Brazil), Glide). The World Mobility department, assisted by Renault M.A.I. (Mobility as an Industry), was able to accelerate synergies, simplify the decision-making chain, clarify existing offers and create new ones, prior to the launch of Mobilize in 2021, which will bring together all services (financial with RCI Bank, Energy, Mobility).

In conjunction with various partners, Groupe Renault develops and offers its customers **energy-related services** so that they can enjoy the full benefits of their electric vehicles. In 2020, for instance, Renault created Elexent to offer its professional customers tailor-made recharging solutions, which are gradually being rolled out with local partners in Europe. In France, Renault has joined forces with Solstyce, a company specializing in the design and installation of charging solutions. Since 2017, Renault has also been partnering with Jedlix, a Dutch technology startup with which Renault has developed an intelligent mobile charging app for the smart charging of electric vehicles, guaranteeing users carbon-free electricity and savings on their energy bills. This service, already operational in the Netherlands and France, is now to be rolled out in other European countries. In France (Tokai1) and Germany (Tokai2), Renault is developing an original and innovative solution called Advanced Battery Storage. Operational in Douai and Elverlingsen, it consists in using electric vehicle batteries before their use in vehicles in order to maximize the sites' self-consumption of renewable energy and stabilize the electricity grid while improving battery warranty costs. The Mobility House, Caisse des Dépôts et Consignations, Demeter and Mitsui are partners in this project. Also noteworthy is the creation in 2013 of tech company Gireve, which has developed an interoperability platform for charging infrastructure operators to facilitate roaming for electric vehicle drivers. Gireve acts as a contractual, technical and operational interface between the various systems. Renault, CNR, Caisse des Dépôts, EDF, Enedis and Demeter are partners.

Alliance Ventures

Created in January 2018, Alliance Ventures is a strategic venture capital fund operated by the Renault-Nissan-Mitsubishi Alliance.

The fund, which was launched in 2018 with an initial investment of $200 million, is located in Amsterdam, Paris, Yokohama, Beijing, Tel Aviv and Silicon Valley, where it targets innovative technologies and economic models in the fields of new mobility, autonomous driving, connected services, electric vehicles and “Enterprise 2.0”.

By leveraging the business expertise and opportunities of one of the world’s largest automotive alliance, Alliance Ventures targets strategic investments in start-ups developing disruptive technologies or businesses.

Alliance Ventures has announced investments in a dozen start-ups, including most recently:

- K•Upstream Security, (ISR) a cybersecurity player and developer of C4, a cloud-based cybersecurity platform aimed at new mobility players and carmakers to protect fleets from remote hacking and attempts at fraudulent use;
- Otonomo, (ISR) a vehicle data marketplace that connects data-consuming companies with historical or real-time data from data providers and enables vehicle manufacturers to generate new types of revenue by monetizing data on the platform.

Renault Venture Capital

In July 2017, a company was created with an initial capital allocation of €20 million, a wholly-owned subsidiary of Renault whose purpose is to acquire minority stakes in start-ups. RVC aims to promote Renault’s embrace of open innovation and to create links with emerging businesses in the future fields of automotive products and services. This activity, which is an ideal complement to Research and Development carried out internally, create an image of proactivity focused on open innovation and joint development and will allow faster decision-making.

In 2019, RVC accordingly financed the launch of a Renault “GeoTwin” spin-off, which hopes to develop a multi-agent urban mobility platform designed to help urban communities and mobility stakeholders to plan and scale their mobility offers to make transportation in cities smoother for users.

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Three other companies also joined the RVC portfolio in 2019: Devialet, (FR, high-end sound technology), AVSimulation, (FR, virtual driving simulation) and Propheese, (FR, Neurovision image technology).

RVC strengthened its commitment to the start-up Jedlix (NL), which has a solution unique in Europe to directly control the charging of vehicles without using electronic charging stations.

RVC did not acquire any new shareholdings in 2020.

Light commercial vehicles

Renault manages several agreements with Opel, Nissan, Renault Trucks, Daimler and Fiat.

In the compact van segment: in 2014, Renault signed a cooperation agreement with Fiat for the manufacturing at the Sandouville plant of a compact van developed by Renault based on the TRAFIC, the TALENTO. Production and sale of the vehicle began in 2016.

Under the Renault-Nissan alliance, an agreement was signed with Nissan for the manufacturing at the Sandouville plant of a compact van developed by Renault based on the TRAFIC, the NV300. Production and sale of the vehicle began in 2016. Also within the framework of the Alliance, a version of the TRAFIC for Australia and New Zealand for Mitsubishi was launched in June 2020.

In the heavy van segment, production of the MASTER and the Opel/Vauxhall MOVANO started at the Batilly plant in 2010. Movano was sold to Opel/Vauxhall as part of a commercial agreement signed at the end of 2007.

The MASTER is also distributed by the Renault Trucks network under the terms of a sales agreement entered into in 2009.

Under the Renault-Nissan alliance, an agreement was signed with Nissan for the manufacturing at the Batilly plant of a van developed by Renault based on the MASTER, the NV400. Production and sale of the vehicle began in 2011.

In the van segment, as part of the strategic cooperation between the Renault-Nissan alliance and Daimler announced in 2010, Renault has developed Mercedes-Benz’s new urban light commercial vehicle, the KANGOO-based CITAN. It is manufactured in the Maubeuge plant and has been marketed by Mercedes since 2012. In 2019 and 2020, the agreements between Renault and Daimler were renewed and extended for the manufacture in Maubeuge of its successor and its electric version based on the new KANGOO. It will be marketed under the names CITAN (van) and T-CLASS (passenger).

Under the Renault-Nissan alliance, an agreement was signed with Nissan for the manufacturing at the Maubeuge plant of a small van developed by Renault based on the KANGOO, the NV250. Production and sale of the vehicle began in late 2019 to replace the NV200.

In the pick-up segment, in the context of the Renault-Nissan alliance, Renault signed an agreement with Nissan in 2015 for the development and production of a Renault pick-up, the ALASKAN, based on the Nissan NP300. This vehicle is produced in the Nissan plant in Cuernavaca, Mexico, and was launched commercially in Colombia in 2016. Since 2017, the vehicle has also been manufactured in the Nissan plant in Barcelona (Spain) and marketed in Europe under the name ALASKAN. It is also made in the Santa Isabel plant (Argentina) for Nissan, and was launched commercially on the Argentinian market under the name ALASKAN in November 2020.

Accelerating international expansion

Various agreements have been signed with local partners (manufacturers and local authorities).

In Turkey

Groupe Renault and Oyak, Turkey’s largest professional pension fund, have renewed their partnership. Both shareholders of MAIS and Oyak Renault have declared that they will continue their cooperation for another 27 years, signing a new shareholder agreement and new side agreements on June 26, 2018.

This contract governs the largest cooperation ever in the Turkish car industry and covers Groupe Renault’s industrial and commercial activities in Turkey. Oyak Renault will continue to play a key role

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in Groupe Renault's industrial operations for the production and export of vehicles, engines and transmissions. MAIS will continue to manage sales and after-sales operations for vehicles, spare parts and services for the Renault and Dacia brands.

These agreements have not changed the distribution of the shareholders' ownership of each of the entities (MAIS: 51% Oyak Group – 49% Groupe Renault; Oyak Renault: 51% Groupe Renault, 49% Oyak Group).

In China

Renault ended its cooperation with the Dongfeng Group in April 2020. It sold its shares in DRAC (Dongfeng Renault Automotive Company), which has ceased activities related to the Renault brand.

Renault Brilliance Jinbei Automotive Company (RBJAC), a joint venture with CBA (China Automotive Holding Limited) since December 2017, is 49% owned by Renault and markets a range of light commercial vehicles under the Jinbei brand. RBJAC is located in Shenyang, the capital of Liaoning Province.

eGT was created in September 2017 by Renault (25%), Nissan (25%) and Dongfeng (50%). The company is based in Shiyan (Hubei Province) and is dedicated to the development of the K-ZE (China)/SPRING (Europe). The first vehicles destined for Europe rolled off the production line at the end of 2020.

In April 2019, Renault and Nissan also created a new jointly-owned (50/50) innovation platform in Shanghai called Alliance Innovation Lab Shanghai (AIL-SH). The company is responsible for research and development in connected and autonomous vehicles. Finally, Renault opened a design center in Shanghai.

In July 2019, Renault and Jiangling Motors Corporation Group (JMCG) announced the creation of a joint venture (JMEV) to promote the growth of the electric vehicle industry in China. This company sells vehicles in China under the EV Easy brand and will be able to export outside China from the end of 2021. JMEV is located in Nanchang, the capital of Jiangxi Province.

In India

In Chennai, the Alliance continues to build its joint production site with Nissan JV (RNAIPL). Production began in 2010. Currently, the DUSTER, KWID and, since August 2019, the new TRIBER vehicle are produced there for Renault. In 2020, Renault sold 80,000 vehicles. Renault also exports models made in India to Sri Lanka, Nepal, Bhutan and Bangladesh with the support of local importers in those countries.

In the same region, the joint venture between Renault and Nissan, RNTBCI, has provided engineering, computer, purchasing and accounting services for all of the entities in the Alliance around the world since 2008. A significant part of its services are performed on behalf of the entities of the Alliance in India, thus contributing to the commercial development of the Alliance in that country.

In Iran

Renault maintains its presence in strict compliance with the legal restrictions set by international regulations for the country. As a result, Renault decided to drastically limit its activities in Iran. Accordingly, deliveries of KD parts to Iran ceased on August 6, 2018 and Renault Pars limited its activities to after-sales.

The Iranian business was taken out of the Group's consolidated scope in 2013.

In South Africa

Following the cooperation agreement signed with Nissan, the LOGAN Pick-up is assembled locally in Nissan's Rosslyn factory since 2009. The NP200 LOGAN Pick-up is marketed under the Nissan brand.

Since December 2013, Renault South Africa (RSA) has been 40% owned by Renault s.a.s and 60% by Motus. Motus is the new company created at the end of 2017 to bring all Automotive activities of the Imperial Group, Renault's long-standing commercial partner in the country, together under one roof.

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This partnership enabled the acceleration of Groupe Renault's expansion in that country from a 3.0% market share in 2014 to a 4.6% share in 2020.

In 2020, the TRIBER was launched on the market. Renault sales in South Africa reached 16,600 vehicles.

In Algeria

The Oran plant is managed by Renault Algérie Production, a partnership between Renault (49%), the SNVI (Société Nationale des Véhicules Industriels, 34%) and the FNI (Fonds National d'Investissement, 17%).

The plant has been idle since January 2020.

The environment

Renault Environnement, a wholly-owned subsidiary of Renault s.a.s, was founded in mid-2008. Its role is to develop new businesses around the themes of sustainable development and the environment, in line with Groupe Renault's environmental policy.

Renault Environnement has a joint-venture with SITA Recyclage, a subsidiary of Suez, to develop the recycling of ELVs (end-of-life vehicles) and the return to the market of recycled materials and re-used parts.

Through its subsidiary Gaïa and its equity investment in Boone Comenor Metalimpex, Renault Environnement also recovers automotive parts (production scrap and end-of-life parts) and metallic waste from Group sites.

C. Sales financing

RCI Bank and Services offers financial solutions to facilitate access to automotive mobility for Alliance customers.

Taking into account each brand's specific characteristics and anticipating new needs and uses of their customers, RCI Bank and Services supports their marketing policies and works with them to win new customers and build loyalty.

RCI Bank and Services brings together three worlds: automotive, through its historic activity, banking, through its business line, and services, through its offers. Every day in 36 countries around the world, RCI Bank and Services supports the development of the Alliance's brands and their distribution networks, by offering their customers a comprehensive range of financing products, insurance and services.

Customized offers for each of type of customer

For **Private** customers, we propose offers for financing and services that are appropriate for their projects and their usage patterns, to facilitate and enhance their driving experience throughout their entire automotive mobility adventure. Our solutions and services are for both new and used vehicles.

For **Professional** customers, we provide a diverse range of mobility solutions to free them from the restrictions relating to managing their fleet of vehicles and enable them to concentrate on their core business.

For the Alliance brand **networks**, we provide active support by financing inventory (new and second-hand vehicles and spare parts), as well as short-term cash requirements.

Savings bank activity: a pillar of corporate refinancing

The Savings business was launched in 2012 and operates in six markets, namely France, Germany, Austria, the United Kingdom, Brazil and, since November 2020, Spain. Savings deposits are a key instrument in the diversification of the Group's sources of refinancing for its operations. Deposits collected came to €20.5 billion, or approximately 43% of net assets at the end of December 2020[6].

3,800 employees active in 36 countries

Our employees operate in 36 countries in four major Regions of the world: Europe; Americas; Africa—Middle-East—India and Pacific; Eurasia.

Business activity

In the context of the COVID-19 pandemic, the global automotive market held up well in the second half of the year, following a slump in the first half. RCI Bank and Services achieved a financing penetration rate up by 3.1 points to 45.3%.

RCI Bank and Services financed 1,520,330 contracts in 2020, down by 15.5% compared to 2019. Used vehicle financing posted a limited decline of 5.2% compared to 2019 with 349,243 contracts financed.

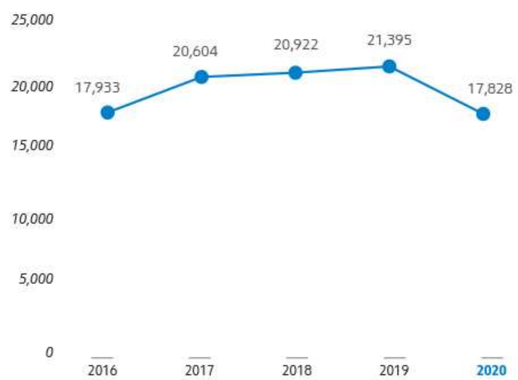
Excluding Turkey, Russia and India (companies consolidated using the equity method, "EM"), it came to 47.5%, compared with 44.2% in 2019.

New financing generated (excluding cards and personal loans) amounted to €17.8 billion.

NEW FINANCING CONTRACTS

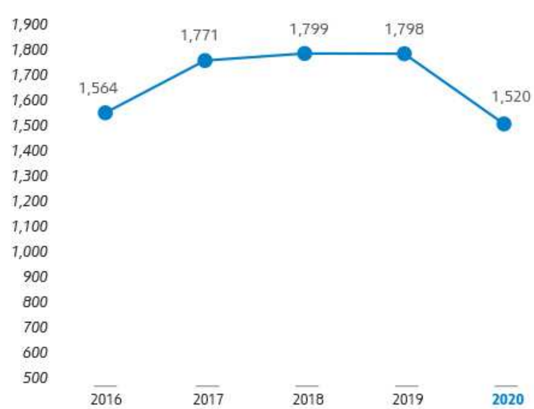
(excluding personal loans and credits cards)

(€ million)



TOTAL NUMBER OF VEHICLE FINANCING CONTRACTS

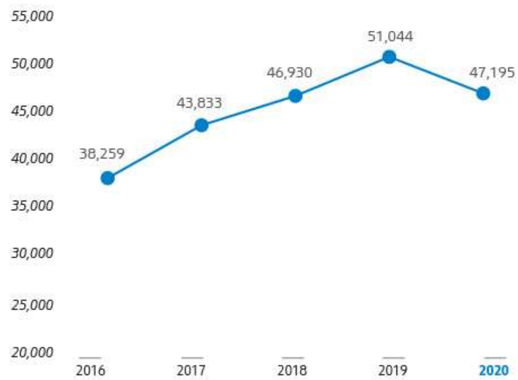
(thousands)



6 *Net assets at year-end: total net outstandings at year-end + operational leasing operations net of depreciation, amortization and provisions.*

NET ASSETS AT YEAR END (1)

(€ million)



(1) Net assets at year-end: total net outstandings at year-end + operational leasing operations net of depreciation, amortization and provisions.

Average performing assets (APA) related to the Retail Customer business amounted to €37.6 billion, an increase of 1.1%. Average performing assets linked to the Dealer business stood at €9.3 billion, a decrease of 8.8% in connection with a new policy of optimizing inventories. Overall, average performing assets amounted to €46.9 billion, a decrease of 1.1% compared to 2019.

A pillar of the group's strategy, the number of services sold over the last 12 months represents 4.6 million insurance and service contracts, down by 9.6%, of which 70% are associated with the customer and vehicle use-related services.

The Europe Region had the highest financing penetration rate among the RCI group regions, at 48.9%, up by 3.5 points compared to last year.

The financing penetration rate in the Americas Region was 41.6%, up by 3.6 points compared to 2019, driven by the strong performance of Brazil and Colombia, which achieved high financing penetration rates of 41.1% and 62.8% respectively.

The financing penetration rate for the Africa—Middle-East—India and Pacific Region amounted to 41.8%, an increase of 0.9 point compared to 2019. In Korea, more than one in two new vehicles sold by Renault Samsung Motors was financed by RCI Bank and Services, which achieved a financing penetration rate of 57.3%, slightly down by 2.2 points compared to 2019.

The financing penetration rate in the Eurasia Region stood at 35.0%, benefiting in particular from the strong performance of Turkey, which recorded strong growth of 13.9 points in Financing penetration to reach 33.8%. This was also the case in Russia, with a Financing penetration rate of 36.5%, a sharp increase of 4.4 points compared to 2019.

Results

Net banking income (NBI) amounted to €1,955 million, down 6,7% compared to 2019. The contribution of Services activities to NBI continued to grow (+1.8% compared to last year) and now represents one-third of NBI.

Operating expenses amounted to €585 million, or 1.25% of APA, representing an improvement of €11 million and one basis point compared to the previous year. With a cost-to-income ratio of 29.9%, a slight increase of 1.4 point, RCI Bank and Services demonstrates its ability to adapt its operating expenses to the level of its activity and is fully committed to Groupe Renault's fixed cost reduction plan.

The cost of risk for the Customer business (financing for private and business customers) rose to 0.89% of APAs in 2020 compared to 0.47% of APAs last year. This deterioration is explained by the increase in provisions following the negative repercussions of the lockdown policies on several sectors of the

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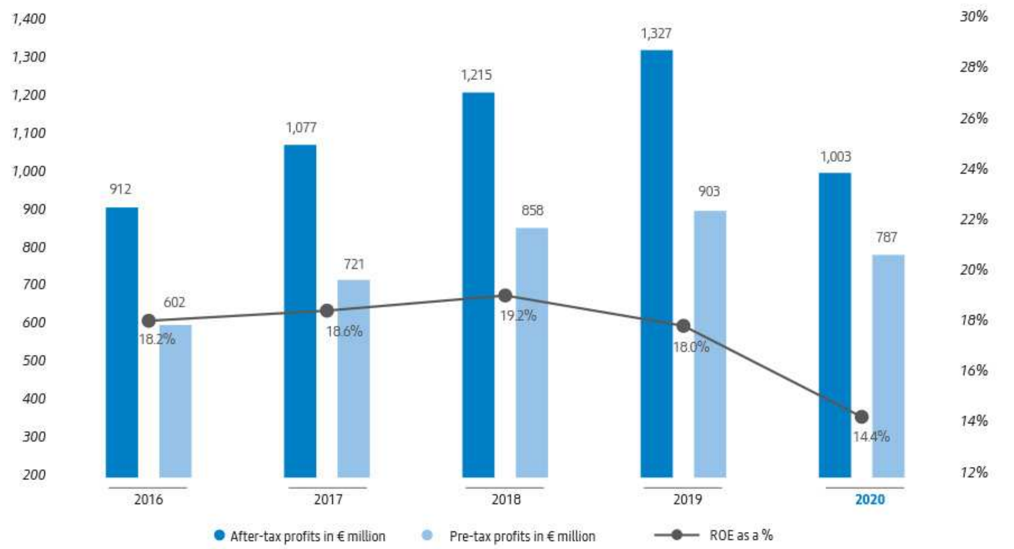
economy and the slight increase in the proportion of non-performing loans in assets. The Dealer business (financing for dealerships) was also negatively impacted by the updating of macroeconomic forecasts in the context of IFRS 9 forward-looking provisioning. It stood at 0.19% of APA in 2020 compared with a negative cost of risk of 0.09% (reversal of provisions) in 2019. The total cost of risk therefore stands at 0.75% of APA compared to 0.37% in 2019.

Pre-tax income stood at €1,003 million at the end of 2020, compared to €1,327 million in 2019. This decrease results mainly from the increase in the cost of risk for €176 million, from a negative currency effect of €36 million linked to the devaluation of the Brazilian real and the Argentine peso, and from the non-repetition of non-recurring positive impacts linked to disposals made in 2019.

Consolidated net income - parent company shareholders' share - reached €787 million in 2020, compared to €903 million in 2019.

RESULTS

(€ million)



(1) Net earnings after tax were impacted by deferred taxes of €47 M at end 2018.
(2) Excluding the impact of deferred taxes, ROE reached 18.1% in 2018.
(3) Excluding the impact of start-ups, ROE reached 17.6% in 2019 compared to 19.8% in 2018.

Summary

In 2020, commercial activity was negatively impacted by the health crisis. The decrease in the number of financing applications approved to retail and corporate customers led to a decrease in net assets at end.

At the end of December 2020, these amounted to €47.2 billion, compared to €51.0 billion at the end of December 2019 (-7.5%).

Consolidated equity amounted to €6,273 million compared to €5,702 million at the end of December 2019 (+10.0%).

Solvency

The total capital ratio [7] came to 19.83% at the end of December 2020 (of which Core Equity Tier One was 17.34%), against 17.73% at the end of December 2019 (of which Core Equity Tier One was

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7 Ratio including interim profits net of forecast dividends, subject to the approval of the regulator in accordance with Article 26 (2) of Regulation (EU) No. 575/2013.

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15.27%) [8]. The main impacts [9] stem from the generation of organic capital [10], with the 2020 forecast dividend being limited to €69 million. This is in accordance with recommendations from the ECB on dividend payments. If these recommendations are not extended beyond September 30, 2021, and in the absence of an unanticipated unfavorable event, RCI plans to pay an additional dividend of around €930 million as soon as possible. This would impact the Core Equity Tier One ratio by -2.7%.

Financial policy

The COVID-19 pandemic profoundly affected economies and markets throughout 2020. Governments and central banks took quick action to avoid a major and lasting economic crisis.

Initially confined to China and Asia, the coronavirus epidemic subsequently spread worldwide. Between March and April 2020, fears of a health crisis led many countries to impose strict lockdown measures, which had a major impact on economic activity and consumption. To prevent the health crisis from triggering a major economic crisis, the key central banks took far-reaching monetary policy initiatives.

In the United States, the Federal Reserve reactivated an asset purchase program spanning government, municipal and corporate bonds, mortgage-backed securities and securitization instruments in a total amount of US$2,600 billion. It also cut the Fed Funds rate to 0-0.25%, bringing the reduction to 150 basis points since the beginning of March, and is guiding on near-zero interest rates until 2022 at least. In July, the Fed modified its long-term policy to achieve an average target interest rate of 2% and allow for flexibility in monetary policy with a view to achieving a return to full employment.

The European Central Bank introduced a new emergency purchasing program in response to the pandemic. Initially intended to total €750 billion, the Pandemic Emergency Purchase Programme (PEPP) was later increased to €1,850 billion. The terms of the TLTRO III were also eased by lowering the interest rate and a downward recalibration of the growth targets that banks must meet in order to benefit from the subsidized rate. In July, the 27 European Union member states also reached an agreement on a €750 billion stimulus plan, split between €390 billion in grants and €360 billion in loans to fund post-pandemic recovery efforts.

The Bank of England followed the lead of the Fed and the ECB, lowering its base rate in two steps from 0.75% to 0.10%, and strengthening its £200 billion non-bank investment grade government and corporate bond buyback program in March 2020.

Equity indices nevertheless fell sharply in February and March, and credit spreads widened significantly. During the second half, marked by the lifting of lockdown measures, market conditions gradually returned to normal before a temporary upturn in risk aversion sparked by the resurgence of the health crisis in late October. The election of a new Democratic President in the USA in early November and growing hopes for the development of an effective vaccine against COVID-19 allowed equity markets to rally significantly and risk premiums to tighten in the bond markets. The agreement reached on the terms of Brexit and the start of vaccination campaigns against COVID-19 also provided the markets with support in early 2021.

Down 36% at its intra-year low, the Eurostox 50 ended the year down 5%. At the same time, corporate bond credit spreads (IBOXX Corporate Overall index) experienced similar volatility, rising from 70bp in January to 200bp at the end of March, before ending the year at 74bp.

Recourse to market financing was modest during the year, and the company was not particularly impacted by the increase in financing costs. The situation resulted from lower 2020 bond redemptions than in previous years (anticipation of the refinancing of TLTRO II launched in 2016), the slowdown in car sales and the resulting decline in new loan volume. A €750 million 7-year fixed-rate bond was issued in January.

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8 Impact of a €300 million residual 2019 dividend cancellation at end-December 2019 is +86bps on CET1.

9 TRIM related headwinds globally in line with expectations reported in February 2020 and compensated by activation of certain CRR options (netting of deferred tax, Credit Conversion Factor).

10 Net profit minus planned 2020 dividend distribution.

Retail customer deposits have increased by €2.8 billion since December 2019 and totaled €20.5 billion at December 31, 2020, representing 43% of net assets at the end of December.

In the secured refinancing segment, private securitizations of car loans in the UK and leasing in Germany saw their revolving periods extended for another year. The French subsidiary also carried out its first securitization of automobile lease purchase option (LOA) receivables in France in the amount of €991.5 million, split between €950 million in senior securities (including €200 million in self-subscribed securities) and €41.5 million in subordinated securities.

These resources, to which should be added, based on the European scope, €4.5 billion of undrawn committed credit lines, €4.5 billion of assets eligible as collateral in ECB monetary policy operations and €7.4 billion of high quality liquid assets (HQLA), enable RCI Banque to maintain the financing granted to its customers for more than 12 months without access to external sources of liquidity. At December 31, 2020, RCI Banque's liquidity reserve (European scope) stood at €16.6 billion, an increase of €7.1 billion compared with the end of 2019.

In a complex and volatile environment, the conservative financial policy implemented by the group for a number of years proved especially justified. This policy protects the commercial margin of each entity while securing the refinancing required for its business activities. It is defined and implemented at a consolidated level by RCI Banque and applies to all sales financing entities within the group.

The strength of the group's balance sheet is also evidenced by very low market risks (interest rate, currency and counterparty risks), which are monitored daily on a consolidated basis.

RCI Banque's overall sensitivity to the interest rate risk remained below the €50 million limit set by the group.

At December 31, 2020, a 100-basis point rise in rates would have an impact on the group's net interest income (NII) of:

- +€4.3 million in EUR;
- -€0.6 million in BRL;
- +€0.6 million in KRW;
- -€0.3 million in GBP;
- -€0.1 million in PLN;
- +€0.2 million in CZK;
- +€0.5 million in CHF.

The absolute sensitivity values in each currency totaled €9.44 million.

The RCI Banque group's consolidated foreign exchange position[11] totaled €5.8 million.

D. Mobility services

On October 9, 2019, Groupe Renault created Renault M.A.I (Mobility As an Industry) to accelerate its development in new mobilities and form strategic partnerships.

To anticipate and support profound changes in lifestyles and consumption patterns, Groupe Renault has for the past four years been committed to developing new shared mobility services, with or without drivers (Renault MOBILITY, Zity in Madrid and then Paris, Marcel), and by making highly targeted acquisitions and equity investments in various start-ups specializing in this field (Karhoo, Yuso, Como, iCabbi, Glide.io).

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11 Foreign exchange position excluding equity investments in subsidiaries.

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Renault M.A.I. (Mobility As an Industry) is a subsidiary dedicated exclusively to new mobilities.

(2) THE ALLIANCE

Overview

The Alliance between the Renault and Nissan groups constitutes the most sustainable and productive multi-cultural strategic collaboration in the automotive industry. For more than 20 years, this partnership has offered a unique, pragmatic and agile model, always able to evolve and integrate new projects and partners. Extended to Mitsubishi group, it forms the largest automotive alliance in the world.

The Alliance has proven its leadership in zero-emission vehicles and is developing the innovative technologies of tomorrow's autonomous, connected and affordable vehicles.

The Alliance aims to create value for each partner and for all stakeholders (employees, customers, suppliers, *etc*.).

History

On March 27, 1999, Renault and Nissan Motor Co. Ltd ("Nissan") entered into the founding agreement of the Alliance, the Alliance and Equity Participation Agreement (the "AEPA"). Under the provisions of the AEPA, Renault acquired a 36.8% stake in Nissan's share capital and subscribed for share subscription warrants that enabled it to increase its stake first to 39.9% and then to 44.4% of Nissan's capital. For its part, Nissan was given the opportunity to acquire a stake in Renault in the future.

Nissan's turnaround and the Alliance's rapid success led the partners to take a new step forward by accelerating the implementation of their financial agreements, and further institutionalizing their commercial and industrial cooperation.

Accordingly, on December 20, 2000, Renault and Nissan entered into the Alliance's second framework agreement, the "Alliance Master Agreement" (the "AMA"), which was reiterated and updated on March 28, 2002 in the "Restated Alliance Master Agreement" (the "RAMA").

Under the AMA and then the RAMA, Renault strengthened its stake in Nissan, and Nissan acquired a 15% stake in Renault's share capital:

- on March 1, 2002, Renault increased its stake in Nissan from 36.8% to 44.4%; on April 6, 2010, a share exchange agreement between Renault, Nissan and Daimler resulted in Renault's stake in Nissan decreasing from 44.4% to 43.4% at the same time as Daimler entered the capital of Renault and Nissan; and
- on March 29, 2002 and May 28, 2002, Nissan increased its stake in Renault to 15% through two capital increases reserved to Nissan Finance Co. Ltd., a wholly-owned subsidiary of Nissan.

Pursuant to Article L. 233-31 of the French Commercial Code, the Renault shares held by Nissan Finance Co. Ltd are not taken into account in the calculation of the quorum, and do not confer voting rights, *i.e.*, the voting rights attached to such shares cannot be exercised at Annual General Meetings.

In application of the RAMA, Renault-Nissan B.V. ("RNBV") was formed on March 28, 2002. This Amsterdam-based company has been owned equally by Renault and Nissan since 2002. It was formed to coordinate the common activities on a global scale and contribute to the preparation of the Alliance's strategy and mid and long-term planning (see section "Powers of RNBV" below).

In the context of the increase by the French State's stake in the share capital of Renault in 2015 and then the introduction of double voting rights, the Board of Directors of Renault authorized, on December 11, 2015, the signing of the following agreements, which the Shareholders' Annual General Meeting approved on April 29, 2016:

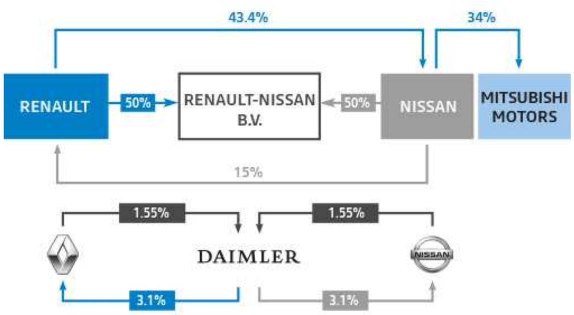
- a governance agreement entered into on February 4, 2016 between Renault and the French State, aimed at restricting the free exercise of the French State's voting rights for certain decisions submitted to Renault's Shareholders' Annual General Meeting.

  This agreement is described in section V-3-(1)-"Shareholder agreements on shares and voting rights of the Company"; and

- a third amendment to the RAMA signed on December 11, 2015 between Renault and Nissan that enshrines in particular the constant practice of non-interference of Renault in the governance of Nissan.

On November 2, 2017, the French State sold the 14 million Renault shares acquired in 2015. On that occasion, and in accordance with applicable regulations, Renault bought back 1,400,000 shares (*i.e.*, 10% of the shares sold by the French State) with the aim of implementing an offer reserved for employees and former employees of the Group.

The agreements concluded between with the French State and Nissan remain in force.



On October 20, 2016, Nissan, which is 43.4% owned by Renault, acquired a 34% stake in Mitsubishi Motors, thus becoming its largest shareholder.

The acquisition of Mitsubishi Motors by Nissan enabled the expanded Alliance to consolidate its industrial position, the three manufacturers having a combined sales volume of more than 10.76 million units in 2018.

On March 12, 2019, the Alliance Operating Board was set up. This is a body that oversees the operations and governance of the Alliance between Renault, Nissan and Mitsubishi Motors and heralds a new beginning for the world's leading automotive alliance.

Functioning of the Alliance in 2020

The Alliance Operating Board

The Alliance Operating Board, created on March 12, 2019, is in charge of operational coordination between Renault, Nissan and Mitsubishi Motors and will take new initiatives that will create value for their respective shareholders and employees.

This new Alliance Operating Board comprises four members, appointed by Renault (two members, including the Chairman of the Alliance Operating Board), by Nissan (one member), and by Mitsubishi Motors (one member).

As of December 31, 2020, the Alliance Operating Board was composed of Jean-Dominique Senard, Chairman of the Board of Directors of Renault and Chairman of the Alliance Operating Board, Makoto Uchida, Chief Executive Officer of Nissan, Luca de Meo, Chief Executive Officer of Renault, and Takao Kato, Chief Executive Officer of Mitsubishi Motors (following the resignation and death of Osamu Masuko in August 2020).

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The decisions of the Alliance Operating Board are made by all members by consensus, in accordance with the Alliance's "win-win" principle. The Alliance Operating Board meets monthly, and as often as the Alliance's interest requires, in Paris or Yokohama, or by video-conference when necessary.

The Alliance Operating Board oversees Alliance operations and governance issues involving Renault, Nissan and Mitsubishi Motors. In practice, the Board replaces RNBV in its governance functions. In any event, RNBV continues to exist, and supports the Alliance Operating Board, particularly for decisions and proposals that are delegated to RNBV pursuant to the RAMA, the Management Agreements and the articles of association of Renault s.a.s and of RNBV.

The Alliance Operating Board's General Secretary, Hadi Zablit, appointed December 2019, is tasked with coordinating and facilitating the Alliance' major projects launched to accelerate the operating efficiency of the respective companies. He reports to the Alliance Operating Board.

The Alliance Operating Board is assisted by specific operating committees that make recommendations on new sources of value creation between the three carmakers. During 2020, the Alliance Operating Board worked on programs aiming at significantly improving and accelerating the operating effectiveness of the Alliance in the interest of the three companies, including action plans whose objective is to maximize the contribution of the Alliance in order to support the strategic plan and the operating results of each company.

In 2020, the three partner companies reaffirmed that the Alliance is essential for strategic growth and improving their respective competitiveness.

Thus, on May 27, 2020, the Alliance announced the adoption of a new business model for cooperation.

Alliance partners will use the leader-follower model to enhance the efficiency and competitiveness of vehicles and technologies.

Each member will become a benchmark in the regions where it has the best strategic assets, and will act as a facilitator and provider of support bolstering the competitiveness of the other members.

The three members plan to build on the Alliance's existing strengths, such as joint purchasing, by leveraging their respective leadership positions and geographic strengths to support their partners' development.

The aim is to:

- strengthen the Alliance's standardization strategy, from platform to complete vehicle;
- determine, by product segment, a "parent vehicle" (or leader car), and "sister vehicles" (or follower cars), developed by the leader company with the support of the follower team;
- ensure that the three companies' leader and follower vehicles are produced in the most competitive environment possible, including by combining production where appropriate;
- continue to develop synergies on commercial vehicles, where the leader-follower model is already applied.

This should reduce costs and capital expenditure per model by up to 40% for vehicles designed under the new arrangements. These benefits are set to compound the synergies already achieved to date.

The Alliance also approved the principle of designating different parts of the world as "reference regions", with each company focusing on its key regions in the aim of being among the most competitive and serving as a benchmark for others to strengthen their own competitiveness.

On this principle, Nissan will become the reference in China, North America and Japan; Renault for Europe, Russia, South America and North Africa; and Mitsubishi Motors for ASEAN and Oceania.

As each member becomes a reference in its respective region, synergies will increase in order to maximize the sharing of fixed costs and the exploitation of each company's assets.

Taking all these elements into account, nearly 50% of Alliance models will be developed and manufactured under the "leader-follower" model by 2025.

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In terms of technological efficiency, Alliance members will continue to capitalize on existing assets to ensure that each member company continues to share investments in platforms, powertrains and technologies. Sharing of this nature has already proved its effectiveness in the development of powertrains and platforms, and has led to the successful launch of the CMF-B platform for the Renault CLIO and the Nissan JUKE, as well as the KEI Car platform for Nissan DAYS and the Mitsubishi eK WAGON. The CMF-C/D and CMF-EV platforms will follow soon.

The new business model will be extended from platforms and powertrains to all key technologies, with leadership assigned as follows:

- autonomous driving: Nissan;
- connected car technologies: Renault for the Android platform and Nissan in China;
- e-body – the main system of electric-electronic architecture: Renault;
- e-PowerTrain (ePT) engine: CMF-A/B ePT – Renault, CMF-EV ePT – Nissan;
- PHEV for the C/D segments: Mitsubishi.

This new model of cooperation will enable member companies to make the most of their expertise and competitiveness, which will strengthen the Alliance as a whole in a changing global automotive environment.

Renault-Nissan B.V. (RNBV)

Since 2002, RNBV has had decision-making and recommendation powers that it exercises in consensus with each partner and in compliance with their interests.

These decision-making and recommendation powers are exercised in areas that affect Alliance-wide strategy and planning. RNBV's decisions and recommendations reflect the common positions of the Alliance partners. They are made in compliance with Renault's corporate interest.

Furthermore, RNBV has control over Alliance Purchasing Organization (APO), created in April 2001 under the corporate name Renault-Nissan Purchasing Organization (RNPO), of which RNBV has been the sole shareholder since June 24, 2003.

RNBV does not intervene in the operational management of Renault or Nissan and does not share in the profits or bear the associated risks. Operational decisions are made and implemented by each company to the extent that such company is affected by them, including decisions on the so-called converged activities.

This company is not consolidated due to its non-significant nature, in accordance with the accounting principles described in note 2-B of the consolidated financial statements.

Powers of RNBV

In accordance with the RAMA and Article 15 of the Renault s.a.s articles of association, Renault and Nissan have delegated certain powers to RNBV pursuant to a *management agreement* signed on April 17, 2002 for an initial period of 10 years (the *"Management Agreement"*).

In April 2012, the Management Agreement was renewed for another 10-year period pursuant to an agreement entitled *Renewal Agreement of the Management Agreement*, the provisions of which are identical to those of the *Management Agreement* (the "*Renewal Agreement of the Management Agreement*"). Renault were informed of this at Renault's 2012 Annual General Meeting.

The delegation of powers granted to RNBV will expire on April 16, 2022. The Renault shareholders will be informed of the renewal of the *Management Agreement*.

The list of powers delegated to RNBV is restrictive and has not changed since the creation of the Alliance.

First and foremost, RNBV has decision-making powers that cover:

- adoption of 3-, 5- and 10-year plans (strategic Company projects, with quantified data);

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- approval of product plans (phase of strategic projects corresponding to the design, manufacturing and sale of current or future products, vehicles and components);
- decisions concerning the sharing of products and powertrains (such as platforms, vehicles, gearboxes, engines and other components);
- principles of financial policy, including:
- discount rates used for profitability studies and hurdle rates, applicable to future models and investments,
- risk management rules and the policy applicable to them,
- financing and cash management rules,
- debt leverage strategy;
- management of common subsidiaries, and the creation, modification, steering and disbandment of *Cross-Company Teams* (CCTs) and *Functional Task Teams* (FTTs). These teams operate in all the main sectors and areas of activity and are tasked with exploring new synergies between the two companies. Team managers report regularly to the Alliance Board on the progress made in their specific area of activity; and
- any other subject or project assigned to RNBV on a joint basis by Nissan and Renault.

RNBV also has the exclusive power to propose a set of decisions to Renault and Nissan. Both manufacturers remain free to follow those proposals or not.

These proposals relate to:

- creation and scope of joint subsidiaries;
- supplementary financial incentive schemes for management;
- significant changes in scope involving total amounts of $100 million or more;
- strategic investments exceeding $500 million; and
- strategic cooperations between Nissan or Renault and third parties.

Governance of RNBV

The functioning of the *Management Board* of RNBV is described in Articles 14 *et seq*. of the RNBV articles of association.

A French translation of the RNBV articles of association is available on the Renault website.

The composition of the Management Board of RNBV has always followed a principle of balance in the representation of Renault and Nissan. In practice, decisions and recommendations from RNBV are always made by consensus between the two shareholders.

Pursuant to the RNBV articles of association and the RAMA, the Management Board comprises 10 members:

- five members are appointed by Renault, the “R Members”, including Renault’s Chief Executive Officer who holds the title of *“Chairman and CEO”*, *i.e.*, Chairman of the Management Board of RNBV;
- five members are appointed by Nissan, the “N Members”, including Nissan’s Chief Executive Officer who holds the title of *"Vice-Chairman"*, *i.e.*, Vice-Chairman of the Management Board.

The Chairman and the Vice-Chairman of the Management Board of RNBV have four votes each, and the other members of the Management Board have one vote each. In the event of a tie, the Chairman has a casting vote.

All decisions of the Management Board are made by simple majority of the votes of the members present or represented.

Pursuant to the RNBV articles of association, the Management Board has the power to represent RNBV *vis-à-vis* third parties. Likewise, the Chairman and the Vice-Chairman each have the power to represent RNBV vis-à-vis third parties.

All decisions affecting the Alliance are made in the common interest of Renault and of Nissan. In the event that a member of the Management Board finds itself in a situation where there is a conflict of interest in the decision-making process, he or she shall abstain from taking part in the decision.

The decisions and recommendations initiated by RNBV are prepared by Renault and Nissan managers. They reflect the common position of the Alliance partners in strategic and planning matters, within the Alliance.

Renault representatives within RNBV, as well as Renault's management and administrative bodies, ensure that all decisions initiated by RNBV are made in compliance with Renault's corporate interest.

In addition, RNBV's decisions and recommendations are submitted to the management and administrative bodies of Renault, which ensure their compliance with Renault's corporate interest. Thus, no strategic option with regard to Renault, including under powers delegated to RNBV, is taken without Renault executives or Board of Directors, depending on circumstances, having expressed an opinion.

As part of this review, the members of Renault's Board of Directors, including its independent members, have all the information they need on the questions submitted to them.

The implementation of the orientations defined by RNBV and all of the resulting operational decisions remain within the exclusive competence of Renault, which is represented by its Board of Directors and the executives authorized to represent the Company.

Beyond the areas falling within RNBV's competence, Renault is entirely free to conduct its activities, and all decisions relating to the operational, commercial, financial and social management of the company are made by its management and administrative bodies acting autonomously and independently.

(3) REGULATORY ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY

A. REGULATORY ENVIRONMENT

Vehicle manufacturing regulations

General framework

Vehicle manufacturing regulations are designed to meet the requirements of States regarding, on the one hand, the need to reduce the number and consequences of accidents to people, whether in vehicles or on public roads (such as pedestrians and cyclists) and on the other hand, the environmental impact of the vehicle fleet (reduction of pollutant emissions, noise, or pressure on resources). The Group constantly ensures that it has appropriate tools to enable it to respond to these requirements.

The regulatory framework of the European Union, which is applicable by extension to around 40 countries geographically in or close to Europe, allows approval granted in one European Union country on the basis of a common list of technical regulations to be recognized in another European Union country and registration in all European Union countries without additional technical constraints.

The European framework is historically the pioneer of many national technical regulations around the world. It is based in particular on **regulation (EU) no. 2018/858 on the approval and market oversight of engine vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles**, amended by **regulation (EU) no. 2019/2144 of November 27, 2019 on type-approval requirements for engine vehicles and their trailers, and systems, components and separate technical units intended for such vehicles, as regards their general safety and the protection of vehicle occupants and vulnerable road users**, called the "General Safety Regulation"

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(GSR), which has reinforced approval checks and production process controls, as well as statistical and continuous oversight of vehicles placed on the market and many passive and active safety technical requirements from 2022.

Carmakers, and more generally the automotive sector, are involved in this continued strengthening of European technical regulations, within the framework of working groups organized by the European Commission and made up of the industries involved in the Member States. The automotive sector is also involved within the broader framework of the UN working groups, made up of around 60 countries and international organizations (including the European Union), to ensure regulatory changes are made while taking into account technical and industrial challenges and opportunities, as well as implementation deadlines.

It should be noted that the health situation in 2020 resulted in very few delays or discrepancies in the preparation or application dates of regulatory texts, nor did it have a significant influence on the determination of the levels of regulatory requirements, whether in terms of active and passive safety or in terms of emissions and pollutants.

Pollutant emissions and CO_2

In the last few years there has been a considerable change in regulatory requirements set out on pollutant emissions by **regulation (EC) no. 715/2007 on type-approval of engine vehicles with respect to emissions from passenger and light commercial vehicles (Euro 5 and Euro 6) and on vehicle repair and maintenance information**, supplemented by Commission regulation (EU) no. 2017/1151 of June 1, 2017.

Since September 1, 2018, the pollutants of all new passenger cars (PC) and light commercial vehicles (LCV) are measured using the Euro 6 and CO_2 limits, during a new cycle that is more representative of use, called the WLTP (Worldwide harmonized Light Duty Test Procedure). The WLTP was implemented one year later for new, heavier LCVs.

In addition to WLTP, which measures pollutants in the laboratory, a procedure known as RDE (Real Driving Emissions) was introduced in two stages, after an initial monitoring phase. This procedure makes it possible to verify emissions under almost all conditions of use (driving, road profiles, weather, *etc*.).

The first interim stage, called Euro 6d TEMP, sets controls for NO_x (nitrogen oxide) emissions using a compliance factor of 2.1 and particles by number (PN) using a compliance factor of 1.5, taking measurement uncertainties into account. Euro 6d TEMP has been applicable to all new PCs and small LCVs since January 1, 2019 and to all heavy LCVs from January 1, 2020.

A second step, known as Euro 6d, provides for reducing this compliance factor to 1.00 for NO_x and PR, and takes into account a measurement uncertainty margin of 0.43 for NO_x and 0.5 for PR, it being specified that the latter factor will be revised each year in the light of progress in the Portable Emissions Measurement System (PEMS) procedure and equipment. Euro 6d has been applicable to new models since January 1, 2020, and will be applicable to all PCs and small LCVs, as well as heavy LCVs from January 1, 2021 and lastly to all heavy LCVs from January 1, 2022.

In addition to these regulations, which apply to exhaust emissions, evaporative emissions from the fuel systems of gasoline vehicles have also been reduced through a stricter procedure applicable to all new vehicles since September 1, 2019.

The (CE) "emissions" regulation 715/2007 does not confine itself to approval of new products but also requires the inspection of customer vehicles by the manufacturer and by any Member State. This is one of the few industries that produces consumer goods for which vehicle inspection is required at between six months and five years, or 15,000 km and 100,000 km.

The next major regulatory deadline is Euro 7. The European Commission has commissioned a consortium of consultants to develop a substantiated proposal for the Euro 7 technical requirements.

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The co-decision proposal to be submitted to the European Parliament and the Council is expected in the final months of 2021. The Commission's aim is for Euro 7 to be the last step before zero emissions.

The health situation did not have a significant impact on regulatory requirements in terms of emissions, either on their content or their timing.

Furthermore, (EU) regulation 2019/631, which lays down performance standards for CO_2 emissions, is applicable to passenger cars as well as to new light commercial vehicles. It represents a very important component of climate protection in Europe.

(EU) regulation 333/2014 had stipulated a limit of 95g of CO_2/km applicable to 95% of the passenger car fleet starting from 2020.

Starting from 2021, (EU) regulation no. 2019/631 defines the objectives to be achieved up to 2030. This regulation stipulates achievement by 2025 of a reduction of 15% compared to a start point calculated in 2021, and in 2030, a reduction of 37.5% compared to this same start point. These objectives cannot be achieved without a significant increase in the share of hybrid and electric cars in the Renault range. In addition, regulation no. 2019/631 introduces an incentive to exceed a minimum level of zero- or low-emission vehicles (ZLEVs) as a percentage of the range in 2025 and 2030.

The same principles apply to light commercial vehicles, with a target of 147g of CO_2/km in 2020 and ambitions for a reduction of 15% in 2025 and 31% in 2030, compared to a base defined in 2021.

In 2020, following the European Union's decision to make a strong commitment to carbon neutrality by 2050, we can expect to see a significant increase in CO_2 emissions targets (from -37.5% to -50% for passenger cars for instance) for the transport segment. This risk is monitored closely, and the possible tightening is already included in Renault's scenarios.

Regulation no. 2019/631 also stipulates a penalty of €95 per gram of CO_2 and per vehicle sold in the event of failure to achieve the abovementioned objectives. However, this regulation provides a certain amount of flexibility, such as the possibility of forming a pool between manufacturers, and benefiting from gains made through eco-innovations or vehicles with zero and very low consumption.

The 2023 revision clause introduced into regulation no. 2019/631 lays down the principle of setting new objectives for 2035 and 2040, in order to achieve carbon neutrality in Europe by 2050.

This desire to combat global warming is found in other countries where Renault operates, such as China, Brazil and India. In addition, China in particular has comprehensive regulations for electric vehicles (pure and hybrid electric).

Passive safety and active safety

The entry into force of **(EU) regulation no. 2019/2144 concerning the requirements for approval relating to the general safety of motor vehicles, their trailers and systems, parts and separate technical entities that are intended for them**, will require manufacturers to incorporate an entire series of safety systems and to design the structure of new vehicles taking into account new requirements aimed at minimizing the severity of accidents in head-on, side and rear impact collisions.

Passive safety

All newly approved PCs and small LCVs from July 2022 will have to meet new requirements for head-on, side and rear impact collisions. The requirements will be applicable to all newly registered vehicles in the European Union from July 2024.

Two years after these dates, new requirements for the safety of pedestrians will apply to the front end of these vehicles, in order to extend the protection zones up to the windscreen.

Active safety

From July 2022, all newly approved PCs and small LCVs (classes M1 and N1) will be required to be equipped during manufacture with:

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- an AEB (Advanced Emergency Braking) system to reduce the risk of collision with other vehicles, whether stationary or in motion;
- an Emergency Lane Keeping system that brings vehicles back into their lane before an involuntary crossing (without indicator signals) of an unbroken line and alerts drivers in the event of an involuntary crossing of a broken line;
- an Intelligent Speed Adaptation system capable of alerting the driver when vehicle speed exceeds the limits;
- a Driver Drowsiness & Attention Warning system, which should be based on analysis of activity at the steering wheel, pedals, *etc*.

These advanced driver aid systems (ADAS) will become obligatory from July 2024 for all newly registered vehicles in the European Union.

Two years after these dates, new ADAS will become mandatory in turn, such as the AEB system, which takes pedestrians and cyclists into account, and the Advanced Driver Distraction Warning system, which will require technologies that use cameras and image analysis algorithms.

From July 2022, all newly approved PCs and commercial vehicles (LCVs and public transit) must, depending on their PC, public transit, light LCV or heavy LCV category, be equipped with pedestrian and cyclist proximity detection and/or vision systems on the front, side and rear of the vehicle.

These systems will become obligatory from July 2024 for all newly registered vehicles in the European Union.

Cybersecurity

Regulation 661/2009 also introduced vehicle cybersecurity requirements (all categories) through the adoption of the new Geneva regulation that governs this area. These requirements will become effective in July 2022 for newly approved vehicles and in July 2024 for all newly registered vehicles in the European Union.

These new provisions require manufacturers to put in place a very well structured Cyber Security Management System to ensure traceability and transparency for all decisions and approvals in respect of the inspection authorities and require incorporation in vehicles of state-of-the-art technical solutions to limit cyber risks as soon as these are designed.

Various countries, such as Japan, South Korea, Turkey and Israel, will adopt similar requirements with the same timelines.

Autonomous and/or connected vehicles

Although not a compulsory feature, regulations for vehicles with driverless operation services should, in the initial stages, cover systems that help drivers to stay in lane, to drive in congested traffic and on highways (Advanced Lane Keeping Systems).

Extensions to more ambitious use cases should become reality by 2030.

"Driverless" vehicles are a special case that will undoubtedly be handled through testing carried out at the national level, and authorizations issued locally, for public transport and other uses.

In parallel, the rules of the road would gradually have to be changed in order to authorize the use of these autonomous driving systems. Thus, the amendment of the Vienna Convention on Road Traffic, which was adopted in 2020 and will be formalized in 2021, paves the way for these developments.

Connectivity is also a special case, insofar as it calls on a number of players outside the automotive sector.

Prohibited substances and materials and recycling

The so-called "substances" regulation governs the registration of all substances and materials present in vehicles and sets out prohibitions and limitations of these substances and materials, with monitoring of each vehicle to avoid distribution on the market of harmful or prohibited products and facilitate recycling of end-of-life vehicles and their batteries.

Global guidelines on regulatory substances and recycling are mainly set by the European Union.

They include the European regulations REACH, POP (persistent organic pollutants), and biocidal products for substances, the F-GAS regulation and the Air Conditioning Systems Directive on greenhouse gas emissions for air conditioning system fluids, and the ELV and recyclability directives on end-of-life treatment of vehicles and recycling (minimum recyclability and recovery quotas and limits on certain substances or prohibition of certain hazardous materials in recycled materials), as well as the introduction of environmental performance obligations over the entire life cycle of vehicles.

The European Commission's Green Deal will prompt many changes to vehicle design in the coming five to 10 years. These changes are expected to result in a sharp increase in the number of banned substances, the extension of end-of-life treatment to large commercial vehicles, with requirements on the recycled plastic content of vehicles and stricter requirements for the performance, durability and recyclability of batteries, together with ethical rules on sourcing and, as for vehicles, requirements on the recycled content of batteries.

Other countries such as China, Korea, and Japan could also adopt specific requirements for the emissions of materials present in vehicles to guarantee passenger cabin air quality.

Stronger oversight

The unique legal environment in European Union Member States shows a general trend toward more stringent requirements and oversight of them by regulatory authorities, whether through stricter monitoring of approval tests, maintaining the performance of vehicles throughout their life via engine compliance inspections, maintaining the general condition of the rolling vehicle population via reinforced technical controls, enhanced verification of the compliance of production (COP) and monitoring the compliance of new vehicles put on the market.

For example, through the new EU Regulation 2018/858, the European Union has decided to implement market oversight from September 2020 that consists of requiring each Member State of the European Union to conduct vehicle compliance inspections that include performance of approval tests on a sample of vehicles representative of their national market. Another purpose of market oversight is the monitoring of the functioning of technical services and approval authorities in each European Union Member State to detect and correct malfunctions in the European approval system.

Environmental regulations

As part of its production of automotive vehicles and mechanical equipment and the sale of its products, Groupe Renault is required, in the various countries where its vehicles and products are located or marketed, to comply with certain regulations that are directly applicable to it, in particular with regard to the sites and installations it operates and the substances used as part of its production process.

Because of its activities, Groupe Renault is subject to environmental regulations, concerning, among other areas, emissions into the air, waste management, and water and soil impacts.

The main regulations applicable to Groupe Renault's industrial, logistics and commercial activities are described below.

Industrial emissions management

Directive no. 2010/75 of November 24, 2010, known as the Industrial Emissions Directive (IED), replaced the Integrated Pollution Prevention and Control (IPPC) Directive and six sector directives, including the large combustion plants directive (2001/80/EC).

The IED strengthens a number of requirements for the prevention and reduction of pollution emitted by industrial installations into the air, water, and soil. It also establishes thresholds that are not to be exceeded.

It states that certain industrial facilities must first obtain administrative authorization. This authorization cannot be issued by the competent administrative authority unless certain environmental conditions are met (adequate preventive measures against pollution being undertaken by the operator and ensuring that the facilities are not a significant source of pollution).

One of the guiding principles of this directive is the use of best available techniques (BAT) to prevent pollution of all kinds. Activities that require administrative authorization must meet the BAT standard established, reviewed, and updated by the European Commission, which publishes the conclusions in the "BREF" (best available techniques reference document).

Most of the Group's industrial sites depend on the BREF STS (surface treatment using solvents) for automotive paint activities, which has been revised and whose new conclusions were published on December 9, 2020 in EU Decision 2020/2009. The sites concerned therefore have a year to submit a review file and four years to comply with the new thresholds set out in the document. Moreover, the revision of the BREF SF concerning foundries also started in 2019. Following the same logic as the BREF STS, this revision will eventually set the future emission limits for this activity.

Monitoring requirements for facilities that may contaminate the soil and groundwater are provided.

The IED also provides for the requirement to draw up a "base report" on the condition of the site before the installation is commissioned or before the first update of the authorization issued and for a redefinition of the requirement to restore the site upon cessation of activity.

Air emissions management

European Directive (EU) 2015/2193 of November 25, 2015 regulates emissions from medium-sized combustion plants. It sets emissions thresholds for sulfur dioxide (SO_2), nitrogen oxides (NO_x) and dust into the atmosphere from combustion plants with a nominal thermal power greater than or equal to 1 MW and less than 50 MW, regardless of the type of fuel that they use. It also establishes rules to monitor carbon monoxide (CO) emissions.

Operators must implement emissions monitoring in accordance with the requirements set out in Annex III to this directive and periodic measurements in particular. CO measurements are required for all facilities.

European regulation 517/2014 of April 16, 2014 (F-Gas), which repealed regulation 842/2006 on January 1, 2015, contains, prevents, and reduces emissions of fluorinated greenhouse gases referred to in the Kyoto Protocol.

This regulation:

- discourages the use of fluorinated gases with a high impact on the climate and encourages energy efficient and safe substitutes;
- continues to improve the containment and end-of-life treatment of products and equipment containing fluorinated gases;
- promotes consensus on an international agreement under the Montreal Protocol to gradually reduce HFCs, which are the main group of fluorinated gases;
- ensures that the European Union takes into account the latest scientific results obtained at the international level, as recorded in the IPCC fourth Assessment Report, as regards in particular the substances covered by the regulation and their global warming potential (GWP).

The regulation aims to reduce fluorinated greenhouse gas emissions in the European Union by two-thirds compared with their current level by 2030.

Groupe Renault has reviewed these obligations and is taking the necessary measures to minimize the use of these substances and limit their discharge into the atmosphere.

European Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading systems affects 13 Group sites in France, Spain, Slovenia, and Romania. Its application for the current phase (2013-2020) is mainly governed by European regulation 601/2012 on the monitoring and

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reporting of greenhouse gas emissions. For the fourth phase (2021-2030), this regulation is superseded by European regulation 2018/2066.

This system requires sites subject to the regulation to report their greenhouse gas emissions each year and return a number of “allowances” equivalent to the metric tons of CO_2 emitted. A certain number of allowances is allocated free of charge, and additional allowances may be purchased on the primary or secondary markets.

The allocation of free allowances is governed by strict rules, which are specified in Decision 2011/278 for the third phase, and in European regulation 2019/331 for the fourth phase.

Annual greenhouse gas emissions are verified by an independent third-party organization accredited according to the procedures described in European regulation 600/2012 for the third phase and in European regulation 2018/2067 for the fourth phase.

Changes to these regulations, in particular the loss of “carbon leakage” exposure status starting with the fourth phase (2021-2030) will greatly reduce the number of free allocations from sites subject to the Regulation.

In Korea, an exchange system was put in place in 2015, by a 2012 law (Act on Allocation and Trading of Greenhouse Gas Emissions Allowances) and an associated decree. The Busan site (RSM) is subject to this law.

Water management

Groupe Renault is subject to the applicable European regulations on the use and protection of water since it abstracts, uses, and discharges water during its production processes.

Directive no. 2000/60/EC of October 23, 2000, known as the Water Framework Directive (WFD), establishes a framework for a community water policy.

The WFD defines a framework for the management and protection of waters by major hydrographic basin at the European level. It plays a strategic and founding role in water policy, setting ambitious objectives for the preservation and restoration of the condition of surface water (freshwater and coastal water) and for groundwater.

The main objectives of the directive are:

- achieving, starting in 2015, a good condition for all of these waters, which means a good ecological and chemical condition for surface water, as well as a good qualitative and quantitative condition for groundwater;
- adopting a combined approach of environmental quality standards (Directive 2008/105/EC of December 16, 2008) through removal of hazardous substances and emission thresholds based on the best available techniques, using the approach that gives the highest standards;
- immediately implementing this approach for priority hazardous substances for the Community, *i.e.*, identifying them and establishing emission thresholds and quality standards for them;
- establishing a management plan for each hydrographic basin;
- taking into account the principle of recovering the costs of water-related services, integrating the polluter pays principle established by the Treaty on the Functioning of the European Union;
- increasing public participation, through more and better information and involving the public in decision-making.

Public authorities are also imposing strict regulations on industrial wastewater that may be discharged into collection systems and on treated wastewater and sludge from urban wastewater treatment plants.

The WFD set targets for 2015, but its implementation timetable runs until 2027. Discussions are still underway on the issue of water, and on the reuse of domestic wastewater in particular. Better treatment of this water could significantly increase the use of wastewater, especially for agricultural irrigation.

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Finally, the scarcity of water resources is a major challenge for the years to come, India, has accordingly already established requirements in this regard. In that country, domestic water must be treated and reused in toilets.

Waste management

Directive 2008/98/EC known as the Waste Framework Directive (WFD) of November 19, 2008, defines the rules applicable to the treatment of waste within the European Union. It applies to all objects or substances that the holder discards or that he or she intends or is required to discard. The WFD reaffirms, in the name of the polluter pays principle, the responsibility of a waste producer to manage its waste in a way that does not endanger human health or harm the environment.

The Directive also introduces a requirement for waste producers to limit their impact on the use of resources by preventing and reducing waste with a view to transitioning to a circular economy.

It establishes a hierarchy of waste treatment methods, requiring waste producers to prioritize, in the following order:

- waste prevention;
- preparation for reuse;
- recycling;
- other forms of recovery, in particular energy recovery;
- disposal.

It also clarifies the concept of recovery, disposal, end of waste status, and by-products and requires the establishment of separate collections for paper, metal, plastic, and glass, as a minimum.

The Basel Convention on the control of transboundary movements of waste and its disposal, which was adopted on March 22, 1989 and entered into force on May 5, 1992, regulates and limits transboundary shipments of waste.

It calls on the 187 Parties to observe fundamental principles such as proximity to waste disposal, environmentally sound management, prioritize recovery, and prior informed consent to the importing of potentially hazardous substances.

Regulation (EC) 1013/2006 of June 14, 2006 on the shipment of waste transposes the principles of the Basel Convention into European law.

It requires the limitation of cross-border shipment of waste through observance of the principles of proximity and prioritization of recovery. To determine if transfer of waste is possible, and the applicable procedure (communication or notification), the following need to be considered:

- the origin of the waste (country of production);
- the destination and route of the waste (transfer inside or outside the EU/EFTA/OECD);
- the type of treatment to be applied to the waste (recovery or disposal);
- the type of waste transferred:
- non-hazardous waste: green list (Annex III of the regulation),
- hazardous waste: orange list (Annex IV of the regulation).

Under "extended producer responsibility" (EPR) regimes, producers who place waste-generating products on the market must take responsibility for management of that waste financially and/or operationally. This responsibility can be implemented through individual, shared, or collective systems (eco-organizations).

Several European directives have introduced this type of obligation for certain types of waste (sectors). In the course of its activities, Groupe Renault is particularly concerned by regulations relating to batteries and accumulators (particularly for electric vehicle batteries) and end-of-life vehicles.

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Directive 2006/66/EC of the European Parliament and of the Council of September 6, 2006 on batteries and accumulators and battery and accumulator waste prohibits the marketing of certain batteries and accumulators with a mercury or cadmium content above a determined threshold.

In addition, it encourages a high level of collection and recycling for battery and accumulator waste as well as an improvement in the environmental performance of all actors in the life cycle of batteries and accumulators, including during the recycling and disposal of battery and accumulator waste.

This Directive prohibits the landfilling or incineration of industrial and automotive battery and accumulator waste. Only their residues from both treatment and recycling may be landfilled or incinerated.

The net costs of collecting, processing, and recycling industrial and automotive batteries and accumulators must be paid by the producers.

Directive 2000/53/EC of September 18, 2000 on end-of-life vehicles (ELVs) defines the measures to be taken to prevent and limit waste from end-of-life vehicles and their components, and to ensure that they are reused, recycled, or recovered.

Vehicle and equipment manufacturers must take into account the dismantling, reuse, and recovery of vehicles in the design and production of their products, limit the use of hazardous substances, and integrate an increasing share of recycled materials into vehicles.

The reuse and recycling rate for end-of-life vehicles must reach a minimum of 85% by weight per vehicle per year on average. The reuse and recovery rate must reach a minimum of 95% by weight per vehicle per year on average.

Producers (manufacturers or importers) must set up ELV collection systems, and owners may drop off their ELVs at authorized treatment facilities only, at no cost to them (unless the vehicle is incomplete).

There is currently no need for producers to contribute to the economic balance of the sector, as the costs of processing ELVs is offset by the sale of stripped vehicles to approved shredders and parts and materials on the used vehicle, renovation and recycling market.

In conclusion, European and global environmental regulations have changed significantly over the past 20 years, Groupe Renault is ensuring that the regulations that apply to it are identified as soon as possible and taken into account in its production system. The European Union's Green Deal is a new European roadmap for achieving carbon neutrality by 2050. The policy is aimed notably at the circular economy and the preservation of resources and biodiversity, which are also central to Groupe Renault's concerns. Groupe Renault is therefore preparing to meet the new challenges by showing vigilance and continuing to pursue an approach designed to continuously reduce its impact on the environment.

Even though the European Union is still the leader in this area, countries like Korea, China, and India, which are strongly impacted by the scarcity of resources (water in particular) and increasing pollution (air and waste) are beginning to introduce more stringent regulations.

European regulations applicable to the distribution of new vehicles and spare parts

Groupe Renault is subject to European competition law, which prohibits agreements that prevent, restrict, or distort competition. By way of exception, agreements limiting competition (in particular through selection of resellers or provision for exclusive terms for them) are authorized when they may contribute to improving the production and distribution of products or to promote technical or economic progress.

The purpose of **the European Commission's block exemption regulations no. 330/2010 of April 20, 2010 and no. 461/2010 of May 27, 2010**, which are applicable to the distribution of new vehicles and the supply of spare automotive parts and to repair and maintenance services for motor vehicles respectively, is to exempt from the prohibition of cartels, agreements presumed to improve distribution without eliminating competition.

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The criteria for this automatic exemption depend on the market shares of the parties to an agreement (maximum threshold of 30%) and the absence of any marked restrictions on competition. As applied to the automotive sector, this exemption is in principle applicable to the selection by manufacturers of their network of authorized distributors and repairers. However, the presence of one of the following restrictions may prohibit the exemption from being applied:

- setting the price (fixed or minimum) at which distributors can resell vehicles or spare parts (prohibition of resale price maintenance);
- the distribution of geographic markets or customers between distributors (market distribution);
- the ban on sourcing by authorized distributors from other authorized distributors (restriction of cross-deliveries);
- the ban on the resale by authorized distributors of spare parts to independent repairers for use in repair or maintenance services; and
- the ban on the use by authorized repairers of spare parts of a quality equivalent to original parts for repair or maintenance services.

Similarly, under regulation no. 461/2010, any restriction concerning access by independent repairers to the technical information necessary for the repair and maintenance of vehicles is presumed to exclude the benefit of exemption from the selection by Renault of its network of authorized repairers.

Regulation no. 330/2010 expires on May 31, 2022. Its effectiveness has been under evaluation by the European Commission since October 2018, and it will decide no sooner than the second quarter of 2020 whether to let the regulation lapse or to extend or revise it.

Regulation no. 461/2010 expires on May 31, 2023. Its effectiveness has been under evaluation by the European Commission, and it will decide no sooner than the second quarter of 2021 whether to let the regulation lapse or to extend or revise it.

Community design regulations

Council regulation (EC) no. 6/2002 of December 12, 2001 on community designs provides for the principle of the repair clause, which excludes the protection of visible spare parts of a vehicle via designs and models (repair clause principle) in order to promote free market competition by allowing any company to manufacture and sell spare parts on the after-sales market.

At the national level, European states remain divided over the repair clause. Some countries, such as the United Kingdom, Poland, Spain, and, since January 1, 2020, Germany, have adopted the repair clause as national law. However, other countries such as France, Slovakia and Croatia refuse this deregulation and therefore do not apply the repair clause principle.

The repair clause could become applicable to all European Union countries. In late 2018, the European Commission launched a public consultation on the overall assessment of the design and model system with questions relating to the repair clause. In addition, France has already submitted a bill on this subject, in which adoption of the repair clause is being considered.

The extension of the repair clause to all European Union countries, it would have a significant economic impact on the Groupe Renault's after-sales market share.

Banking regulations

Several banking sector regulations applicable to Groupe Renault via its subsidiary RCI Banque may significantly influence its activities.

Directive 2013/36 of June 26, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment companies, known as the "CRD IV Directive" was transposed in France by Order 2014/158 and by the Decree of November 3, 2014. These texts have redefined the rules governing the approval conditions for credit institutions, the governance of credit institutions, internal control and senior executive compensation, with the aim of harmonizing the

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regulations applicable to credit institutions in these areas at European level. They are therefore an essential step towards the achievement of the internal market in the banking sector. Directive 2019/878 amended Directive 2013/36 as regards exempted entities, financial holding companies, mixed financial holding companies, compensation, supervisory measures and powers, and capital conservation measures. This directive was transposed into French law by Order no. 2020-1635 of December 21, 2020 bringing in a number of provisions adapting the legislation to European Union law on financial matters.

European Regulation 575/2013 of June 26, 2013 on prudential requirements for credit institutions and investment companies, known as the "CRD IV Directive", introduced new requirements for capital, liquidity, and leverage ratios. This regulation aims to strengthen the solidity of European banking institutions by improving the qualitative and quantitative aspects of capital. This text was amended by regulation 2019/630 as regards the minimum coverage of losses on non-performing exposures. This new regulation also supplements the existing prudential rules as regards capital with provisions for a deduction from capital if non-performing exposures are not sufficiently covered by provisions or other adjustments.

Directive 2014/59 of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment companies, known as the "BRRD Directive" set out a framework for the recovery and resolution of credit institutions. This text aims to ensure that bankruptcies of European banks are managed in such a way as to preserve financial stability and minimize costs for taxpayers. It gives the competent authorities the means to intervene before difficulties arise and, where necessary, at the start of the resolution process. The directive entered into force on January 1, 2015. These measures were supplemented by regulation 806/2014 of July 15, 2014, which established a single resolution mechanism (SRM) and a single resolution fund (SRF). Finally, this directive was amended by Directive 2019/879 of May 20, 2019 as regards the capacity to absorb losses and recapitalize credit institutions. This directive clarifies the fixing of the MREL (Minimum Requirement for own funds and Eligible Liabilities specific to each establishment).

Directive 2008/48 of April 23, 2018 on credit agreements for consumers was transposed in France by Law 2010-737 of July 1, 2010 on consumer credit reform. The purpose of these texts is to provide better consumer protection and to harmonize national credit distribution rules. These texts require credit institutions to strengthen consumer information by providing them with a standardized European pre-contractual information sheet.

Directive 2018/843 of May 30, 2018 amended **Directive 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing**. This text was transposed in France by Government Order 2020-115 of February 12, 2021. This system:

- strengthens the transparency of complex legal entities and legal structures by broadening access to registers of beneficial owners;
- sets out the enhanced due diligence measures to be implemented with respect to business relationships or transactions involving high-risk third countries;
- sets out the guarantees to be put in place to mitigate high money laundering risks associated with entering into a remote business relationship; and
- establishes the principle of consolidated supervision of AML-CFT procedures by banking and insurance groups.

Directive 2016/97 of January 20, 2016 on insurance distribution, transposed in France by Decree 2018-361 of May 16, 2018, aims to ensure better consumer protection and harmonize national rules for the distribution of insurance products. This text requires the establishment of governance procedures for the design and distribution of insurance products and the delivery of a new standardized information document (IPID) to customers.

On February 25, 2019, the European Banking Authority published Outsourcing Guidelines (EBA/GL/2019/02). These guidelines set forth a governance framework for outsourcing operations. Accordingly, they require an evaluation of each subcontractor, the keeping of a register of services

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outsourced, and the inclusion in contracts with subcontractors of a certain number of clauses to ensure good control of the risks associated with the outsourcing.

On January 18, 2017, the European Banking Authority published guidelines on the application of the definition of default (EBA/GL/2016/07). The purpose of this text is to harmonize the definition of default by providing a detailed clarification of the various reasons for default (including the counting of days in arrears), the conditions for a return to non-default and the associated processes. The text will be applicable starting January 1, 2021.

In addition, on September 28, 2016, the European Banking Authority published a text entitled "Final report DRTS on materiality threshold for credit obligation past due" (RTS/2016/06). This text introduces a single methodology for the counting of days in arrears (Day past due counting) based on the application of absolute and relative materiality thresholds.

In its regulation 2018/1845 of November 21, 2018, the absolute threshold was set at €100 for exposures to retail customers and €500 for other exposures. These rules must be obeyed starting December 31, 2020.

Finally, the European Banking Authority also published guidelines for estimates of probability of default and estimates of loss given default (EBA-GL-2017-16).

These guidelines are part of the wider work of the European Banking Authority to reduce unjustified variability in the results of internal models while preserving the risk sensitivity of capital requirements.

B. Permanent dialog with our stakeholders

Because dialog with our stakeholders enables us to better grasp environmental, social or economic challenges and risks, and makes us more agile in meeting their expectations, we have set up appropriate channels of exchange with each of them, at the global, regional or local level: customers, employees, suppliers, shareholders, investors, local communities, associations, students, *etc.*

Dialog with stakeholders also helped to develop the materiality matrix of ESG challenges below.

Stakeholders	Key ESG stakes (materiality matrix)	Main players by degree of closeness	Modes of dialog and communication	Highlights of 2020
Fleet customers/ retail customers	▪ Giving everyone access to mobility solutions ▪ Contributing to the transformation of urban mobility ▪ Increasing passenger and road user safety	▪ Retail and business customers ▪ Sales network and importers ▪ Road users/general public ▪ Consumer groups within the framework of social business ▪ Welfare or employment providers	▪ Services and direct dialog in the sales network ▪ Customer Relations department (including requirements studies) ▪ Training/awareness-raising initiatives ▪ Certification, product ratings (EuroNCap) ▪ Media ▪ Internet site ▪ Responses to calls for tender ▪ Commercial events ▪ Performance reviews ▪ Questionnaires	▪ Whenever a new Renault or Dacia vehicle is launched, decision support forms are sent to fire services internationally following verification by a reference group of French fire service personnel ▪ The design of new electric and hybrid vehicles ensures the safety of occupants and first responders by the inclusion of a system for disconnecting the electrics and direct

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				Fireman access to the traction battery
Employees	▪ Ensuring employee fulfillment and development ▪ Ensuring the inclusion of everyone in the company ▪ Ensuring respect for human rights and labor law throughout the supply chain	▪ Employees ▪ Employee representative bodies	▪ Local management (including annual performance review) ▪ Policies/guides (environment, health/safety, *etc.*) ▪ Social dialog: establishment, country, Groupe Renault Works Council ▪ Training ▪ Internal communications	▪ Development of online training for local Managers (Onboarding Managers program) ▪ Creation of the Diversity & Inclusion scorecard ▪ Reinforcement of social dialog during the Group's reorganization operations ▪ Support for internal and external affinity groups ▪ Digitization of training programs in the Functional Academies and promotion of our online training courses in all countries ▪ Creation of guides for the prevention of health risks following the COVID-19 crisis ▪ Improved communication on the professional whistle-blowing system and in the event of discrimination
Suppliers	▪ All issues in the matrix	▪ Diversified suppliers ▪ Industry bodies (CCFA, FIEV) ▪ French automotive industry platform (PFA) ▪ Fonds d'avenir automobile (former Modernization Fund for Automotive Suppliers)	▪ Circulation of CSR guidelines: Renault-Nissan CSR Purchasing Guidelines, Renault Green Purchasing Guidelines ▪ Assessment or direct support to CSR performance ▪ Supplier Information Meetings (SIM), conventions	▪ 3 technical exhibitions on supplier co-innovation ▪ Prizes awarded to 15 suppliers (including 3 awarded for results obtained in CSR-related areas)

			▪ Presentations by suppliers to Renault operational staff ▪ PFA CSR Charter ▪ PFA CSR Committee	
Investors/ stakeholders	▪ All issues in the materiality matrix	▪ Shareholders, employee shareholders, financial institutions ▪ Rating agencies/analysts	▪ Seminars, road shows ▪ Individual meetings ▪ Investor Relations department ▪ Internet site and other dedicated publications ▪ Responses to rating requests ▪ Group Universal registration document ▪ Toll-free number with voice server ▪ Planetshares website enabling direct management of registered Renault shares ▪ Dedicated e-mail address ▪ Shareholder Consultative Committee since 1996 ▪ Shareholders' Club since 1995	▪ A high subscription rate to the Renault Mobilize Solidaire mutual savings fund (FCPE) (4,045 employees as of December 31, 2020) ▪ Planetshares website enabling direct management of registered Renault shares ▪ Over 250 shareholders have benefited from the various activities (visits, conferences, breakfasts, *etc.*) offered by the Shareholders' Club. ▪ Renault ACTU, the bi-annual magazine for shareholders became 100% digital and is now available on computers, tablets and smartphones (website renault.com - Finance tab - individual shareholders)
Local communities	▪ Reducing the total carbon footprint ▪ Reducing the impact of vehicle use on air quality ▪ Increasing passenger and road user safety ▪ Contributing to the transformation of urban mobility ▪ Limiting the impact on resources, especially through	▪ Local residents ▪ Elected officials and local authorities ▪ Local associations	▪ Partnership/local sponsorship contracts ▪ Regional development Charters and agreements ▪ Dialog with public authorities and local economic actors ▪ Direct dialog and plant tours ▪ Procedures for handling complaints from local residents	▪ At the end of 2020, almost 10,000 electric vehicles had been made available by Renault to users of car-sharing services in most European capitals ▪ At the end of 2020, within the Renault network there were nearly 313 Garages Renault Solidaires across France.

	the circular economy ▪ Promoting the development of the regions in which the company operates ▪ Reducing the impact on biodiversity (over the entire life cycle of the vehicle)		▪ Site environmental leaflets, local media relations	▪ To facilitate the response of the emergency services, 640 nearly-new vehicles were donated to fire crews in 2020 for road rescue training ▪ Organization of an annual seminar for 350 firefighters from 10 countries to keep them informed of the technological advances of our vehicles
Public authorities	▪ All issues in the materiality matrix, and in particular ▪ Guaranteeing robust corporate governance ▪ Proactively ensuring corporate compliance ▪ Embodying ethical values ▪ Communicating about the impacts of public policies on the company	▪ Governments ▪ National, European and international legislators	▪ Working groups ▪ Interviews ▪ Meetings	▪ Completion of annual national and European reporting on the transparency of interest representation activities
Institutions and associations	▪ All issues in the materiality matrix	▪ Industry bodies (PFA, CCFA, Acea, Anfac, *etc.*) ▪ Employers' associations (MEDEF, AFEP, Business Europe, *etc.*) ▪ Independent authorities (CNIL)	▪ Involvement in working groups created by professional federations ▪ Responses to public consultations ▪ Informal discussions ▪ Sector stakeholder dialog	▪ Partnership with Positive Planet to help start businesses in disadvantaged neighborhoods ▪ Renault is a member of the Responsible Mineral Initiative (RMI). The RMI's objective is strive to implement a responsible supply chain for minerals and materials originating from conflict zones or high-risk areas
Extra-financial rating organizations	▪ All issues in the materiality matrix	▪ Extra-financial rating agencies ▪ Rating organizations	▪ Responses to agencies ▪ Performance reviews	▪

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		▪ Investors		
NGOs/ Think tanks	▪ All issues in the materiality matrix	▪ NGOs ▪ Associations ▪ Think tanks	▪ Studies ▪ Partnerships ▪ Sponsorship ▪ Interviews ▪ Meetings	▪
Students, future employees	▪ All issues in the materiality matrix	▪ Interns, apprentices and future employees ▪ Pupils and students ▪ Researchers ▪ Young public	▪ Company induction ▪ Talks in schools/at Renault sites ▪ Research and education programs ▪ Awareness-raising programs ▪ External events (conferences, seminars, forums, *etc*.)	▪ 72 students of many different nationalities trained by the Renault Foundation ▪ Chair in Intercultural Management, in partnership with the ESCP Europe Business School ▪ Foundation support for five educational programs in 2019, focusing on three areas at the heart of the Company's concerns: sustainable mobility, digital transformation and road safety
Academics, universities & researchers	▪ All issues in the materiality matrix	▪	▪ Theses ▪ Partnership contracts (research institutes) ▪ Training	▪ IMD ▪ IDDRI
Media	▪ All issues in the materiality matrix	▪ Journalists from the general and specialized press, print and online ▪ Influencers/bloggers	▪ Direct dialog ▪ Press conferences ▪ Press tests ▪ Interviews ▪ Press releases and press kits ▪ Group media site ▪ Social networks	▪ Press conference for the publication of the annual financial results (February 14, 2020) ▪ Press conference for the presentation of the transformation plan (May 29, 2020) ▪ Deployment of a new Media portal, hosted on the Group's corporate website (February 2020) ▪ Introduction of certification of press information using blockchain technology (February 2020)

				▪ 1st edition of Renault E-Ways: an event organized by Groupe Renault to explore the future of mobility, cities and technologies, alongside experts, partners and members of the public (October 2020)

Groupe Renault materiality matrix: identification of material issues and ESG risks

At the end of 2019 and the beginning of 2020, Groupe Renault conducted a materiality analysis to identify and prioritize the environmental societal and governance issues it will face over the next five years.

This analysis consists of crossing an internal vision of the importance of ESG (environment, social, societal and governance) topics with the vision of external stakeholders in order to identify the so-called “material” topics, those on which the Company must focus its efforts because they have a major impact on its ecosystem and its performance over the next five years.

This new materiality matrix updates the 2015 matrix and enables Groupe Renault to focus its strategy and environmental, social, societal and governance initiatives. Spearheaded by the CSR department, a cross-functional steering committee supervised the methodological approach and the key stages of the project. This matrix was validated in January 2020 by the Group Executive Committee and by Jean-Dominique Senard, Chairman of the Board of Directors.

Methodological approach

The materiality matrix was defined by management representatives from the Company’s main departments/functions, based on internal and external data.

The first stage of the process was to define the comprehensive list of ESG issues to which Groupe Renault is faced as a carmaker and supplier of mobility services. Numerous sources were consulted to prepare this list, particularly the ESG rating criteria, competitors’ materiality matrices, press articles and interviews with experts.

All of the issues collected were grouped into 14 coherent macro-issues. The importance of each issue along each axis of the matrix was then assessed.

The y-axis represents the influence on stakeholders’ opinions or behavior and classifies the issues according to the CSR expectations of Groupe Renault’s stakeholders. The importance of issues along this axis was determined from interviews with stakeholder representatives (employees, NGOs, suppliers, car dealerships, start-ups, researchers, public sector, investors) as well as a survey of 3,500 customers in seven countries in the five Regions where Groupe Renault operates.

The x-axis illustrates the impact on the Company’s sustainable performance and represents the contribution of each theme to long-term value creation. To assess the importance of each issue along this axis, internal interviews took place with the Group’s General Management, employees in the main departments/ functions and an internal survey with 200 of Groupe Renault’s top managers.

The issues were then refined and placed on the materiality matrix during a collaborative workshop bringing together the representatives of Groupe Renault’s main departments/functions.

As in 2015, *Reducing the total carbon footprint and Reducing the impact of the use of vehicles on air quality* are Groupe Renault’s priorities. Internal and external stakeholders expect Groupe Renault to continue its efforts to reduce greenhouse gas emissions and air pollution due to road transport. They

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also assessed the impact of these two issues on Groupe Renault's long-term sales performance as critical, notably due to tightened regulations and the decrease in the societal acceptability of vehicle emissions.

Similarly, *Improving passenger and road user safety and Limiting the impact on resources particularly through the circular economy* remain two major stakeholder expectations, as well as being important issues to guarantee the Company's performance.

Some issues increased in importance in the 2020 materiality matrix. One of the main changes compared to 2015 concerns stakeholder expectations (particularly for investors and the public sector) on corporate governance. *Guaranteeing robust governance* was considered to be an essential prerequisite when undertaking any transformation of Groupe Renault and was, therefore, prioritized both in terms of stakeholder expectations and impact on Company performance.

In a context of changes in skill requirements (related to the electric vehicle, connected and autonomous technologies, *etc*.) and growing employee expectations in terms of the environment and working methods, *Ensuring employee well-being and development* is also a growing issue for Groupe Renault.

In response to the on-going transformation of the mobility industry and the growing search for optimization of urban areas, the internal stakeholders expect the *Contribution of Groupe Renault to the transformation of urban mobility* to have a more significant impact on the Company's performance than in 2015.

Stakeholder expectations concerning Groupe Renault's actions on *Ensuring respect for human rights and work throughout the supply chain* were also reinforced compared to 2015.

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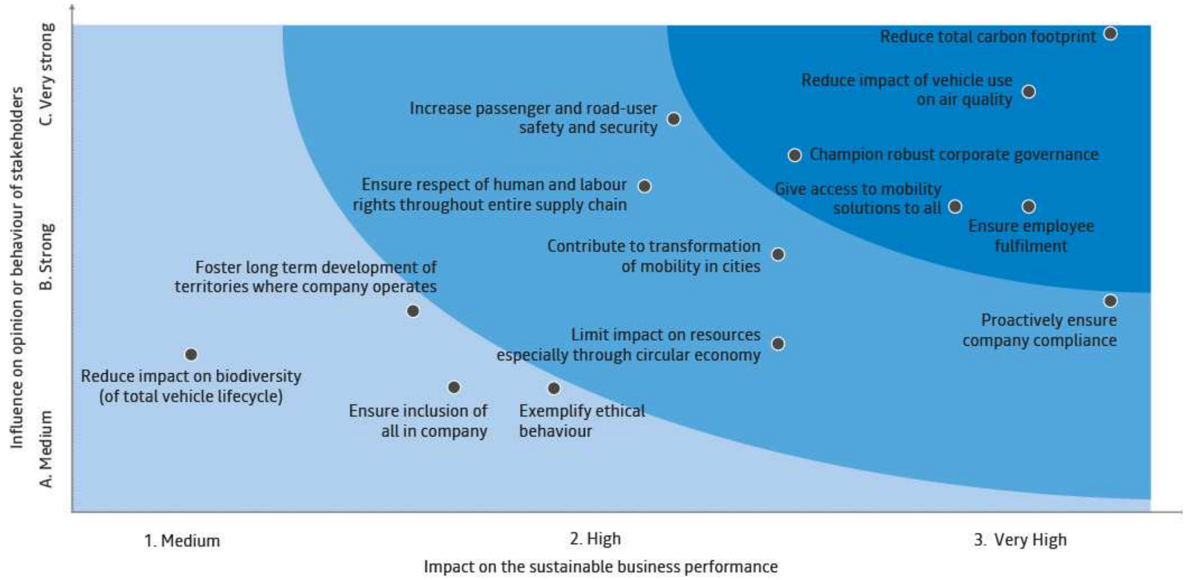

Key: Environment, Social, Societal, Customer, Governance, compliance and ethics

Impact challenge	Definition
Reduce total carbon footprint	Reduce carbon footprint of company mobility offering, sourcing and operations (incl. manufacturing, logistics, travel, servers)
Reduce impact of vehicle use on air quality	Reduce pollutant emissions induced by vehicle use (NOx, particles)
Champion robust corporate governance	Foster clear distribution of roles and accountability, clear decision making processes, proper balance of power in company Foster clear long-term company strategy definition and proper execution Foster company transparency Foster reasonable executive remuneration
Ensure employee fulfilment	Ensure employee long-term employability through skills development Empower employees and implement responsible management practices Strengthen social ties between employees Adapt company and train employees to new ways of working Maintain employer attractiveness, especially through a clear corporate culture and purpose
Give access to mobility solutions to all	Ensure company offers mobility solutions to all regardless of personal situation and location (in cities, suburban or rural areas)
Increase passenger and road-user safety and security	Reduce road accidents and improve safety of driver, passengers and road-users in the event of an accident Improve vehicle user experience to reduce safety risks (e.g. reduce stress) Improve passenger and road-user security against external attacks (esp. vehicle hacking) Improve air quality in cabin
Ensure respect of human and labour rights throughout entire supply chain	Ensure respect of human rights throughout entire supply chain (e.g. banning child labour) Ensure security and safety of employees in all sites Ensure respect of labour rights throughout entire supply chain (e.g. freedom of association)
Contribute to transformation of mobility in cities	Reduce urban congestion Reduce vehicle noise Contribute to an efficient management of mobility infrastructure in cities (e.g. vehicle to grid, multimodal platforms, parking spot optimization etc.)
Proactively ensure company compliance	Proactively ensure company compliance with laws and regulations and internal procedures
Limit impact on resources especially through circular economy	Limit impact on all resources (natural, fossil, minerals and water) through an efficient management from vehicle design to end-of-life (incl. recycling)
Foster long-term development of territories where company operates	Foster long-term economical, social and societal development of territories where company operates Foster long-term business stability of suppliers and distributors
Reduce impact on biodiversity (of total vehicle lifecycle)	Reduce impact of all sites throughout entire supply chain on soil (incl. waste linked to vehicle end-of-life), air and water quality and on water consumption (including impact linked to accidents) Limit destruction of primary forests
Ensure inclusion of all in the company	Ensure inclusion of all and equal opportunities for all in the company
Exemplify ethical behaviour	Foster ethical business behaviour in relationships with stakeholders Foster ethical behaviour of vehicles (esp. autonomous vehicles) Foster ethical exemplarity at all levels within company

C. Environmental impacts: actions and indicators

Impact of the COVID-19 pandemic

Due to the health crisis and its consequences on the Group's activities, the results for some of the environmental performance indicators are difficult to compare with those of previous years. Some indicators relating to the industrial scope are particularly concerned, whether the indicator is expressed in absolute terms or in relation to the number of vehicles produced. For example, energy and water consumption at production facilities is not strictly proportional to manufacturing volumes (the "heel" effect), and in 2020 that resulted in a clear deterioration in performance per vehicle produced (see "Energy and climate change" below). Similarly, the decrease in the number of vehicles produced has a direct impact on the indicator measuring the total quantity of recycled plastic incorporated in new

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vehicles, and also reduces the quantity of recoverable metallic waste, thereby affecting the "Technical and economic value of parts and materials preserved in the automotive sector through circular economy activities" indicator.

Energy and climate change

Environmental objectives		Objective set	Deadline	Status as of year-end 2020	New environmental objectives
All segments	**Reduce the carbon footprint [1] of Groupe Renault vehicles sold worldwide by an average of 25% between 2010 and 2022**	**2017**	**2022**	**-19.6% (compared to 2010)**	**Beyond 2022, the Group will continue to monitor this indicator, with a progress trajectory at least equal to that undertaken since 2017.**
Product	Worldwide: reduce the tank-to-wheel CO_2 emissions of PC and LCV ranges by 25% between 2010 and 2022 in order to meet the Group's carbon footprint reduction objectives and to comply with the regulatory requirements for the relevant markets.	2017	2022	-20.2% (compared to 2010)	World: reduce the well-to-wheel CO_2 emissions of Group vehicles by 45% between 2010 and 2030. Europe: reduce the well-to-wheel CO_2 emissions of Group vehicles by 50% between 2010 and 2030.
Manufacturing	Reduce the carbon [2] and energy [3] intensity of the sites within the consolidated environmental scope of Groupe Renault by an average of 3% per year between 2013 [4] and 2022 (*i.e.*, a 24% reduction over the period).	2016	2022	Carbon intensity up +7.3% (compared to 2019, *i.e.*, -14.2% since 2013) Energy intensity up 15.7% (compared to 2019, *i.e.*, -0.1% since 2013)	Reduce the carbon intensity [2] of Group sites by 60% between 2012 and 2030.
Manufacturing	Achieve a renewable energy share (both direct & indirect) of 20% for sites within the Groupe Renault consolidated environmental scope [5].	2008	2020	20.3%	Bring the share of renewable in the electricity consumed on the Group's sites [7] to 38% by 2030
Logistics	Reduce CO_2 emissions linked to logistics activities [6] by an average of 6% between 2016 and 2022 (an average of -1% per year).	2016	2022	-7.3% (compared to 2016)	Reduce "well-to-wheel" CO_2 emissions related to logistics activities [6] by 30% per vehicle between 2019 and 2030.

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(1) The main methodological changes between the periods 2010-2016 and 2016-2022 relate to the integration of the greenhouse gas emissions of the Renault Retail Group sales network into the accounting scope, and the standardization of CO_2 emissions for vehicle use according to the new WLTP certification procedure for the 2016-2022 period instead of the NEDC cycle used for the 2010-2016 period. The reduction rate of the carbon footprint between 2010 and 2022 is considered at constant scope and calculation method.

(2) Direct and indirect emissions linked to energy consumption for Groupe Renault sites (excluding AVTOVAZ, which is currently being integrated into the environmental reporting scope), divided by the total number of vehicles produced.

(3) Energy consumption of Groupe Renault's sites (excluding AVTOVAZ) divided by the total number of vehicles produced, see chart in the Manufacturing section below.

(4) Following the widening of the reporting scope in 2012 for direct and indirect greenhouse gas emissions (to include direct emissions from fixed air-conditioning units) and 2013 (indirect emissions linked to thermal energy purchased), the reference year for the emissions reduction objective was set at 2013, and not 2010 as was the case for the carbon footprint objective.

(5) The consolidated environmental reporting scope covers, all manufacturing sites, together with the main Groupe Renault logistics, tertiary and engineering sites, excluding the RRG Commercial Network, which comes under a special reporting system.

(6) Average gross emissions (not adjusted for the effects of geographical and model mix) in kg CO_2/km per vehicle produced linked to upstream transportation (parts for the Group's manufacturing sites) and downstream transportation (transportation of new vehicles), excluding AVTOVAZ, which is currently being integrated into the environmental reporting scope.

(7) Excluding AVTOVAZ, which is currently being integrated into the environmental reporting scope.

Taking stakes linked to climate change into account

Groupe Renault, aware of the environmental impact of its products, has long incorporated issues related to climate change in its strategic vision, with a view to social responsibility but also to economic performance and preservation of the company's value over the medium and long term. The Group considers the recommendations of the Financial Stability Board's Task-Force on Climate-related Financial Disclosures (TCFD) to be an appropriate frame of reference for communicating these issues to the various stakeholders in order to promote the transition to a low-carbon economy. In 2019, the Group decided to support this initiative.

The following summary presents the Group's progress in implementing these recommendations. It aims to supplement the cross-reference table. This table also refers to the Group's responses to the CDP (formerly *Carbon Disclosure Project*) "Climate Change" and "Water Security" questionnaires for which the frameworks have been aligned with the TCFD's recommendations since 2018. The Group's responses are public and may be accessed at www.cdp.net.

The agreement signed in 2015 following the Paris Climate Conference (COP 21) and the national commitments published at the time were subjected to an in-depth analysis of their implications for the automotive industry as soon as they were announced. The associated opportunities and risks were presented to the Executive Committee (renamed the Board of Management in January 2021) for inclusion in the Group strategy and product plan.

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In 2015, the Board of Directors and its Committee studied Renault's emissions strategy, the Group's electrification strategy and the impact of new European regulations on emissions (WLTP, Worldwide harmonized Light vehicle Test Procedure).

In 2019, the Group's Board of Directors reinforced its governance of environmental issues still further by setting up the specialized Ethics and CSR Committee, with one of its tasks being to ensure a high level of commitment to extra-financial compliance, ethics and social and environmental responsibility, with a transversal vision covering all Company activities.

The Group has clearly identified the risks and opportunities related to climate change as a major competitiveness topic for the company, and in particular :

- risks and opportunities linked to the impact of the evolution of regulatory and normative requirements related to environmental performance of vehicles and/or industrial processes and, more broadly, greenhouse gas emissions reduction targets defined in the context of the COP 21 agreement;
- risks and opportunities related to the transition to a low-carbon economy: risk of mismatch between the product/service offer and market expectations, risk of loss of competitiveness of certain products, but also opportunity to gain competitiveness on electric and electrified vehicles, opportunity to develop new electric and shared mobility services to support the transformation of uses, improve air quality and reduce congestion in cities;
- physical risks, which are less material for the Group: exposure of sites to extreme weather events with potential negative consequences on industrial and logistical activities, supply and insurance premiums, in particular flooding (e.g. the French plants in Choisy-le-Roi and Flins, located near the Seine), hurricanes (e.g. the Busan plant in South Korea) and hailstorms (in particular the Santa Isabel plant in Cordoba, Argentina, the Valladolid plant in Spain, the Flins plant in France, the Revoz plant in Slovenia and the Pitesti plant in Romania).

In the short term, meeting the **regulatory targets for reducing CO_2 emissions from vehicles** in Europe is a financial and reputational issue and therefore a priority objective for the Group.

To meet this European CAFE objective, the Group has the following levers at its disposal:

- a pioneer position in electric vehicles: the Group can build on more than 10 years' experience in design, manufacture, sale and after sales, with 30,000 employees trained in the specific features of electric vehicles and a total of more than 400,000 electric vehicles sold. The Group has the most comprehensive range on the market with ZOE, TWINGO Z.E., KANGOO Z.E., MASTER Z.E. and Dacia SPRING, sold in numerous countries in Europe and elsewhere;
- an offer of hybrid and plug-in hybrid technologies, with E-TECH on the CLIO, CAPTUR and MEGANE;
- a range of internal combustion engines equipped with the most recent technologies.
- additional solutions based on alternative energies: an LPG (Liquified Petroleum Gas) offering, or hydrogen fuel cells on light commercial vehicles.

In 2018, the Group also created a specific Program team, "CAFE control tower", with the task of ensuring convergence with the next regulatory stages in terms of vehicle CO_2 emissions (monitoring of results and managing the 2020 and 2021 road map). For this, a tool for forecasting CO_2 levels for Group registered vehicles in Europe was rolled out in 2019. The CAFE control tower reports monthly to the Operations Review Committee, which is chaired by the Chief Executive Officer.

The strategy and organization described above enabled the Group to achieve its CAFE targets for passenger cars and light commercial vehicles in 2020 [12]**.** The risk, in the event of non-compliance with the European objective of a CAFE per manufacturer of 95g of CO_2/km in 2020, would have been a financial penalty of €95 per gram and per vehicle, i.e. an overall amount of some €110 million per gram of overrun (based on PC sales volumes in 2020).

12 These results will be consolidated and formalized by the European Commission in the coming months.

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Outside Europe, the Group is also subject to similar regulatory constraints. In total, around 70% of the Group's sales worldwide are thus subject to CAFE-type regulations.

Beyond the Europe stake, for which the levers are presented above, the Group's environmental midterm plan is based on three strategic axes:

- the development of the electrification of vehicles (100% electric, hybrid and plug-in hybrid vehicles) and services provided by batteries to the energy sector (second life and smart charging) to enable reductions in greenhouse gas emissions while promoting the growth of renewable energy;
- the development of the circular economy that meets the need to preserve natural resources and contributes to reducing the energy consumption (and, therefore, indirect greenhouse gas emissions) used in the extraction of raw materials and production of goods;
- lastly, the development of new electric and shared mobility services.

The Group uses an **internal carbon pricing** mechanism to drive the reduction in its CO_2 emissions. This internal carbon price depends on the scope considered:

- for **vehicle projects**, the definition of the carbon price notably includes regulations on emissions in use such as CAFE and CO_2 related taxation. For example, the carbon price taken into account to make decisions on technical carbon reduction solutions in vehicle projects in Europe is around €450/metric ton. This value takes into account, among other factors, regulatory issues and tax frameworks attached to each market.
- for **industrial installations**, it takes into account multiple factors such as expected changes in the energy market and CO_2 emissions quotas: over half of the Group's direct emissions are concerned by the EU-ETS quota exchange system, for which the average price in 2020 was around €25/t CO_2. For further details on the management of EU-ETS quotas, refer to the section "Manufacturing", below.

Moreover, in the Company's internal process, **life cycle assessments (LCA) or carbon assessments** are carried out regularly to assess and decide between different strategic options (for example, which mobility service model has the most positive impact on areas such as cities?) or different technological options, by model or region, for example comparative LCAs of batteries, powertrain technologies (electric, plug-in hybrid, hydrogen, LPG, NGV, biogas) or the assessment of the environmental benefits related to the circular economy. The prevailing logic in these assessments is that only vehicles or services offering mobility with the lowest possible carbon footprint will be successful in the marketplace, or be favored by regulations or taxation.

Climate scenarios

To prepare its decarbonization trajectory, the Group used external benchmark data, notably the Energy Technology Perspectives of the International Energy Agency (B2DS "Beyond 2°C" scenario) and the World Automotive Powertrain Outlook developed by the specialist company, BIPE.

The Group's 2030 targets for reducing direct and indirect emissions related to the consumption of energy required for production (scopes 1 and 2) and the target for reducing emissions related to vehicle use (scope 3 "well to wheel") were **officially approved by the Science-Based Targets (SBT [13]) initiative** in March 2019: Groupe Renault committed to reducing scope 1 & 2 emissions by 60% per car produced by 2030 from a 2012 base-year, and to reduce scope 3 well-to-wheel emissions by 41% per vehicle kilometer by 2030 from a 2010 base year. The Group's ongoing efforts to reduce its emissions have resulted in a revision of this "well-to-wheel" Scope 3 emissions reduction target, which is now set at 45% for 2030 compared with 2010.

This decarbonization trajectory is the **Company's reference climate scenario**, and is consistent with the Paris COP21 target of keeping global warming below 2°C. This reference scenario is one of the

13 The SBT initiative arose from a partnership between CDP, the United Nations Global Compact program, the WRI (World Resources Institute) and WWF (World Wildlife Foundation). The aim is to verify the consistency between greenhouse gas emission reduction targets set by companies and the data from scientific research on climate. Groupe Renault was the first company in the automotive sector to obtain the validation of its decarbonization targets through the SBT initiative.

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elements of the strategy deployed across all of its activities (industrial facilities and product and service development).

However, numerous uncertainties remain as to the future results of the efforts deployed to fight against climate change. The Group has therefore built three **alternative climate scenarios** in order to test the robustness of its strategy against a wide range of possible futures in the years to 2050, with intermediate points in 2030 and 2040. This work builds on the forward-looking analyses that the Group conducts continuously, covering a wide range of variables that may impact the Company's business model, including: decarbonization of energy production, public policies (regulations, taxation, regulation of road traffic, notably in cities), availability and speed of adoption of technologies, changes in the expectations of users, territories and other stakeholders, and accessibility and cost of resources.

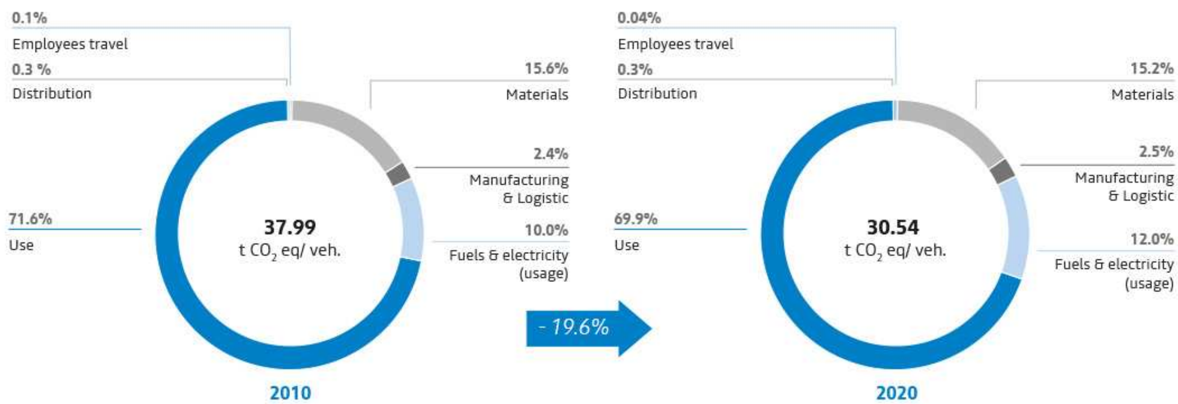
An analysis of the risks and opportunities associated with these different scenarios will be published in April 2021, in the form of a **Climate Report**.

To measure its contribution to the decarbonization of the automotive sector, the Group uses a **global carbon footprint reduction indicator for the Group's vehicles over their whole life cycle.** This carbon footprint corresponds to the greenhouse gas emissions a product generates over from extraction of the raw materials needed to manufacture it, to its processing at end of life. The carbon footprint calculation for Groupe Renault vehicles includes direct and indirect greenhouse gas emissions caused by the Company's energy consumption during production (scopes 1 and 2), as well as most other indirect emissions associated with their design, manufacture, sale, use, and end-of-life processing (scope 3), as defined by the Greenhouse Gas Protocol.

The Group is committed to reducing the average carbon footprint of its vehicles by 25% over the period 2010-2022, in line with the targets set in the COP 21 Paris Agreement.

Other quantified indicators measuring the performance of action plans covering all the Group's activities are presented in the rest of this chapter.

RENAULT CARBON FOOTPRINT



Scope: All passenger cars and light commercial vehicles registered under the Renault, Dacia, Alpine and Renault Samsung Motors brands worldwide.

Groupe Renault's carbon footprint was estimated to be 73.228 million metric tons of CO_2 equivalent in 2020, including 72.278 million metric tons of scope 3 indirect emissions.

Logistics

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The Logistics ECO2 plan, which runs until 2022, is based on commitments by the logistics departments and regions regarding concrete measures rolled out in the following focus areas:

- the implementation of innovations in transport systems, based on co-engineering between Renault teams and service providers, with a gradual deployment strategy. The use of alternative fuels was thus tested (natural gas for vehicles, replacing diesel), as well as the use of versatile trucks that can transport vehicles and parts;
- the reduction in the number of kilometers traveled (location of suppliers in the country of production, optimization of logistics flows), based on a monitoring indicator for each new vehicle project, which measures compliance with recommendations concerning the location of the 130 most bulky parts;
- optimizing container load rates and packaging based on eco-design;
- developing rail and sea transport as an alternative to road transport.

Progress on these measures is monitored by dedicated environmental performance committees which are co-chaired by the Director of the Alliance Supply Chain and the Vice President Strategic Environmental Planning.

The following examples illustrate this:

- optimization of the filling of packaging and trucks within the central Europe scope was extended to Romania, Turkey and Morocco, which has avoided placing 41,400 trucks on the roads, representing 1.4% of upstream transport units;
- the mode change towards trains and ferries for flows between France, Spain, the United Kingdom, Romania, Turkey, Morocco and Russia (Moscow factory), which has avoided using about 87,200 trucks, representing 3% of all upstream transport units;
- lastly, for the transport and distribution of new vehicles, a multi-modal transfer towards the train between France, Spain, Romania and Morocco, which has avoided the use of more than 23,000 trucks, representing 1.7% of all downstream transport units.

All of these actions have avoided emitting nearly 168,600 metric tons of CO_2 (cumulative over the period 2017-2020).

Renault is one of the members of the Environment and Transport Commission within the AUTF (Association of Freight Transportation Users). As such, the Group has organized multi-company workshops to identify environmental best practices and joint actions to be taken. Renault was one of the first signatories of ADEME's FRET21 Charter in 2015, the purpose of which was to ensure that shippers reduce the CO_2 emissions of their transport methods. By end-2017, Renault had met its three-year FRET21 commitment, and was the leading contributor in terms of emissions savings. In 2019 ADEME awarded the Group its EVE trophy (voluntary environmental commitments – transport and logistics) for most progress in reducing its greenhouse gas emissions from the transportation of goods for its business.

The Group has renewed this external commitment with ADEME FRET21: for the 2019-2021 period, the Group's aim is to reduce supply chain CO_2 emissions by 50,000 tonnes.

In the context of its environmental strategy aiming to reduce its carbon footprint and that of its supply chain, in 2018 Groupe Renault announced the signature of a partnership with the start-up NEOLINE, a designer and operator of cargo ships using sails. This project plans the construction of two wind-powered cargo ships by 2021, with the aim of commissioning in 2021-2022 on a pilot route which will

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connect St-Nazaire, the East Coast of the United States and Saint-Pierre & Miquelon. This shipowner project has culminated in the design of a commercial demonstrator capable of reducing CO_2 emissions by up to 90% compared to a traditional cargo ship on an equivalent voyage, mainly using wind propulsion associated with a cost-cutting speed and optimization of the energy mix.

In 2020 a cross-functional "responsible logistics" project was launched. It ran for 10 months and involved more than 40 employees from around ten departments within Renault. A broad scope was covered, ranging from the decarbonization of transport to the circular economy of packaging, sustainable procurement, dialogue with stakeholders, the "state of mind" of employees, not to mention CO_2 measurements. This project will support the Group's rapid decarbonation trajectory and make it more reliable via:

- a CO_2 emissions simulation tool to ensure that targets are met;
- a clear roadmap for the availability of alternative energies and associated engines for heavy goods vehicles;
- procurement decisions that factor in the CO_2 criterion;
- identification of the skills and training required for sustainable logistics;
- new recycling networks for packaging;
- dedicated internal communication and a unifying indicator called Care.

Manufacturing

The greenhouse gas emissions reduction strategy is largely based on a reduction in energy consumption and the development of renewable forms of energy, since over 90% of the sites' emissions are the result of energy consumption. This strategy, seen in both continuous improvements and in breakthrough actions, is based on five components:

- the control and reduction of energy consumption thanks to the contribution of Industry 4.0 tools. A special management system has been set up to manage periods with no energy production, with enhanced monitoring through the use of an Energy Management System deployed on industrial sites. The use of artificial intelligence for the energy optimization of processes is also one of the avenues under study;
- convergence toward the best organizational and technical practices identified. Ventilation and operating conditions (temperature and humidity) have been optimized in paint shops, the most energy-hungry areas in vehicle body assembly plants. Equipment downtime and restart has also been optimized to minimize consumption. Specific actions are also applied to other production processes, such as the detection and handling of compressed air leaks or the optimization of the cooling of the welding guns used in sheet metal work;
- increase the energy efficiency of processes, particularly by experimenting energy recovery solutions such as installing heat exchangers at exit doors of paint drying ovens and decentralizing energy consumption to limit heat losses on the network;
- optimizing the compactness of sites, a project launched in 2020 that will reduce energy consumption for heating and lighting in buildings;
- develop renewable energies and substitutes for fossil energies, such as the introduction of biomass boilers in Tangiers (Morocco), Curitiba (Brazil) et Moscow (Russia), the use of electricity from renewable sources on the Curitiba (100% of supplies in 2020) and Tangiers sites (see IV-2-"3. Eco-

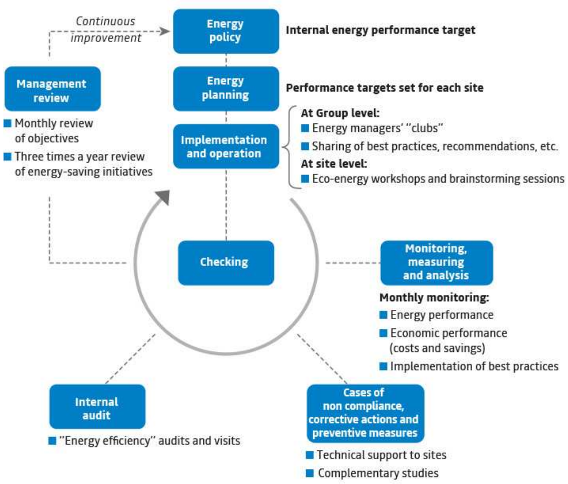
design of industrial processes”), the use of steam generated by the burning of industrial waste at the Sandouville (France) and Busan (South Korea) plants, and the 86 hectares of solar panels installed in the Group’s French, Spanish and Korean plants (see inset below) in partnership with third-party investors.

86 hectares of solar panels on the Group’s sites

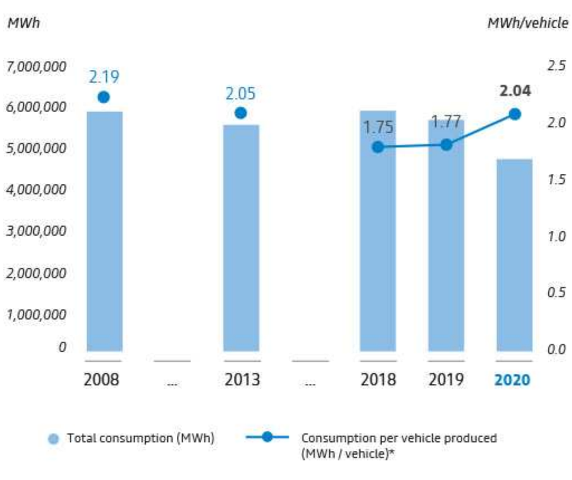
The solar panels installed on Renault sites throughout the world (in France, Spain and South Korea) cover a total surface area of 86ha, or the equivalent of nearly 120 soccer fields. In 2020, the 94 MW of fully renewable electricity that they generate enabled the prevention of nearly 30,000 metric tons of CO_2 emissions.

Energy management is a major economic challenge for Groupe Renault, with a global annual energy bill of more than €300 million. That is why it is being managed by a dedicated corporate team, via a network of energy managers deployed across all Group sites, according to an organization based on the principles of ISO 50001 (although Renault has not chosen to undertake a global certification procedure in respect of this standard, only the sites of Bursa and Cléon currently being certified) outlined in the diagram below.

ENERGY MANAGEMENT WITHIN GROUPE RENAULT



ENERGY CONSUMPTION [14]



14 Scope: the reporting scope includes all manufacturing sites and the main logistical, tertiary, and engineering facilities of Groupe Renault, excluding the RRG Commercial Network, which is subject to the specific reporting.

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** Given the high number of engines and gearboxes manufactured for partners, for the calculation of the MWh/veh ratio, powertrain plant consumption is adjusted pro rata to the total number of vehicles manufactured by the Group. However, no adjustment is applied to overall consumption presented in MWh in the chart.*

DISTRIBUTION OF ENERGY CONSUMPTION BY TYPE OF ENERGY

	Total consumption	
	%	MWh
Electricity	51.4%	2,394,170
Of which from renewable sources	18.6%	866,608
Natural gas	44.2%	2,059,431
Thermal energy	3.1%	146,153
Of which thermal energy generated from biomass at the Tangiers site	1.4%	66,641
LPG	0.9%	41,582
Biomass	0.3%	13,017
Heavy fuel oil and domestic fuel oil	0.05%	2,289
TOTAL	**100%**	**4,656,642** (√)
OF WHICH ENERGY THAT IS RENEWABLE OR PRODUCED FROM RENEWABLE SOURCES	**20.3%**	

(√) Indicator audited by the independent third party at a reasonable level of assurance for financial year 2020.

Within its industrial scope, 13 Group sites are subject to the **EU Emissions Trading Scheme (EU-ETS)**. The associated financial stakes are managed by a special steering committee. Against a background of the gradual elimination by the European Commission of the free allocation of EU-ETS quotas, the strategy implemented by Groupe Renault aims to minimize the financial costs that these quotas cause in the medium and long term, through efforts to reduce the energy consumption of the sites (see above) and rigorous forward-looking management. The Group has decided to use the market (rather than its reserves of quotas or surpluses at some of its sites) to fill the quota deficit of its European sites with negative balances in 2020, for a total cost of around €3 million. This strategy has enabled the Group to retain a quota reserve, with the aim of mitigating the expected upward trend of this financial expense over the 2021-2030 period.

South Korea has also implemented an emissions trading system since 2015, to which the Busan manufacturing site is subject. Thanks to the emission-reduction measures undertaken before the entry into force of these regulations, the Group did not need to acquire additional allowances over the 2018-2020 period.

GREENHOUSE GAS EMISSIONS (√) [15]

15 Scope: the reporting scope includes all manufacturing sites and the main logistical, tertiary, and engineering facilities of Groupe Renault, excluding the RRG Commercial Network, which is subject to the specific reporting.

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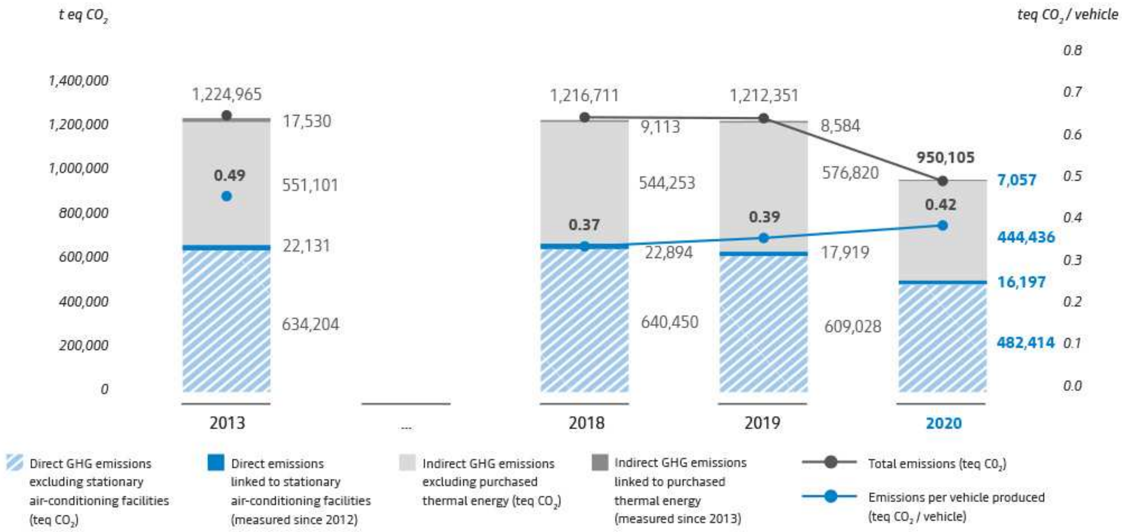
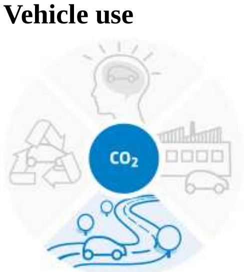


(√) Indicators audited by the independent third party at a reasonable level of assurance: total (scope 1 & 2) greenhouse gas emissions for financial year 2020.

DISTRIBUTION OF GREENHOUSE GAS EMISSIONS BY TYPE OF SOURCE

	2020	2019	Measured since
DIRECT EMISSIONS (SCOPE 1)	**52%**	**52%**	
Stationary combustion installations	47%	45%	2003
Filling of air conditioning systems with refrigerants on produced vehicles	1%	1%	2003
Testing of gear boxes, engines and vehicles on endurance test tracks or roads	1%	1%	2003
Company cars	2%	3%	2009
Filling of stationary air conditioning systems for premises and processes	2%	1%	2012
INDIRECT EMISSIONS (SCOPE 2)	**48%**	**48%**	
Electricity	47%	48%	2009
Thermal energy	1%	1%	2013

Vehicle use



Renault aspires to make a significant contribution to the reduction of the environmental footprint of vehicles. In order to do this, it strives to provide mobility solutions that are eco-friendlier and that are accessible to the greatest number of people.

(i) Internal combustion engine vehicles

In order to continue the reduction in CO_2 emissions of its internal combustion engine vehicles to meet its carbon footprint commitments, to comply with the regulatory requirements in each of the Group's

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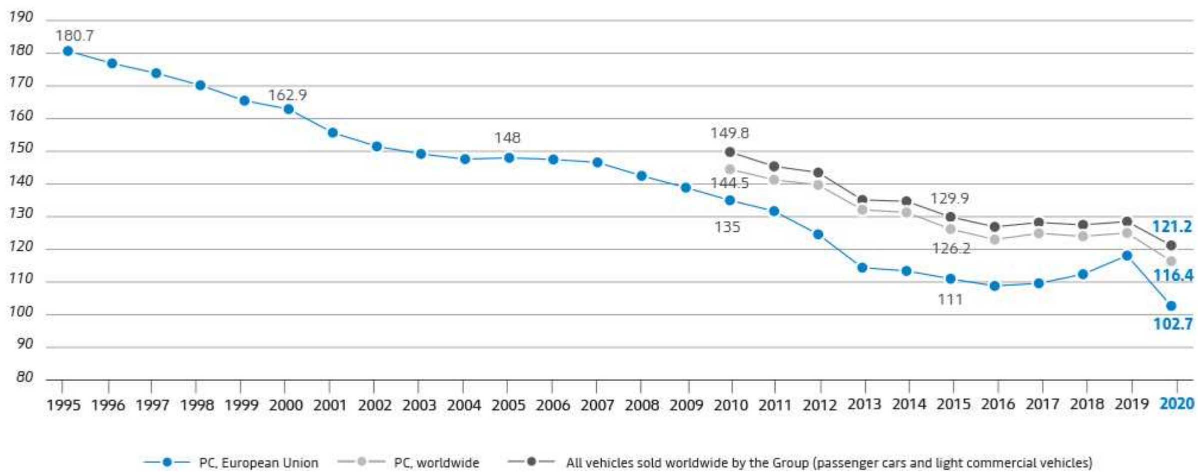
markets (the European Union, but also China, South Korea, Brazil, India, Turkey, Mexico, Japan, *etc.*) and to retain a sustainable position among automotive industry leaders in this field, Renault relies on various courses of action, such as:

- vehicle weight reduction through the use of lighter materials such as aluminum and the use of technological advances (hot pressed steel, *etc.*) that lighten the parts while retaining the desired mechanical characteristics;
- aerodynamics;
- downsizing, *i.e.* reducing the capacity (and, therefore, the fuel consumption) of an engine with power delivery equal to the number of turbochargers and optimized combustion;
- the reduction of heat loss and mechanical friction;
- different levels of hybridization, from Stop & Start to affordable rechargeable hybrid technology. Since 2020, the Group has accordingly been selling hybrid versions of the CLIO, and plug-in hybrid versions of the CAPTUR and MEGANE, based on E-TECH technology.

In 2020, based on the data available at the date of publication, average CO_2 emissions from Groupe Renault passenger cars in Europe were assessed at 102.7 g CO_2/km. The Group has achieved its CAFE regulatory targets [16].

AVERAGE CO_2 EMISSIONS OF VEHICLES SOLD BY GROUPE RENAULT (GCO_2/KM) – PC EUROPE, PC WORLDWIDE AND ALL VEHICLES WORLDWIDE



PC European Union: Average certified CO_2 emissions under the mixed New European Driving Cycle (NEDC) or the new WLTP procedure. For vehicles homologated with the new WLTP procedure, CO_2 emissions are converted into NEDC equivalent with the methodology developed by the European Commission ("NEDC back-translation", or NEDC-BT). From 2017 to 2019, the calculation was based on both NEDC and NEDC-BT data, depending on the type of approval of the vehicle concerned.

1995-2017 data: EU, data from the AAA (Association Auxiliaire de l'Automobile) or the European Environment Agency.

2018 data: EU28 and Iceland (which joined CAFE in 2018).

Provisional 2019 and 2020 data: EU27, United Kingdom, Iceland and Norway (which joined CAFE in 2019).

PC, worldwide and All vehicles, worldwide: The CO_2 emission values considered by model are those taken for the calculation of the Group carbon footprint indicator.

16 *These results will be consolidated and formalized by the European Commission in the coming months.*

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(ii) Electric vehicles

Electric vehicles are a major component of Renault's strategy. The Company is targeting a large-scale roll-out of this type of vehicle, which provides a real solution to atmospheric pollution in urban areas by the absence of pollutant emissions during use [17]. They can also significantly reduce the greenhouse gas emissions associated with transportation.

The ZOE (52 kWh) carbon footprint throughout its life-cycle is 28% less than that of an equivalent internal combustion vehicle, based on the average European electric production mix. Moreover, the carbon footprint of each electric vehicle in use, including those on the roads today, is set to decrease steadily over the coming years given the planned increase in the share of renewable energy in the European energy mix.

The synergies between electric mobility and renewable energy however go far beyond the mere reduction of CO_2 emissions related to battery charges. The challenge of widespread distribution of electric vehicles is emerging as an integral part of an optimal integration of renewable energies in the electricity production and distribution "ecosystem," at a lower cost and providing maximum benefit in terms of overall reduction of greenhouse gas emissions.

According to the study *En route pour un transport durable* (Towards Sustainable Transport) published in late 2015 by the European Climate Foundation and Cambridge Econometrics, intelligent management of electric vehicle charging could contribute to the creation of a net profit of €125 million in 2030 for the French energy system, while enabling greater integration of renewable energy. It would also make it possible to add more than 20 million electric vehicles into France's car fleet without resorting to additional production capacity.

The storage capacity that electric vehicle batteries represent could indeed be used to absorb surplus renewable energy when grid demand is lower than production and return the surplus during the consumption peaks. These peaks determine the size of electricity production and distribution infrastructures and contribute strongly to greenhouse gas emissions because they are currently covered for the most part by thermal power stations (gas, coal, *etc.*).

Such synergies can be implemented through intelligent management of the charging of electric vehicles (or even charges/discharges as part of solutions to power electrical grids or homes from batteries) and through the reuse of second-life batteries in electrical energy storage infrastructures. That is why Renault took part in the European ELSA project aimed at developing a stationary electricity storage system using second-life batteries supplied by Renault and Nissan.

Groupe Renault has initiated two major projects in Europe using second-life battery technologies, namely the Advanced Battery Storage projects in France and SmartHubs in the United Kingdom. These two projects are part of the Group's strategy to develop a smart electricity ecosystem for the energy transition. In 2020, the first Advanced Battery Storage facility was commissioned at the Douai site. This project is based on batteries of electric cars stored in containers, and targets installed capacity of nearly 50 MWh at several sites in France. For the SmartHubs project launched with Connected Energy at the end of 2020, second-life batteries from Renault vehicles will be used alongside other technologies as part of a local energy system to provide cleaner and less expensive energy for social housing, transport, infrastructure, private homes and local businesses.

Electric vehicles in the ecological transition

Groupe Renault was invited by the Fondation pour la Nature et l'Homme and the European Climate Foundation to take part in the study "From Cradle to Grave: E-mobility and the French Energy Transition" alongside ADEME, the Réseau de Transport d'Électricité (RTE), the battery manufacturer Saft, Avere-France (association for the development of electric mobility) and the NGOs Réseau Action Climat France, WWF France and Réseau pour la Transition Énergétique (Energy Transition Network) (CLER)

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17 *Neither CO_2 nor any other pollutant emissions during use, excluding consumable parts*

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This study was published in December 2017 and assesses the environmental impacts and benefits of electrifying the automotive vehicle fleet in France by 2030. It confirms the environmental benefits of electric vehicles in combating climate change and achieving the targets of the COP 21 Paris agreement. The study also covers how the benefits could be enhanced by maximizing the use of batteries for mobility (vehicle-sharing, increasing mileage) and by services to the grid ("V2G" or "vehicle-to-grid"). Finally, the study explores the possibility of using second-life batteries to store energy, thereby boosting energy transition and the development of renewable energy.

For further information visit: https://europeanclimate.org/wp-content/uploads/2018/01/Electric_vehicles_ENG_AW_WEB.pdf/.

Porto Santo: putting a smart electricity ecosystem into practice

On the Portuguese island of Porto Santo, Groupe Renault and Empresa de Electricidade da Madeira, an energy supplier, joined forces to launch a smart electricity ecosystem based on four main pillars: electric vehicles, stationary electricity storage, smart charging and reversible charging, with the aim of strengthening the island's energy independence and reduce its carbon footprint.

Groupe Renault has assessed the impact of this system in collaboration with WWF. The conclusion is that the carbon footprint over the entire life cycle of an electric vehicle in Porto Santo is 11% and 34% lower than for diesel and gasoline equivalents respectively. These findings are especially significant in that the island's electricity mix is currently based largely on fossil fuels. The study also shows that in the case of a maximum 99.5% use of renewable energies combined with 100% electric mobility, the carbon footprint related to all energy consumption on the island would be reduced by 88% compared to 2018.

In 2020, the Group recorded a new 94% increase in its worldwide sales of electric vehicles, to 121,470 units (excluding TWIZY). The Group confirmed its leading position in Europe, with 115,888 electric vehicles sold, double the figure of the previous year. ZOE is the best-selling electric car, with sales of more than 100,000 units. KANGOO Z.E. remains the best-selling electric light commercial vehicle, as it has been every year since it was introduced.

The Group offers a full range with Renault TWIZY, TWINGO Z.E., ZOE, KANGOO Z.E., MASTER Z.E. and Dacia SPRING, sold in numerous countries in Europe and elsewhere, as well as the Renault Samsung Motors SM3 Z.E. sedan, sold in South Korea, and Renault K-ZE, an electric A-segment vehicle, urban and affordable, available in China since late 2019 and manufactured locally by eGT New Energy Automotive Co, a joint venture created with Dongfeng Motor Group and Nissan in order to develop and produce competitive electric vehicles for the Chinese market.

(iii) Technological eco-driving aids

Fuel consumption actually observed by the average driver can diverge from the certified values, with differences possibly exceeding 20% depending on the type of driving. This is due to certified consumption values being calculated for standardized cycles that do not reflect all driving styles (more or less aggressive) or all driving conditions (no heating or air conditioning, fluid urban and suburban traffic).

Renault offers eco-driving assistance solutions in order to close this gap, so that the actual consumption noted by its customers is as close as possible to the certified values. This was the impetus behind the creation of Renault's Driving ECO2 program in 2008, which aims to offer vehicle-embedded driving aids to customers, as well as training services in order to assist them in reducing their fuel consumption through eco-driving.

Changing driver behaviors through eco-driving is one way to reduce energy consumption (gasoline, diesel or electricity). Depending on driving style, savings of up to 25% could be achieved.

Surveys, conducted both internally and externally to better understand customers' expectations of embedded eco-driving aids, led to the identification of four driver profiles (see graph below):

- "participative" drivers, who wish to take an active role by changing their behavior, and would like information and targeted advice on how to do this;

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▪ “delegating” drivers, who are ready to give full responsibility for reducing their consumption to the vehicle;

▪ drivers who are both participative and delegating;

▪ finally, a minority of drivers who state that they have no interest in any form of eco-driving assistance.

In order to meet the specific expectations of each of its customers, Renault has developed a full range of Driving ECO2 embedded driving tools adapted for each driver profile (see graph below):

▪ Eco-mode, triggered by the touch of a button, modifies vehicle performance and regulates thermal comfort to reduce fuel consumption by as much as 10%;

▪ the real-time driving aid tools Eco-Advice (gear shift indicator) and Eco-Monitoring (which combines the driving style indicator, instant consumption and the engine regime);

▪ the Eco-Scoring and Eco-Coaching tools integrated into the multimedia systems, which assess the driver and provide him or her with personalized advice based on the scores obtained;

▪ Eco-Navigation calculates the most fuel-efficient route for a given journey.

Deployed since 2012, these embedded eco-driving aids are now available on all passenger car and light commercial vehicle models sold under the Renault, Dacia and Renault Samsung Motors (in South Korea) brands, except where local vehicle adaptations change this.

These embedded aids have fully achieved their goal, which was to raise driver awareness of how their driving affects their vehicle’s consumption and emissions, and initiate a form of collaboration or even dialog between drivers and their vehicles in terms of eco-driving. Since then, Renault has been developing second-generation embedded eco-driving aids, which will integrate predictive functions and a higher degree of personalization, connectivity and interactivity with the driver, to improve the gains achieved under real driving conditions.

INTRODUCTION OF EMBEDDED ECO-DRIVING AIDS

	Main models equipped at end-2020
Eco-mode	Renault range: TWINGO, CLIO, NEW CLIO, ZOE, CAPTUR, NEW CAPTUR, MEGANE, SCENIC, KADJAR, TALISMAN, ESPACE, KOLEOS, KANGOO (Z.E. and ICE), TRAFIC, MASTER Dacia range: SANDERO, LOGAN, DUSTER, DUSTER II, LODGY AND DOKKER RSM range (Renault Samsung Motors): QM3, SM5, SM6, QM6, SM7
Driver assessment and coaching	Renault range: TWINGO, CLIO, NEW CLIO, ZOE, CAPTUR, NEW CAPTUR, MEGANE, SCENIC, KADJAR, TALISMAN, ESPACE, KOLEOS, KANGOO (Z.E. and ICE), TRAFIC, MASTER Dacia range: SANDERO, LOGAN, DUSTER, DUSTER II, LODGY AND DOKKER RSM range (Renault Samsung Motors): SM3, QM3, SM5, SM6, QM6, SM7

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Driving style indicator	Renault range: CLIO, NEW CLIO, CAPTUR, NEW CAPTUR, ZOE, MEGANE, SCENIC, KADJAR, TALISMAN, ESPACE, KOLEOS, TRAFIC RSM range (Renault Samsung Motors): QM3, SM5, SM6, QM6, SM7

In addition to embedded eco-driving aids, Renault offers its fleet customers Driving ECO2 training programs on internal combustion and electric vehicles, in partnership with the French driving school ECF (École de Conduite Française) and the International Federation of Safety Education Network (IFSEN). Course participants are trained on their own work vehicles, to which a Driving ECO2 Training System by Renault device is connected. This facilitates an analysis of the overall driving data so as to measure in real time the progress made through the implementation of the skills learned.

Renault also offers its corporate customers an embedded telematics system (Fleet Asset Management), which provides corporate fleet managers with remote access vehicle driving data (distance, consumption, average speed and Eco-score). This objective assessment of the driver's behavior encourages employees to adopt eco-driving measures during their travel and they can be trained if necessary.

4. STATE OF RELATED COMPANIES (on December 31, 2020):

(1) PARENT COMPANY

Not applicable.

(2) SUBSIDIARIES

The total number of consolidated subsidiaries of the Company at December 31, 2020 was 225 (including Renault SA and Avtovaz).
The significant subsidiaries are set out below*:
(* Individual revenue figures are assessed and presented according to the standards used for the preparation of the consolidated financial statements.)

Renault s.a.s.

13-15, quai Le Gallo 92512 Boulogne-Billancourt Cedex (France)

- The share capital of Renault s.a.s. is EUR 533,941,113 divided into 35,012,532 voting shares of each EUR 15.250.
- Renault holds directly 100% of the capital of Renault s.a.s. and 100% of its voting rights.
- Business: design, manufacture, sale, repair, maintenance and leasing of motor vehicles (commercial, light commercial and passenger vehicles, tractors, farm machinery and construction equipment) as well as the design and production of parts and equipment used in connection with the manufacturing and operation of vehicles. Also, all types of services relative to such activities and, more generally, all industrial, commercial, financial, investment and real-estate transactions relating directly or indirectly, in whole or in part, to any of the above purposes.
- Revenues at December 31, 2020: €35,667 million.
- Workforce at December 31, 2020: 30,930 people.

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RCI Banque SA

15 rue d'Uzès 75002 Paris (France)

- The authorised share capital of RCI Banque SA is EUR 100,000,000 divided into 1,000,000 voting shares of each EUR 100.
- Renault s.a.s. holds directly 100% shares of RCI Banque SA and 100% of its voting rights.
- Business: holding company for the sales financing and customer services entities of Renault and Nissan, primarily in Europe. Inventory financing (vehicles and spare parts) for Renault and Nissan Europe.
- Net amount financed in 2020: €17.9 billion.
- Total balance sheet (consolidated) at December 31, 2020: €58,886 million.
- Workforce at December 31, 2020: 3,794 people.

Renault Retail Group (France)

2, avenue Denis Papin 92142 Clamart Cedex (France)

- The share capital of Renault Retail Group is EUR 99,832,670 divided into 19,966,534 voting shares of each EUR 5.
- Renault s.a.s. holds directly 100 % of the authorised capital of Renault Retail Group and 100 % of its voting rights.
- Business: trade, repair, maintenance and leasing of passenger cars and light commercial vehicles.
- 49 branches in France.
- Revenues at December 31, 2020: €4,358 million.
- Workforce at December 31, 2020: 6,860 people.

Renault España

Avda. de Madrid, 72 47008 Valladolid (Spain)

- The authorised share capital of Renault España is EUR 126,501,414 divided into 21,083,569 voting shares of each EUR 6.
- Renault s.a.s. holds directly 99.78% of the authorised capital of Renault España and 99.78% of its voting rights.
- Business: Manufacturing of Renault vehicles.
- Plants in Valladolid, Palencia and Seville.
- Revenues at December 31, 2020: €6,237 million.

- Workforce at December 31, 2020: 10,806 people.

Renault España Comercial SA

Avda. de Madrid, 72 47008 Valladolid (Spain)

- The authorised share capital of Renault España Commercial SA is EUR 12,000,000 divided into 2,000,000 voting shares of each EUR 6.

- Groupe Renault holds 100% of the authorised capital of Renault España Commercial SA and 100% of its voting rights.

- Business: Marketing of Renault and Dacia brand vehicles.

- Revenues at December 31, 2020: €1,699 million.

- Workforce at December 31, 2020: 288 people.

Renault Deutschland AG

Renault-Nissan Strasse 6-10 50321 Brühl (Germany)

- The authorised share capital of Renault Deutschland AG is EUR 10,655,322.80 divided into 20,840 voting shares of each EUR 511.29.

- Renault s.a.s. holds directly 60% of the authorised capital of Renault Deutschland AG and 60% of its voting rights, and Groupe Renault B.V. holds directly 40% of the authorised capital of Renault Deutschland AG and 40% of its voting rights.

- Business: Marketing of Renault and Dacia brand vehicles.

- Revenues at December 31, 2020: €3,291 million.

- Workforce at December 31, 2020: 383 people.

Renault Italia

Via Tiburtina 1159 00156 Roma (Italy)

- The authorised share capital of Renault Italia is EUR 2,582,500 divided into 250,000 voting shares of each EUR 10.33.

- Renault s.a.s. holds directly 100% of the capital of Renault Italia and 100% of its voting rights.

- Business: Marketing of Renault and Dacia brand vehicles.

- Revenues at December 31, 2020: €2,051 million.

- Workforce at December 31, 2020: 229 people.

Confidential C

Revoz

Belokranska Cesta 4 8000 Novo Mesto (Slovenia)

- The authorised share capital of Revoz is EUR 55,081,000 divided into 550,810 voting shares of each EUR 100.
- Renault s.a.s holds directly 100% of Revoz share capital and 100% of its voting rights.
- Business: manufacturing of Renault vehicles.
- Plant: Novo Mesto.
- Revenues at December 31, 2020: €1,392 million.
- Workforce at December 31, 2020: 2,410 people.

Renault Finance SA

48, avenue de Rhodanie Case postale 1007 Lausanne (Switzerland)

- The authorised share capital of Renault Finance SA is CHF 230,600,000 divided into 461,200 voting shares of each CHF 500.
- Renault s.a.s. holds 100% of Renault Finance SA shares and 100% of its voting rights.
- Business: Capital market transactions (foreign exchange, interest rates, hedging of industrial metals transactions) for Renault and Nissan; interbank dealing for own account.
- Total balance sheet (consolidated) at December 31, 2020: €2,917 million.
- Workforce at December 31, 2020: 28 people.

Renault U.K.

The Rivers Office Park, Denham Way, Maple Cross, WD3 9YS Rickmansworth, Hertfordshire (United Kingdom)

- The authorised share capital of Renault UK Ltd is GBP 2,750,000 divided into 2,750,000 ordinary shares (with voting rights) of each GBP 1.
- Groupe Renault holds directly 100% of the capital of Renault U.K. and 100% of its voting rights.
- Business: Marketing of Renault and Dacia brand vehicles.
- Revenues at December 31, 2020: €1,148 million.
- Workforce at December 31, 2020: 160 people.

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Renault Belgique Luxembourg

281, Chaussée de Mons 1070 – Brussels (Belgium)

- The authorised share capital of EUR 18,610,000 divided into 67,500 voting shares of each EUR 275.7.
- Groupe Renault holds 100% of the authorised capital of Renault Belgique Luxembourg and 100% of its voting rights.
- Business: Marketing of Renault and Dacia brand vehicles.
- Revenues at December 31, 2020: €919 million.
- Workforce at December 31, 2020: 175 people.

Renault do Brasil

1300 av. Renault, Borda do Campo État du Paraná São José dos Pinhais (Brazil)

- The authorised share capital of Renault do Brasil is BRL 2,398,236,842.47 divided into 807,562,019,093 shares being 670,331,224,178 voting shares and 137,230,794,915 non-voting shares, all without nominal value.
- Groupe Renault holds directly 99.92% of the capital of Renault do Brasil and 99.92% of its voting rights.
- Business: Manufacturing and marketing of Renault vehicles.
- Revenues at December 31, 2020: €1,430 million.
- Workforce at December 31, 2020: 6,436 people.

Renault Argentina

Fray Justo Santa Maria de Oro 1744 1414 Buenos Aires (Argentina)

- The authorised share capital of Renault Argentina is ARS 13,464,388,238 divided into 13,464,388,238 voting shares of each ARS 1.
- Groupe Renault holds indirectly 100% of the authorised capital of Renault Argentina and 100% of its voting rights.
- Business: Manufacturing and marketing of Renault vehicles.
- Revenues at December 31, 2020: €494 million.
- Workforce at December 31, 2020: 2,010 people.

Confidential C

Renault Samsung Motors

61, Renaultsamsung-daero 46758, Gangseo-gu, Busan (South Korea)

- The authorised share capital of Renault Samsung Motors is KRW 440,000,000,000 divided into 88,000,000 voting shares of each KRW 5,000.
- Groupe Renault holds directly 80.04% of Renault Samsung Motors share capital and, 80.04% of its voting rights.
- Business: manufacturing and marketing of Renault Samsung Motors vehicles.
- Plant: Busan.
- Revenues at December 31, 2020: €2,471 million.
- Workforce at December 31, 2020: 4,014 people.

Renault Algérie Spa

13, route Dar-El-Beida Zone industrielle Oued Smar 16270 – Algiers (Algeria)

- The authorised share capital of DZD 1,037,001,545 divided into 1,037,001 voting shares.
- Renault s.a.s. holds directly 100 % of the authorised capital of Renault Algerie Spa and 100 % of its voting rights.
- Business: Marketing of Renault and Dacia brand vehicles.
- Revenues at December 31, 2020: €47 million.
- Workforce at December 31, 2020: 458 people.

Renault Commerce Maroc (Renault Maroc Commercial)

Place Bandoeng Casablanca 20000 – Casablanca (Morocco)

- The authorised share capital of MAD 50,000,000 divided into 312,500 voting shares of each MAD 160.
- Renault s.a.s. holds directly 80% of the authorised capital of Renault Commerce Maroc and 80% of its voting rights.
- Business: Marketing of Renault and Dacia brand vehicles.
- Revenues at December 31, 2020: €647 million.
- Workforce at December 31, 2020: 771 people.

Renault Tanger Exploitation

Zone Franche Melloussa I 90000 – Tangiers (Morocco)

- The authorised share capital of Renault Tanger Exploitation is EUR 42,000,000 divided into 420,000 voting shares of each EUR 100.
- Groupe Renault holds directly 100% of the authorised capital of Renault Tanger Exploitation and 100% of its voting rights.
- Business: Study and manufacturing of Renault vehicles.
- Revenues at December 31, 2020: €2,094 million.
- Workforce at December 31, 2020: 6,652 people.

Oyak-Renault Otomobil Fabrikalari

FSM Mah. Balkan Cd. No 47 Umraniye BP 34770 Istanbul (Turkey)

- The authorised share capital of OYAK Renault Otomobil Fabrikalari is TRL 323,300,000 divided into 32,330,000,000 voting shares of each TRL 0.010.
- Groupe Renault holds directly 51% of the authorised capital of OYAK Renault Otomobil Fabrikalari and 51% of its voting rights.
- Business: assembly and manufacturing of Renault vehicles.
- Plant: Bursa.
- Revenues at December 31, 2020: €3,717 million.
- Workforce at December 31, 2020: 6,894 people.

SC Automobile Dacia SA

Str. Uzinei nr 1 115400 Mioveni (Romania)

- The authorised share capital of Dacia is ROL 2,541,738,210.5 divided into 25,417,382,105 voting shares of each ROL 0.1.
- Renault holds directly 99.43% of the authorised capital of SC Automobile Dacia SA and 99.43% of its voting rights.
- Business: manufacturing and marketing of Renault and Dacia vehicles.
- Plant: Mioveni
- Revenues at December 31, 2020: €3,767 million.
- Workforce at December 31, 2020: 13,484 people.

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CJSC Renault Russia

Volgogradskiy Prospect, 42, housing 36 109316 Moscow (Russia)

- The authorised share capital of CJSC Renault Russia is RUB 6,841,426,980 divided into 3,513,000 voting shares of each RUB 1947.46.
- Groupe Renault holds directly 100 % of the authorised capital of CJSC Renault Russia and 100 % of its voting rights.
- Business: Manufacturing and marketing of Renault vehicles.
- Revenues at December 31, 2020: €1,381 million.
- Workforce at December 31, 2020: 2,994 people.

Renault India Private Limited

ASV Ramana Towers, 4th floor #37-38 Venkatanarayana Road, T. Nagar 600 017 Chennai (India)

- The authorised share capital of Renault India Private Limited is INR 60,000,000,000 divided into 6,000,000,000 voting shares of each INR 10.
- Groupe Renault holds directly 100 % of the authorised capital of Renault India Private Limited and 100 % of its voting rights.
- Business: marketing of Renault vehicles.
- Revenues at December 31, 2020: €622 million.
- Workforce at December 31, 2020: 221 people.

JSC "AVTOVAZ"

36 Yuzhnoye Shosse, Togliatti, Samara Region, 445024, Russia

- The issued and outstanding share capital (i.e., the charter capital) of JSC "AVTOVAZ" amounts to 55,749,589,810 RUB and is represented by 11,149,917,962 voting registered non-certificated shares, of which 10,688,153,662 are ordinary shares constituting 95.86% of the charter capital and 461,764,300 are A-type preferred shares constituting 4.14% of the charter capital. The nominal value of each issued and outstanding share (ordinary and preferred) is 5 RUB. In addition to the issued and outstanding shares, under the charter, JSC "AVTOVAZ" is authorised to issue 6,134,309,469 ordinary shares with a 5 RUB nominal value each, which are categorised as authorised shares.
- Renault s.a.s. indirectly (through Alliance Rostec Auto B.V.) holds and controls 67.61% of all issued and outstanding shares of JSC "AVTOVAZ" and the voting rights pertaining to such shares.
- Business: Production and sale of passenger cars and their components. AVTOVAZ is the largest passenger car manufacturer in Russia and Eastern Europe, which produces LADA, Renault and Datsun branded cars.
- Revenues at December 31, 2020: €2,832 million.

- Workforce at December 31, 2020: 34,198 people.

(3) AFFILIATED COMPANIES[18]

The total number of affiliated companies at December 31, 2020 was 23.
The significant affiliated companies are set out below:

Automobile Division

NISSAN Motor Co., Ltd.

2, Takara-Cho, Kanagawa-ku, Yokohama-Shi, Kanagawa-ken (Japan).

- The number of authorized share is 6,000,000,000 shares. The subscribed capital is 605,813,000,204.581 JPY divided into 4,220,715,112 voting shares of each JPY 143.
- Renault S.A. holds directly 43.4% shares and 43.7% of the voting rights.
- Business: The group NISSAN Motor is a world-wide car manufacturer involved in the design, manufacturing and distribution of car vehicles. As regards the relationship with Renault, please refer to 3-“(2) THE ALLIANCE” above.

Financial Companies (Affiliates)

Renault Credit Car

60 / 15, Ravensteinstreet, 1000, Brussels, Belgium

- RCI Banque S.A. holds indirectly 50.1% of the shares of Renault Credit Car and 50.1% of its voting rights.
- Business: credit retail

5. STATE OF EMPLOYEES:

Breakdown of workforce by Region over three years and average workforce

Scope of labor reporting	2018	2019	**2020**	**Percentage in 2020**
GROUP* (PERMANENT + FIXED-TERM)	**183,002**	**179,565**	**170,158**	
Europe	73,094	73,087	69,344	40.8%
o/w France	48,603	*47,978*	46,250	27.2%
Eurasia	78,271	74,773	70,963	41.7%

[18] Affiliated companies are i) companies in which the Group exercises material influence and which are included in the financial statements on an equity basis and, ii) joint ventures consolidated on a proportionate basis.

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o/w AVTOVAZ	48,590	*46,357*	44,415	26.1%
Americas	12,291	11,997	10,494	6.2%
China	8	71	941	0.6%
Africa – Middle-East – India – Pacific	19,338	19,637	18,416	10.8%
Average Group workforce without AVTOVAZ	132,993	133,810	129,476	
* Expatriates are counted in their home country.				

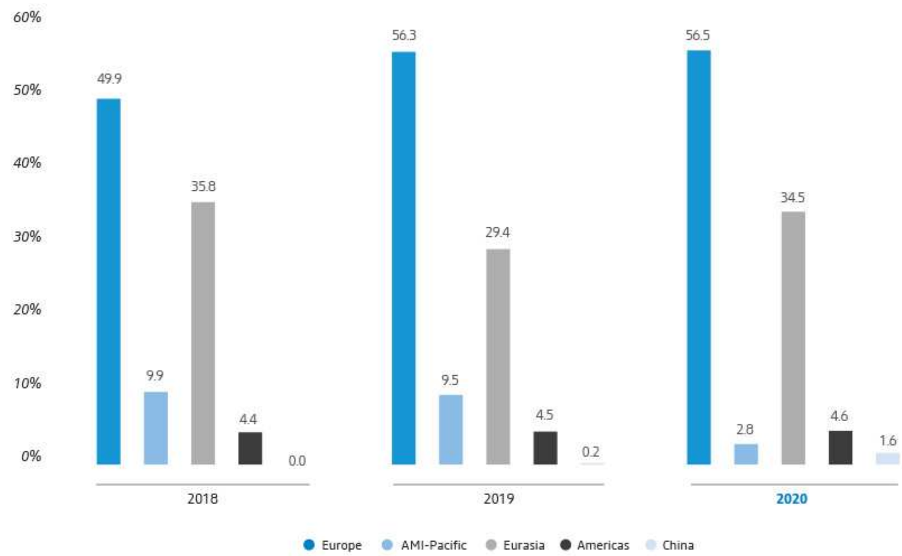
As of December 31, 2020, the Group's workforce (permanent + fixed-term contracts), including AVTOVAZ, totaled 170,158 employees, with 166,364 in the Automotive division and 3,794 in the Finance division.

The Group's employees work in 39 countries, organized into five Regions. The "11 major countries" (Argentina, Brazil, France, India, Morocco, Romania, Russia, Slovenia, South Korea, Spain and Turkey) account for 93.1% of total employees.

Breakdown of recruitment

The number of new hires in 2020 was down 35% on 2019 at 13,197 people. This level of recruitment has made it possible to reduce the Group's workforce and adapt it to automotive market conditions. These recruitments made it possible to bolster the skills needed to develop the mobility solutions of the future, and strengthen the capabilities of the Finance division to develop new services and adapt to changes in regulations.

RECRUITMENT BREAKDOWN BY REGION OVER THREE YEARS



Breakdown of redundancies

At the same time, the number of redundancies stood at 2,155 people, similar to the level seen in 2019 (1,992).

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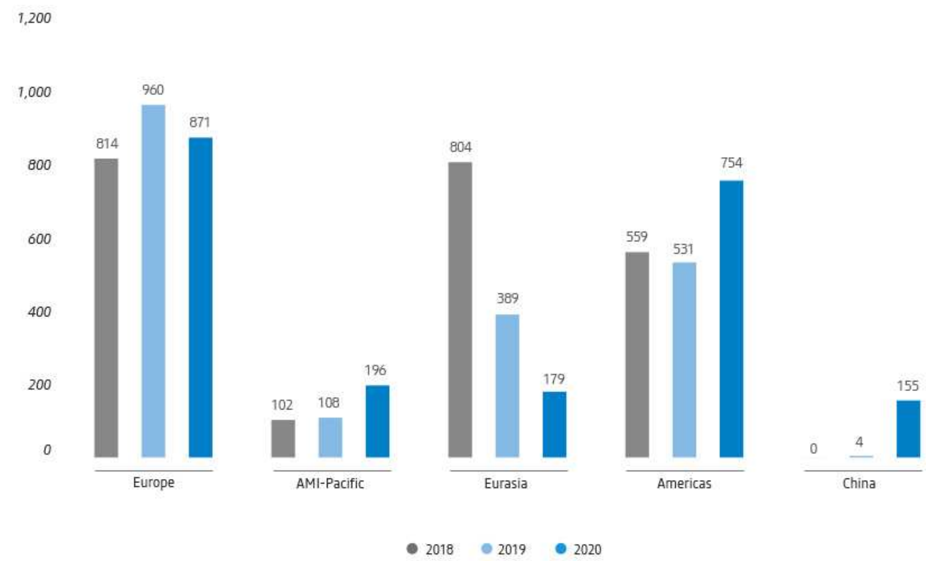
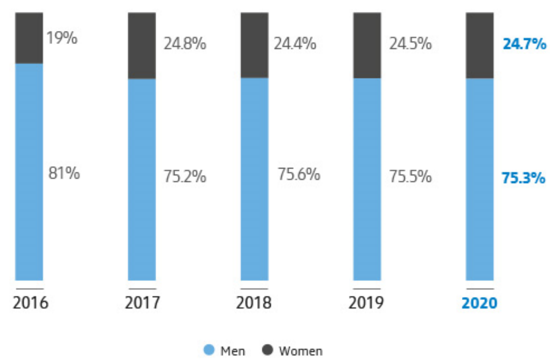
BREAKDOWN OF REDUNDANCIES BY REGION



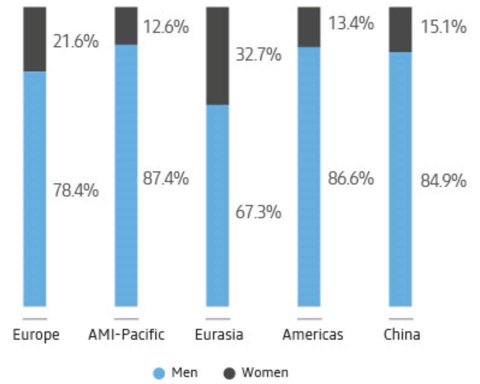
Gender diversity within the Company

Following a marked increase until 2017 owing to the proactive policy on diversity in recruitment, as of December 31, 2020, the number of women as a percentage of the Group's total employees had leveled off at 24.7%.

BREAKDOWN OF WOMEN/MEN IN THE WORKFORCE OVER FIVE YEARS



BREAKDOWN OF WOMEN/MEN BY REGION

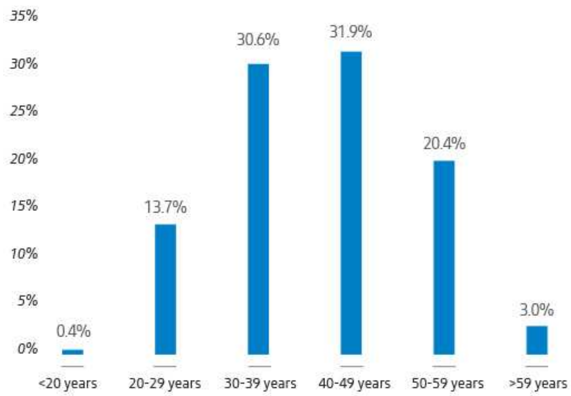


The breakdown of women/men is calculated on the basis of the global scope as of December 31, 2020.

Promoting talent at all ages

Recruitment plans, which are more limited than in 2019, have nevertheless made it possible to limit the ageing of the workforce and maintain a balanced distribution by age group: 14.1% are less than 30 years old, 30.6% are between 30 and 39 years old, 31.9% are between 40 and 49 years old, 23.4% are more than 50 years old.

BREAKDOWN OF WORKFORCE BY AGE



The breakdown by age is calculated on the global scope as of December 31, 2020.

Employee compensation

The compensation of white-collar staff is based on:

- **the level of responsibility**. Positions have been assessed according to their level of responsibility, using to the Korn Ferry international methodology. This assessment makes it possible to draw up a complete internal mapping of positions across the various business lines and Regions, thereby ensuring greater transparency and global equality of career paths. Another advantage is that Renault can compare its pay scales with the market to better manage competitiveness and the attractiveness of the compensation policy. The fixed and variable compensation system is now determined on the basis of this job classification. This job assessment method has been introduced in 37 Group countries;
- **job mastery**, or the capacity to perform a role, defined with precise and shared criteria to make assessment more objective and standardized within the Group;
- **the level of achievement of the objectives set,** including this year at least one mandatory objective from among quality, safety and compliance.

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Analysis of these three components ensures that compensation is based on the individual's contribution to the company, independent of any other factor.

The variable part of the compensation of managers and executives is calculated according to the following principles:

- the higher the level of responsibility, the higher the percentage of variable compensation;
- a single model for the variable portion of compensation recognizing the performance of the employee and the Group in a spirit of solidarity.

The compensation of senior executives is discussed in V-3-(2)-"(iii) REMUNERATION OF DIRECTORS AND OFFICERS".

Group profit-sharing

Renault has an incentive scheme for employees in France that includes the redistribution of Groupe Renault profits as well as bonus payments for contributions to site performance.

On the Group side, Renault has for the first time introduced a non-financial criterion, namely compliance by 2020 with the European CAFE (Corporate Average Fuel Economy) regulation for reducing CO_2 emissions.

2020 FINANCIAL YEAR

The agreement of July 3, 2020, signed for 2020 and which was paid to employees in March 2021, includes, as for previous agreements, two components:

- profit-sharing linked to the Group's operating margin;
- local incentive schemes based on site performance.

Over the past three years, profit-sharing and performance-related bonuses at Renault s.a.s totaled the following amounts:

Year *(€ million)*	Aggregate amount: financial incentive + performance-related bonuses
2018	170.7
2019	176.4
2020	121.5

Control of labor costs

The Group's labor costs stood at €6,157 million in 2020, of which €5,453 million was for the Automotive division. They were down compared to 2019, thanks to the Group's actions to adapt to the crisis in the automotive markets as well as productivity and streamlining efforts. The "11 major countries" (Argentina, Brazil, Slovenia, South Korea, Spain, France, India, Morocco, Romania, Russia and Turkey) represent 90.2% of the Group's payroll costs.

Labor costs by Region	2018	2019	**2020**	**Average cost 2020**
GROUP	**6,702.6**	**6,705.7**	**6,157.0**	**35.2**
Europe*	4,718.2	4,686.2	4,438.9	62.3
o/w France	*3,548.5*	*3,473.64*	3,099.0	65.8
Eurasia	1,051.8	1,103.2	933.7	12.8
o/w AVTOVAZ	*460.5*	*466.1*	403.9	8.9
Americas	399.8	374.8	273.5	24.3
China	0.4	0.4	20.8	41.1
Africa – Middle-East – India – Pacific	532.4	541.1	490.1	25.8
* *Europe including Renault-Nissan Global Management.*				

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Prospective Skills Management (GPEC)

Anticipating the impact of changes related to our environment on our skills is at the core of our concerns. Groupe Renault is leading an initiative, known as Strategic Skills Management, to identify new, stable or declining skills, as well as those to be strengthened. Under the coordination of the HR teams, an analysis is produced by experts in the various jobs from the Company's corporate functions, and compared with external benchmarks. The priorities that emerge constitute working guidelines available to operational staff so that they can integrate these trends to define their areas of criticality and action plans.

In a period of turbulence, this forward-looking work, used to prioritize recruitment and build training plans, facilitates the identification of skills to be preserved or transformed.

In France:

The transformation of skills initiated several years ago accelerated in 2020 in a context of health and economic crisis.

In France, a method agreement was signed on July 24, 2020 by the CFDT, FO and CFE/CGC trade unions. This agreement defined the framework, themes and timetable for social dialog relating to the implementation in France of several projects, including changes in employment and technical and tertiary skills.

In order to deepen the joint reflection on this work, job observatories were set up for 14 corporate functions: product engineering, production engineering, logistics, sales and marketing, information technologies and systems, finance, purchasing, after-sales, product program, quality, communication, design, Human Resources and real estate and facility management. These observatories have enabled in-depth study of the changes forecast in the various jobs, as well as the possible impacts in terms of employment, skills and qualifications. The Strategic Skills Management methodology has been reused and refined. In addition to categorization by type of skills, declining, stable or needing strengthening, the availability of resources in the labor market was also considered (high, medium, scarce). Each job profile was then positioned on this mapping according to these two axes. This information was fed through each of the local establishments concerned to the employee representative bodies (IRPs), management and employees.

Following this cycle of joint discussions, an agreement on the "Transformation of skills in the corporate functions of Renaults s.a.s." was signed on November 20, 2020 by three trade unions (FO, CFE-CGC and CFDT). This agreement covers the strengthening of technical and tertiary skills as well as arrangements for voluntary redundancies. Thus, a system of termination of employment by collective agreement, with or without mobility leave, has been set up for a limited scope defined by the job profile mapping. Employees with an eligible job profile, who have a professional project or who are retiring, will be able to benefit from this scheme until September 30, 2021. In addition, a new activity exemption plan started on February 1, 2021.

New training courses will be set up to enable employees to upgrade their skills or change jobs. 400 employees will be able to benefit from a professional retraining program in 2021 and retraining opportunities will be boosted by a new internal mobility scheme. Some 250 strategic recruitments are also planned to strengthen our teams with skills that cannot be developed internally.

Training to support skills development

Groupe Renault supports the skills development of its employees to meet its sustainable growth targets.

2020 will go down as a year upset by a major health crisis that has accelerated the development of digital and distance learning initiatives. Responsiveness and adaptation are the two key words of the year, with the switch in just a few weeks from mostly face-to-face training to training that is essentially distance learning, and employees who have sought to develop their skills by seizing the opportunities offered by the Group in these areas. Thus, the volume of digital training hours was up **+191% at 343,847 hours,** compared with 180,000 hours at the end of 2019.

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Being a **learning organization** is not something that can be decreed, but is demonstrated through many achievements. The creation in May 2020 of the "**Learning Company**" Yammer group showcased best training practices and allowed trainees to express views on the training of actions that contribute most to their training: more than 1,200 Group employees are registered in this community. Another achievement is the development of the **"Learn" mobile application** in pilot countries (Spain, France, India, Morocco), which enables employees to take digital training courses on their smartphone.

The link between the various players in skills development has been strengthened thanks to the strong collective involvement of the Learning & Development (L&D) community in the rapid reorganization of training activities, by mobilizing academies and business Experts, training and Human Resources teams at headquarters and in the Regions and countries where Groupe Renault operates.

In April, a global communication campaign was launched to develop e-learning and offer employees training courses that can be taken remotely during periods of lockdown (*e.g.* Renault Way, ethics and compliance, data protection, remote management & collaboration, digital transformation, emotional intelligence, diversity & inclusion, language courses, *etc*.), relayed by specific campaigns in countries as the pandemic progresses (e.g. "Learn every Thursday" in Romania).

The Group's Learning & Development department has had to adapt the methods of managing the L&D community composed of representatives of the 15 business academies, the training and development teams of the Regions and the 15 main countries. For example, the L&D community's annual seminar was a wholly remote event involving working sessions spread over three days, with discussions between sessions. The objective of this seminar was to share feedback on the evolution of our practices since September 2019, but also to create a shared vision to develop a learning corporate culture, allowing all Group employees to train regularly throughout their career at Renault.

To achieve this objective, which will involve a steady increase in the rate of access to training, the development of a qualitative learning experience is essential. Groupe Renault has therefore continued to develop its training management system (LEARNING@ALLIANCE) by making it easier to understand the offer through rapid access to targeted training on important issues (*e.g.* managing a team remotely, improving language skills, *etc*.) while allowing individualized paths with a choice of training subjects preferred by the employee in question. The digital training offer has also been strengthened, with new online training modules developed in particular by the "Digital Learning Factory". Access to training from an application available on smartphones has also been activated for Group employees located in pilot countries (France, Spain, India, Morocco, *etc*.) in order to promote e-learning, including during periods of lockdown.

The functional academies

The **functional academies** continue to revamp their training offering to adapt it to the technical skills requirements of the Group and the health context.

The **Manufacturing Academy**, which covers the 37 Renault plants, the seven Production Engineering RTx and the 10 Supply Chain DLO, created seven training catalogues (stamping, machining, safety, logistics, *etc*.) and 29 training courses (reliability, SSV maintenance, *etc*.). To develop access to the Manufacturing training offer, new training courses have been designed to be rolled out digitally. This academy has also contributed to the reinforcement of strategic Supply Chain skills.

All of the Academy's programs are offered in three languages (English, Spanish, French), and a network of local relays enables the translation of training content into the Group's seven other languages.

The **Engineering Academy** has invested in the development of the pedagogical and digital skills of trainers and educational engineers with the opening of a **"Learning Lab"**, a place of learning aimed at sharing best practices and developing new uses in training while optimizing the use of the tools made available to the teams.

A learning engineering department is creating new learning spaces such as the "Learning Engineering Days" **(LED)** (online conferences of Group experts on technological and digital transformation to make data central to the businesses), and is extending its training offer on autonomous vehicles, electric and hybrid vehicles, and regulatory standards and requirements. It is also creating new training courses

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directly linked to the Group's strategic levers such as electrification, hybridization, cyber security and Artificial Intelligence.

The **Alliance Purchasing Organization Academy** has reinforced the Procurement Academy program with the creation of three tailor-made e-learning modules. Major marketing work has been carried out to promote this offer online, with a weekly selection of content to follow. By applying neuroscience-based best practices for interaction and learning effectiveness, there has also been a particular focus on the quality of learning materials.

The **Quality and Customer Satisfaction Academy** has organized workshops in the **Learning Lab**, thereby continuing its digital transformation and supporting the upskilling of its people (trainers, technical mentors, the international network of training officers). This collaboration with the international Quality network & Customer Satisfaction Academy has contributed to the improvement of collaborative work based on a maturity grid and associated action plans.

The Finance Academy has accelerated the digitization of its offer with the creation of 12 new e-learning modules on the fundamentals of finance (accounting, credit management, customs, transfer pricing, *etc*.).

The Digital Academy has rolled out two e-learning training courses (Agile & Data), supplemented by six training courses on Agile, Cybersecurity and Data (created in one month), available to all Group employees. It has also designed and rolled out distance training courses on Agile, Data, Architecture and Office Automation skills (11 synchronous and remote training courses). A committee of experts and specialists from different departments has also been created to oversee the development of cross-disciplinary skills in Data and Cybersecurity.

The Sales, Marketing & Communication Academy has reinforced its blended training courses on digital marketing, customer intelligence and fleet sales, and has contributed to better product knowledge by launching a new learning chain on After-Sales skills, in conjunction with the skills assessment campaign.

Faced with the swiftness and scale of the health crisis, the training and Human Resources teams very quickly mobilized to adapt the training offer by proposing different learning methods to their employees (e-learning, video learning, webinars, virtual classrooms, blended learning, *etc*.). By addressing a wide variety of themes (technical and cross-disciplinary skills), relying in particular on the digital training offer proposed by the Group in LEARNING@ALLIANCE, the commitment of the community of internal trainers and the availability of business experts, the main objective was to avoid compromising actions already undertaken to develop talent.

The resolute involvement of training actors in the countries

The development of digital and distance learning

Argentina stood out with the Talent School program. The L&D team has created a general training program with several components:

- on-boarding, with discussions on business conduct, sustainability, health, safety and compliance;
- project management in Agile mode;
- quality control methodology;
- comprehensive vision of the automotive business;
- visits to dealers;
- how to drive your own development.

Today, this program has been adapted and is being rolled out in a fully remote format, supplemented by technical training. 141 participants have completed it, with a total of 2,534 hours of training.

In South Korea, the aim was to encourage employees to engage in their personal development by offering training courses on a variety of topics ranging from the humanities to economics, provided by external teachers and specialists. Nearly 700 people have been trained within this new digital learning

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framework. Employees were also encouraged to adopt the principles of the Renault Way and its 11 key competencies through the prescription of e-learning modules offered by the country's L&D team. A challenge was launched to reward the employee who had completed the most hours of online training each month.

Spain prioritized the digitization of training content for blue-collar workers with an online documentary site containing digital books and training content. The questionnaires for the exams were prepared with the Forms app. To facilitate access to these digital training courses, tablets have been purchased and made available to learners.

India organized "moments of engagement", with a series of weekly learning times (one TED Talk and two e-learning modules) on various themes such as working from home, resilience and perseverance, positivity and motivation, mindfulness and focus, adapting to change, courage, well-being and compassion, rolled out during the two months of the first period of lockdown. This initiative aimed to comfort and support employees during the crisis, with short videos and online advice to help them overcome feelings of uncertainty.

Turkey chose to set up a digital platform managed by the training institute so that employees can follow webinars and access articles, online training, videos, remote activities for body and mind, and cultural and artistic activities.

Colombia decided to take advantage of the period of lockdown to promote the personal development of its employees with the *Elige ser tu mejor version* program. Launched in June 2020, this skills development path is composed of four e-cards offering several online training initiatives twice a week, and was followed by 70% of the people connected.

In **France,** the pandemic resulted in the postponement of 65% of the training initiatives initially planned and the organization of more than 100 distance training courses to replace some of those sessions, some online inter-company training sessions having entered the framework of the program funded by the FNE.

A number of initiatives were taken within this framework:

- the **manufacturing manager training** program was adapted to switch to blended mode incorporating digital training activities, distance coaching and a face-to-face consolidation sequence;
- **language training** is provided in fully digital format and has been accessible to all employees in France since January 2020, for all required levels. Access to this platform has been greatly appreciated by employees, particularly during the period of lockdown from March to July 2020;
- **training of trainers**: a complete update of the system was carried out with a combination of virtual classes, e-learning, remote trinomial work and a day in the classroom devoted to role-playing. 100 trainers have been trained on the new system and 39 internal trainers have obtained national certification;
- the **Inclusive Manager** training course was rolled out widely in 2020 and 2021, following test sessions held at the end of 2019, which were very much appreciated by our managers.

In **Romania**, in addition to the promotion of the digital catalog, strong emphasis has been placed on the development of blended learning through:

- the organization of internal technical training on Teams (25% of total training hours, with more than 40,000 hours provided);
- the development of online training courses given by internal trainers on cross-disciplinary skills (36 sessions with 447 participants and 1,422 hours provided);
- online language training; a total of 170 talents and managers trained in English and French, with 40 hours of training per participant over eight months.

Strengthening managerial training and mentoring

In **Argentina**, the construction of a culture of personal development was based for the third consecutive year on development workshops. The activities were designed to help participants identify levers for their personal development by exploring their professional motivation factors and referring to the 70-20-10 model, the PIE model (performance, image, exposure) and work on personal branding. A total of 53 participants received 159 hours of training during these workshops.

South Korea has rolled out training on “management essentials” to ensure that middle management grasps success factors (managing change in times of crisis) and the need to integrate and adhere to the “Renaulution” priorities. A total of 233 middle managers participated in this program, with the determination to build a culture of change in a VUCA (volatile, uncertain, complex, ambiguous) environment in seven sessions of seven hours.

Romania has continued its business-to-business mentoring program offered to its talents.

Russia has trained all production team leaders in automotive assembly and components to develop their managerial skills. The training of logistics and services production team leaders continued, as did the talent development initiatives which started in 2019 (with more than 400 training sessions carried out by this population). Nearly 1,800 employees have received training as part of the *École des managers*.

The ramp-up of management training and mentorship was also a major axis of the overall training policy, with the Group "Onboarding management" program. Based on the 11 cross-functional skills associated with the Renault Way, this very successful online training program, which has been delivered to 18,000 employees, was updated in November 2020 with the integration of two new courses on "managing at a distance' and "managerial values" (ethics, diversity, inclusion).

In 2020, the total number of training hours undertaken by people employed by the Group (on a temporary or permanent basis) in 2020 stood at 2,283,403 hours (excluding AVTOVAZ) and 3,126,052 hours (including AVTOVAZ). The breakdown of training hours by Region was as follows:

BREAKDOWN OF TRAINING HOURS BY REGION

Region/training hours	**2020**	2019
Americas	142,938	144,100
AMI - Pacific	365,928	374,492
China	9,029	439
Eurasia including AVTOVAZ	1,371,008	2,548,425
Eurasia excluding AVTOVAZ	528,359	708,338
Europe (excluding France)	667,319	923,319
France	569,830	939,094
Total excluding AVTOVAZ	2,283,403	3,089,782
Total including AVTOVAZ	3,126,052	4,929,869

Within the 10 major countries, training hours carried out in 2020 broke down as follows:

NUMBER OF TRAINING HOURS IN THE 10 MAJOR COUNTRIES

Training/country	Argentina	Brazil	Korea	Spain	France	India	Morocco	Romania	Russia (including AVTOVAZ)	Russia (excluding AVTOVAZ)	Turkey
Total hours 2016	45,400	71,538	118,164	641,874	844,738	158,277	118,621	465,297		97,998	379,383
Total hours 2017	40,459	65,271	113,246	649,328	998,064	210,494	131,912	432,594		128,996	343,632
Total hours 2018	78,522	95,564	100,549	636,649	948,324	194,636	175,434	418,138	1,751,056	158,617	344,705

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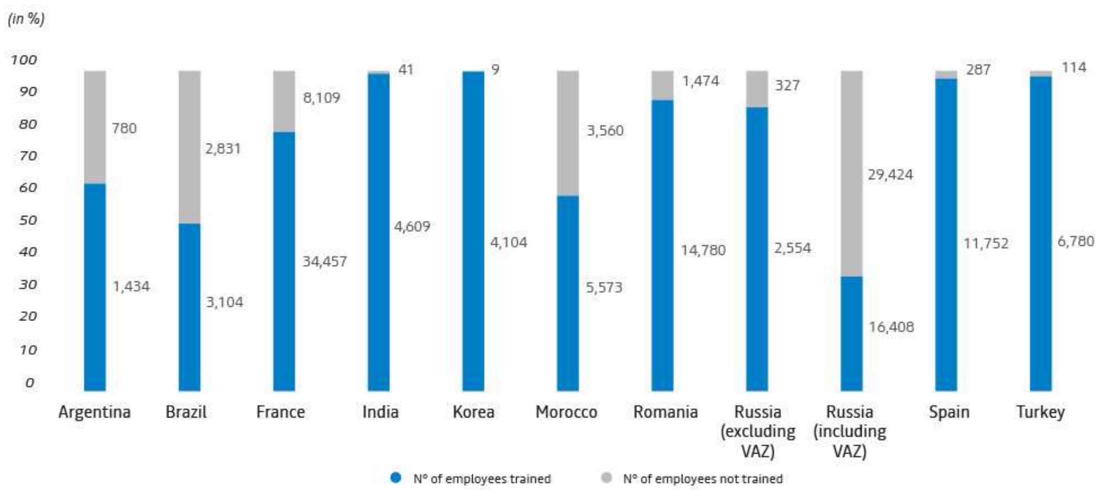
Total hours 2019	50,651	55,185	73,846	587,146	939,094	113,505	172,724	278,388	1,964,076	123,989	304,854
Total hours 2020	36,549	66,743	67,231	509,790	569,830	192,659	99,232	203,077	904,080	61,431	263,518

The general decrease in the number of training hours is largely due to the pandemic and the impossibility of organizing a significant number of face-to-face training sessions throughout the year (punctuated by periods of lockdown). Some of the training sessions were organized remotely, also leading to a reduction in the number of training hours to adapt the content to this format. The rise in digital training was confirmed with the number of hours of digital training increasing 1.9-fold between 2019 and 2020 to reach a total of more than 343,847 hours for the Group (180,000 hours in 2019). AVTOVAZ was strongly penalized by the postponement of many face-to-face training courses, which were only able to resume at the end of 2020.

TRAINING ACCESS RATE AND AVERAGE TRAINING HOURS PER EMPLOYEE

In 2020, the overall training access rate (excluding AVTOVAZ) was 83% (69.7% including AVTOVAZ). The average training time (excluding AVTOVAZ) was 17.6 hours per employee (17.9 hours including AVTOVAZ).

Quarterly monitoring is performed within the major entities of the Group's 10 major countries representing 91.6% of Groupe Renault's registered workforce. The training access rate for these 10 major countries (excluding AVTOVAZ) was 83.6% (68.8% including AVTOVAZ):



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III. STATE OF BUSINESS

1. MANAGEMENT POLICIES, MANAGEMENT ENVIRONMENT AND PROBLEMS TO BE DEALT WITH, ETC.:

This section contains forward-looking statements, which are based on the judgment as of December 31, 2020.

The Group's Strategy

Following approval by the Board of Directors on January 14, 2021, Luca de Meo, Groupe Renault CEO, presented Renaulution, a new strategic plan, which aims to shift Groupe Renault's strategy from volume to value.

This strategic plan is structured in three phases that are launched in parallel:

- "Resurrection", running up to 2023, will focus on margin and cash generation recovery;
- "Renovation", spanning up to 2025, will see renewed and enriched line-ups, feeding brand profitability;
- "Revolution", from 2025 onwards, will pivot the business model to tech, energy and mobility; making Groupe Renault a frontrunner in the value chain of new mobility.

The Renaulution plan will restore Groupe Renault's competitiveness by:

- taking the "2o22 plan" [19] one step further, driving efficiency through engineering and manufacturing, to reduce fixed costs and to improve variable costs worldwide;
- leveraging the Group's current industrial assets and electric leadership in Europe;
- building on the Alliance to boost our reach in products, business and technology coverage;
- accelerating mobility, energy-dedicated and data-related services;
- driving profitability through four differentiated Business Units based on empowered brands, customers and markets oriented.

A **new organization will roll-out this plan**:

- **the functions**, with engineering at the forefront, are accountable for the competitiveness, costs and time-to-market of the brand products;
- the fully-fledged, clear and differentiated **brands** manage their profitability.

In accordance with this value-driven organization, the company will no longer measure its performance on market shares and sales but on profitability, cash generation and investment effectiveness.

The Group has set new financial objectives:

- by 2023, the Group to reach more than 3%, around €3 billion in cumulative Automotive operational free cash flow[20] (2021-2023) and investments (R&D and capex) reduced to approximately 8% of revenues;
- by 2025, the Group aims for at least 5% group operating margin, about €6 billion in cumulative automotive operational free cash flow[20] (2021-2025), and an improvement in ROCE[21] of at least 15 points compared to 2019.

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19 The "2o22 plan" to reduce fixed costs by more than €2 billion over three years was presented on May 29, 2020.
20 Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly-listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.
21 ROCE= Auto Operating Profit (incl. AVTOVAZ) x (1- average tax rate)/(PP&E + intangible assets + financial assets - investments in RCI/Nissan/Daimler + WCR)

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The Renaulution plan will ensure the Group's sustainable profitability while keeping on track with its Zero CO_2 footprint commitment in Europe by 2050.

The Renaulution plan includes the following main elements:

1. Acceleration of the efficiency of functions, which will be accountable for competitiveness, costs, development time and time-to-market.

- Engineering and manufacturing efficiency, speed and performance, boosted by the Alliance:
- rationalization of platforms from six to three (with 80% of Group volumes based on three Alliance platforms) and powertrains (from eight to four families),
- all models to be launched on existing platforms will be in the market in less than tree years,
- rightsizing manufacturing footprint from 4 million units in 2019 to 3.1 million units in 2025 (Harbour standard),
- reinvented efficiency with suppliers;
- steering of the Group's international footprint towards high margin business: notably in Latin America, India and Korea while leveraging our competitiveness in Spain, Morocco, Romania, Turkey and creating more synergies with Russia;
- strict cost discipline:
- fixed cost reduction: the "2o22 plan" achieved earlier and pushed further by 2023 to reach €2.5 billion, and target €3 billion by 2025 (including fixed cost variability),
- variable costs: €600 improvement per vehicle [22] by 2023,
- decreasing investment (R&D and Capex) from around 10% of revenues to below 8% by 2025.

All these efforts will strengthen the Group's resilience and lower its break-even point by 30% by 2023.

2. Four Business Units with strong identity and positioning. This new model will create a rebalanced and more profitable product portfolio with 24 launches by 2025 - half of them in the C/D segments – and at least 10 full EVs.

This new value-driven organization and product offensive will drive a better pricing and product mix.

Renault, *la Nouvelle vague*

The brand will embody modernity and innovation within and beyond the automotive industry in energy, tech and mobility services, for example.

As part of its strategy, the brand will lift up its segment mix with a C-segment offensive and will strengthen its positions in Europe, while focusing on profitable segments and channels in key markets such as Latin America and Russia.

The brand will lean on our powerful assets:

- leader in electrification by 2025 with an "Electro pole", potentially in the north of France, the Group's largest EV manufacturing capacity worldwide:
- hydrogen joint-venture from fuel-cell stack to vehicle,
- "greenest" mix in Europe,
- half of launches in Europe being full EVs, with higher margin contribution than ICE (in €),
- challenger in hybrid market with 35% hybrid mix;
- high-tech Ecosystem assembler: becoming a player in key technologies from big data to cybersecurity, with the "Software République";
- leader in circular economy with EV & energy-dedicated services through Re-Factory in Flins (France).

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22 *Mix unchanged.*

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Dacia-Lada, *Tout. Simplement*

Dacia, will stay Dacia with a touch of coolness, and Lada, still rough and tough, will continue to offer affordable products, based on proven technologies targeting smart buyers, while breaking the C-segment glass ceiling.

- Super-efficient business models:
- design-to-cost,
- improved efficiency: from four platforms to one,18 body-types to 11, increasing average production from 0.3 million units/ platform to 1.1 million units/platform;
- revamped competitive line-up breaking into the C-segment:
- seven models launched by 2025, two in the C-segment,
- revival of iconic models,
- CO_2 efficiency: leverage Group tech assets (LPG for both brands, E-TECH for Dacia).

Alpine

Alpine will combine Alpine cars, Renault Sport Cars and Renault Sport Racing into a new, fully-fledged, lean and smart entity, dedicated to developing exclusive and innovative sportscars.

- 100% electric product plan to support brand expansion through:
- leveraging the scale and capabilities of Groupe Renault and the Alliance with the CMF-B and CMF-EV platforms, a global manufacturing footprint, a powerful purchasing arm, a global distribution network and RCI Bank and Services financial services, all of which will ensure optimum cost competitiveness,
- F1 at the heart of the project, renewed commitment to the championships,
- developing a next-generation EV sports car with Lotus;
- aiming at being profitable in 2025, including investment in motorsport.

Mobilize, beyond automotive

This new business unit aims at developing new profit pools from data, mobility and energy-related services for the benefit of vehicle users and to generate more than 20% of group revenues by 2030.

Mobilize will enable Groupe Renault to jump faster into the new world of mobility, providing solutions and services to the other brands and external partners.

- Three missions:
- more time-use of the car (90% unused),
- better residual value management,
- aim of zero carbon footprint;
- a unique, accessible and useful offer:
- four purpose-designed vehicles, two for carsharing, one for ride-hailing, one for last-mile delivery,
- innovative financing solutions (subscription, leasing, pay-as-you-go),
- dedicated data, services and software platform,
- new maintenance and refurbishment services (Re-Factory).

The ecological challenges

There is now a consensus on the magnitude of environmental challenges and the urgency of finding solutions. These challenges profoundly affect all economic activities and notably mobility. Beyond the

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expectations of the stakeholders regarding the transport sector, the ability of Groupe Renault to propose innovative solutions also provides new economic opportunities and boosts competitiveness.

The automotive industry needs to address major environmental issues:

- climate change related to greenhouse gas emissions, for which the Paris COP 21 agreement has plotted an ambitious reduction path;
- resources, the limited availability of which implies changing modes of production and use;
- health, a major concern (particularly in cities), which requires reduction of pollutant emissions.

To respond to these challenges, the Group's environmental strategy is based on three levers for transforming individual mobility, which are real drivers of competitiveness:

- the electric vehicle and services provided by batteries to the energy sector, notably through their second life use and smart recharging systems which can accelerate the transition to renewable energies;
- the circular economy, for which the Group can rely on a complete industrial ecosystem for recycling and remanufacturing and which constitutes, for the most strategic or critical materials, both a response to the environmental challenge and an economic asset;
- new electric and shared mobility services, which are designed to be integrated into urban travel plans, providing benefits by reducing congestion, improving air quality and the efficient use of resources.

These areas are fully in line with the new Renault strategic plan presented in January 2021, which provides for the launch of 10 new electric vehicles by 2025, and the transformation of the Flins site into a Re-factory, the first European circular economy plant dedicated to mobility, and the creation of the Mobilize business unit, which aims to develop mobility and energy services.

Groupe Renault has undertaken to achieve carbon neutrality in Europe by 2050, and has therefore integrated into its strategic approach the ambitions for 2030-2040-2050 presented in the Green Deal for Europe, published in November 2019, which aims to make Europe the first area to commit key sectors of activity (including mobility) to a path compatible with the objective of limiting global warming to 1.5°C. The scenarios for achieving carbon neutrality by 2050 for the mobility sector that underpin this ambition have been set out for the Group in terms of the vehicle offer and powertrain mix, in terms of the outlook for battery development (chemistry, production conditions and associated services), in terms of material/materials issues and the circular economy, and in terms of operations in plants and the supply chain.

In the shorter term, the Group aims to reduce the carbon footprint of its vehicles by 25% by 2022 compared with the 2010 level (see II-3-(3)-C-“Energy and climate change”), and is committed to reducing the environmental impacts of its products throughout their life cycle from generation to generation.

This voluntary and proactive effort is not just the result of Renault’s historical commitment to sustainable development benefiting the greatest number of people. Environmental performance has increasing financial implications and is a determining factor in the Company’s competitiveness, as demonstrated by the second pillar of Groupe Renault’s Environmental Policy.

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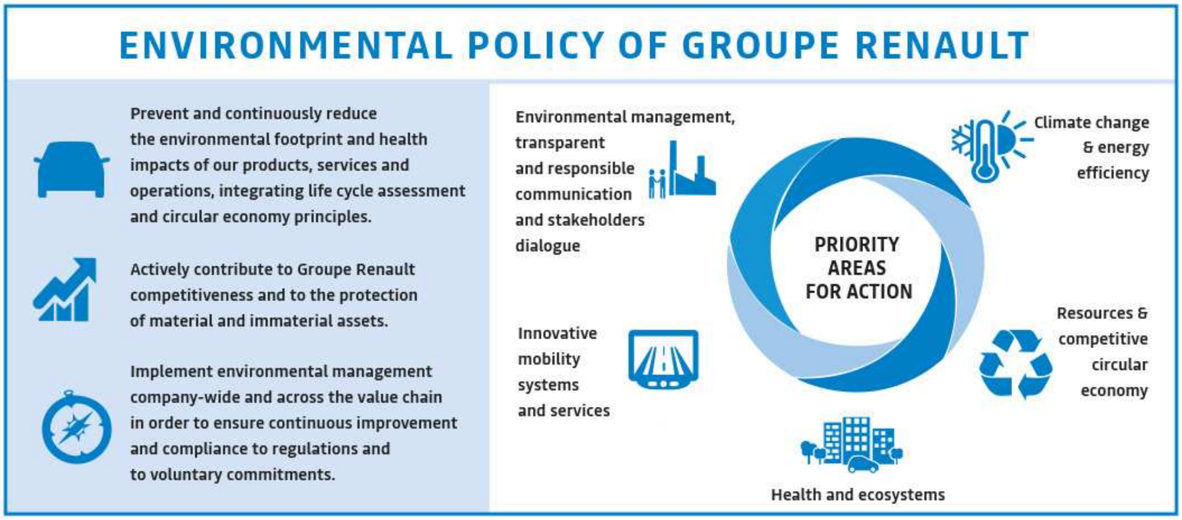

For details, please refer to II-“3. CONTENTS OF BUSINESS” and “3. ANALYSIS BY MANAGEMENT OF STATE OF FINANCIAL CONDITION, OPERATING RESULTS AND CASH FLOW” below.

Our action in response to the COVID-19 crisis

Heavily committed since the outset of the crisis, Groupe Renault has taken exceptional measures and rolled out a major solidarity plan, considering that it has a responsibility to act with all of its stakeholders, and first and foremost with its employees, customers and partners.

Top priority: ensuring the health and safety of our employees, customers and partners

From mid-March, the Group adapted its organization, in accordance with the instructions of the public authorities, implementing the appropriate health measures and suspending its commercial and industrial activities in most countries. Measures restricting access to Group sites and suspending business travel were adopted everywhere. For tertiary functions, telework was generalized and widely developed during this unprecedented period.

In the sales network, employees – strictly applying the protocol of the reinforced measures set up by the Group – mobilized to provide service and after-sales activities to fix, maintain and repair medical, firefighting and police vehicles, as well as those needed to maintain the continuity of public services.

Significant internal communication dedicated to the unfolding health situation has been provided on a permanent basis since the beginning of the crisis, notably via the Group's intranet portal, but also by e-mail, managerial information kits, notifications on the "Inside R" smartphone app, and posters. Information on COVID-19 safety precautions was widely communicated to employees throughout the Group.

In France, all sites have been structured locally since March to manage the health plan, and health committees bringing together all the players (HR, general services, safety, medical, communication, *etc*.) have been set up on each one.

At the beginning of April, after a presentation to the Group Works Council, the Company implemented a **global health reference framework** drawn up by the occupational physicians and health services, and the HSE (Health, Safety and Environment) department. It lays down 11 conditions for the gradual return of employees to their site and four prerequisites before any employee can return to the workplace. The reference framework has been applied nationally and adapted in line with local conditions. Health measures include the provision of masks for work and for commutes, the provision of hand sanitizer and the redesign of certain work areas.

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In addition, **the Group has set up a mask production line, certified to current standards, to meet its needs and guarantee the health and safety of its employees at all sites and throughout the sales network in Europe** (industrial and tertiary sites, the Renault dealership network and the private network). This production unit, located at the Renault plant in Flins (France) since May, launched production in July. **It enables the production of up to 1.5 million surgical masks per week** in compliance with the Group's safety standards.

Gradual and secure resumption of activity in April

From mid-April, production and commercial activities gradually resumed, with the systematic implementation of health measures adapted to the development of the epidemic and local laws, and priority going to employee health and safety.

The upturn in activity initially took place with a very limited workforce and a very gradual increase in production rates in plants. In the network, digital showrooms have been developed (with a live chat between customers and salespeople in the United Kingdom and Italy, for example).

This gradual and adapted recovery has made it possible to train employees in the new health measures put in place and to give them time to understand their new work environment so that they can resume work with confidence.

In France, the "Solidarity and Future Contract" agreement signed on April 2, 2020 has enabled the Group to adapt its operations to the economic situation through quality social dialogue, in a spirit of solidarity, and again with the aim of protecting the Company and its employees. In particular, it provides for a guarantee of 100% of employees' net pay in the event of recourse to furlough schemes, in return for the deduction of two days' leave to be paid into **the solidarity fund** and one day's leave for each week off work. The central solidarity fund was created under a former company agreement to provide a permanent, centralized reserve of days from which sites using the furlough scheme, for whatever reason, can draw to top up the wages of the employees concerned.

During the **second phase of lockdown**, industrial activity continued, in accordance with the government recommendation that economic activity should be maintained as much as possible. In the Île-de-France region, full telework was re-introduced for all eligible workers and continued into early 2021.

Groupe Renault employees united and committed in the face of the crisis

In the face of the COVID-19 crisis, a vast outpouring of solidarity quickly took shape within Groupe Renault. Throughout the world, the men and women of the Company mobilized to meet the exceptional needs generated by the health crisis, particularly those of healthcare personnel and hospitals.

From Spain to Morocco and Romania to France, the company as a whole has taken action in the form of practical initiatives involving donations or loans of vehicles, but also through the launch of projects for the manufacture of essential equipment to slow the spread of the virus or help the sick.

Initiatives for caregivers

Numerous loans of vehicles were arranged to make it as easy as possible for front-line health workers to fight the epidemic. In **France**, Groupe Renault made nearly **1,300 vehicles** available to such employees at the end of March, including 300 Renault ZOE vehicles from the ZITY car-sharing service in Paris.

In **Switzerland**, the dealer network made around 100 Renault ZOE vehicles available to several emergency organizations (Red Cross, Spitex and Pro-Senectute).

In **Romania**, around 100 Dacia or Renault vehicles were entrusted to the Ministry of Health for hospital staff.

In **Morocco**, 50 LODGY, TRAFIC and MASTER vehicles were specially converted into ambulances to transport patients. In addition, the **Renault Morocco Foundation** donated 100 laptops to the

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Melloussa for Local Development association to support the schooling of young people in disadvantaged areas.

Renault Algérie also lent vehicles to hospitals in Oran and Boufarik and to the health departments in Algiers and Bilda, while the Oran plant manufactured respirator valves and oxygen fittings for the city hospital.

In **Mexico**, a joint initiative between Renault, Nissan and Mitsubishi involved the loan of 25 vehicles to international NGO Doctors Without Borders.

In **Colombia**, Groupe Renault joined forces with local associations to transport food products using the KANGOO Z.E. to underprivileged families and health workers.

In other countries, the Group's partner car-sharing services offered their fleets to the medical profession: this was the case in **Denmark,** with the loan of 400 electric vehicles from the Green Mobility service.

In March, several industrial sites in France, but also in Spain, Portugal and Slovenia, donated around **120,000 masks** (from plant stocks originally intended for maintenance operations) to **health workers**.

Meanwhile, in Russia, AVTOVAZ **donated 6,800 protective suits** to hospitals in Togliatti. And in France, the Flins site offered **300 suits** usually used for painting to the teams at the Mignot Hospital in Versailles, the main intensive care facility in western Paris.

Remarkable solidarity initiatives launched, notably in engineering

In **Spain**, 120 Groupe Renault employees created the **Renault al Rescate** (Renault to the rescue) movement, which formed a genuine chain of solidarity that began making masks using 3D printers. In just four days, more than 4,000 of them were distributed to hospitals and retirement homes in Valladolid, Palencia, Malaga and Jerez.

A similar initiative was also launched by **Renault teams in Brazil.**

In Turkey, Oyak Renault produced protective equipment for health workers at the Bursa plant in collaboration with the provincial health department, including intubation equipment, fever measurement units and mobile sampling and testing booths. A large number of individual employees undertook to make items including visors, masks, hand sanitizer dispensers, overshirts and door pullers, or to staff telephone hotlines or provide other services.

In **France**, many centers and plants (Douai, Sovab, CRP, Cléon, Flins, Le Mans, Villeurbanne, Dieppe, MCA) decided to manufacture visors from injection molds developed at the Technocentre, producing **several thousand units** per week. This experience was shared through dedicated task forces with Renault teams in Romania, Brazil and the Africa – Middle-East – India region so that such initiatives could be swiftly replicated locally. Thanks to its employees, Groupe Renault manufactured **30,000 visors in the first week**.

In France, Groupe Renault joined forces with other companies in **"Makers for Life",** an initiative led by the CEA and supported by the French Government Defense procurement and technology agency and the Ministry of Defense's Defense Innovation Agency, **to design a low-cost, emergency respirator for series production.**

In this context, **a team of Renault and Renault Sport Racing engineers** designed several parts specifically for the project, in particular the **blower**, an engine component that supplies the respirator with compressed air. These engineers also developed a virtual digital lung model that allows the physical and software design of the ventilator to evolve rapidly by simulating a range of clinical cases. The Group's exceptional network of many skills – notably mechanical, electrical and electronic engineering, product-process design, manufacturing and logistics, Renault medical experts, quality, purchasing, industrial property and management control – was a determining factor in optimizing the design of the ventilator and making it compatible with large-scale production. **Some 15 artificial respirator prototypes were manufactured at the Prototype production center at the Technocentre in Guyancourt.**

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The developments of the MAKAIR RE20 ventilator specific to Renault (including the 11 patents filed) were made available under a free open-source license, via the Github open-source platform, to enable players in crisis situations to manufacture this model of artificial respirator cheaply. Similar projects also emerged in Spain and Romania. Most often collective, they demonstrate the importance of complementary know-how and the value of open-source data sharing.

The health crisis has also led to a shortage of **syringe pumps** that can continuously administer an average of four medications per patient. To help fill the gap in intensive care units, a team hailing mainly from the engineering and design departments and working at the Guyancourt, Aubevoye and Nice sites worked with the hospitals of Bichat-Claude Bernard, La Pitié-Salpêtrière and the Paris public hospital system (AP-HP) to produce a prototype electric syringe pump and studies for the series production, validation and approval of the product by the medical authorities. It was a feat achieved in record time and hailed by the AP-HP's General agency for health equipment and products (AGEPS). Here too, all plans and software were made available free of charge to the scientific community via the Github open-source platform.

Meanwhile, **the Renault Foundation** was not inactive. It provided financial support to the **Fondation des Hôpitaux de France-Hôpitaux de Paris** to help the families of people severely affected by the virus. It also opened an "All mobilized against COVID-19" page on its website in order to relay solidarity initiatives from associations or NGOs and to inform readers about the ways they can get involved in the fight against COVID-19.

2. RISKS IN BUSINESS, ETC.

This section contains forward-looking statements, which are based on the judgment as of December 31, 2020.

In the course of its business, the Renault Group is exposed to a number of risks that can affect its assets, liabilities and financial performance. The outline of the main risks and the details on how they are managed can be found in “RISK MANAGEMENT” below.

RISK MANAGEMENT

Groupe Renault risk factors

Groupe Renault identifies risk factors to which it is exposed using its formal risk management approach. You are reminded that the Group comprises the following operating divisions: Automotive excluding AVTOVAZ, which includes Groupe Renault's automotive activities (hereafter known as “Automotive”), AVTOVAZ, which includes the AVTOVAZ group and its parent company, Alliance Rostec Auto B.V., Sales Financing (the RCI Banque group and its subsidiaries), and Mobility Services, which brings together new mobility service activities under the Renault M.A.I. holding company. Each of these has its own risk management system, which is used to keep the risks related to its activities under control. These systems are described in V-3-(1)-“Group internal control and risk management system”. The Risk Management department carries out a summary to obtain an overview of the risks to which Groupe Renault is exposed. For AVTOVAZ, the risk management system is unique, based on methodologies that are widely shared with Groupe Renault with a view to gradual harmonization and increasing maturity.

This identification of risks is based on assessments of residual impact and probability of occurrence (after taking into account the management plans), the product of these two terms defining criticality. For risk factors whose criticality for the Group is high, we specify which factor is decisive in this criticality (e.g. "impact > probability") or whether the impact and probability contribute evenly ("impact = probability").

Risk factors presented in this section are those identified by the Group as significant factors that could, at the horizon of its medium-term strategic plan, have a negative impact on its image, its assets, the conduct of its activities and the achievement of its objectives, and whose criticality is rated at the highest levels on the Group's risk scale. The risks have been included in this analysis. Depending on their materiality, they fed into the description of certain risk factors. This is the case, for example, with risks related to global warming, the protection of personal data or supplier relations.

It cannot however be ruled out that other risk factors currently considered insignificant or not identified could in the future adversely affect the Group. Potential evolutions in the mid-term strategic plan of the Group may also induce changes in the nature or relative weight of risk factors. It should actually be noted that the major risk mapping is updated every year, in close collaboration with the preparatory work and implementation of the strategic plan, so that the plan integrates the appropriate action plans designed to respond to the operational or strategic risks identified.

The major risk factors resulting from the Group's analysis for all of its operating segments are summarized in the following table and presented below. In each of the five categories, risk factors with the higher criticality levels are described at the beginning.

RISK FACTORS FOR GROUPE RENAULT

		CRITICALITY LEVEL	
		MEDIUM	HIGH
STRATEGY	Risk of insufficient performance of the Alliance	■	■
	Risk of insufficient response to disruption of existing activities	■	
	Risk of natural, health or industrial disasters	■	
OPERATIONS	Risks related to geopolitical instability and economic conditions	■	■
	Risk of insufficient capacity to restore margins	■	■
	Risk of supply chain interruption	■	■
	Risk of natural, health or industrial disasters	■	
PRODUCTS AND SERVICES	Risk of inadequate product and service definition or execution	■	■
	Risk of inadequate innovation in relation to market expectations	■	■
	Risk of product or service quality defects	■	
	Risk of insufficient reinforcement of the Renault brand	■	
CROSS-GROUP RISKS	Risk of inadequate innovation in relation to market expectations	■	■
	Risk of non-compliance with laws and regulations	■	
	Legal risks	■	
FINANCIAL RISKS	Liquidity risk	■	■
	Foreign exchange risk	■	
	Customer and network credit risk	■	
	Bank counterparty risk	■	
	Interest rate risk	■	
	Risk of decrease of residual value	■	

In the following descriptions, this logo identifies the risk factors on which global warming has a significant impact.

Risks related to strategy

Risk of inadequate performance by the Alliance - *high risk with impact > probability*

The Group's membership of the Renault-Nissan-Mitsubishi Alliance brings a major contribution to the success of the Group and its strategic plan. In the context of its members' deteriorating financial performance and the global health crisis, the Alliance's member companies have focused their strategy on efficiency and competitiveness rather than volumes. This situation, in the context of the Alliance governance in place since March 2019 (see II-3-(2)-"Functioning of the Alliance in 2020"), could result in a risk of insufficient performance due to reduced or less optimal sharing within the Alliance of platforms, technologies and, more generally, the investments necessary for the development of product ranges, which would jeopardize the future competitiveness of the Group's offering and the achievement of its revenues and earnings targets. In addition, the product cycle and the transition towards the end of diesel could also result in a decline in business volumes between Nissan and Renault. Lastly, Nissan's financial position could limit the distribution of dividends to the Group for this year, as was the case in 2020.

Risk management

The Alliance Operating Board (AOB), created on March 12, 2019, is responsible for operational coordination between Renault, Nissan and Mitsubishi Motors and for new initiatives creating value for their respective shareholders and employees. On May 27, 2020, the Alliance announced the new cooperation business model in order to improve the competitiveness and profitability of its three member companies. Alliance partners use the leader-follower model to enhance the efficiency and competitiveness of vehicles and technologies. Each member becomes a reference in the regions where it has the best strategic assets, and acts as a facilitator and provider of support for the competitiveness of the other members.

The announcement of the upcoming launch of the MEGANE eVision on the shared CMF-EV platform also used by Nissan is an illustration of essential synergies and joint developments. In addition, under the new strategic plan announced on January 14, 2021, the aim is to derive 80% of the Group's volumes from three Alliance platforms. Alliance members ensure they are always at the forefront of the industry in terms of their performance, products, technologies and markets, while continuing to benefit from joint purchasing and development.

Risk of insufficient response to a disruption of existing activities - *medium risk*

The proportion of business carried out by digital means is steadily increasing and could lead to the disruption of existing activities by favoring disintermediation through the arrival of new players attracted by the direct contact with customers. This trend is emerging in businesses linked to new mobility (car-sharing, connected services, *etc*.), but also in existing and traditional sectors of sales of services or automotive products, sales and after-sales, used vehicles and sales financing, which represent a significant part of our profitability (the contribution of the Sales Financing operational segment to Groupe Renault's consolidated net income is a profit of €789 million in 2020).

The different forms of lockdown related to the COVID-19 pandemic have only reinforced this. The risk for Groupe Renault is that part of its business or value chain may be captured by these new players (which may come from the world of technology), positioning themselves between Groupe Renault and its customers.

Risk management

Groupe Renault has always paid close attention to customer relations, both directly and through its subsidiary RCI Banque, which has direct and regular contact with its customers. In addition, on September 3, 2020, Groupe Renault announced its reorganization around its brands into four Business Units (see II-"3. CONTENTS OF BUSINESS"), each of which will focus on value creation and concentrate resources on market segments and associated customer expectations.

Specific action plans have been put in place by the after-sales business line, RCI Banque and Mobility Services to reduce the risk of disintermediation in the medium term. The aim is to propose innovative offers to customers, including new mobility services in order to increase contact with customers throughout the vehicle's life cycle.

The Group is also pursuing its digital transformation, notably through its subsidiary Renault Digital, in order to develop the agile tools and organizations needed to be competitive.

Risk of insufficient capacity to develop new businesses - *medium risk*

Against a background of deep and sustained transformation in demand and the mobility offerings, in line with societal changes and environmental and climate issues, Groupe Renault could be faced with an inadequate ability, within a given timeframe, to change its business model, to anticipate and adapt to changes and possible disruptions of markets, mobility offers and related value chains, and thus to develop new business. This could lead to lower revenues than the objectives over the affected portions of the Group's commercial offering, as a result of a lack of innovation and inadequate preparation for its future, beyond the deadlines of the current strategic plan.

Risk management

The Group's strategic plan aims to make this risk an opportunity by mobilizing (if necessary through the use of new organizations) the resources of the Group, the Alliance, RCI Banque, targeted partnerships and acquisitions, so as to structure a strong and innovative sustainable, electric, autonomous and connected mobility offer. These innovative service offerings will be housed within the automotive brands, but also within the new Mobilize Business Unit, whose scope goes beyond the traditional framework. The recent decision to create this Business Unit paves the way for the future: Groupe Renault is aiming to derive more than 20% of its revenues from new businesses by 2030. The November 25, 2020 announcement of the Re-Factory project in Flins, Europe's first circular economy plant dedicated to mobility, is another example of the ongoing transformation into innovative offers.

Risks related to operations

Risks related to geopolitical instability and economic conditions - *high risk with impact ≈ probability*

The Group has industrial and commercial operations in a large number of countries (see II-3-"(2) THE ALLIANCE" and 3-"(1) OUTLINE OF RESULTS OF OPERATION, ETC." below). Some of these countries may present specific risks that could have an adverse impact on the Group's industrial and commercial operations, sales, revenues, income statement or balance sheet, despite a geographical spread of sales that limits the overall impact of regional contingencies while taking advantage of opportunities. These risks and opportunities may relate to the changing economic related situations, political or regulatory instability, social unrest, protectionism, nationalizations, fluctuating interest rates and exchange rates, lack of foreign currency liquidity or foreign exchange control measures. In 2020, the risks were also health-related, in relation with the COVID-19 pandemic and its consequences, such as the numerous production unit, suppliers site and customer sales point shut-downs. The health crisis has also contributed to the deterioration of the economic situation. These disruptions were experienced on all markets by most of automotive industry actors. Groupe Renault and the industry remain exposed to the risk related to geopolitical instability and economic conditions and its consequences depending on the evolution of the health situation.

Specific risks

Europe

The Group's activities remain heavily dependent on the European market, which in 2020 represented approximately half of its sales (see the Group's worldwide sales in II-3-(1)-A.-"(II) Internationalization of the Group - Sales figures" and the breakdown of sales in the Europe Region).

Eurasia

In Turkey, the Group is exposed to geopolitical risk, and macroeconomic and regulatory instability. As a result, the market is highly volatile, leading the Group to implement a risk management policy aimed at combining the short-term adaptability of its production system and the preparation of alternative solutions for the main logistics flows. Turkey accounted for less than 5% of Groupe Renault sales and just over 11% of production in 2020 (see II-3-(1)-A.-"(II) Internationalization of the Group - Sales figures" and "(IV) Main manufacturing sites - production figures" for sales and production figures for 2019, as well as II-3-(1)-"B. Nissan, AVTOVAZ, partnerships and cooperations" for the renewal of the partnership with Oyak).

In Russia, the Group ensures, through its various sites and via the AVTOVAZ group, a major player in the Russian market (see II-3-(1)-A.-(I)-paragraph Lada: complete transformation of the range continues and II-3-"Detailed organization chart of the consolidated Group as of December 31, 2020"), a management aligned as closely as possible with fluctuations in the economic environment. This management, which is likely to affect sales volumes (which represented 13% of the Group's sales in 2020), revenues and profits (see II-3-(1)-A.-"(II) Internationalization of the Group - Sales figures" for sales and II-3-(1)-"B. Nissan, AVTOVAZ, partnerships and cooperations" for the 2020 results), includes the consideration of:

- risks related to the political and economic situation (economic sanctions or other factors of instability resulting in changes in government policy in support of local integration and export assistance);
- risks related to changes in customs regulations;
- risks related to the situation of local suppliers.

Stronger local integration also remains a priority at all production facilities. In 2020, production at the sites in Russia represented slightly less than 19% of Groupe Renault's production (see II-3-(1)-A.- "(IV) Main manufacturing sites - production figures").

Americas

In a volatile political and economic environment that has worsened with the global health crisis, the main countries in the region have been impacted by exchange rates and falling GDP. The automotive market fell as a result, and the Americas region accordingly rolled out a vigorous plan in 2020 with the restructuring of industrial capacity accompanied by a reduction in headcount, the elimination of unprofitable sales and higher price increases than the market. These measures helped offset most of the exogenous impacts from the time the market recovery started in the second half of 2020. The subsidiaries benefit from an increasingly optimized structure that should make it possible, if necessary, to face further turbulence in 2021 or benefit fully if there is an economic recovery. In this plan, sales in the Americas accounted for less than 9% of Groupe Renault sales in 2020, compared with more than 11% in 2019.

Africa, Middle-East, India, Pacific

In Iran, US sanctions continued to apply throughout the year, preventing the import of all foreign components for vehicle production in the country (see II-3-(1)-"B. Nissan, AVTOVAZ, partnerships and cooperations").

In Algeria, faced with an economic crisis and diminishing foreign exchange reserves, the public authorities have blocked since early 2020 all imports of components for vehicle production, which has halted production (see II-3-(1)-A.-"(II) Internationalization of the Group - Sales figures" and "(IV) Main manufacturing sites - production figures" for sales and production, II-3-(1)-"B. Nissan, AVTOVAZ, partnerships and cooperations" for partnership data, and II-4-"(2) SUBSIDIARIES"). Groupe Renault has taken measures to safeguard its local assets, with a structured plan to adapt the workforce and shut down the RAP plant in Oran. The site has been preserved, and will be able to resume for the needs of the Group when the broader context allows.

Risk management

In terms of industrial locations, the Group's geographical choices are made taking into account the risks of instability built into a global industrial approach in order to ensure risk diversification. Manufacturing investments represent a major part of the Group's exposure to political risks. Country risk related to manufacturing and financial investment is in principle not hedged, but the risk of non-achievement of objectives is included in the expected profitability calculation. From an operational standpoint, the Group continuously increases the level of local integration in order to reduce the impact of political and foreign exchange risks and make its products more competitive.

In addition, the Group hedges against the risk of non-payment for most payments originating from high-risk countries. The main exceptions relate to intra-Group sales, sales to industrial partners and to countries for which there is no possible hedging. Residual country risk is regularly monitored.

In order to centrally manage the risk of non-payment and put in place hedges on competitive terms, the Group has designed a "hub and spoke" invoicing system. Manufacturing subsidiaries sell their exported production to Renault s.a.s, which sells it on to commercial subsidiaries and independent importers,

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granting them supplier credit. The associated risk is managed by the parent company. Some sales between countries covered by customs agreements do not use this system, however.

As for the consequences on economic conditions of the COVID-19 pandemic, starting from the very first restrictions, Groupe Renault has implemented multi-functional crisis management cells, which convened on a daily basis at the start of the health crisis, weekly later, to define in a coordinated and hands-on manner the reactions to be implemented within the company, but also upstream with suppliers and downstream with network and customers. The Group has adjusted several of its processes to improve its reactivity to present and future consequences of the pandemic or any other similar systemic crisis. For example, the commercial demand versus industrial response balancing process was able to operate efficiently on a weekly rather than monthly basis. This flexibility in closely shadowing market evolution is paramount in Groupe Renault's strategy in order to protect employees, optimize financial performance and seize all possible opportunities.

Risk of insufficient ability to restore margins - *high risk with impact > probability*

Restoring financial performance is a priority for Groupe Renault, as announced on May 29, 2020 when the 2o20 plan was released. Despite internal control systems, installed production capacities are greater than the volumes sold, product costs have ballooned under the effect of regulations and technological choices that are not financially efficient enough to offset this increase, and overall profitability suffers from the Group's exposure to unprofitable countries and reduced presence in profitable segments such as the C and C+ segments. The rapidly changing competitive environment could result in an inability to restore the margins needed to finance the investments of the medium-term strategic plan announced on January 14, 2021.

Risk management

In the Renaulution plan announced on January 14, 2021 (see 1-"The Group's Strategy" above), cost-cutting targets were strengthened. The "2o22 plan" announced in May 2020, which targeted a reduction of more than €2 billion in fixed expenses over three years compared with 2019, has been accelerated and extended to €2.5 billion by 2023, with a target of €3 billion by 2025. The plan also provides for a reduction in variable expenses of €600 per vehicle by 2023. To tighten its cost control and financial performance within the framework of these objectives, Groupe Renault appointed a Chief Turnaround Officer at the end of 2020, tasked with restoring profitability in the short and medium terms. His scope for action and decision-making is based on the four pillars of profitability: variable costs, revenues, fixed costs and working capital.

Risk of supply chain interruption - *high risk with impact > probability*

The Group's business relies heavily on a complex system of supply and delivery chains, both upstream and downstream of its production facilities. Various components of these supply chains could prove to be defective, despite the existing control system, the characteristics and strengthening of which are described below. Such breakdowns could lead to technical, planning or economic inefficiencies, or even interruptions in vehicle production, transport and/or delivery to distribution networks and end-customers, with negative consequences for the Group's sales, revenues, profits or customer satisfaction. These potential interruptions may be either internal – due in particular to the interdependence underlying the Group's industrial network (see II-3-(1)-A.-"(IV) Main manufacturing sites - production figures") – or external, as seen in the COVID-19 health crisis, and can be analyzed according to the following typology:

- supplier default;
- interruption in supply or transport systems;
- interruption in supply of raw materials.

Supplier default

Groupe Renault relies on a tier-one supplier base comprising more than 800 parts supplier groups and more than 400 service providers, with which it maintains significant business relationships. These suppliers may present risks of interruption in the design and production of compliant quality parts, in

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meeting delivery deadlines, in providing the necessary production capacity and in the financial, strategic, industrial, social and management, supply chain, sustainable development and compliance fields.

Due to the COVID-19 pandemic and the accelerating decline in diesel engines, 2020 saw a further weakening of the supplier base in all of the countries where Groupe Renault operates. These factors have contributed to the significant increase in the number of suppliers at risk. At the end of 2020, this proportion, usually between 5% and 10%, was between 10% and 15%.

However, the implementation of support measures for industry, in all countries around the world and in particular in France (State-guaranteed loans (PGE), coverage of tax and social security expenses, *etc*.) has enabled the supplier base not to suffer from multiple interruptions and domino effects. The supplier base has nevertheless increased its debt, which makes it more vulnerable over the long term.

These difficulties have been observed in all of the Group's sourcing countries, with the situation looking worse in Germany, the United Kingdom, Spain and South America, compared to the stronger resilience of the Turkish, Indian, Russian and, thanks to the action of the public authorities, French supplier bases.

At the start of 2021, breaks in the supply chain for electronic components appear in the industry, particularly the automotive industry, and lead to production interruptions. The consequences of these ruptures for the Groupe Renault are analysed in real time and decisions are taken to limit their impact. Risk management systems are also mobilized for this purpose. As of March 15, 2021, which is the filing date of the Universal Registration Document, we expect that production losses will occur mainly in the first half, with a catch-up in the second half. We have assumed the risk of a net loss of around 100,000 vehicles over the year. We are working with our suppliers to reduce this risk, but cannot rule out the possibility of additional factors arising in this complex chain.

Risk management

The Group applies and reinforces a comprehensive risk management system:

- prevention policy designed to make suppliers accountable for their own risks and in particular the compliance and robustness of their own supply chain;
- use of Alliance standards for products in development by suppliers;
- Alliance capability repository process aimed at controlling, within a two-year timeframe, supply risks not covered by the existence of available industrial capacities;
- Alliance process for detecting non-compliance (quality, traceability) of parts delivered;
- monitoring of intrinsic supplier risks: annual multi-criteria ratings, financial and default risks (Alliance grid);
- monitoring of the risks created by the relationship between Groupe Renault (or other customers) and its suppliers by analyzing indicators such as (i) the proportion represented by Groupe Renault or the main customer in revenues, (ii) the supplier's market share in the Group panel, (iii) the range's exposure to individual failure. Vigilance is especially reinforced insofar as Groupe Renault does not have a systematic policy of multi-sourcing;
- implementation of action plans on detection of non-compliance or supplier risk.

The prevention policy concerns both risks under human control such as those listed, and risks outside human control (natural disasters for example). Renault, Nissan and Mitsubishi thus have a business continuity plan program.

All of these risks are dealt with in Purchasing Risk Committees, at Group level and for each local Purchasing department. A specific focus on the impact of the COVID-19 pandemic on the supplier base and its resilience has been set-up in 2020 and will be maintained as long as the consequences of the crisis last. With regard to supply disruptions of electronic components, the Groupe Renault has activated, in accordance with its usual management processes, an internal and external multi-business team which decides on the corrective measures to be implemented to minimize the impact on the production of its plants or on its sales.

Interruption to supply or transport systems

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The risks identified relate to planning, production, transport or delivery interruptions of parts, upstream of vehicle production sites, or vehicles, downstream of these sites, which could impact sales, revenues, profits of the Group or customer satisfaction. Among these risks, we are seeing a steady increase in cybersecurity risk among our logistics suppliers. We have also seen a significant increase of these upstream and downstream units shut-downs in 2020 due to the COVID-19 pandemic related constraints.

These risks, which are assessed in the dual context of the interdependence of the Group's industrial network extended to its global suppliers and the footprint of the distribution network (see in particular II-3-(1)-A.-"(V) The Groupe Renault sales network"), are subject to a comprehensive prevention and protection system whose robustness is constantly being strengthened.

This system, shared within the Alliance, is thus being strengthened, as described below.

Risk management

The Supply Chain is running a "Control Tower" program. Through the roll-out of digital processes and with an end-to-end vision, it aims to manage risks at the appropriate levels of the organizations and to apply consistent methods between the Group's various regions and business lines. The program, which covers the risks of supplier default as well as within the supply and transport system, aims to:

- detect demand through an integrated sales and operational planning process;
- manage supply capacity and supplier default;
- manage the logistics capacities of transporters, warehouses and parks;
- anticipate risks.

In addition, the COVID-19 crisis has demonstrated the ability of the Supply Chain to operate in a short loop to be more responsive to fluctuations in the environment. The commercial demand versus industrial response balancing process was able to operate efficiently on a weekly rather than monthly basis. This experience allowed us to validate the effectiveness of our digital tools. The Supply Chain crisis management system, which has been in place for many years, is the central tool for responding to occasional crises and contingencies (border blockages, weather crises, shortage of means of transport, cybersecurity, *etc*.).

Interruption in supply of raw materials

The risks identified relate to potential supply restrictions (imbalance between supply and demand, sourcing issues, geopolitical disturbances) and raw material prices, the variations in which can be significant and sudden. Purchases of raw materials account for approximately one-third of the total purchasing budget. Three-quarters of such raw material purchases are deemed strategic because they are liable to have a significant impact on production conditions or are experiencing significant imbalances between supply and demand. In addition, in 2020, the COVID-19 pandemic resulted in difficulties related to the production or extraction of materials due to lockdown measures or a shortage of personnel (on precious metals in South Africa for instance), or difficulties in adapting material production capacity to the uncertainties of demand (particularly for steel, with significant tension relating to the resumption of blast furnaces). Measures implemented by the company with its suppliers made it possible to avoid any major impact.

Risk management

Against a backdrop of highly volatile raw material prices and changes in energy mixes (gasoline, diesel, electrified vehicles), Groupe Renault is supplementing its purchasing, technical, monitoring and hedging policies in order to identify and limit supply and cost overrun risks.

For purchasing policies, Groupe Renault continues to develop multi-sourcing for materials such as steel or cast aluminum so as to optimize costs while securing supplies. The Group is also reinforcing the control of materials contained in parts and components through a panel of approved materials and the performance of detailed analysis of material prices in the costing of parts.

In terms of technical policies, the Group is actively working to reduce the use of or to substitute sensitive materials such as cobalt, palladium and rhodium. It continues to also develop the use of recycled materials (precious metals in particular) and the recycling of end-of-life vehicles. The new Re-Factory project in Flins announced on November 25, 2020 is a further step in this direction.

In a forward-looking approach, the Group reassesses its forecasts on a bi-monthly basis for the main indexed and non-indexed items. At the same time, it ensures permanent monitoring of critical materials markets and suppliers.

Finally, to reduce risks and limit exposure to market fluctuations, Groupe Renault negotiates annual raw materials supply contracts whenever possible and appropriate. Furthermore, a systematic hedging policy has been put in place for the main indexed commodities.

Risk of natural, health-related or industrial disasters - *medium risk*

The Group's operating sites, whether manufacturing sites, engineering and testing centers, logistics platforms or even commercial sites are exposed to the risk of industrial accidents, fires, explosions and machine breakdowns. In addition, some facilities (see in particular II-3-(1)-A.-"(IV) Main manufacturing sites - production figures" presenting the main industrial sites) are subject to the risk of natural disasters: earthquakes (particularly in Chile, Turkey, Romania, Colombia, Slovenia and Morocco), but also floods or submersions (particularly in France and Korea), with the latter risks being increased by the higher frequency of external climate events related to global warming.

The occurrence of one of these risks, despite the prevention and resilience policies presented below, could harm people, the environment or the sites concerned and lead to significant disruptions in their ability to operate affected sites – potentially damaging the Group's assets and/or overall performance (sales, revenues, income statement or balance sheet), particularly through industrial interdependencies.

A global pandemic, such as the current COVID-19 pandemic, can result in significant and shifting health threats in countries where the Group operates. Such situations may be accompanied by measures imposing restrictions on the free movement of people and goods, disrupting the opening of sales or after-sales outlets of distribution networks and the smooth running of industrial sites. The main impacts of such situations would be on the health and availability of the Group's personnel and its suppliers, as well as on financial performance (sales, cash flow and cash) and, potentially, the value of certain balance sheet assets.

Risk management

Over the past 30 years, the Group has been committed to implementing and developing an ambitious and rigorous prevention policy (safety of people, property and business continuity). Excluding AVTOVAZ, more than 93% of the assets (industry, engineering and logistics) covered by the "property damage and business interruption" insurance program were awarded the international "Highly Protected Risk (HPR)" label in 2020, which reflects a level of prevention and protection approved by insurance companies. And in a convergent approach, the AVTOVAZ group implements fire protection and safety measures on its sites, including insurance against any risks related to the operation of industrial facilities.

Furthermore, the entire Group is working to increase its resilience capacity in the face of natural disasters. In particular, a specific multi-year plan is being rolled out to optimize the treatment of seismic risk at the sites concerned: reinforcement of buildings and facilities, staff training, specific means of communication, crisis management systems, business continuity and an appropriate insurance program.

With regard to the health crisis, the Group has taken actions, notably through a crisis management system, to protect the health of its employees, in conjunction with the public authorities, preserve its assets and its ability to operate, and to adapt to changes in the situation. The provisions mainly concern specific work organization, management of work interruptions and resumptions in line with local measures and commercial demand.

Risk linked to products and services

Risk of inadequate definition or execution of products and services - *high risk with impact > probability*

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In the continuously changing environment of the automotive markets, regulations, customer expectations and technologies, linked to societal, environmental and climate issues, the Group is exposed to a risk of insufficient match between its product and services offering and the expectations of the various markets, which could adversely impact its sales, revenues or income statement.

Specific risks have been identified relating to:

- the enhancement of the technological content of vehicles and related ecosystems, especially with regard to vehicle connectivity and related services and the development of electrified and, in the longer term, autonomous vehicles (see 5-“The car of the future” below);
- continual increases in the cost of vehicles resulting from more stringent regulations (*e.g.* Euro 7 regulations - see II-3-(3)-A.-“Vehicle manufacturing regulations”), the accounting of which through corrective changes in sale prices could prove excessively difficult, thus weakening the economic balance and the future of certain products;
- the specific and strong ambition of the Group with respect to electric vehicles (see II-3-(1)-A.-(I)-“Groupe Renault's electric range: pioneer and leader in the electric market, Groupe Renault is expanding its product offensive”, and 5-“Research into electric vehicles (EVs)” below), in the context of intense, complex industrial and market dynamics with uncertain timings, in particular conditioned by the development of ecosystems (recharging, battery recycling), and regional regulations (CAFE for example, in Europe – see II-3-(3)-A.-“Vehicle manufacturing regulations”), and increasingly skewed by aid policies;
- the current transition of the powertrain offer, in terms of technologies (gasoline, diesel, electrical hybridization of combustion engines, electrical) and mix. In particular, the choice of hybridization technology, which is particularly sensitive to costs and offers differentiated customer and CO_2 performances, could turn out to be imperfectly adapted or paced, depending on the products and markets, thus potentially going against the overall technological and economic optimization defined by the Group for its CAFE trajectory.

Should the reference assumptions used in the Group's product development decisions be strongly called into question (declining markets, aid policies, segments or volumes, higher investment or unit costs), the Group may have to recognize impairment on fixed assets (investment and capitalized development expenses, depreciated over the life of the vehicle) or book a provision to cover the contractual indemnities to be paid, if any, due to the failure to meet a minimum purchase volume.

Risk management

The definition of the Group’s future products is based on customer studies and analyses of automotive competitors, so that market expectations and developments and industry trends can be identified. It is also increasingly informed, on a global scale, by anticipatory technology watch by all of the Group’s development stakeholders, of the automotive industry and beyond.

The development of new models or components is decided on the basis of this work and an evaluation of the anticipated profitability, calculated over the projected life cycle.

The new brand organization announced on September 3, 2020 should make it possible to better focus needs on customers and brands while controlling product diversity.

From a general perspective, to ensure the robustness of the product plan and keep risks under control, the Group strives to:

- maximize the distribution of the same model in different markets, which reduces its exposure to possible fluctuations in one of these markets;
- offer a varied, balanced Product portfolio that meets customer expectations in different segments and markets, so as to reduce the risk of dependency on a single market, segment or customer type;
- offer a diversified and adaptable engine portfolio (ICE, electrified, electric, *etc*.) to meet customer expectations in different markets and enable potential changes in the engine mix to be supported;

- develop, with its Alliance partners, a limited number of standardized technical platforms (*e.g.* CMF-EV) to maximize economies of scale for component volumes and costs and facilitate their reuse from one region to another;
- control the robustness of main product development milestones so as to secure the market launch schedule of new products in particular by strengthening governance through the increased involvement of top management.

Inadequate innovation risk in relation to market expectations - *high risk with impact > probability*

Groupe Renault operates in markets where requirements are increasing in many areas: regulatory (*e.g.* emissions and CO_2/Climate), market trends and customer expectations (*e.g.* connected services). These requirements make it necessary to further develop technical innovations, mainly in the fields of powertrains, and electronics and software, with substantial investments reflecting long development times before the return on investment (see details of the innovations in 5-“The car of the future” below). At the same time, Groupe Renault intends to reduce its R&D spending from around 10% of revenue currently to less than 8% in 2025 in order to preserve profitability. This dual necessity increases the risk weighing on the choices made about innovations and the chances of seeing those innovations match real expectations and therefore generate returns on investment.

Risk management

Groupe Renault has reviewed the definition of its entire product and technology development portfolio under the impetus of its new CEO since July 2020. It was also decided to review the organization from the start of 2021, with the establishment of four Business Units in charge of each of the Group’s four brands in order to ensure that it matches consumer expectations as closely as possible. These brands are able to make the most relevant choices and trade-offs in order to strengthen their specific identities and can rely on the expertise of the central business lines and the bodies and technologies developed at the Alliance level or with partners (*e.g.* Google). The group can thus develop products that will offer all types of engines (gasoline, diesel, electric and electrified, LPG, hydrogen), increased connectivity for its vehicles and the driving aids expected by its customers. For example, at the end of 2020, the company launched a major innovation on the hybridization market with the E-TECH engines, which, in addition to the electric range, will make it possible to meet CAFE regulatory requirements. In addition, the MEGANE eVision will be the first consumer vehicle to integrate the Google automotive platform.

Risk of shortcomings in product or service quality - *medium risk*

The quality of the Group’s products and services could be considered insufficiently competitive by potential customers in the face of the competition, which would adversely affect the satisfaction of its customers or partners, and negatively affect its sales, revenues, costs or reputation.

This risk is specifically considered within the stringent environment of major changes in the automotive technologies implemented by the Group as part of its strategic plan (see in particular the presentation of the new products in 2020 and 2021 in 5-“New products in 2020 and 2021 and their innovations” below as well as 5-“The car of the future” below).

Risk management

Control of this risk was enhanced by the launch of a specific Customer Satisfaction plan (see 5-“Performance levers” below) that is managed by the Quality and Customer Satisfaction department; it relies in particular on quality assurance systems implemented within the Group’s operating activities as well as on functional safety organization and activities and general product safety, aiming to protect against the risks linked to the physical integrity of people involved in road use, starting with the users of the Group’s products and services.

The Group has also set up a market monitoring system that allows it to very quickly learn about sources of customer dissatisfaction and act accordingly. This is done in particular through such measures as enhanced recall processes in order to ensure the correction of quality problems, especially those that could have potential regulatory or safety consequences.

Insufficient reinforcement of the Renault brand - *medium risk*

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The Renault brand is recognized for its products in the small car segment, with the success of the CLIO and the CAPTUR, and in the electric vehicle segment with the ZOE, which was the biggest-selling electric vehicle in Europe in 2020. To meet ambitions for value creation in the upper segments, particularly the C and C+ segments in line with the strategy announced at the end of 2020, the Renault brand must improve its image with customers in those segments.

Risk management

The organization set up at the start of 2021 with the division into four Business Units, one of which dedicated to the Renault brand, should make it possible to ensure that brand strategy is perfectly coordinated and consistent across all business lines from upstream to downstream, with stricter centralized governance. The Renault brand will be able to rely on the launch of 14 new models in its range by 2025, all of which will be offered in electric or hybrid versions. The refocusing of sales on value instead of volume, with a precise roll-out plan in the network, should enable the image to be strengthened to the required level.

Cross-functional risks

Risk of cyberattack and failure of information systems - *high risk with impact > probability*

The conduct of the Group's activities depends, continuously and increasingly, on the proper functioning of its IT and information systems. Developments in the Group's strategy and its new challenges (cloud strategy, digitization, Industry 4.0, development of connected services or strengthening of the cybersecurity regulatory environment in particular) are tending to increase its exposure to threats and making cybersecurity a major challenge.

The main risks that could adversely affect its activities, its systems, or those associated with connected services offered to its customers as part of the Group's product and service offer, are related to:

- cybercrime: global computerized attacks or attacks targeting the Group's interests or, as a side effect, national interests. These attacks, in a context of strong growth, may aim to access sensitive data (strategic, products, services or personal data), to steal or alter them, to block services or even all of the Group's Information Systems;
- incidents that could affect the continuity of services hosted in our infrastructures and those of our partners and suppliers;
- non-compliance with IT standards or practices required by legislation, external authorities or contracts with suppliers.

The materialization of these risks, despite the continuous strengthening of systems aimed at controlling them, could have major financial impacts related to the temporary suspension of the Group's activities – of all types – (revenues, earnings) or to penalties. Adverse impacts could also affect the Group's image, the confidence of third parties and customers toward the Group and its brands.

In addition, the Group's increased marketing of connected vehicles and services (see in particular 5- "The car of the future" and "New products in 2020 and 2021 and their innovations" below) is accompanied by the emergence of risks of a comparable nature, for which insufficiently robust and sustainable management could lead to adverse impacts on safety and the reliability of data, services or vehicles.

Risk management

The general control of these risks is currently provided at an operational level by:

- the deployment of Group security policies and the continuous enrichment of the process of defining security requirements according to the level of criticality of the applications and data handled;
- the deployment of an evolving action plan based on a security master plan and an annual risk mapping. The security master plan was updated and presented to the Audit, Risks and Compliance Committee (CARC) in 2020;
- the establishment of insurance coverage for cybersecurity.

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At organizational and governance level, it is provided in particular by:

- a transversal global cybersecurity organization;
- the Risk and Internal Control Committee;
- Governance Committees coordinated by the IT Security department, which carry out inspections to check the effective application of, in line with the Information Systems Security Policy and best practices.

Given the Group's main business trends, its digitalization and changing threats, the major actions to optimize risk management are currently focused on the following aspects:

- a major program to strengthen security at the Group's various plants;
- the development of vehicle cybersecurity and associated services in connection with the need to comply with the new regulations (UNECE) on vehicle cybersecurity;
- enhanced supervision (Security Operation Center – SOC) of systems in all the Group's domains (in particular IS/IT, vehicles, connected services, cloud infrastructure and plants);
- strengthening awareness, training and cybersecurity skills;
- strengthening of the protection of the Group's systems/ infrastructures (including those hosted in cloud mode).

Risk of non-compliance with laws and regulations - *medium risk*

As a result of its international activities, Renault is subject to increasingly numerous, complex and shifting laws and regulations, particularly in the areas of automotive manufacturing, the environment, competition, labor law and new technologies (see in particular II-3-(3)-"A. REGULATORY ENVIRONMENT").

The Group could therefore find itself exposed to a change in laws or regulations that were insufficiently anticipated or incorrectly taken into account by the existing management system described below.

Moreover, the authorities or courts may also change the application or interpretation of existing laws and regulations at any time. These differences in anticipation or failure to account for such changes in laws or regulations could result, for the Group and its senior executives, in possible criminal, administrative or financial penalties, that could also lead, for the Group, to a change in its capacity to carry out its operating activities, its revenues, its profits or its image.

Risk management

Concerning such legal and regulatory changes, Renault requires its subsidiaries to comply with the regulations of the countries in which the company conducts its business and takes part in on going discussions with the national or regional authorities in charge of the specific regulation of the products in the automotive sector, in order to anticipate changes and guarantee compliance of the Group with laws and regulations.

The Group uses a structured approach to analyze and ensure the robustness of its regulatory compliance in a sustainable and pro-active manner, over a scope of major regulated domains, including in particular: "competition", "fight against fraud and corruption", "environment", "occupational health, safety, work environment", "technical regulations", "data protection", *etc*.

This approach is managed by the Ethics and Compliance department, working closely with the Legal department, under the supervision of the Ethics and Compliance Committee (CEC).

Legal risk - *medium risk*

Groupe Renault is exposed to a legal risk induced by two components, the evaluation and potential impacts of which are detailed below.

The Group uses a global assessment of these components in its criticality analysis. These are presented without prioritization in the following description.

Disputes, governmental or legal proceedings, arbitration

Renault is involved in various governmental, legal and arbitration proceedings as part of its activities in France and internationally.

To the best of Renault's knowledge, over the last 12 months there has been no dispute or governmental or legal proceeding other than those described below or arbitration process underway or likely to occur and that could have a significant impact on its financial position, activities or results. Each event was reviewed regularly in particular during approval of the financial statements. After seeking the opinion of the appropriate advisers, the Group sets aside any provisions deemed necessary to cover the estimated risks (see note 20 "Change in Provisions" to the consolidated financial statements).

It should be noted, however, that, concurrently with the works of the independent technical commission ("Royal" commission in 2016), the Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes (DGCCRF) conducted investigations concerning the automotive industry. These investigations concerned the practices relating to the nitrogen oxide emissions (NO_x) of a dozen car manufacturers selling diesel vehicles in France, including Groupe Renault. The DGCCRF decided to communicate its conclusions on this matter to the public prosecutor who, on January 12, 2017, opened judicial investigations on the grounds of aggravated deception in respect of the substantive nature and controls conducted. Renault contests the existence of any infringement and intends to prove its compliance with French and European regulations in the legal investigation. Moreover, Groupe Renault, which at this stage is not a party to the proceeding, is therefore not in a position to assess the possible impact of this ongoing proceeding on the Group.

Intellectual property

Renault's industrial know-how, innovations resulting from research, and the products marketed are the subject of patents, trademarks, designs and models filed to protect the Group's intellectual property. As such, Groupe Renault files a significant number of patents, trademarks, designs and models in its area of activity each year (see "5. RESEARCH AND DEVELOPMENT ACTIVITIES" below). The major risk facing Groupe Renault in terms of intellectual property is the risk of counterfeiting, whether suffered or active.

Counterfeiting may be committed by third parties against products, industrial processes, brands, designs and models protected by Renault. From a technological standpoint, given Groupe Renault's reputation, particularly in the field of hybrid and electric vehicles, the Group could become a prime target for such counterfeiting. Renault's E-TECH technology is a significant example. As regards trademarks, designs and models, repercussions can be felt in particular in the replacement market. Groupe Renault's existing reputation is a key factor in increasing the risk of counterfeiting, particularly in Europe and the Middle-East.

Any such actions could have an immediate unfavorable impact on the Group's revenues and earnings, and may harm the reputation and quality image of the technologies and products concerned. Patents, trademarks, designs and models registered by Renault in the Group's main automotive markets provide it with an effective weapon in the fight against counterfeiting. In addition, with regard to trademarks, the establishment of customs monitoring in various countries allows the reporting of dubious products, both imports and exports.

So-called active infringement could be an involuntary act by Renault, given the risk associated with the time period during which patent applications are not made public. Patent applications filed by third parties and known only at the time of publication could force Renault to modify a product under development, increasing the project's Research and Development costs, or to negotiate rights to use the patented item. In either case, the project's margin would be affected. This risk is particularly present in the context of connectivity and standard essential patents.

Risk management

The control of legal risks is in particular based upon an internal control system organized around three guiding principles:

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- management of the Group's legal function, which is organized around a central function and employees in the Group's main countries. These employees report on a hierarchical and/or functional basis;
- employees of the legal function are proactive in anticipating legal risks upstream and adapting the corresponding procedures (advisory consultations, information from the central legal function, *etc*.);
- regulatory monitoring by Groupe Renault in collaboration with the different countries concerned.

Financial risks

Groupe Renault is exposed to the following six main risk components of a financial nature, the assessment, potential impacts and principles of control of which are specified below.

***Liquidity risk** - high risk with impact > probability*

The Group depends on access to resources in the financial markets. It finances its Automotive and Sales Financing activities through the issuance of long-term debt and commercial paper, bank loans and through the securitization of receivables and deposit-gathering activities. In the event of prolonged market closures or pressure on access to credit, the Group is exposed to liquidity risk. If the Group's funding requirements increase or if the Group is unable to access new sources of funding, insufficient liquidity would be particularly detrimental to its competitiveness, operating results and financial position. Liquidity risk is the risk of the automotive and sales financing segments experiencing reduced liquidity to repay debts as they fall due or to finance balance sheet growth. The Group's liquidity could be significantly affected by factors beyond its control, such as general market disruptions, the market's perception of increased liquidity risk or speculative pressure in the debt market.

In 2020, the COVID-19 pandemic has caused general market disruption with a downward impact on the Group's activity, which adversely affected its working capital requirement.

The Automotive and Sales Financing segments are also rated by several agencies. Any downgrading of their ratings could limit and/or increase the cost of access to the capital markets for these Group segments. Under current market conditions, a possible downgrading of Renault SA's credit rating (Automotive segment) by Moody's and S&P would result in the downgrading of RCI Banque (Sales Financing segment).

The table of Renault SA's credit ratings is presented below (dated March 11, 2021), together with its bond, bank and similar debt maturity schedule as at December 31, 2020:

RENAULT SA RATINGS

Agency	Rating & Perspective	Date
Moody's	Ba2/NP/Negative Outlook	May 28, 2020
S&P	BB+/B/Negative Outlook*	March 5, 2021
R&I	A-/Negative Outlook**	March 11, 2021
JCR	A-/Negative Outlook	October 5, 2020
** Rating affirmed on March 5, 2021.* *** Rating affirmed on March 11, 2021.*		

RENAULT SA – REDEMPTION SCHEDULE OF BONDS, BANK AND EQUIVALENT DEBT (INCLUDING DRAWDOWNS OF FRENCH STATE- GUARANTEED LOAN, EXCLUDING REDEEMABLE SHARES & NEU CP) AS OF DECEMBER 31, 2020 (1)

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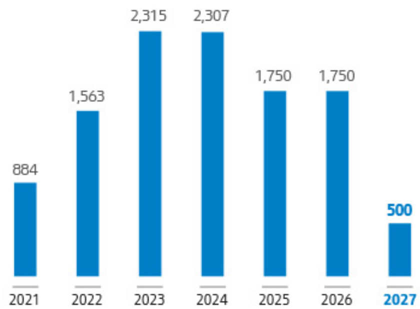

(1) Nominal amounts excluding interest and IFRS impacts (in € millions, exchange rates at December 31, 2020).

A detailed redemption schedule of the financial liabilities related to the Automotive and sales financing segments is presented in note 23-D to the consolidated financial statements.

For more details on liquidity risk, see Note 25-B1 to the consolidated financial statements.

Risk management

Liquidity risk management in the Automotive sector is conducted by the Financing and Treasury department. This management is based on an internal model that defines the level of the liquidity reserve that the Automotive segment must maintain to finance its activity and its growth. The liquidity reserve level of the Automotive division is subject to close monthly monitoring, through a periodic review and reporting validated internally by the Chief Financial Officer. Oversight and management of the liquidity reserve level were strengthened in the context of the COVID-19 pandemic.

To finance the liquidity requirements stemming from the COVID-19 pandemic, Renault SA entered into a €5 billion bank credit agreement in June 2020, backed by a French State guarantee. This credit facility, which may be used in whole or in part and in one or more installments only until December 31, 2020, was drawn three times in a total amount of €4 billion (see note 23-C to the consolidated financial statements).

In 2020, Renault SA also maintained its access to the capital markets by issuing a new Eurobond under its EMTN program (€1 billion, maturity five and a half years) on November 25 and its access to short-term financing thanks to its NEU CP program. The contractual documentation for this funding, including bank loans and credit lines, does not contain any clause that might adversely affect credit availability or continuation as a result of a change in Renault's credit rating or its compliance with financial ratios.

As of December 31, 2020, the Automotive segment's liquidity reserve (including AVTOVAZ) stood at €16.4 billion, enabling it to meet its commitments in the coming 12 months. It breaks down as €12.95 billion in cash and cash equivalents and €3.43 billion in committed bank credit lines, which remained unused at December 31, 2020.

For the Sales Financing segment, liquidity risk management is based on several indicators or analyses, updated monthly on the basis of the latest estimates of outstanding loans and actual refinancing transactions. Laws relating to the outflow of deposits are subject to conservative assumptions. The Group has limits governing its liquidity risk. RCI Banque must always have sufficient financial resources to ensure the long-term future of its business and development. As of December 31, 2020, RCI Banque's liquidity reserve (European scope) stood at €16.6 billion, enabling it to ensure the continuity of its commercial activity for more than 12 months without access to external liquidity (centralized refinancing scope). It comprises €4.5 billion in undrawn confirmed bank lines, €4.5 billion in collateral eligible for the ECB's monetary policy operations, €7.4 billion in high-quality liquid assets (HQLAs), and €0.3 billion in short-term financial assets. As of December 31, 2020, RCI Banque's liquidity reserve (European scope) stood at €16.6 billion, an increase of €7.1 billion compared to end 2019.

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For more details on the liquidity risk management system, see note 25-B1 to the consolidated financial statements.

Foreign exchange risk *- medium risk*

The international expansion of its activities leaves the Group exposed to foreign exchange risk. This risk is related to the fluctuation of the various currencies against the euro, and **mainly impacts the Group's Automotive activity.**

The operating margin and working capital requirement constitute the Automotive segment's main exposure to foreign exchange risk, with the policy being not to hedge future operating cash flows in foreign currencies. Based on the structure of its results and operating cash flows for 2020, an increase of 1% in the euro against all currencies would have a negative impact of €24 million on the Automotive division's annual operating margin after hedging (detailed impact by currency in note 25-B2 of the notes to the consolidated financial statements).

Net financial income, the share in the result of associated companies, shareholders' equity and the net cash position may also be impacted by exchange rate fluctuations against the euro. In particular, the Group has a stake of 43.7% in Nissan, and therefore holds a net asset in yen whose fluctuations impact the value of the securities in assets and the Group's translation reserves in liabilities. For the 2020 financial year, the impact of a 1% increase in the euro against the yen would represent a €137.5 million reduction in Nissan's contribution to shareholders' equity and a €49 million reduction in the Group's income from associated companies (see notes 12-C ad 12-D to the consolidated financial statements). The Group partially hedges the foreign exchange risk related to its investment in Nissan by issuing loans in Japanese yen, which impacts its net cash position. Thus, a 1% rise in the euro against the yen would increase the net cash position by €1.4 million.

The Sales Financing segment is exposed to a more limited extent to the risk of exchange rate fluctuations, which may nevertheless have a negative impact on its financial position.

Risk management

The implementation and monitoring of the **Automotive segment foreign exchange risk management policy (excluding AVTOVAZ) are ensured by** the Financing and Treasury department. Any exceptional hedging of foreign exchange risk in the operating margin and working capital requirement must be subject to prior analysis by the Finance and Treasury department and then formally authorized by the Finance department or Senior Management, and the results are then reported monthly to the Chief Financial Officer. Whenever possible, foreign exchange transactions are carried out by the Group's trading room (Renault Finance) for currencies traded on international markets.

In 2020, in order to limit the exposure of its operating margin and working capital to foreign exchange risk, the Automotive segment (excluding AVTOVAZ) set up currency hedges on the pound sterling, the Argentinian peso and the Turkish lira.

In addition, to avoid any distortion of the financial result linked to foreign exchange fluctuations, the exchange rate risk linked to financing and cash management flows in foreign currencies is systematically minimized. Cash surpluses recorded in countries that are not part of the parent company's centralized cash management are generally invested in local currency, under the supervision of the Financing and Treasury department. Financing transactions are carried out in the accounting currency of each entity, or when carried out in foreign currencies, are hedged in the same currency under the supervision of the Financing and Treasury department. Residual exposures (including those resulting from Renault Finance operations) are subject to derogations and are reported monthly to the Chief Financial Officer.

Equity investments in currencies other than the euro are not usually hedged. This may lead to translation adjustments, which the Group recognizes in shareholders' equity. However, given the size of the investment in Nissan, Renault's share in Nissan's net worth has been partially covered by a specific foreign exchange hedge (see note 12-G to the consolidated financial statements). To limit liquidity risks in yen, the Group has set itself the rule of not hedging the net investment above an amount equal to its best estimate of the next three years' dividends in yen to be received from Nissan.

AVTOVAZ manages exchange rate risk in a very similar way to the Automotive segment excluding AVTOVAZ. The process is overseen by AVTOVAZ's Finance department. It identifies, assesses and manages the exchange risk by analyzing the net position in each currency. No exchange rate risk hedging operations were carried out in 2020. AVTOVAZ's surplus cash and bank financings at December 31, 2020 were almost entirely denominated in Russian rubles.

RCI Banque's sales financing subsidiaries are required to refinance in their local currencies and therefore have no foreign exchange exposure. No foreign currency exposure is allowed in respect of RCI Banque refinancing, the trading room being used to ensure that all flows are hedged. RCI Banque’s residual exposure for other assets and liabilities (*e.g.* accrued interest not yet due on foreign currency borrowings) is kept at a marginal level. Equity and annual earnings for RCI Banque subsidiaries outside the euro zone are themselves subject to foreign exchange movements and are not specifically hedged. At December 31, 2020, the RCI Banque group’s consolidated foreign exchange position amounted to €5.8 million.

For further details on the management of foreign exchange risk, see note 25-B2 to the consolidated financial statements.

***Customer and network credit risk** - medium risk*

The Group’s sales financing activity is exposed to customer and dealer network credit risk if its risk management techniques are insufficient to protect it from the default of its counterparties.

Credit risk relates to the risk of losses due to the incapacity of RCI Banque customers to fulfill the terms of a contract signed with the company. Credit risk is closely linked to macroeconomic factors that include, among others, the unemployment rate, business failures, debt service charges, income growth, disposable household income, dealer profitability and used vehicle prices. It has a significant impact on its business. The level of credit risk of RCI Banque’s customers is affected by the overall macroeconomic situation, which may affect the ability of some of its customers to meet their repayments. The level of credit risk on the dealer networks is impacted, among other things, by their financial strength, the quality of their guarantees and overall vehicle demand. An increase in credit risk would increase the cost of risk and provisions for credit losses, and would have a direct impact on RCI Banque’s financial results and potentially its internal capital.

The cost of risk on customer activity (individuals and company financing) rose in 2020. It is impacted by the lock-down policies negative consequences on several sectors of the economy, namely : an increase of the provision booked for corporate customers on an individual basis, an adjustment of the respective weight of the macro-economic scenarios resulting in an increase of the provision booked under the forward-looking IFRS 9, and the booking of collective provisions on debtors operating in sectors strongly impacted by the COVID-19 pandemic.

Risk management

RCI Banque uses advanced credit scoring systems and queries external databases to assess the quality of loans to individuals and businesses. The Group also uses an internal rating system to evaluate dealer loans. Although RCI Banque continually adjusts its lending policy to take market conditions into account, an increase in credit risk would increase its cost of risk and provisions for credit losses. RCI Banque implements detailed procedures to ensure the recovery of debts incurred or otherwise organizes the recovery of unpaid vehicles and the sale of repossessed vehicles. However, there can be no assurance that the lending policy, credit risk monitoring, collection activities, recording of accounts receivable or vehicle repossessions are or will be sufficient to prevent an adverse effect on its results and financial position. In 2020, in anticipation of the deterioration in economic conditions linked to the COVID-19 pandemic, RCI Banque adjusted its lending policy in line with the risk observed, and forecasts and stress in the main countries by market (individuals, companies). As a result, additional controls have been implemented, with specific granting policies for each business segment (corporate client or employer of a particular client), pricing has been increased, mainly in South American countries and regions, and default probability targets have been adjusted down. In addition, following the first period of lockdown, RCI Banque increased the number of employees dedicated to the recovery of non-

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performing and doubtful receivables, and additional staff were assigned in countries that have granted a significant number of deferred payments.

The total cost of risk at December 31, 2020 was 0.75% of average performing assets and at December 31, 2019 was 0.42%. At December 31, 2020, net customer assets amounted to €38,301 million and net dealer assets to €8,894 million.

For further details on customer and network credit risk management, see note 25-B6 to the consolidated financial statements.

Bank counterparty risk *- medium risk*

As a result of its transactions in the financial and banking markets for the investment of its cash surpluses, for the management of its foreign exchange and interest rate risk, and for the management of its settlement flows, the Group is exposed to bank counterparty risk. This risk corresponds to the non-recovery of the capital committed as a deposit or cash investment transaction recorded among assets, or the possible impossibility of returning to market conditions (interest rates, exchange rates) equivalent to those of the initial conditions for the use of derivative instruments. The counterparty's default could have a negative financial impact on Groupe Renault.

Risk management

The management of the bank counterparty risk of the Group's various entities is fully coordinated between the Automotive and Sales Financing segments. It is based on an internal rating system that mainly takes into account counterparties' long-term ratings and the level of their shareholders equity. This system is used by all Groupe Renault companies exposed to counterparty risk.

Some Group companies have significant exposure to counterparty risk owing to the nature of their business. These companies are monitored daily to ensure that they comply with authorized limits by counterparty, in accordance with specific procedures. The Group produces a consolidated monthly report covering all its bank counterparties, organized by credit rating. This report provides a detailed analysis of compliance with limits in terms of amount, maturity and type, as well as a list of the main exposures.

To reduce bank counterparty risk, most deposits are made with large network banks and generally have terms shorter than 90 days, as this allows a good spread of the risk and lowers the systemic risk. Due to the international expansion of its business activities, including in emerging countries, the Group pays special attention to the choice of its counterparties in each banking system. In 2020, the Group suffered no financial loss as a result of the failure of a banking counterparty.

For more details on the bank counterparty risk management system, see note 25-B6 to the consolidated financial statements.

Interest rate risk *- medium risk*

Exposure to interest rate risk relates mainly to the Sales Financing segment, for which this risk represents the impact of a change in interest rates on future financial gross margin. RCI Banque's operating profit may be affected by changes in market interest rates or rates on customer deposits.

Risk management

The Sales Financing segment monitors interest rate risk daily: sensitivity is calculated by currency, by management entity and by asset portfolio, thus verifying that each entity respects its individual imposed limits. Sensitivity to interest rate risk is measured using the same methodology throughout all RCI Banque entities. The sensitivity consists of measuring the impact of a 100 bps rise in interest rates on the value of balance sheet flows for each entity. The hedging system enables RCI Banque's overall exposure to be reduced as well as that of each entity. At December 31, 2020, after hedging, RCI Banque's overall sensitivity to interest rate risk was €5.8 million below the limit set by the Group (€50 million).

For the Automotive segment, cash reserves are generally built up at variable rates, and long-term investments in the Automotive segment excluding AVTOVAZ are generally financed at fixed rates

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(fixed-rate borrowings are maintained at fixed rates as long as the yield curve is close to zero or even negative). The Automotive segment available cash is centralized, as far as possible, within Renault SA, and invested in the form of short-term bank deposits by Renault Finance. AVTOVAZ's cash surpluses and bank debt are mainly indexed at floating rates. AVTOVAZ did not set up any interest rate hedging instruments on its financial debt in 2020. AVTOVAZ’s Finance department closely monitors interest rate trends in Russia and, in the event of a rise in interest rates, could take measures to reduce the impact on its financial result by increasing the proportion of fixed-rate debt as its portfolio is refinanced.

For further details on interest rate risk management, see note 25-B3 to the consolidated financial statements.

***Risk of decrease in residual values** - medium risk*

The Group’s Sales Financing activity may be exposed to a risk of a decrease in residual values when vehicles are financed with a buy-back commitment and do not benefit from a buy-back agreement from a third party and/or when a customer does not exercise a purchase option. If the value of the vehicle is less than the residual value defined in the financing contract, the holder of these residual values incurs a loss when the vehicle is sold. Changes in prices on the used vehicle market can entail a risk for the owner of residual values, who is committed to taking back the vehicle at the end of its lease at a price fixed when the contracts are put in place. This risk could have a negative impact on the company’s operating results and financial position due to the recognition of higher-than-expected losses.

The risk of a decrease in residual values is borne by the Group’s automotive businesses and by RCI Banque. In the specific case of the United Kingdom, RCI Banque is exposed to the residual value risk on finance where there is a commitment to take back the vehicle.

At December 31, 2020, Groupe Renault’s exposure to a change in residual market values amounted to €3,336 million for the Automotive segment (net book value of vehicles) and €1,810 million for RCI Banque (value of the buy-back commitment in financing contracts). At December 31, 2019, it amounted to €3,104 million and €1,935 million respectively.

Risk management

Developments in the used car market are monitored closely in line with range policy, sales channel mix sale prices to reduce this risk as much as possible, in cases when the Automotive division or RCI Banque take over the vehicles. Provisions are carefully made for the loan portfolio when the observed market values have fallen below the level of the Automotive division or RCI Banque take back commitments, or if specific future risks have been identified on the used car market.

3. ANALYSIS BY MANAGEMENT OF STATE OF FINANCIAL CONDITION, OPERATING RESULTS AND CASH FLOW

Any forward-looking statements contained in this section are based on the judgment as of December 31, 2020.

(1) OUTLINE OF RESULTS OF OPERATION, ETC.:

In brief

KEY FIGURES

	2020	2019	Change
Worldwide Group registrations[1] *(million vehicles)*	2.95	3.75	-21.3%
Group revenues *(€ million)*	43,474	55,537	-12,063
Group operating profit *(€ million)*	-337	2,662	-2,999
% revenues	*-0.8%*	*4.8%*	*-5.6 pts*

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Group operating income *(€ million)*	-1,999	2,105	-4,104
Contribution from associated companies *(€ million)*	-5,145	-190	-4,955
Of which Nissan (€ million)	*-4,970*	*242*	*-5,212*
Net income *(€ million)*	-8,046	19	-8,065
Net income, Group share *(€ million)*	-8,008	-141	-7,867
Earnings per share *(€)*	-29.51	-0.52	-28,99
Automotive operational free cash flow(2) *(€ million)*	-4,551	153	-4,704
Automotive net financial position *(€ million)*	-3,579 at 12/31/2020	+1,734 at 12/31/2019	-5,313
Sales Financing, average performing assets *(€ billion)*	46.9	47.4	-1.1%

(1) Group registrations include Jinbei, Huasong & Shineray registrations.

(2) Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals + /- change in the working capital requirement.

Overview

In a context of the COVID-19 pandemic, the 2020 Groupe Renault worldwide sales totaled 2,951,971 vehicles, down 21.3%. After a first half of 2020 in which the Group's main markets were severely impacted by the pandemic and the associated containment measures, the second half of the year shows greater resilience: Group sales in Europe remained in line with the markets.

On the European electric market, the Renault brand doubled its sales and confirmed its leadership with 116,196 electric vehicles sold. ZOE is the best-selling electric car with 114% growth at 100,815 units.

Groupe Renault achieved its CAFE targets [23] (passenger cars and light commercial vehicles) in Europe.

Group revenues reached €43,474 million (-21.7%). At constant exchange rates, the decrease would have been -18.2%.

Automotive excluding AVTOVAZ revenues stood at €37,736 million, down -23.0%.

The volume effect was -19.2 points. It stemmed primarily from the health crisis and, to a lesser extent, from our commercial policy favoring profit over volume.

Sales to partners declined by -5.1 points, also impacted by the health crisis and the Nissan ROGUE production discontinuation.

Forex impact was negative -2.8 points, and related to the devaluation of the Argentinean peso, Brazilian real and Turkish lira and to a lesser extent to the Russian rubble.

Price effect, up 3.9 points, came from a more ambitious price policy and measures to mitigate devaluations. Product mix impacted for 1.1 points thanks to ZOE sales increase.

Effect "others" weighed for -1 point, notably because of lower contribution from spare parts activity, largely impacted by the confinement measures in H1.

The **Group's operating margin** amounted to -€337 million and represented -0.8% of revenues (4.8% in 2019) thanks to a marked improvement in H2 (3.5% of revenues).

Automotive excluding AVTOVAZ operating margin was down -€2,734 million to -€1,450 million, which represented -3.8% of revenues compared to +2.6% in 2019. In the second half, it was positive at €198 million (0.9% of revenues).

23 *CAFE: Corporate Average Fuel Economy. These results should be consolidated and formalized by the European Commission in the coming months.*

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The change can be explained by the following:

- volume effect had a negative impact of -€2,556 million, including sales to partners;
- mix/price/enrichment effect was positive +€172 million despite the enrichment of new products and the regulatory content;
- the Monozukuri effect was positive by +€36 million after taking into account a negative impact of -€479 million due to the increase in depreciation and amortization and a lower R&D capitalization rate;
- raw materials weighed for -€131 million largely on higher prices for precious metals;
- the improvement of +€172 million of G&A spending stemmed from the impact of lower activity in H1 but also from the company's effort to limit its costs under the "2o22 plan";
- currencies impacted by -€428 million reflecting the devaluation of our main currencies despite the positive impact of the Turkish lira on production costs.

The **AVTOVAZ operating margin contribution** amounted to €141 million, compared to €155 million in 2019, highlighting the resilience of AVTOVAZ in the COVID-19 context.

Sales Financing contributed €1,007 million to the **Group's operating margin**, compared to €1,223 million in 2019. This decrease was due to a lower activity, with new financings down -17% and a cost of risk representing 0.75% of average performing assets compared to 0.42% last year.

The **contribution of Mobility Services to the Group's operating margin** amounted to -€35 million in 2020.

Other operating income and expenses amounted to -€1,662 million (compared to -€557 million in 2019) coming from significantly higher restructuring charges and impairments.

Group operating income came to -€1,999 million compared with €2,105 million in 2019 after taking into account a strong increase of charges related to competitiveness improvement.

Net financial income and expenses amounted to -€482 million, compared with -€442 million in 2019, due to higher average indebtedness.

The **contribution of associated companies** came to -€5,145 million, compared with -€190 million in 2019. Nissan's contribution was negative at -€4,970 million and the one of other companies amounted to -€175 million.

Current and deferred taxes represented a charge of -€420 million compared to a charge of -€1,454 million in 2019.

Net income stood at -€8,046 million and **net income, Group share** totaled -€8,008 million (-€29.51 per share compared with €0.52 per share in 2019).

Automotive operational free cash flow, including AVTOVAZ, was negative at -€4,551 million. It takes into account the fall in operating margin, the change in working capital requirements and the absence of dividend received from RCI following European Central Bank's decisions. On the sole second half, the free cash flow was positive at +€1,824 million due to investment management and a reverse of the change in working capital requirement, without, however, offsetting the change in the first half of the year.

The **Automotive net cash position** was negative at -€3,579 million at December 31, 2020 compared with a positive position of €1,734 million at December 31, 2019.

The **Automotive activity** at December 31, 2020 held +€16.4 billion of **liquidity reserves**.

At December 31, 2020, **total inventories** (including independent dealers) represented 486,000 vehicles, down more than 100,000 units (-19%). It represented 61 days of sales, compared to 68 days at end-December 2019.

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The Shareholders' Annual General Meeting of April 23, 2021 approved the resolution not to pay a dividend in respect of 2020.

Outlook

The electronic chip shortage impacting the whole auto industry does not spare the Group. It is entirely dedicated to limit as much as possible the impact on production. The peak of the shortage should be reached in Q2. The most recent estimate, assuming a production catch-up in H2, gives a net risk of about 100,000 vehicles for the year 2021.

In accordance with the Renaulution plan, the Group will continue the implementation of the actions aiming at its recovery and confirms the 2023 objectives communicated during the plan presentation:

- Group operating margin above 3% by 2023;
- cumulative automotive operational free cash flow[24] (2021-2023) about €3 billion;
- investments (R&D and capex) at about 8% of revenues by 2023.

(i) Sales performance 2020

Overview

- In a context of the COVID-19 pandemic, the 2020 Groupe Renault worldwide sales totaled 2,951,971 vehicles, down 21.3% in a global automobile market that declined by 14.4% [25].
- Groupe Renault confirms that it has achieved its CAFE [26] (passenger cars and light commercial vehicles) targets by the end of 2020 [27].
- After a first half of 2020 in which the Group's main markets were severely impacted by the pandemic and the associated containment measures, the second half of the year shows greater resilience: Group sales in Europe remained in line with the markets.
- On the European electric market, the Renault brand doubled its sales and confirmed its leadership with 116,196 electric vehicles sold. ZOE is the best-selling electric car with 114% growth at 100,815 units.
- The order portfolio in Europe at the end of December 2020 was up by 14% compared to 2019, due partly to the attractiveness of the new E-TECH hybrid and plug-in hybrid offerings, while inventories were down by around 20% from 2019.
- In 2020, the Groupe Renault is making progress in the most profitable sales channels, with the Renault brand increasing its share in the retail market in Europe by almost one point.
- In 2021 the Group will continue its profit-oriented sales policy with the full implementation of the Renaulution strategic plan, presented on January 14, 2021.

Groupe Renault's top fifteen markets

Sales	**Volumes 2020 [(1)]** *(units)*	PC/LCV market share 2020 *(%)*	Change in market share on 2019 *(points)*

24 Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.

25 The evolution of the global automotive market for all brands, also called Total Industry Volume (TIV), indicates the annual variation in sales volumes of passenger cars and light commercial vehicles** in the main countries including USA & Canada, provided by official authorities or statistical agencies in each country, and consolidated by Groupe Renault to constitute this world market. *Sales: registrations or deliveries or invoices according to the data available in each consolidated country. **Light commercial vehicles of less than 5.1 tons.*

26 Corporate Average Fuel Economy.

27 These results should be consolidated and formalized by the European Commission in the coming months.

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1	France	535,591	26.1	+0.2
2	Russia	480,742	30.1	+1.2
3	Germany	204,933	6.4	+0.1
4	China(2)	156,316	0.7	-0.1
5	Italy	154,882	10.1	-0.4
6	Turkey	132,471	17.1	-0.6
7	Brazil	131,467	6.8	-2.2
8	Spain	123,638	12.2	-0.2
9	South Korea	95,939	5.2	+0.2
10	India	80,518	2.8	+0.3
11	United Kingdom	74,512	3.9	-0.2
12	Belgium + Luxembourg	65,924	11.8	-1.3
13	Romania	59,180	40.5	+2.0
14	Morocco	54,730	41.1	-1.3
15	Poland	52,188	10.7	-0.4
(1) Preliminary figures.				
(2) Including Jinbei, Huasong & Shineray.				

Automotive

Group sales worldwide by Region, by brand & by type

Passenger cars and light commercial vehicles(2) *(units)*	**2020(1)**	2019	Change *(%)*
GROUP	**2,951,971**	**3,749,736**	**-21.3**
EUROPE REGION	**1,445,354**	**1,945,833**	**-25.7**
Renault	1,055,726	1,370,488	-23.0
Dacia	385,944	564,927	-31.7
Alpine	1,326	4,428	-70.1
Lada	2,358	5,990	-60.6
AFRICA MIDDLE-EAST INDIA & PACIFIC REGION	**346,275**	**451,282**	**-23.3**
Renault	199,903	279,139	-28.4
Dacia	52,350	88,732	-41.0
Renault Samsung Motors	90,300	79,081	+14.2
Alpine	199	403	-50.6
Lada	2,526	3,034	-16.7
Jinbei & Huasong(3)	997	893	+11.6
EURASIA REGION	**743,512**	**748,486**	**-0.7**
Renault	272,164	261,821	+4.0
Dacia	82,691	81,648	+1.3
Alpine	2	0	+++
Lada	378,832	403,663	-6.2
AVTOVAZ (Niva)	9,823	1,354	+++
AMERICAS REGION	**260,457**	**424,564**	**-38.7**
Renault	258,228	420,897	-38.6
Alpine	0	1	-100.0

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Lada	299	283	+5.7
Jinbei & Huasong (3)	1,930	3,383	-43.0
CHINA REGION	**156,373**	**179,571**	**-12.9**
Renault	2,324	21,946	-89.4
Jinbei & Huasong (3)	154,049	157,625	-2.3
BY BRAND			
Renault	1,788,345	2,354,291	-24.0
Dacia	520,985	735,307	-29.1
Renault Samsung Motors	90,300	79,081	+14.2
Alpine	1,527	4,832	-68.4
Lada	384,015	412,970	-7.0
AVTOVAZ (Niva)	9,823	1,354	+++
Jinbei & Huasong (3)	156,976	161,901	-3.0
BY VEHICLE TYPE			
Passenger cars	2,431,330	3,125,639	-22.2
Light commercial vehicles	520,641	624,097	-16.6
(1) Preliminary figures.			
(2) TWIZY is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, South Korea, Guatemala, Ireland, Lebanon, Malaysia and Mexico where TWIZY is registered as a passenger car.			
(3) Jinbei & Huasong includes the brands Jinbei JV, Jinbei not JV (Shineray and Huarui) and Huasong.			

In the context of the COVID-19 pandemic, Groupe Renault saw its sales fall by 21.3% to 2,951,971 units, in a market down 14.4%. The decline in group sales was mainly due to its high exposure in countries which were strictly confined and suspended their sales activities in the second quarter, as well as a slowdown in the fourth quarter, particularly in France. In addition, the Group has pursued a sales policy focusing on profitability over sales volumes.

Electric vehicles: Renault, the leading brand in Europe

In a fast-growing electric market, the Renault brand confirmed its leadership in the European electric market with 116,196 vehicles sold, an increase of 101.9% compared to 2019. **ZOE** is the best-selling electric car with 100,815 units, up 114%. In the electric utility segment, **KANGOO Z.E.** is the best-selling vehicle.

The Renault TWINGO Electric and Dacia SPRING will enhance the Group's electric vehicle offering in 2021.

In addition to its electric range (BEV), Renault has been offering an **E-TECH hybrid and plug-in hybrid** on its best-sellers (CLIO, CAPTUR & MEGANE Estate) since the summer. The brand is thus establishing itself on the market for hybrid and plug-in hybrid vehicles with more than 30,000 sales in Europe, representing 25% of order volumes for these vehicles.

During the first half of 2021, the E-TECH range will be expanded with the arrival of the Renault ARKANA E-TECH hybrid, CAPTUR E-TECH hybrid and MEGANE Sedan E-TECH plug-in hybrid.

In Europe

Group sales totaled 1,445,354 units, down 25.7% in a market down 23.5%.

The **Renault** brand slightly increased its market share to 7.7%, up 0.1 points, thanks to the successful renewal of its B segment models (CLIO, CAPTUR and ZOE) and the successful launch of the E-TECH range.

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CLIO is the best-selling vehicle in its category in Europe with 227,106 units sold. The Renault brand thus increased its share of sales in the retail market by nearly one point.

The **Dacia** brand recorded a 31.7% drop in sales to 385,944 vehicles sold. The SANDERO remains for the fourth consecutive year the best-selling vehicle within the retail market. Two of the brand's historic models, the New SANDERO and New SANDERO Stepway, have been available since the end of 2020.

Dacia's new dual-fuel petrol and LPG engines, which are offered on the majority of its range under the ECO-G name, account for more than 25% of its vehicle sales in Europe.

Outside Europe

Group sales were down 16.5%, mainly due to a 45% decline in sales in **Brazil** as a result of the reorientation towards the most profitable channels.

In **Russia**, the Group's second-largest country in terms of sales volume, Groupe Renault is the leader with a market share of 30.1%, up 1.2 points. Sales fell 5.5% in a market down 9.2%.

LADA confirmed its position as the leading brand in the Russian market with 21.5% market share. The LADA Granta and LADA Vesta remain the two best-selling vehicles in Russia.

The **Renault** brand's market share fell 0.2 points to 8% pending the arrival of the New DUSTER in the first half of 2021.

In **India**, Group sales fell 9.4% in a market that was down 18.8%. Renault thus achieved a market share of 2.8% (+0.3 points) thanks to the success of the TRIBER. In the first half of 2021, the Renault range (KWID, DUSTER, TRIBER) will be expanded with the arrival of KIGER, a brand-new SUV.

In **Turkey**, the Group remains the leader in a market making a strong recovery.

In **South Korea**, the Renault Samsung Motors brand posted a 14.2% increase in sales in a market up 5.4% thanks to the success of its new XM3 model launched in March 2020.

Sales and production statistics

Group sales worldwide

Consolidated global sales by brand and geographic areas as well as by model are available in the financial information of the Finance section on Groupe Renault website.

https://group.renault.com/en/finance-2/financial-information/key- figures/monthly-sales/

Group worldwide production

Passenger cars and light commercial vehicles *(units)*	2020(1)	2019	Change *(%)*
Group global production(2)	**2,705,499**	**3,662,802**	**-26.1**
Of which produced for partners:			
Nissan	81,953	196,682	-58.3
Mitsubishi	2,598	-	+++
Daimler	19,437	49,969	-61.1
Opel/Vauxhall	19,920	26,796	-25.7
Fiat	18,039	23,031	-21.7
Renault Trucks	14,706	15,580	-5.6

Produced by partners for Renault	2020(1)	2019	Change *(%)*
Nissan	89,071	101,508	-12.3
China JVs – DRAC, RBJAC, e-GT-NEV, JMEV(3)	30,844	54,101	-43.0

(1) Preliminary figures.

(2) Production data concern the number of vehicles leaving the production line.

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(3) JMEV was not taken into account in 2019.

Geographical organization of Groupe Renault by Region – countries in each Region

AT DECEMBER 31, 2020

Europe	Africa Middle-East India and Pacific		Eurasia	Americas	China
Austria	Abu Dhabi	Malaysia	Armenia	Argentina	China
Belgium + Lux.	Algeria	Mali	Azerbaijan	Bermuda	Hong Kong
Bosnia	Angola	Martinique	Belarus	Bolivia	
Croatia	Australia	Mauritania	Bulgaria	Brazil	
Cyprus	Bahrain	Mauritius	Georgia	Chile	
Czech Rep.	Bangladesh	Mayotte	Kazakhstan	Colombia	
Denmark	Benin	Morocco	Kyrgyzstan	Costa Rica	
Estonia	Burkina Faso	Mozambique	Moldova	Curacao	
Finland	Cambodia	Myanmar	Mongolia	Dominican Rep.	
France Metropolitan	Cameroon	Nepal	Romania	Ecuador	
Germany	Cape Verde	New Caledonia	Russia	Guatemala	
Greece	Cuba	New Zealand	Tajikistan	Mexico	
Hungary	Djibouti	Nigeria	Turkey	Netherlands Antilles	
Iceland	Dubai	Oman	Ukraine	Panama	
Ireland	Egypt	Palestine	Uzbekistan	Paraguay	
Italy	French Guiana	Qatar		Peru	
Kosovo	Gabon	Democratic Rep. Congo		Trinidad & Tobago	
Latvia	Ghana	Saint-Pierre & Miquelon		Uruguay	
Lithuania	Guadeloupe	Saudi Arabia			
Macedonia	Guinea	Senegal			
Malta	India	Seychelles			
Montenegro	Indonesia	Singapore			
Netherlands	Iraq	South Africa + Namibia			
Norway	Israel	South Korea			
Poland	Ivory Coast	Sudan			
Portugal	Japan	Tahiti			
Serbia	Jordan	Tanzania			
Slovakia	Kenya	Togo			
Slovenia	Kuwait	Tunisia			
Spain	Reunion	Uganda			
Sweden	Lebanon	Vanuatu			
Switzerland	Liberia	Zambia			
United Kingdom	Madagascar	Zimbabwe			
▪	Malawi	▪	▪	▪	▪

Sales financing

New financing and services

In the context of the COVID-19 pandemic, the automotive market resisted in the second half of the year after falling in the first half.

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RCI Bank and Services recorded a financing penetration rate [28] up 3.1 points to 45.3%. Excluding Turkey, Russia and India (companies consolidated using the equity method), this rate is 47.5% compared with 44.2% in 2019. The Group financed 1,520,330 contracts in 2020, down 15.5% compared to 2019, generating €17.8 billion in new financing.

Used vehicle financing business posted a limited decline of 5.2% compared to 2019, with 349,243 contracts financed.

In this context, average performing assets now stand at €46.9 billion, down 1.1% year-on-year. Of this amount, €37.5 billion is directly related to Customer business, up 1.1%.

RCI BANK AND SERVICES – FINANCING PERFORMANCE

	2020	2019	Change *(%)*
Number of financing contracts *(thousands)*	**1,520**	**1,798**	**-15.5**
Including UV contracts (thousands)	*349*	*368*	*-5.2*
New financing *(€ billion)*	**17.8**	**21.4**	**-16.7**
Average Performing Assets *(€ billion)*	46.9	47.4	-1.1

PENETRATION RATE BY BRAND

	2020 *(%)*	2019 *(%)*	Change *(points)*
Renault	45.7	42.7	+3.0
Dacia	47.4	44.7	+2.8
Renault Samsung Motors	66.2	59.2	+7.0
Nissan	37.9	36.5	+1.4
Infiniti	25.9	29.9	-3.9
Datsun	26.6	23.9	+2.8
RCI Bank and Services	**45.3**	**42.2**	**+3.1**

PENETRATION RATE BY REGION

	2020 *(%)*	2019 *(%)*	Change *(points)*
Europe	48.9	45.4	+3.5
Americas	41.6	38.0	+3.6
Africa Middle-East India and Pacific*	41.8	40.9	+0.9
Eurasia	35.0	29.7	+5.2
RCI Bank and Services	**45.3**	**42.2**	**+3.1**

** Organizational change within the Groupe Renault Regions since May 1, 2019: The creation of the new Region "Africa Middle-East India and Pacific" results for RCI in the regrouping of the former Regions "Africa Middle-East India" and "Asia-Pacific", now including Algeria, Morocco, India and South Korea.*

Pillar of the Group's strategy, the number of services sold over the last 12 months represents 4.6 million insurance and service contracts, down 9.6% compared with 2019, of which 70% are customer and vehicle use-related services.

RCI BANK AND SERVICES – SERVICE PERFORMANCE

28 The penetration rate is calculated as the number of vehicles financed divided by the number of vehicles registered by the manufacturers.

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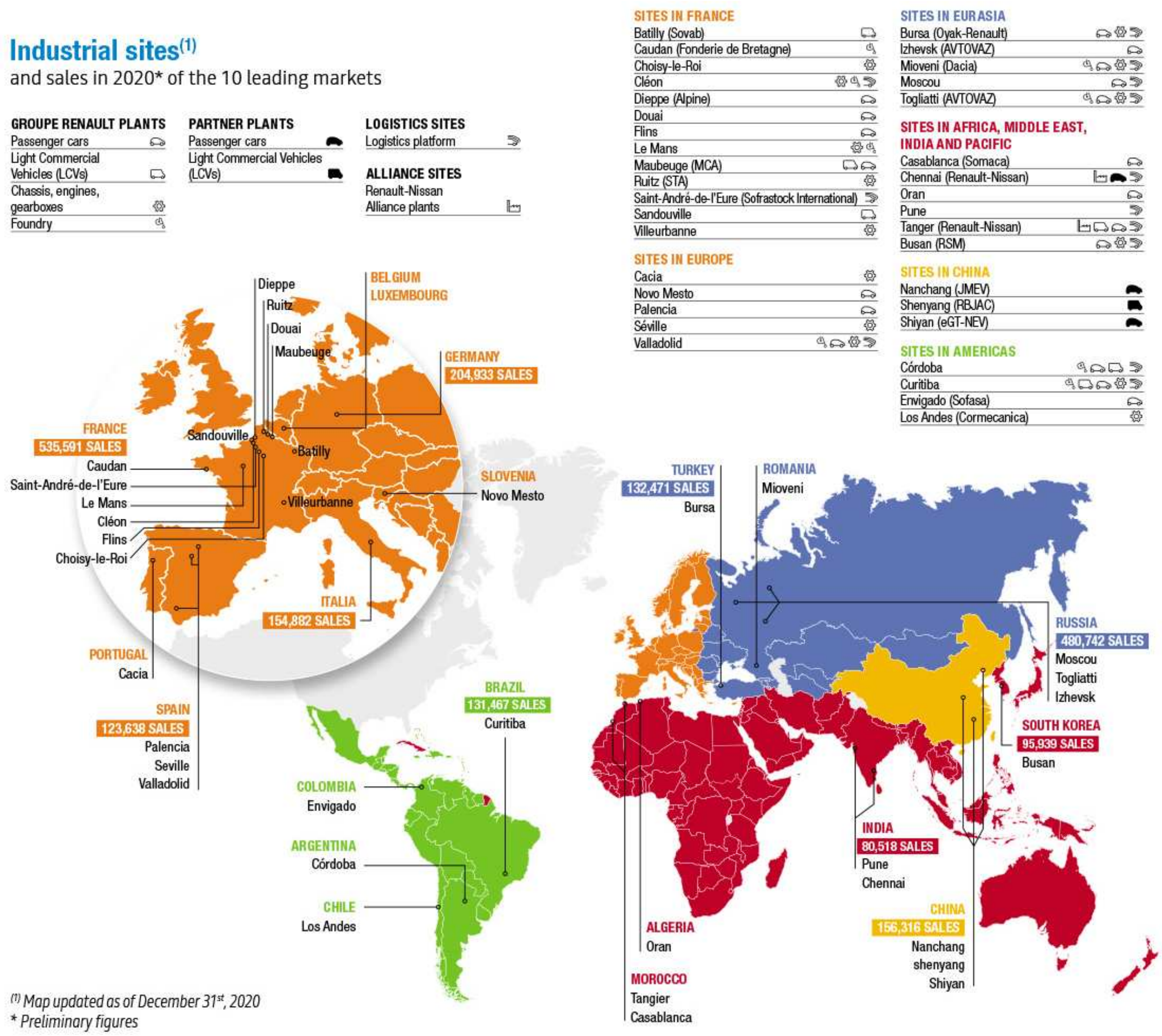
	2020	2019	Change
Number of service contracts *(thousands)*	4,602	5,092	-9.6%
Penetration rate on Services	**178.2%**	**150.3%**	**+27.8 pts**

International development and new activities

In line with its refinancing diversification strategy, RCI Bank and Services launched two savings products in Spain for individuals in October 2020 (a current account offer, "*Cuenta contigo*", and a term account offer, "*Depósito Tú+*"). RCI Bank and Services is thus continuing to develop its deposit collection business by now offering it in six markets: France, Germany, Austria, The United Kingdom, Brazil and Spain.

(ii) ALLIANCE COMBINED SALES PERFORMANCE

Alliance production sites worldwide



Value of joint operations in 2020

Groupe Renault made purchases from Nissan in 2020 for approximately €1,361 million (€1,896 million in 2019), comprising around €1,000 million in vehicles (€1,046 million in 2019), €277 million in components (€655 million in 2019), and €84 million in miscellaneous services (€195 million in 2019) (see note 12 J of the Renault consolidated financial statements).

(2) STATEMENT OF PRODUCTION, ORDERS ACCEPTED AND SALES:

See "(1) OUTLINE OF RESULTS OF OPERATION, ETC." above.

(3) ANALYSIS OF FINANCIAL CONDITION, OPERATING RESULTS AND STATE OF CASH FLOW

Summary

(€ million)	2020	2019	Change
Group revenues	**43,474**	**55,537**	**-21.7%**
Operating profit	**-337**	**2,662**	**-2,999**
Operating income	-1,999	2,105	-4,104
Net financial income & expenses	-482	-442	-40
Contribution from associated companies	**-5,145**	**-190**	**-4,955**
Of which Nissan	*-4,970*	*242*	*-5,212*
Net income	**-8,046**	**19**	**-8,065**
Automotive operational free cash flow*	**-4,551**	**153**	**-4,704**
Automotive net financial position	**-3,579 at 12/31/2020**	**+1,734 at 12/31/2019**	**-5,313**
Shareholders' equity	25,338 at 12/31/2020	35,331 at 12/31/2019	-9,993

** Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals + /- change in the working capital requirement.*

Comments on the financial results

Consolidated income statement

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUES

	2020					2019				
(€ million)	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive excl. AVTOVAZ	8,591	7,136	8,948	13,061	37,736	10,916	13,875	9,662	14,549	49,002
AVTOVAZ	701	388	663	829	2,581	767	790	791	782	3,130
Sales Financing	827	773	758	780	3,138	844	858	843	860	3,405
Mobility Services*	6	3	5	5	19	0	0	0	0	0
TOTAL	**10,125**	**8,300**	**10,374**	**14,675**	**43,474**	**12,527**	**15,523**	**11,296**	**16,191**	**55,537**

	Change				
(%)	Q1	Q2	Q3	Q4	Year

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Automotive excl. AVTOVAZ	-21.3	-48.6	-7.4	-10.2	-23.0
AVTOVAZ	-8.6	-50.9	-16.2	+6.0	-17.5
Sales Financing	-2.0	-9.9	-10.1	-9.3	-7.8
Mobility Services*	-	-	-	-	-
TOTAL	**-19.2**	**-46.5**	**-8.2**	**-9.4**	**-21.7**
** New segment as of 01/01/2020.*					

Group revenues reached €43,474 million (-21.7%). At constant exchange rates, the decrease would have been -18.2%.

Automotive excluding AVTOVAZ revenues stood at €37,736 million, down -23.0%.

The volume effect was -19.2 points. It stemmed primarily from the health crisis and, to a lesser extent, from our commercial policy favoring profit over volume.

Sales to partners declined by -5.1 points, also impacted by the health crisis and the Nissan ROGUE production discontinuation.

Forex impact was negative -2.8 points, and related to the devaluation of the Argentinean peso, Brazilian real and Turkish lira and to a lesser extent to the Russian rubble.

Price effect, up 3.9 points, came from a more ambitious price policy and measures to mitigate devaluations. Product mix impacted for 1.1 points thanks to the ZOE sales increase.

Effect “others” weighed for -1 point, notably because of a lower contribution from spare parts activity, largely impacted by the confinement measures in H1.

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	**2020**	2019	Change
Automotive division excl. AVTOVAZ	**-1,450**	**1,284**	**-2,734**
% of division revenues	*-3.8%*	*2.6%*	*-6.5 pts*
AVTOVAZ	**141**	**155**	**-14**
% of AVTOVAZ revenues	*5.5%*	*5.0%*	*+0.5 pts*
Sales Financing	**1,007**	**1,223**	**-216**
Mobility Services*	**-35**	**0**	**-35**
TOTAL	**-337**	**2,662**	**-2,999**
% of Group revenues	*-0.8%*	*4.8%*	*-5.6 pts*
** New segment as of 01/01/2020.*			

The **Group’s operating margin** amounted to -€337 million and represented -0.8% of revenues (4.8% in 2019) thanks to a marked improvement in H2 (3.5% of revenues).

Automotive excluding AVTOVAZ operating margin was down -€2,734 million to -€1,450 million, which represented -3.8% of revenues compared to +2.6% in 2019. In the second half, it was positive at €198 million (0.9% of revenues).

The change can be explained by the following:

- volume effect had a negative impact of -€2,556 million, including sales to partners;
- mix/price/enrichment effect was positive +€172 million despite the enrichment of new products and the regulatory content;

- the Monozukuri effect was positive by +€36 million after taking into account a negative impact of -€479 million due to the increase in depreciation and amortization and a lower R&D capitalization rate;
- raw materials weighed for -€131 million largely on higher prices for precious metals;
- the improvement of +€172 million of G&A spending stemmed from the impact of lower activity in H1 but also from the company's effort to limit its costs under the "2o22 plan";
- currencies impacted by -€428 million reflecting the devaluation of our main currencies despite the positive impact of the Turkish lira on production costs.

The **AVTOVAZ operating margin contribution** amounted to €141 million, compared to €155 million in 2019, highlighting the resilience of AVTOVAZ in the COVID-19 context.

Sales Financing contributed €1,007 million to the **Group's operating margin**, compared to €1,223 million in 2019. This decrease was due to a lower activity, with new financings down -17% and a cost of risk representing 0.75% of average performing assets compared to 0.42% last year.

The **contribution of Mobility Services** to the Group's operating margin amounted to -€35 million in 2020.

Other operating income and expenses amounted to -€1,662 million (compared to -€557 million in 2019) coming from significantly higher restructuring charges and impairments.

Group operating income came to -€1,999 million compared with €2,105 million in 2019 after taking into account a strong increase of charges related to measures taken to improve competitiveness.

Net financial income and expenses amounted to -€482 million, compared with -€442 million in 2019, due to higher average indebtedness.

The **contribution of associated companies** came to -€5,145 million, compared with -€190 million in 2019. Nissan's contribution was negative at -€4,970 million and the one of other companies amounted to -€175 million.

Current and deferred taxes represented a charge of -€420 million compared to a charge of -€1,454 million in 2019.

Net income stood at -€8,046 million and **net income, Group share** totaled -€8,008 million (-€29.51 per share compared with €0.52 per share in 2019).

Automotive operational free cash flow

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

(€ million)	2020	2019	Change
Cash flow after interest and tax (excluding dividends received from publicly listed companies)	+1,523	+4,144	-2,621
Change in the working capital requirement	-1,527	+1,829	-3,356
Tangible and intangible investments net of disposals	-3,827	-4,846	+1,019
Leased vehicles and batteries	-839	-1,002	+163
Operational free cash flow excl. AVTOVAZ	**-4,670**	**125**	**-4,795**
Operational free cash flow AVTOVAZ	**+119**	**+28**	**+91**
Automotive operational free cash flow	**-4,551**	**+153**	**-4,704**

In 2020, the **Automotive operational free cash flow including AVTOVAZ** segment reported negative operational free cash flow of -€4,551 million. The change is resulting from:

- cash flow after interest and tax (excluding dividends received from publicly listed companies) of +€1,523 million, including -€325 million of restructuring costs. It included no dividend from RCI (compared to €500 million in 2019);

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- a negative change in the working capital requirement of -€1,527 million (of which +€326 million in working capital requirements related to sales with a buyback commitment);
- property, plant and equipment and intangible investments net of disposals of -€3,827 million, a decrease of -€1,019 million compared with 2019;
- investments related to vehicles with buyback commitments and leased batteries for -€839 million; and
- AVTOVAZ operational free cash flow for +€119 million, largely due to a positive impact related to a change in the accounting presentation of reverse factoring programs in accordance with the December 2020 IFRS IC decision, and including -€14 million in restructuring costs.

Capex and research & development

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

2020 *(€ million)*	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	**Total**
Automotive excluding AVTOVAZ	2,522	1,305	3,827
AVTOVAZ	98	74	172
Sales Financing	10	0	10
Mobility Services*	1	11	12
TOTAL	**2,631**	**1,390**	**4,021**

2019 *(€ million)*	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	**Total**
Automotive excluding AVTOVAZ	2,921	1,925	4,846
AVTOVAZ	75	60	135
Sales Financing	10	0	10
Mobility Services*	0	0	0
TOTAL	**3,006**	**1,985**	**4,991**
** New segment as of 01/01/2020.*			

Total gross investment in 2020 decreased compared to 2019, with Europe accounting for 68% and the rest of the world for 32%:

- **in Europe**, the investments made are mainly to renew the LCV (KANGOO and TRAFIC), C (KADJAR) and EV ranges, but also to introduce the hybrid engines for the AB (CAPTUR) and C (MEGANE) ranges;
- **outside Europe**, the investments are mainly for the renewal of the Global Access (successor of LOGAN and SANDERO in Romania and Morocco, and of DUSTER in Russia and Brazil), the C (XM3 in Korea), the AB (CLIO Hybrid in Turkey) and the LCV (successor of DOKKER in Morocco) ranges, and the industrialization of engines of these vehicles.

RESEARCH AND DEVELOPMENT EXPENSES RECORDED IN THE INCOME STATEMENT

Analysis of research and development costs:

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(€ million)	**2020**	2019	Change
R&D expenses	-2,749	-3,697	948
Capitalized development expenses	+1,390	+1,985	-595
R&D capitalization rate	*50.6%*	*53.7%*	*-3.1 pts*
Amortization	-1,210	-946	-264
Gross R&D expenses recorded in the income statement*	**-2,569**	**-2,658**	**+89**
of which AVTOVAZ	*-1*	*-6*	*+5*
* *Research and development expenses are reported net of research tax credits for the vehicle development activity.* *Gross R&D expenses: R&D expenses before expenses billed to third parties and others.*			

The capitalization rate decreased from 53.7% in 2019 to 50.6% in 2020, in connection with the projects progresses.

The decrease in research and development expenses over 2020 is explained by the end of an initial cycle of upgrades to the product range, the lower level of business, and actions to reduce fixed costs, which focused particularly on subcontracting and purchases of prototypes.

This decrease was accentuated by the COVID-19 pandemic, although it did not significantly affect the level of capitalized development expenses under the rules set out in IAS 38. The lower level of capitalized development expenses is notably attributable to deferral of certain technical milestones from which development expenses are capitalized.

Amortization was substantially higher in 2020 than 2019, due to the higher level of capitalized development expenses in 2018 and particularly in 2019.

NET CAPEX AND R&D EXPENSES IN % OF REVENUES

(€ million)	**2020**	2019
Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	2,631	3,006
CAPEX invoiced to third parties and others	-83	-213
Net industrial and commercial investments excl. R&D (1)	**2,548**	**2,793**
% of Group revenues	*5.9%*	*5.0%*
R&D expenses	**2,749**	**3,697**
R&D expenses billed to third parties and others	*-366*	*-521*
Net R&D expenses (2)	**2,383**	**3,176**
% of Group revenues	*5.5%*	*5.7%*
Net CAPEX and R&D expenses (1) + (2)	**4,931**	**5,969**
% of Group revenues	*11.3%*	*10.7%*

Net Capital expenditures and R&D expenses, down -€1,038 million, amounted to 11.3% of Group revenues in 2020, compared with 10.7% in 2019.

Automotive net financial position at December 31, 2020

CHANGE IN AUTOMOTIVE NET FINANCIAL POSITION (€ MILLION)

Automotive net financial position at December 31, 2019	1,734
2020 operational free cash flow	-4,551
Dividends received	+11
Dividends paid to Renault’s shareholders and minority shareholders	-11

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Financial investments and others	-762
AUTOMOTIVE NET FINANCIAL POSITION AT DECEMBER 31, 2020	**-3,579**

Beyond the Automotive segment reported negative operational free cash flow of -€4,551 million, the €5,313 million decrease in the net cash position of the Automotive segment compared with December 31, 2019 is half due to financial investment and half due to other effects (IFRS 16 impact, debt reclassification, security deposits).

AUTOMOTIVE NET FINANCIAL POSITION

(€ million)	**Dec. 31, 2020**	Dec. 31, 2019
Non-current financial liabilities	-12,519	-7,927
Current financial liabilities	-5,147	-3,875
Non-current financial assets – other securities, loans and derivatives on financial operations	+118	+64
Current financial assets	+1,020	+1,174
Cash and cash equivalents	+12,949	+12,298
AUTOMOTIVE NET FINANCIAL POSITION	**-3,579**	**+1,734**

In 2020, **Renault SA** issued one Eurobond of €1 billion (maturity of five and a half years) via its EMTN program.

Furthermore, in June 2020, Renault SA set up a €5 billion bank credit agreement with a guarantee from the French State. This credit facility, which could only be used until December 31, 2020, in whole or in part and on one or more instalments, has been drawn down several times for a total amount of €4 billion as at December 31, 2020.

The **Automotive** segment's liquidity reserves (including AVTOVAZ) stood at €16.4 billion as of December 31, 2020. This reserve consisted of:

- €12.95 billion in cash and cash equivalents;
- €3.43 billion in undrawn committed credit lines.

At December 31, 2020, **RCI Banque** had available liquidity of €16.6 billion, consisting of:

- €4.5 billion of undrawn confirmed credit lines;
- €4.5 billion of central-bank eligible collateral;
- €7.4 billion of high quality liquid assets (HQLA);
- €0.3 billion of financial assets.

(4) IMPORTANT ACCOUNTING ESTIMATES AND ASSUMPTIONS USED FOR SUCH ESTIMATES

With respect to the important matters concerning the accounting estimates for preparation of the consolidated financial statements and assumptions used for such estimates, please refer to "VI. FINANCIAL CONDITION, 1. Financial Statements, (1) Consolidated Financial Statements, Notes to the Consolidated financial Statements – NOTE 2 ACCOUNTING POLICIES – 2 – B Estimates and judgments" below.

4. IMPORTANT CONTRACTS RELATING TO MANAGEMENT, ETC.:

With regard to management agreement and renewal agreement of the management agreement, please refer to Section II -3.- (2) –"Powers of RNBV" of this Securities Report.

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5. RESEARCH AND DEVELOPMENT ACTIVITIES

	2020	2019	2018	2017	2016
Net R&D expenses *(€ million)*(1)	2,383 (2)	3,176(2)	3,043(2)	2,609(2)	2,284
Group revenues *(€ million)* as published	43,474	55,537	57,419	58,770	51,243
R&D spend ratio	5.5%	5.7%	5.3%	4.60%	4.50%
R&D headcount, Groupe Renault	23,125(2)	23,586(2)	23,451(2)	19,721	18,120
Groupe Renault patents	826	1,040	816	683	565
of which co-owned Renault and Nissan	352	*484*	*375*	*235*	
o/w AVTOVAZ	85	*99*	*35*	*33*	
(1) = R&D expenses – R&D expenses billed to third parties and others.					
(2) Number including AVTOVAZ.					

The car of the future

Research into connected vehicles and electric vehicles

The car is already electric and connected; tomorrow it will also be autonomous, with the benefit of smoother, more seamless driving and improved safety. The development of autonomous cars and shuttles will accelerate the growth of electric, autonomous and shared mobility services, which in turn will promote multimodality – complementarity between modes of transport – and make the overall system cleaner, safer, easier, more accessible, more effective and more efficient. The car is already electric and connected; tomorrow it could also be autonomous in specific use cases, with the benefit of smoother, more seamless driving and improved safety.

From 2017 and into 2020, Groupe Renault, together with public and private partners, has been testing electric, autonomous and shared mobility services delivered by autonomous Renault ZOE Cab prototypes:

- TORNADO project in Rambouillet: testing of autonomous driving solutions, technologies and infrastructure in sparsely populated areas. Testing took place along a 13km route providing a direct link between Gazeran train station and the Bel Air business park in Rambouillet, representative of the specificities of peri-urban and rural areas;
- Rouen Normandy Autonomous Lab: first testing in Europe of an autonomous, shared and on-demand mobility service on open roads, as an extension to the existing public transport service. The tests were carried out on three routes serving different stopping points throughout the Technopôle du Madrillet district;
- Paris-Saclay Autonomous Lab: testing of services for smarter, electric, autonomous, shared and on-demand mobility in addition to the modes of transport already present on the Paris-Saclay campus. The aim was to test a point-to-point mobility service for everyday travel on the Paris-Saclay urban site. Groupe Renault is continuing its research into autonomous mobility, and is participating, via the SAM (Safety and Acceptability of Driving and Autonomous Mobility) consortium coordinated by the French Automotive Platform (PFA);
- to the EVRA Project (autonomous road vehicle experimentation) launched by ADEME as part of the Future Investments Program (PIA), a key part of the national strategy for the development of autonomous vehicles. Its objective is to contribute to the development of safety validation methodologies, to improve knowledge on uses, acceptability and societal impacts. The Group's work will consist notably in testing on-demand, electric, autonomous and shared car services, such as collective public transport and private public transport, in the Rouen city center and at Paris-Saclay.

In June 2019, Groupe Renault, Nissan Motor Co. and Waymo signed an exclusive agreement for an initial phase of exploration covering all aspects of autonomous mobility services for the transport of people and the delivery of goods in France and Japan. The agreement brings together the strengths of the three partners and extends their expertise through the assessment of market opportunities and joint research on commercial, legal and regulatory issues related to mobility service offers in France and Japan.

Vehicles are increasingly connected to the world around them. In 2019 and 2020, several projects combining connectivity and electric vehicles were begun.

RENAULT EZ-FLEX, the experimental, electric, connected and modular light commercial vehicle

Conceived and designed for urban deliveries, it analyzes data supplemented by feedback from business professionals to better understand urban delivery needs on a daily basis. It is 100% electric for sustainable mobility with a range of 150km. It is a compact vehicle with an excellent load volume/length ratio thanks to a compact cabin, designed to make it easier for drivers to get in and out of the vehicle frequently. Exceptional maneuverability: a turning radius of 4.5m. Designed for the different ways customers want to use vehicles, it can be tailor-made, with an interchangeable rear module. Innovative, it has a new smartphone-inspired Human Machine Interface (HMI). Connected, the HMI offers vehicle-related services and can embed applications designed for different professional activities.

With this experiment, which began in 2019 and continued in 2020, Renault is undertaking a new approach to prepare and design the cars of the future. The fleet of 10 vehicles was launched, and a number of functional developments have been made to adapt to different uses. After Greater Montpellier and La Poste in the Paris region, several companies of all sizes and in various sectors have expressed an interest in testing the vehicle in 2021.

TORNADO PROJECT: autonomous mobility services in rural areas.

The aim of the TORNADO project is to define and test the technologies and conditions necessary for the roll-out of autonomous mobility services in low-density areas. Launched in September 2017 and running for 36 months (until November 2020), the TORNADO project explored different use cases aimed at meeting the needs of rural areas.

Led by Groupe Renault and co-managed by Rambouillet Territoires, this research project was carried out in conjunction with approximately 10 industrial and academic partners. Autonomous mobility is not a challenge reserved for large cities. Autonomous vehicle trials must take into account the specificities of sparsely populated areas where transport solutions are often scarce, with many rural areas facing specific challenges. The TORNADO research project, which ends today, accordingly aimed to identify the technologies and communication infrastructure necessary for the roll-out of autonomous mobility services in rural and peri-urban areas, through two use cases and thanks to collaboration between industrial and academic partners, a region and local populations.

In this context, two electric and autonomous mobility services were tested, with validation periods in the field on a real scale and environment:

- an on-demand shared vehicle service (Renault ZOE) directly connecting the Gazeran rural train station and the Bel Air: La Forêt business park in Rambouillet;
- another via a shuttle service with stopping points within the Bel Air business park.

The technical component of the TORNADO project consisted in defining and developing autonomous driving solutions as well as communication technologies and infrastructure:

- that ensure a maximum level of safety: hardware, software, on-board and remote solutions, vehicle-infrastructure communication, *etc.*;
- that adapt to the specificities of peri-urban and rural areas: narrow roads, roundabouts, obstacles blocking visibility, lack of road markings or landmarks, heterogeneity of road edges, narrow tunnels with a single lane, *etc*.

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For Groupe Renault, the challenge was to run an electric vehicle completely autonomously over a distance of 13km, in a direct link between the Gazeran train station and the Bel Air business park in Rambouillet, representative of these specific features. The complexity and diversity of traffic scenarios in rural and peri-urban environments required it, among other things:

- to increase the perception capabilities of autonomous vehicles with real-time 360-degree detection of the environment (type of objects, size, distance from the vehicle);
- to be able to locate and control the autonomous vehicle to within 20 centimeters to ensure that it stays in its lane, on roads that can be very narrow, regardless of the shoulder;
- to make up for temporary loss of GPS signal or total lack of visibility, such as when passing through a single-lane tunnel;
- to achieve, in autonomous mode, “acceptable” speed levels as close as possible to the reality of passengers and other road users, namely up to 70 km/h.

On this route, project partners were able to test the role of connected infrastructure elements (connected lights and fixed cameras enabling vehicles to take into account objects beyond their own perception).

Simulation tools for autonomous vehicles

ELID^2: exploring new uses for autonomous vehicles

To invent the cockpits of the autonomous vehicles of the future, Renault has been using a new research tool: ELID^2 (Experience Life in Delegation), an innovative, customizable demonstrator.

Based on the design of an ESPACE V cockpit, ELID^2 looks like the front part of a vehicle and is coupled with a simulator to represent an autonomous driving situation. Everything has been designed so that while in the demo car, the driver or front-seat passenger feels like he/she is in a self-driving vehicle on the road and can perform normal activities in the car. This means that if the driver wants to relax and watch a movie, the seat can recline and a screen rise from the dashboard. They can also share their film with the passenger or choose other activities such as writing emails or surfing the Internet.

ELID^2 can be fully customized. All of its features (dashboard, screens, steering wheel, seats, *etc*.) can be changed easily. The demo model will thus be able to evolve over the next few years and take into account new areas of research or technological development.

This research tool is used by ergonomists to test cockpit solutions and study the behavior of occupants during the main phases of autonomous driving: activation of autonomous mode, autonomous driving, and resumption of manual driving.

Renault R-NEST: using stimulation to fight hypovigilance at the wheel

The Renault R-NEST project (Renault Research Tool for NEuroscience STudies) was developed by the Groupe Renault Research department as a neurophysiology research tool and demo model for these types of system. The purpose of this research is to help reduce accidents caused by driving fatigue.

The demo model consists of a static driving module. It has two cameras (3D and 2D) that capture and record driver reactions and measure a large amount of data (heart rate, head position and movement, *etc*.). Analysis of these parameters makes it possible to determine the driver’s overall condition, by recognizing his or her state of alertness, for example.

If hypovigilance is detected, Renault R-NEST acts to protect driver and user safety whether or not the car is in motion by offering reactivation or relaxation scenarios. For example, when driving, the system will inform the driver and offer him or her countermeasures such as music containing “infrasounds”, which have the effect of reactivating concentration, giving the driver time to park safely in a parking lot and thus avoid an accident by falling asleep at the wheel. The aim is to determine the effectiveness of these methods, which are still at a very early stage (research), to decide whether or not to continue to the R&D phase.

The benefits could be physiological (the brain is more “awake”), behavioral (subject reaction rates are higher) and subjective (the driver feels less tired).

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AD-learning: The driver at the heart of the learning process for new driving styles

Driving aids (ADAS) are already a reality in the Renault range (adaptive driving control, parking aid, lane keeping aid, *etc*.). Their development will continue in the future, leading gradually to autonomous driving functions. This arsenal of technologies makes driving both more enjoyable and safer. But to take full advantage of all the new functions, drivers must be comfortable with their use and fully understand how they work.

To this end, and with the customer always at the heart of its concerns, Renault has for several years been developing a program called "AD Learning", which aims to develop a battery of educational tools, from simple videos to driving simulators, to put customers in a learning situation. This program is being developed in partnership with the company's sales functions, which are in direct contact with customers.

For example, a demonstrator was placed in a large dealership in the Paris region for several weeks in order to collect the opinions and suggestions of sales staff and customers in the field. This research program will be continued in the years to come, as this is a key point in the roll-out and effectiveness of driving aids.

Research into electric vehicles (EVs)

With a 10-year lead over most of its competitors, Groupe Renault is both a pioneer in electric mobility and the leader in Europe. This is the result of continuous work by the Group's teams to maintain this lead at a time when competitors are making inroads in the field, thus affirming the electric vehicle as a strategic choice. Our four priorities in this competition are:

- continually enriching our offer by expanding our current range of five vehicles and introducing new products to reach eight 100% electric vehicles by 2022;
- increasing battery range: technology in this area is advancing at a rapid rate. The marketing of the new ZOE at the end of 2016 with its 400km NEDC range and the Renault Medium-Term Plan, with its projected range of greater than 600km in 2022, are examples of this. Nevertheless, the choice of autonomous cars by customers will increasingly become a rational choice that will have to be covered with several different levels based on budgets and customer driving profiles;
- making EV technology more competitive: this involves both reducing the cost of batteries and reducing the cost of electronic power components, which will be less expensive and less bulky while still performing better. The Renault Medium-Term Plan, with its projected reduction of 30% on the cost of batteries and 20% on the cost of electronic power components, is an example of this;
- developing technologies to make battery charging easier and more efficient: the improvement of battery chargeability and the development/standardization of so-called "fast" chargers will be a key factor for the electric vehicles of the future. Research is also being carried out on inductive charging (static and dynamic) and robotic charging, which could allow users to recharge their EV batteries without having to connect an electric cable to a charger.

Contactless dynamic charge: inductive electric charging on the go

Renault is working on a dynamic inductive charging project, which will allow the batteries in its electric vehicles to be charged while driving.

Coils of conductive materials (copper, aluminum, *etc*.) are inserted into the road. Powered by an alternating current, these loops emit a magnetic field that is captured by a receiving loop located under the car. When the vehicle passes over a coil beneath the road, the electromagnetic field creates an inductive electric current in the receiver coil. This inductive current is used either directly for traction or to recharge the battery. In this way, the road supplies the car with energy while driving.

Driving over the coils would keep electric vehicles charged permanently and automatically. The energy can either be used for driving, in all or part, or to charge the battery. The energy transmitted to the vehicle is proportional to the time spent driving on the equipped part of the road.

A stretch of test road has been developed with loops and an artificial sidewalk that conceals the electronic equipment required. Each coil is managed separately and can transfer the energy needed to

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the vehicle. In this experiment, the test vehicle is a TWIZY, which receives 2 kW on a continuous basis. This is the first stage.

INCIT-EV, an ambitious European research project on electric vehicle charging launched in early 2020 and coordinated by Renault

After conducting several research projects aimed at developing innovative load concepts, such as induction charging while driving, Groupe Renault launched the European INCIT-EV project in 2020, in conjunction with 32 partners across Europe. The INCIT-EV project will run for 48 months, from January 2020 to December 2023, and will be divided into two main phases:

- a phase of study of consumer needs and constraints, which, from April 2020, will be followed by the study of charging technologies and their integration into infrastructure;
- a phase of on-site demonstration of seven technologies from the second half of 2022 until the end of the project;
- a dynamic induction charging system in urban areas in Paris, France,
- high-power charging systems on the outskirts of Tallinn in Estonia,
- optimized bi-directional smart charging in Amsterdam and Utrecht in the Netherlands,
- a dynamic induction charging system in peri-urban/long-range areas in Versailles in France,
- a charging hub in a car-sharing car park on the outskirts of Turin in Italy,
- bi-directional low-power charging (including two-wheelers) and static induction charging in taxiways at Zaragoza airport and central railway station in Spain.

In view of the need to test charging technologies in real conditions and to structure the ecosystem as a whole, Groupe Renault was keen to take part in a call for projects from the European Commission. Within that framework, the Group worked to create a consortium. Some 30 carmakers, universities, institutes, cities, start-ups and SMEs responded positively to the initiative, with a shared desire to promote electromobility in Europe through testing focused on electric vehicle users. The approach is highly customer-centric and will make it possible to build a new ecosystem and design charging technologies that can be easily rolled out to encourage the development of electromobility in Europe. The INCIT-EV project has received funding from the European Union's Horizon 2020 research and innovation program under grant agreement no. 875683. The INCIT-EV project consortium was initiated and coordinated by Groupe Renault. In this capacity, Groupe Renault serves as the interface between the European Commission and all partners, overseeing technical development, budgets and planning.

New battery technologies for electric vehicles

At the end of 2018, Alliance Ventures, the Renault-Nissan-Mitsubishi venture capital fund, announced its participation in the last financing round by Enevate Corporation. Based in Irvine (California), this company specializes in the design of lithium-ion batteries. This is the latest investment by Alliance Ventures, which was launched this year to support the most innovative start-ups in next-generation systems for the automotive industry. The silicon-dominated lithium-ion batteries developed by Enevate offer ultra-fast charging capabilities and high energy density, at a reduced cost. They could potentially offer the shortest charging time out of all of the lithium-ion battery technologies currently available on the market.

Alliance Ventures has also invested in Ionic Materials, a promising US company that is developing a polymer material whose properties could contribute to the development of so-called "solid state" cells. This investment coincides with the implementation of a research and development cooperation agreement between Ionic Materials and the Alliance. Based in Massachusetts, Ionic Materials is developing a polymer material that can be used as a substitute for the liquid electrolyte in "traditional" Li-ion cells and thus help improve the performance and economic efficiency of high-energy density batteries for automotive and many other applications.

Partnerships

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Reinventing the automobile for the twenty-first century: a low-energy consumption vehicle, considerably lighter weight, connected and able to substitute in all or part for driver activities; this is a challenge that can only be met collectively. For Renault, collaborative R&D agreements contribute to accelerating the development of the technologies required to meet these challenges, and also to developing skills and cost-sharing. Such contracts are key to speeding up the introduction of innovations into vehicle projects.

Cooperation

In the competitive industrial world, performance and frugality are indispensable and inseparable to continue the race at the head of the pack.

To open up toward the outside world, to capture the diverse knowledge and know-how of our manufacturing and academic partners at the highest level, combining these with ours, multiplies our capacity for innovation 10-fold, and enables costs to be shared. This method of collaborative innovation is encouraged by the public financers, both French and European. Public aid, such as subsidies and repayable advances, is an additional lever that helps accelerate our innovation. In this framework, Renault has always prioritized cooperative initiatives as part of our R&AE activities. These initiatives are an effective way of expanding our strategic plan. Renault's cooperation budget is a multi-year figure of €180 million and covers cooperation both in France and Europe. Cooperation provides an opportunity to share costs and to access financial assistance for faster innovation. Ongoing collaborative projects were awarded financial assistance of €2.7 million in 2020, broken down into €2.65 million in subsidies and €85 thousand in repayable advances. In a global health crisis characterized by extensive telework, some demonstrations and tests had to be postponed, and the level of financial assistance was very exceptionally down in 2020 compared with 2019.

In 2020

A portfolio of 74 subsidized projects was managed in 2020 using traditional methods (36% of the projects were more than 50% funded, with some 10% fully funded by financial backers). A total of 26 French and European projects were submitted over the year: 11 were accepted, eight were still being processed and seven were rejected. In addition, projects linked to the national support plan for the automotive sector were submitted to traditional financing mechanisms. In June 2020 Renault made submissions on:

- the R&D part of the support plan: eight projects, of which three were accepted and are funded by ADEME or Bpifrance, and five were rejected during the pre-validation phase by the General Directorate of Enterprises (DGE), which deemed them not priorities, given the other projects submitted by the applicant companies. The themes addressed are power electronics, the greater availability of EV and hybrid technologies, and battery thermal management;
- eight projects have been submitted as part of a call for expressions of interest for the modernization of the support plan. Two projects are still under examination as part of the call for projects that followed, and six projects were rejected before submission by the DGE, which deemed them not priorities, given the other projects submitted by the applicant companies. They concern the plants in Le Mans (sustainability of the activity and employment of the Chassis industrial site in Le Mans) and Batilly (project to create a battery assembly activity for electric vehicles).

Renault also remains extremely active in its "Investing in the Future Program". The projects submitted under the Investing in the Future Programs 1 and 2 are still underway.

They include:

- EVAPS: Ecomobility through Autonomous Vehicles in the Paris-Saclay region;
- HPP: High-Pressure Pulsed;
- COCTEL: development of a hybrid powertrain;
- the large-scale project (SAM – Safety and Acceptability of Driving and Autonomous Mobility: design of high-performance automated systems, functionally safe for autonomous vehicles) on autonomous vehicles, submitted as part of PIA 2, began testing as initially planned, but nevertheless suffered some postponements due to the impossibility of carrying out certain tests in view of the health crisis.

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Renault’s research costs were €42 million over the project period, while €11 million in French State aid was awarded by ADEME for budgeted activities;

- in addition, an ANR project from academics was submitted and accepted in 2020, with Renault’s participation. It is the DeepSee project, which is an artificial intelligence project focused on the study of new artificial neural networks.

Managed projects include the following:

Project name	Description	Project start date	Project end date	Financing programs	Business line
5Gcroco	Fifth generation cross-border control	01/01/2019	12/31/2021	H2020-ICT-2018-2020	Electronics
COCTEL	Development of a hybrid powertrain	10/11/2013	05/25/2021	PIA Vehicle of the Future Program	Powertrain
CONCORDA	Preparing European highways for automated driving with appropriate services and connected technologies	10/01/2017	12/31/2020	2016-EU-TM-0327-S	New mobility
C-ROADS	Improvement and extension of knowledge about Car2X	09/01/2016	12/31/2020	CEF	New mobility
DENSE	Development of sensors combining three functions of radars, lidars, and cameras operating in all weather conditions for autonomous vehicles	06/01/2016	02/29/2020	H2020-ECSEL	Electronics
EAGLE	Development of a lean burn gasoline engine with a 50% gasoline engine efficiency target in line with the ICE research road map	10/01/2016	03/31/2020	H2020-GV-02-2016	Powertrain
EMPHYSIS	Development of a quasi-automated, standardized process for porting models created for digital simulation to embedded codes	12/01/2016	02/28/2021	EUREKA ITEA3	Powertrain
EVAPS	Developing and testing of autonomous mobility services with electric vehicles	03/01/2017	02/29/2020	PIA2 Road vehicles and Mobility of the Future	New mobility
HPP HAUTE PRESSION PULSÉE	High-Pressure Pulsed: weight-reduction technology that implements development of welding, crimping, magnetic molding and electro-hydraulic molding systems between steel and aluminum	05/20/2017	02/20/2020	PIA	Process
INCIT-EV	Improving the experience of EV users and accelerating the development of electromobility through the roll-out of innovative	01/01/2020	12/31/2023	H2020-LC-GV-2019	New mobility

	recharging solutions throughout Europe				
ISA3	Integration of aluminum solutions to lighten cars – Production of aluminum doors	04/01/2020	10/01/2023	CPSP No. 8	Materials
L3PILOT	Development of a level 3 autonomous vehicle with demo model	09/01/2017	08/31/2021	H2020-ART-02-2016	New mobility
SAM EVRA	Design of high performance, functionally safe automated systems for autonomous vehicles	10/16/2019	04/15/2023	PIA Autonomous Road Vehicle Experimentation	New mobility
SAM EVRA (LAB)	Evaluation of the management of critical scenarios Social and economic impact studies	10/16/2019	04/15/2023	PIA Autonomous Road Vehicle Experimentation	New mobility
TORNADO	Determine infrastructure requirements for the roll-out of autonomous vehicles Demonstrate public transport for a population living in large/peri-urban areas Understand the needs/expectations of users within the extended boundaries of metropolises	09/01/2017	02/28/2021	FUI 23	New mobility

At European level

Renault has submitted seven projects under European financing programs, including Horizon 2020, ECF and EUREKA. These projects primarily cover batteries, autonomous vehicles, safety, connectivity, materials and processes.

The following projects attracted the largest subsidies in 2020:

Name of the project	Description
COLLABS	Artificial intelligence research - industrial automation on intelligent industrial systems for exchanging information and operating remotely. Cyber intelligence and cybersecurity in the context of Industry 4.0.
FLEXAMEP	Production of quickly reconfigurable, easily adaptable and flexible elastomer parts.
Hi-DRIVE	Test and demonstrate the functionality of highly automated vehicles in demanding traffic scenarios. Ability to interact securely with other traffic participants.
INTERQ	New industry 4.0 technology solution for process/product quality control and data reliability.

2021 Outlook

Collaborative projects remain a way for Renault and its partners to share engineering knowledge. We are therefore continuing to develop new collaborative projects in both France and Europe. We forecast some €6 million in terms of financial assistance (for all French and European programs combined), and €1 million in repayable advances.

The PSA-Renault Research and Study economic interest grouping (EIG)

Focus on the LAB

The PSA-RENAULT Research and Study economic interest grouping (a form of cooperative venture) houses the cooperation projects between the two manufacturers in shared fields of interest. Historically, the two main lines of work were related to the **LAB** (created in 1969) and the **Groupement Scientifique Moteur** (GSM, created in 1980). A third line is housed in the Materials IRT. The LAB's main areas of work are the analysis of road accidents, biomechanics and the study of driver behavior. The LAB's work includes collaborative projects or European initiatives (such as the INDID and PEARS projects). It also studies the paradigm shift in road safety caused by the arrival of connected and/or autonomous vehicles (AutoConduct project, SAM), as well as critical scenarios in driving databases such as U-Drive and MOOVE. The GSM worked this year to diversify its work into green energies. Studies carried out at the Materials IRT focused on industry's ability to make effective use of recycling channels.

Focus on the GSM (Groupement Scientifique Moteur)

The GSM's main areas of work are combustion and post-treatment systems to improve customer consumption and pollutant emissions. More specifically, GSM focuses its studies on the analysis of fine particles and their consequences on the environment and on secondary aerosols.

Focus on the IRTs

The work carried out on composite and metallic materials at the Jules Vernes and M2P Technological Research Institutes (IRTs) is also conducted jointly with the two automotive manufacturers Renault and PSA within the context of this EIG. Various projects are carried out jointly with the two manufacturers and other partners to optimize the costs related to research projects and share knowledge. Subjects covered include vehicle weight and materials resistance.

Research activities at the most prestigious universities, other universities, the CNRS (French National Scientific Research Center), *etc*.

Renault continues its research activities with the academic world, the most prestigious universities, and other universities.

Joint research activities are mainly carried out as part of subsidized collaborative projects, work conducted within IRTs and ITEs (energy transition institutes), and as part of studies involving doctoral students under industrial research training agreements (CIFREs). Renault hosted 95 doctoral students under CIFREs in 2020. A total of 28 new topics were proposed in 2020. The authorization issued to Renault for the scientific validation of subjects by the ANRT since June 2017 makes it possible to streamline the validation and recruitment procedures for young doctoral students. Activities to promote the work of doctoral students were initiated in 2018 in the form of presentations within the company of the research conducted by the students.

Strategic agreement with the CEA

The two previous agreements (batteries and strategic cooperation) signed in 2010 expired at the end of 2014. The partnership between Renault and the CEA (French Atomic and Alternative Energy Commission) was renewed under a single agreement covering all vehicle technical areas for a period of five years starting January 1, 2015. It brings together all collaborations between Renault and the CEA under one agreement focused on joint laboratories located on various CEA sites managing all CEA teams involved in Renault projects. An amendment has extended this agreement to the end of 2024.

2020 represented total activity of €1.3 million and involved research, advanced engineering and business projects relating to such topics as electrical and power electronics architecture, electric vehicles, second-life batteries, the integration of photovoltaic panels on a vehicle in our range, 3D printing and mechatronics and quality control of air in our industrial buildings. In addition, in 2020, Renault continued its collaboration with a CEA robotics start-up to improve productivity in our assembly plants.

Research and teaching chairs

Established under sponsorship agreements or agreements of a more competitive nature, research and teaching chairs are created to more quickly solve complex problems relating to innovation (technology, management and Human Resources, mobility ecosystems, *etc*.) in partnership with the best academic teams and in association with other economic and industrial players.

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They make it possible to benefit from advances in upstream research through work with scientific teams conducting cutting-edge research on the subject, with research being conducted as part of theses that are started at the same time. These chairs make it possible to participate in the definition of teaching programs from which our employees can then benefit so that the company can be more efficient when it incorporates innovations. They are also a means of building ties and synergies with the other economic and industrial partners that participate in them.

In return, these chairs allow academic teams to receive support for research programs, create ties with industrial R&D and promote the results of their teams.

The Steering Committee, which brings together various company functions, enables us to support the development of proposals for new chairs, prioritize these proposals and regularly ensure the good progress of the programs initiated.

In 2020, despite the exceptional context of the COVID-19 pandemic, seven new chairs were announced and work began successfully in line with objectives:

- “Data to maximize valorization” with the Laboratory of Excellence of the University of Lyon’s;
- “Real-time Extended Reality (XR) simulations 4 Industry” with Arts et Métiers ParisTech’s;
- “Futur de l’Industrie et du Travail” with Mines Paritech, Fabrique de l’Industrie, École de Paris du Management and GRTgaz, Orange and Michelin’s;
- “Systèmes de Systèmes”. “Énergie & prospérité” with Institut Louis Bachelier, AFD, ADEME, *etc*.;
- “AI for data-driven and self-configurable supply chains” with the Multidisciplinary Institute in Artificial intelligence of the University of Grenoble;
- “Fair & Robust Methods in Machine Learning” with Artificial and Natural Intelligence Toulouse Institute (ANITI);
- “New certification approaches of critical AI based systems” with ANITI. The work that had been planned on the "Intercultural Management" scope with the ESCP were finalized.

The other chairs active in 2020 dealt with the following subjects:

- cybersecurity;
- aerodynamics;
- design of usage-oriented urban systems;
- automotive distribution and services;
- road safety management;
- in-car lighting systems;
- electrified propulsion performance in vehicles;
- operational excellence and managerial innovation;
- inclusive and social business;
- supply chain of the future.

With these new chairs announced in 2020, Renault remains part of the group of economic and industrial players that lead support and participation in research and teaching chairs.

New products in 2020 and 2021 and their innovations

1) New DACIA SANDERO, SANDERO STEPWAY and LOGAN

A new on-board experience

The interior has taken a leap forward on all fronts: increased quality of presentation, materials, finish, assembly, ergonomics and the appearance of new equipment. True to the Dacia promise, the new SANDERO, SANDERO Stepway and LOGAN still offer the best space for money in the market.

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Superior roominess: the new SANDERO, SANDERO Stepway and LOGAN offer three real adult seats in the back, a fold-down bench seat (depending on the version) and a family trunk. Meanwhile, the SANDERO has a capacity of 328 l (310 l+12 l), is equipped with a dual-level floor (depending on the version) and can be unlocked remotely via a button on the key or the hands-free card. The new LOGAN offers loading capacity of 528 liters. The roominess is worthy of the high-end segment, with the largest space in the category for the rear passengers' legs. They enjoy up by 42mm more on the new SANDERO and the new LOGAN. In terms of storage, capacity can reach 21 liters (+2.5 l), with space under the central armrest (1.4 l), in the front and rear doors, and on the backs of the front seats.

More comfort

The design and shape of the new front seats offer more comfort and support, notably with height-adjustable headrests. To improve driving position, the driver can now adjust the seat height (+/- 35mm), the steering wheel height (+/- 2.1°) and depth (+/- 25mm), and opt for an individual or central armrest. The gear stick has been shortened. The steering is fully electrically powered for increased comfort, particularly in tight turns and for parking (36% less effort than the previous SANDERO).

More equipment

At Dacia, modernity is not synonymous with a race for superfluous equipment. The new equipment on the SANDERO, SANDERO Stepway and LOGAN matches change in key customer expectations. Whatever the level of finish, the standard equipment includes a smartphone holder (movable in some versions), an on-board computer screen, cruise control and speed limiting controls on the steering wheel and automatic lights. For better comfort and safety, drivers can keep their eyes on the road and their hands on the steering wheel. New automatic air conditioning with digital display, heated front seats (from April 2021), hands-free card with remote opening of the trunk, an electric parking brake, a reversing camera, front and rear parking aids and automatic ignition of the windshield wipers are available as standard equipment or as an option depending on the market. Finally, for the first time at Dacia, an electric glass sunroof will be offered on the new SANDERO and the new SANDERO Stepway in 2021.

Modern equipment for safety

Thanks to their modular CMF-B platform and their new electronic architecture, the new SANDERO, SANDERO Stepway and LOGAN boast latest generation driving aids and safety equipment.

Gasoline/LPG bi-fuel system with Dacia ECO-G

Dacia is the only carmaker to offer a gasoline/LPG bi-fuel system on its entire range of passenger cars under the ECO-G label. The plant integration of this proven technology on the TCe 100 ECO-G engine is a guarantee of safety and reliability. The duration of the manufacturer's warranty, the interval and cost of maintenance operations and the trunk capacity are identical to those of a gasoline version (the LPG tank is located where the spare wheel usually goes). When running on LPG, the new SANDERO ECO-G emits on average 11% less CO_2 than an equivalent gasoline engine. It also offers a range of more than 1,300km thanks to its two tanks: a 50 l LPG tank (or 40 l of useful capacity because filling is limited to 80% for safety reasons), an increase of eight liters on the previous generation of SANDERO GP, and a 50 l gasoline tank. With Dacia, LPG combines ease of use, driving pleasure, reduction of CO_2 emissions and long range. Depending on the country, a gasoline/LPG bi-fuel system benefits from incentives or tax reductions including low fuel prices at the pump, and no environmental penalties or traffic restrictions.

2) Renault KANGOO and EXPRESS

The KANGOO Van, the innovative van with an athletic and dynamic style, is mainly aimed at demanding fleets, craftspeople and traders looking for a tailor-made vehicle equipped with the latest technologies for professionals.

With its major innovation, Easy Side Access and Easy Inside Rack, the KANGOO Van is revolutionizing the way people work.

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Easy Side Access: particularly practical in city centers, this innovation gives customers easy access to their load, regardless of parking constraints. By eliminating the central post, KANGOO Van offers 1,416 mm, the widest side access in the market (twice as wide as its previous version).

Easy Inside Rack: another innovation, this retractable interior rack makes it possible to transport long and bulky objects above the passenger seat, thereby freeing up space on the floor.

EXPRESS Van is particularly aimed at young entrepreneurs and small fleets looking for the best value for money while satisfying their essential needs, synonymous with robustness and modernity, the aesthetic codes signature of the Renault brand. Equipped with enhanced seats, the new interior brings quality and comfort on board. Particular attention has been paid to storage spaces and ergonomics. It offers the best level of storage in its category (48 l) as well as a load volume of between 3.3 and 3.7m^3. The EXPRESS Van is fitted with the Renault EASY LINK multimedia system, and offers driving aids including Rear View Assist, Blind Spot Warning, Front & Rear Park Assist, and the Wide View Mirror. The KANGOO and EXPRESS are also available in versions for private individuals.

3) DACIA SPRING

Unveiled at eWays, the DACIA SPRING Electric is **Dacia's first all-electric model based on the CMF-A platform.**

This electric city car will be the least expensive on the market and will make electric mobility even more accessible. With its versatile and practical SUV look, it boasts record-breaking roominess, a simple and reliable electric drivetrain and a reassuring range. Offered with a fully electric 33 kW motor coupled with a 26.8 kWh battery, the SPRING Electric has a range of 225 km in the WLTP cycle and 295 km in the WLTP City cycle (certification cycle confined to the urban portion).

It boasts extensive standard equipment, including fully electric variable power steering, remote central locking, four electric windows, speed limitation, ABS, ESP (Electronic Stability Program), electronic brake force distribution, six airbags, emergency call (SOS button), automatic lights and automatic emergency braking. It comes with two new versions for new forms of mobility, namely a version adapted to electric car-sharing, and a utility version dubbed Cargo, for last-mile deliveries without polluting emissions.

4) Renault ARKANA in Europe

The ARKANA in Europe, unveiled at eWays, i**s based on the Alliance's modular CMF-B platform**, on which the new generations of CLIO and CAPTUR have already been developed. The version intended for Europe is produced at the Busan plant in South Korea.

In terms of powertrain, the ARKANA offers a full hybrid E-TECH engine that systematically starts up with electric traction and ensures driving pleasure at all times, with clear and instant acceleration. Energy efficiency is also part of the deal, thanks in particular to its innovative multi-mode gearbox, its efficient regenerative braking and its high capacity for automatic battery recharging. Driving time in cities is fully electric up to 80% of the time. That makes it possible to limit CO_2 emissions and reduce consumption by up to 40% in the urban cycle compared with a combustion-only engine.

The ARKANA also offers a four-cylinder gasoline engine with 1.3 TCe direct injection. Economical and efficient, it procures real driving pleasure. Combined with EDC dual-clutch automatic transmission, it will first be offered in a 140hp version and then also in a 160hp version. New and innovative, the 1.3 TCe engine is now micro-hybridized with the addition of a starter-alternator system coupled with a 12 V lithium-ion battery under the passenger seat. This technology improves Stop & Start and ensures energy regeneration during deceleration phases. It also assists the engine in the phases that consume the most energy, namely starting and accelerating. It thus reduces fuel consumption and CO_2 emissions while ensuring smoother restarting and better driving comfort.

Equipment-wise, the ARKANA has a high-tech cockpit with a digital display on the instrument panel. The color screen comes in 4.2, 7 or 10.2 inches depending on the version and allows you to personalize your driving experience in a very intuitive way. Complemented by a central 7- or 9.3-inch screen, it houses the EASY LINK multimedia system (permanent 4G connectivity, enhanced services, system and mapping always up to date thanks to “Over The Air” technology and even customization of settings with MULTI-SENSE), which helps give the vehicle one of the largest display surfaces in its category.

The ARKANA also boasts a full range of driving aids. Its latest generation technologies include a 360-degree camera to detect all obstacles around the vehicle, as well as highway and traffic assistants, combining adaptive cruise control with the stop & start function and lane departure assistance. This level-two autonomy service considerably increases driving comfort.

5) Powertrains, players in the energy transition

Renault continues to develop new emission control technologies for its internal combustion engines to reduce CO_2 and particulate emissions.

We are responding with technological propositions that strike the best balance between pollutant/CO_2 emissions and cost for the customer. Since June 2020, new Groupe Renault vehicles sold to individuals in Europe have gradually been fitted with engines meeting the new Euro 6D-Full standard thanks to new pollution control technologies on its gasoline, diesel, hybrid and plug-in hybrid and LPG engines.

Groupe Renault is preparing for the arrival of the European Euro 6D-Full standard, which comes into force for passenger cars on January 1, 2021 (January 1, 2022 for commercial vehicles) and which strengthens the measurement procedures and thresholds for emissions of pollutants from thermal engines.

To support the energy transition, we rely on a comprehensive range of technologies: carbon-free hydrogen is one of them and part of the Groupe Renault’s strategy. We have range extenders in our line-up of utility vehicles.

Groupe Renault has a wealth of experience in LPG. We have been selling it for over 10 years in Europe. LPG has so many advantages: it is more ecological (-12% CO_2/100km) and more economical, while also being more efficient. Groupe Renault is offering a new bi-fuel gasoline-LPG engine on the CLIO, CAPTUR, SANDERO, LOGAN and DUSTER in Europe, the TCe ECO-G 100 (HR10). In gas mode, this engine reduces CO_2 emissions by around 12% compared with gasoline mode.

In the Euro 6D-Full format, engine performance is improved by +10Nm of torque and +7kW of additional power because gas combustion has greater potential than gasoline. The cost of using LPG is equivalent to that of diesel, and its purchase cost is at least €1,500 lower. LPG is 20% to 25% cheaper than gasoline per kilometer, allowing someone driving 15,000 km per year to save roughly €200 on fuel.

We have a large distribution network, with 33,000 stations in Europe. 10% of the gas consumed is bio LPG in France, and this is constantly increasing.

6) Renewal of the international range

In 2020, Groupe Renault renewed its range worldwide, with the DUSTER in Latin America, the new CAPTUR in Korea, and phase 2 for the KAPTUR in Russia, the MEGANE, the KOLEOS, the TALISMAN and the ESPACE.

Performance levers

Modular design

Introduced in 2013 as a source of increased competitiveness and synergies, the modular design approach known as CMF (Common Module Family) enables the standardization of architecture across Renault, Nissan and Mitsubishi vehicles.

CMF has already generated an average reduction in product/process design costs of approximately 30 to 40% per model and a 20 to 30% reduction in parts costs. By 2022, 70% of Alliance vehicles and 80% of Groupe Renault vehicles will be manufactured on common platforms.

Common Alliance platforms

CMF-EV is “THE” reference platform for the new generation of electric vehicles for Groupe Renault and the Alliance. This all-electric platform overcomes the constraints generated by thermal architectures and offers a new level of service: more energy efficiency for more range, the roominess of the high-end segment and all the driving pleasure of an electric vehicle.

CMF-A is the Alliance’s small city car platform. Its architecture is electric compatible, and can accommodate all-electric vehicles. This is the case for the Renault CITY K-ZE and the Dacia SPRING, unveiled in 2020.

CMF-B is the Alliance’s modular platform *par excellence*. By 2022, the CMF-B will carry more than 12 Alliance models, with a target of three million vehicles in series production after the complete renewal of the B segment in 10 plants worldwide. Its production was launched in 2019, starting with the CLIO V in the Bursa and Novo Mesto plants, then in Valladolid and Sunderland with the CAPTUR and the JUKE. In 2020, it will welcome the new LOGAN and SANDERO produced in the Pitesti and Tangiers plants. In addition to combustion engines, this platform is compatible with LPG and enables the electrification of vehicles (hybrid and plug-in hybrid). It is designed to accommodate advanced driving assistance leading to the first levels of driving autonomy. Its architecture makes it possible to offer models adapted to the various markets in terms of services and costs.

CMF-CD is the platform dedicated to C and D segment SUVs for each of the Alliance partners. It equips the X-TRAIL/ROGUE and the Qashqai for Nissan and the Outlander for Mitsubishi, and will support the renewal of the KADJAR and the KOLEOS for Renault. The platform is compatible with multiple energies (gasoline, hybrid and plug-in hybrid), and will bring this generation of vehicles a complete technological renewal for driving aids, connected services (including the integration of Google Automotive Services) and the ability to update systems remotely (Firmware Over The Air – FOTA). Groupe Renault vehicles will also benefit from specific advantages, such as multi-directional rear suspension (4CONTROL) or predictive controlled damping depending on the models and trim levels selected. Within the Alliance, nearly 10 million vehicles will be produced on this platform and brought into series production in eight plants across all major global automotive markets (United States, Japan, Europe, China and Russia).

Software Engineering

A new entity dedicated to software, the SOFTWARE FACTORY, was created in August 2020.

Thus, Groupe Renault is acquiring specific skills in the software business in order to meet the future challenges of mobility and services, in addition to the necessary changes in on-board software architecture to build and offer new innovative services at any time in the vehicle’s life. Software innovation is key to the vision of a smart, self-learning car with Artificial Intelligence technologies and cloud extensions. The innovations and services provided to our customers are increasingly produced using software embedded in our vehicles or located in off-board servers.

The SOFTWARE FACTORY delivers reliable and robust software based on a unique, continuous and cross-functional software development process aimed at:

- reducing associated customer complaints;
- controlling growing software complexity without allowing development costs to spiral;
- offering customers the possibility of purchasing new services or functionalities throughout the life of their vehicle.

The SOFTWARE FACTORY is central to a corporate strategy (Renaulution) geared towards delivering constant improvement in the customer experience. It contributes to the development of innovative services to generate revenue in the field of mobility services (where the target is 20-30% by 2030). The implementation of innovative software functions and their centralization on powerful processors bring significant gains on the manufacturing cost price and value for money, improving the attractiveness and profitability of our vehicles. The SOFTWARE FACTORY brings in-house development expertise (Make) and a break from the classic tier-based working model (tier-1 supplier) by seeking out technical expertise at the source and relying on technological partnerships (Google, Qualcomm, *etc.*) and by getting involved in automotive and consortium standards (Autosar, *etc.*).

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System engineering

This development methodology, which Renault has gradually integrated into its processes and tools over the past 10 years, enables us to control the increase in complexity of our products and services while facilitating the reduction of diversity.

Areas such as ADAS, connectivity and the electrification of traction are obviously targeted, but more generally the entire vehicle, ranging from its “mechatronic” perimeters (openings, active aerodynamics, *etc*.), vehicle assembly and off-shore information systems supporting services to mobility and energy ecosystems, where the challenges are not only technical and require building new collaborations.

SWEET

One of the areas experiencing very substantial development in vehicle-related innovations is known as SWEET, for SoftWare Electric & Electronic Technology.

SWEET covers software, electrical and electronic architectures, connected services, multimedia and driving aids in vehicles. SWEET provides our physical platforms and vehicles with a large part of our products’ on-board intelligence.

More specifically, SWEET is an Alliance software and electrical/electronic platform equipping our vehicles. There are several generations of SWEET (100, 200, 400, *etc*.) arranged in chronological order, with technical content adjusted to the needs of the Alliance range plan.

SWEET100 equips all our new vehicles from the new CLIO. SWEET200 and SWEET400 are currently in development, while SWEET200 will equip the new CMF-EV electric platform. SWEET is an important part of the Renaulution plan: it helps reduce costs and the price of engineering, and helps increase carry-over while remaining focused on the expectations of our customers.

Customer satisfaction plan: from reliability to customer satisfaction

Our goal: satisfy 100% of our customers

The quality of our products is the cornerstone of our customers’ trust. As such, quality is a priority for all our brands and no compromise is acceptable. Within the framework of Renaulution, our goal is clear: 100% of our customers must be satisfied.

Each customer is unique and deserves the best: a long-lasting reliable car and impeccable end-to-end service.

So we aim not just for zero defects, but also to find solutions for each problem encountered by our customers.

Each employee, from upstream to downstream, has a role to play on that front. To achieve our goal, Groupe Renault is strengthening its Customer Satisfaction Plan initiated in 2018. Three key points ensure constant quality at every stage of the customer experience:

- zero defects. The first essential quality of a vehicle is its reliability. The services of our products are designed to meet customer expectations: performance, style, perceived quality, comfort and pleasure. The industrial system is evolving to produce “zero manufacturing defects” and ensure the proper functioning of all systems. If problems arise, they are dealt with locally to ensure maximum responsiveness;
- sustainable quality. A car that ages well, that can be kept longer, is the assurance of keeping the pleasure of driving intact and preserving the resale value. A corporate approach has been put in place to push back the limits of sustainability and give vehicles a second and third life. Parts are being strengthened in terms of endurance, and electronic systems are being updated;
- tailor-made services and a customized relationship. The network offers its customers services tailored to both the sale of the vehicle (reception, advice, handling, financing and insurance) and after-sales service (support, maintenance, repair, replacement. spare parts, *etc.*). Listening to customers during their visits and the provision of explanations for vehicle servicing have been strengthened.

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The customer is central to the quality approach. The entire company is committed to the satisfaction of its customers: from upstream to downstream, every detail counts.

Quality is a “state of mind” deeply entrenched in everyone’s thoughts and actions throughout the Group.

The expertise network that serves all of the Group’s functions

The expertise network develops and harnesses the Company’s knowledge and know-how to implement its strategic orientations and contribute to its performance and customer satisfaction. It has an impact on the Group, and as such, serves the new brand-based organization together with all functions, and is actively involved in Renaulution.

The expertise network consists of 53 areas of strategic expertise established in all major business lines, with a strong predominance in engineering. After a reorganization of the powertrain and manufacturing networks in 2020, the evolution of the segment is set to continue in 2021 to adapt to the Company’s new organization by brands.

The network comprises four levels of expertise matching the needs of the business lines, and reflecting the Company’s strategy and the expectations of our customers:

- the Expert Fellow is responsible for defining and ensuring the consistency of the strategic areas of expertise, and coordinates the Expert Leader network in order to structure production both at the strategic level and the operational level regarding technical or methodological innovations and support for projects under development. The collaborative work carried out during expert workshops contributes to a dynamic of shared progress for the affected business activities as regards the Company’s main challenges, which are largely technical. The network can thus be described as an agile organization that serves the inter-business sector;
- Expert Leaders, each reporting to a Business Vice-President, are responsible for their roadmap. Expert leaders have responsibility for one of the 53 areas of strategic expertise. They structure and guide their internal network of experts and use an external network consisting of universities, other manufacturers, associations, incubation structures, *etc*., to enable the Company to work in an “extended” way and expand it through involvement in collaborative or investment efforts;
- looking outside the Company, 273 Experts are in charge of secondary fields of expertise, responsible for benchmarks, identifying relevant partners and investing in the protection of know-how through patents. They are responsible in particular for defining and promoting standards and processes;
- responsible for Specialty professions, 509 Consultants further the state of the art by being “the point of reference” in their practice, thus developing standards on which the teams can then capitalize.

The organization of the Expertise activity and its agile mode of operation allow the way ahead to be mapped out using a set of coherent roadmaps, the enhancement of knowledge to be accelerated through innovation and the performance of operations, thus allowing the business activities to excel in their various areas of expertise.

Finally, within the Alliance, Renault and Nissan expertise networks review the common skills structure, coordinate regularly to work in synergy on the roadmaps and their implementation on analog scopes, analysis and treatment of identified risks, and support for common developments.

Reinforcement of the innovation momentum

Open Innovation at Renault

The creation of Open Innovation Labs is part of the Renault-Nissan Alliance’s innovation culture and strategy: they enable innovation opportunities to be cultivated based on an open ecosystem comprising start-ups, universities, investors and first- and second-tier suppliers, and a local economy such as local authorities, associations, customers and markets.

These labs bring together the three pillars of Open Innovation in one place:

- the socialization of knowledge (events, conferences, think tanks, meetups);
- creativity and innovative design methods (design thinking, Fablab);

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- and the levers of the new economy (acceleration of start-ups, open and collaborative approach, platforms).

Renault continued its innovation strategy by inaugurating Alliance Innovation Labs in Shanghai (China) and Tel Aviv (Israel) in 2019.

The Tel Aviv Alliance Innovation Lab identifies, defines and produces prototypes with Israeli start-ups mainly in the areas of cybersecurity, sensors for ADAS and autonomous vehicles, and data/smart cities.

The reinforcement of the innovation network is based on numerous actions:

- increased technical and scientific synergies within the Alliance to benefit from shared processes;
- sharing of collaborative projects co-financed with European partners;
- further expansion of the internal 'Creative Labs' network to increase the creativity of Renault employees;
- broadening of connections with local eco-systems in order to be closer to new trends in these markets, through emerging start-ups;
- access to the best performing cutting-edge technologies through the strategic partnership with the CEA; creation of an autonomous vehicle project platform in Saclay;
- sharing of research efforts with French partners in industrial and academic Technological Research Institutes (VeDeCom, SystemX);
- identification, activation and support for Research skill clusters in the RTX according to the specific local features and talents associated with new communications and information technologies;
- broadening of the exchange network with actors in future mobility, based on Renault's strategic focuses (electric vehicle, new mobility, connectivity and new associated services).

R&D: a unified international organization

Since May 27, 2020, Groupe Renault, Nissan Motor Co, Ltd. and Mitsubishi Motors Corporation have jointly positioned new strategic guidelines within a "leader-follower" business model. The aim of the new business model is to strengthen the efficiency and competitiveness of vehicles and technologies by reference region. It is expected to reduce investment costs for vehicle models by up to 40%.

The "leader-follower" model covers three dimensions: vehicle projects, reference regions, and key technologies.

The vehicle projects on which the three entities will cooperate aim to increase the use of the Alliance's common platforms and to strengthen the Alliance's standardization strategy, from the platform to the complete vehicle. Designation of different parts of the world as "reference regions."

Each company focuses on its key regions in order to be among the most competitive and serve as a benchmark for others, in order to strengthen their own competitiveness. Under this principle, Nissan becomes the benchmark in China, North America and Japan; Renault in Europe, Russia, South America and North Africa; and Mitsubishi Motors in the ASEAN and Pacific countries.

Key technologies such as platforms, powertrains, electric motors, autonomous driving technologies, electrical and electronic architecture systems and connectivity are distributed under the leadership of one of the three entities.

Renault international engineering centers (RTX)

Groupe Renault's engineering centers are located all over the world in countries such as Spain, Romania, Korea, India, Russia and Latin America. Thanks to their knowledge of local and regional markets, they are tasked with adapting vehicles to customer needs and expectations, local regulatory constraints and national economic situations.

Through the application of a skills upgrading policy that continues from year to year, Groupe Renault continuously increases the responsibility of engineering centers for cross-functional activities and

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enables them to take charge of vehicle project design at an increasingly early stage in the process. This upskilling also enables the most mature RTX to move from regional to more global responsibilities.

IV. STATE OF FACILITIES

1. OUTLINE OF CAPITAL INVESTMENT, ETC.

Please refer to Section III-3 - “(3) ANALYSIS OF FINANCIAL CONDITION, OPERATING RESULTS AND STATE OF CASH FLOW” - “Capex and research & development” of this Securities Report.

2. STATEMENT OF PRINCIPAL FACILITIES

Please refer to Section II-3 - (1) - “A. AUTOMOTIVE” - “(IV) Main manufacturing sites - production figures” of this Securities Report.

Manufacturing

Groupe Renault has selected a seamless approach. The environmental network is Company-wide. It establishes links between environmental activities and other processes in the Company as well as between the sites, so as to encourage the dissemination of best practices and the sharing of expertise.

The industrial environment network is composed of approximately 230 members spread over 13 countries and 44 sites and subsidiaries. It covers manufacturing occupations as well as all of the Group’s industrial sites.

The AVTOVAZ sites (Togliatti and Izhevsk), in which Renault acquired a majority stake at the end of 2016, are being gradually integrated into the Group’s environmental reporting scope. Action plans covering all environmental issues were prepared based on diagnostics performed in 2017 and 2018 by third parties (Deloitte and EY). In order to ensure the convergence of these action plans, a governance committee including members from the production facilities and central functions has been set up and meets on a monthly basis. In addition, support missions for local teams by corporate environment experts are conducted to guarantee the proper roll-out of the Group’s environmental standards. These initiatives continued in 2020, despite the health situation, which reduced the possibilities for experts to travel to the sites. Following the publication in 2019 of a first batch of indicators in line with the Groupe Renault environmental reporting protocol, the scope of coverage has been extended and additional indicators are published for the 2020 financial year. The Group aims to report all indicators for the 2021 financial year.

Environmental management at Groupe Renault plants is underpinned by five pillars:

1. Continuous improvement based on ISO 14001

Starting in 1995, Renault began systematically implementing an environmental management approach at its sites, along with a drive for continuous improvement, based on ISO 14001. This was done to reduce environmental impact and ensure regulatory compliance. Since 2008, all of Groupe Renault’s 29 industrial sites and the eight main engineering and logistics facilities have been ISO 14001 certified.

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The standard has been rolled-out in its most recent version (2015) for all Groupe Renault's ISO 14001 certified sites.

2. Group-wide tools and standards

Industrial standards covering all areas related to the environment define the minimum requirements that apply to the Group's sites (See "3. Eco-design of industrial processes" below). These ensure that practices are standardized and reflect and adhere to the Company's policies and objectives in terms of the environment, no matter in which country the sites are located. This is particularly important in countries without a stringent regulatory framework.

For environmental management and the handling of chemicals, the sites can also rely on the availability of standardized tools managed by expert functions. These tools include:

- an expert system called Écorisques, available worldwide in the main languages used within the Group. The system determines and ranks the environmental impact from activities and potential hazards in relation to the plants' chemical risk and prioritizes them in the plants' environmental action plan;
- a reporting system for environmental impacts and energy consumption (R2E);
- a CHEMIS database (Chemical Information System), available in the main languages used within the Group, for the management of hazardous substances and the prevention of chemical risks. CHEMIS is the key tool in Groupe Renault chemical risk management process, which aims, from both environmental and health standpoints, to introduce chemicals safely, to prevent the risks associated with their use, and to anticipate technological and regulatory changes;
- a process to monitor and track compliance with national and EU environmental legislation;
- a documentary database of Environmental standards and best practices, accessible from any Group site.

The Group also adopted a new framework, finalized in 2020: the eight environmental golden rules, associated with 50 key points, which will begin to be rolled out in 2021.

3. Eco-design of industrial processes

Each industrial project is monitored by a trio of project managers who ensure that the applicable regulatory requirements and the Group's technical policies in terms of environmental protection and industrial hygiene, energy optimization and the prevention of fire and explosion risks are taken into account at every step. At any time during the project, it is thus possible to check and validate the proper consideration of HSE expectations and to sound the alert in the event of deviation in order to define appropriate action plans.

These technical business policies are based on the state of the art as well as the most stringent international regulatory or normative frameworks (French legislation on installations classified for environmental protection, the European industrial emissions directive (IED) and REACH regulation, the ATEX directive, America's NFPA fire protection standards, *etc.*) and are updated regularly. To complement this shared base of minimum requirements applicable to all Group sites, breakthrough technologies may be introduced at certain sites or projects according to constraints or opportunities related to the local environment, as illustrated by the examples below.

Plants eco-designed to respect their local environment

As a result of the Group's international expansion, new plants have been built in emerging countries in recent years, in order to take advantage of dynamic local markets. The design of each of these facilities has benefited from Group best practices and the latest technological advances in the environmental field. It takes into account the specific local environmental constraints and sensitivities, identified by an impact study at the outset of the project.

For example, the plants of Tangiers in Morocco (2012) and Chennai in India (Renault-Nissan, 2010), two countries subject to water stress, use the most advanced technologies to recycle all industrial wastewater, such that no industrial wastewater is discharged into the environment and external

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water supply requirements are reduced to a strict minimum. The Tangiers site is also equipped with a biomass boiler fueled by local agricultural waste (waste from the production of olive oil and from wood chippings, in particular from the site's packaging waste). As the National Office of Electricity and Drinking Water (ONEE) provides the plant with electricity produced from entirely renewable sources, 92% of the plant's energy needs are as a result met by renewable sources, meaning that the emission of more than 86,000 metric tons of CO_2 was avoided in 2020.

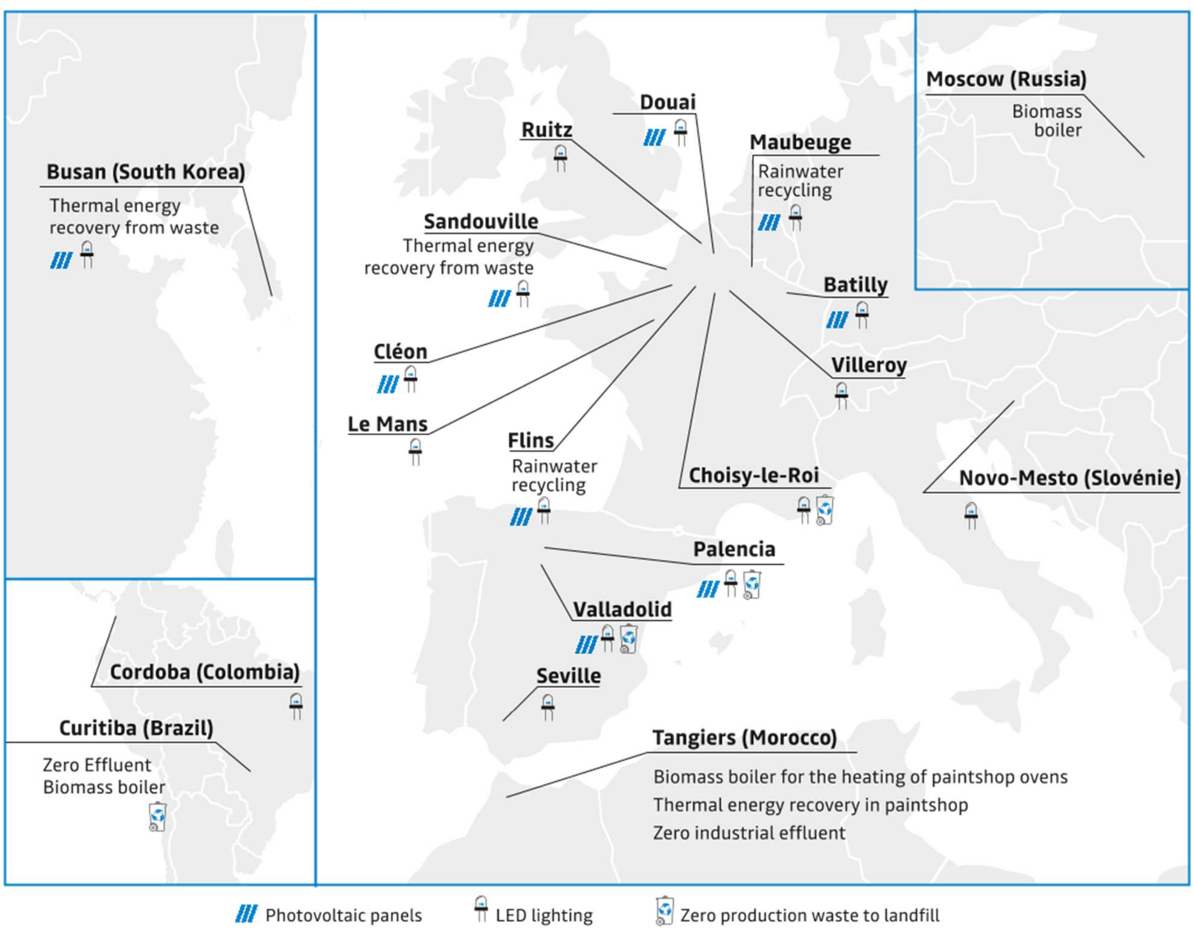
In addition to new plants, applying eco-design to manufacturing processes can also benefit existing facilities. Since 2015, Groupe Renault has therefore been conducting the widespread deployment of LED lighting to replace industrial lighting on a number of its sites (see map below).

The reduction in electricity use through the use of LED lighting can reach 65% compared with the technology it replaces. For the whole of the Europe scope covered at end-2020, this equates to electricity savings of nearly 100,000 MWh for each full year.

4. Anticipating industrial, regulatory and environmental developments

The E&HSE (Energy & Health, Safety, Environment) master plans launched in 2002 describe the situation at each site and how it is likely to evolve over the next 10 years, factoring in external constraints such as the ecological sensitivity of the environment and future regulatory requirements. They contribute to the dialog between industrial strategy, engineering, building project owners and the plants to ensure that each project contributes to reducing the environmental impact of sites.

NOTABLE ACHIEVEMENTS IN THE ENVIRONMENTAL FIELD ON GROUP SITES



5. Environmental Management System audits

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Since the end of the 1990s, the Group has used internal environmental audits at all of its industrial facilities as well as its main engineering and logistics facilities in order to monitor the implementation of ISO 14001 requirements, and especially the compliance with its own internal standards for the protection of the environment. These complement the external audits performed annually by a certified independent body.

Internal audits are therefore conducted by members of the industrial environmental network (environmental managers and business specialists), using joint audits that encourage exchanges of best practice between plants and stimulate improvements in environmental performance.

As of end-2020, the network had 55 internal environmental auditors who were specifically trained and qualified in accordance with ISO 14001 and knowledge of the various environmental topics. Each new auditor embarks on a progressive skills development path until eventually becoming an audit manager.

Sales and after-sales

Renault Retail Group, the distributor of the Renault, Dacia, Alpine and Nissan brands in 13 European countries, set up an environmental management policy in 2007.

An RRG environment manager is responsible for training and coordinating a network of environment correspondents in France and Europe. He/she provides a set of environmental management best practices, which are available on the RRG intranet. RRG has also provided reporting in France since 2011 and in Europe since 2013, regarding the environmental impact of its establishments.

Renault also provides support in these efforts to its dealer network and franchises. In France, the Sales department (DCF) provides information and coordinates exchange of best practice through annual Environment Club meetings in each regional center. RRG environment managers participate in and contribute to these clubs.

The Sales & Marketing department assists the network by providing a selected panel of national service providers for waste collection and treatment. Renault also finances its sales network's access to Autoeco.com, allowing sites to track the amount of waste they produce. Renault is also a partner of the CNPA (National Council of Motor Industry Professionals), which, as part of the "Environment Challenge," provides the sales network with technical support in the implementation of environmental protection measures and the search for financial assistance.

Given the small size of sales outlets (when compared to the size of the Group's industrial sites), their involvement in the ISO 14001 certification process is voluntary, except in South Korea where the distribution network is integrated into the overall ISO 14001 certification of the Renault Samsung Motors subsidiary.

The composition of products used in the Group's distribution network, and the parts and accessories sold under the various Group brands around the world are subject to the same rigorous control process as the products and parts used in manufacturing vehicles. This process seeks to protect the health of both the consumers and the workers involved in vehicle maintenance and repair, protect the environment, and ensure compliance with regulations in force in countries where the vehicles are distributed, such as the REACH regulation in Europe.

Renault also offers owners of its vehicles a large range of renovated ("Renault standard exchange") powertrains and mechanical parts, sold at a lower cost than that of a new part, but still meeting the same quality standards. In addition, used body parts (including hoods, wings, headlamp units, *etc.*) collected in Indra's network of dismantlers and selected by the Gaïa subsidiary, are available as an after-sales

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service to customers whose cars cannot be repaired economically using new parts only. These offers are part of the circular economy approach implemented by Groupe Renault to reduce the consumption of raw materials and environmental footprint associated with its products in their life-cycle.

Vehicle use

Life-Cycle Assessments show that more than 80% of the greenhouse gases and the majority of atmospheric pollutants emitted over the life cycle of an ICE vehicle concern the vehicle usage phase. The first solution for **reducing these emissions** is technological and involves the reduction of emissions from internal combustion vehicles, as well as the development and marketing of a range of electric vehicles that do not emit any pollutants or greenhouse gases during use. Groupe Renault therefore devotes a significant portion of its Research and Advanced Engineering expenses to this field, which places it among the leaders in the automotive industry in these two domains.

Moreover, the behavior of motorists, and how they use their vehicles, may be another avenue in which considerable progress can be achieved. Renault therefore endeavors to promote eco-driving, which can lead to significant reductions in energy spent and in greenhouse gas emissions during vehicle use.

Vehicle end-of-life

Since 2015, European Union regulations require that 95% of the mass of end-of-life vehicles be recovered, of which 85% must be recycled. In accordance with the principle of extended producer responsibility, automakers are responsible for helping to organize and finance this process. Outside Europe, other countries already have such regulations (South Korea, Turkey, Russia, China) or are preparing to do introduce similar ones.

Renault is helping to organize the collection and recycling of end-of-life vehicles everywhere it is required. This initiative takes various forms, such as establishing its own network of authorized collection and recycling centers for end-of-life vehicles, which Renault has done, notably in France, or participation in a joint program (carmakers, dismantlers, public authorities) to set up such recycling networks.

In all cases, the vehicle is picked up at no cost to the last owner. Information concerning the methods for pollution removal, dismantling and recycling is supplied to the recycling operators and energy recovery networks using the web-site of the International Dismantling Information System (www.idis2.com).

Altogether, the markets in which Renault helped to collect and process end-of-life vehicles represented approximately 59% of the Group's global sales in 2020.

Renault has also established partnerships and commercial agreements for the collection, repair, second life and recycling of electric vehicle batteries in accordance with the regulatory requirements arising from manufacturers' increased responsibilities.

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3. PLAN FOR CONSTRUCTION, REMOVAL, ETC. OF FACILITIES

RE-FACTORY, the first European circular economy plant dedicated to mobility

In November 2020, Groupe Renault announced the creation of the **RE-FACTORY** on its site in Flins. This project is part of the Group's transformation strategy, and builds on its pioneering commitment to the circular economy. It aims to develop a competitive industrial model for sustainable mobility, based on the value-creation potential generated by a vehicle throughout its life.

Rolled out between 2021 and 2024, the **RE-FACTORY** will draw on a large network of multi-sector partners (start-ups, academics, major groups, local authorities, *etc*.) and will be structured around four areas of activity, whose expertise will support the vehicle throughout its life.

RE-TROFIT: this division will combine all the activities making it possible to extend the life of vehicles and their uses, in coordination with the Re-Cycle division, to ensure efficient management of the flow of used parts and materials within the company on a single site. It will include a used vehicle factory for the reconditioning of used vehicles, a retrofit activity for the conversion of internal combustion engine vehicles to other less carbon-intensive energies, repair services for vehicle fleets and new mobility solutions, as well as a manufacturing service for scarce parts using 3D printers. It will also rely on a vehicle and material sustainability testing and prototyping center to enrich the design of future vehicles and propose improvements during use.

RE-ENERGY: the purpose of this division is to scale up the potential of applications arising from the electric vehicle battery and new energies (optimization of the first life of batteries, development of second-life applications such as the stationary storage of energy, battery end-of-life management, and the development of technical and supply solutions for new energies such as hydrogen).

RE-CYCLE: this division, integrating the Choisy-le-Roi activities, will combine all of the Group's activities contributing to the efficient management of resources and their flows to promote the supply of parts and materials in short loops and integrate a growing share of recycled or re-used materials (installation of a dismantling line for end-of-life vehicles, extension of remanufacturing, material reuse and recycling activities).

RE-START: to promote and develop industrial know-how, but also to accelerate research and innovation in the circular economy, this division is intended to house an incubator and a university and training center.

For more information, please refer to Section II-"3. CONTENTS OF BUSINESS" of this Securities Report.

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V. STATE OF THE COMPANY

1. STATE OF SHARES, ETC.
(1) AGGREGATE NUMBER OF SHARES, ETC.

(i) AGGREGATE NUMBER OF SHARES

As of December 31, 2020

Number of Shares Authorized to be Issued	Aggregate Number of Issued Shares	Number of Unissued Shares
Not applicable	295,722,284 shares	Not applicable

(Note) (1) In France, there is no concept of authorized shares having the same meaning as used in Japan. However, the general meeting of shareholders may authorize the Board of Directors to decide the issue amount and the period with respect to the issuance of shares or equity securities within a limited scope.

(ii) ISSUED SHARES

Bearer or Register, Par-value or Non-par-value	Type	Number of Issued Shares	Name of Listing Stock Exchange or Registered Securities Dealers' Association	Details
Register, par-value EUR 3.81	Ordinary shares	Shares 295,722,284	Euronext Paris	An ordinary share is a share with full voting rights and is a standard share of Renault without any limitation on rights.
Total	–	295,722,284	–	–

(2) EXERCISE, ETC. OF CORPORATE BOND CERTIFICATES, ETC. WITH SHARE ACQUISITION RIGHTS HAVING EXERCISE PRICE ADJUSTMENT PROVISIONS

Not applicable

(3) DEVELOPMENT OF AGGREGATE NUMBER OF ISSUED SHARES AND CAPITAL (as of December 31, 2020)

There were no changes in capital ownership during the past five years. The last capital increases date from April 28, 2010. During the reserved capital increases at a price of €37 per share, Nissan Finance Co., Ltd. and Daimler AG respectively subscribed 1,617,775 shares and 9,167,391 shares with a par value of €3.81.

Shares are registered in an account according to the provisions and terms established by law. Fully paid-up shares are in either registered or bearer form, at the discretion of their owner. However, shares that are not fully paid-up must be in registered form.

Each shareholder has as many votes as he or she owns shares, subject to the provisions below.

Since April 3, 2016, pursuant to Article L. 225-123 of the French Commercial Code, as amended by Law no. 2014-384 of March 29, 2014 (the so-called Florange Law), unless provided otherwise in the Renault articles of association adopted subsequently to the promulgation of the Florange Law, a voting right double to that conferred to other shares is automatically attributed to all fully paid up shares for which proof of registration is provided for at least two years in the name of the same shareholder.

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At December 31, 2020, 108,310,457 Renault shares held double voting rights, representing around 36.6% of the share capital and around 69.7% of the voting rights that may be exercised in Renault's Annual General Meeting at that date.

The double voting right automatically ceases for any share that has been converted to a bearer share or undergone a transfer of ownership, subject to any exceptions provided for by law.

Free shares resulting from the capital increase, earnings or other paid-in capital are entitled to double voting rights from their date of issue if they are attributed on account of shares already enjoying such rights.

In addition, treasury shares do not carry voting rights.

At December 31, 2020, the theoretical number of voting rights was 404,032,741.

In view of the 4,548,199 Treasury shares and the 44,358,343 shares held by Nissan Finance Co., Ltd. (see "(4) DISTRIBUTION OF SHARES BY TYPE OF SHAREHOLDERS (as of December 31st, 2020)" below), all of which are deprived of voting rights, the total number of exercisable voting rights as at December 31, 2020 was 310,777,856.

(4) DISTRIBUTION OF SHARES BY TYPE OF SHAREHOLDERS (as of December 31st, 2020)

OWNERSHIP STRUCTURE AND EXERCISABLE VOTING RIGHTS FOR THE LAST THREE FINANCIAL YEARS

	12/31/2020			12/31/2019			12/31/2018		
	Number of shares held	% of capital	% of voting rights	Number of shares held	% of capital	% of voting rights	Number of shares held	% of capital	% of voting rights
French State(1)	44,387,915	15.01%	28.57%	44,387,915	15.01%	28.69%	44,387,915	15.01%	28.60%
Nissan Finance. Co., Ltd.	44,358,343	15.00%	-	44,358,343	15.00%	-	44,358,343	15.00%	-
Daimler Group	9,167,391	3.10%	5.07%	9,167,391	3.10%	5.09% (2)	9,167,391	3.10%	5.91% (2)
Employees(3)	10,286,922	3.48%	5.30%	8,605,324	2.91%	4.63%	7,210,603	2.44%	4.14%
Treasury stock	4,538,199	1.53%	-	4,548,736	1.54%	-	5,058,961	1.71%	-
Free float	182,983,514	61.88%	61.06%	184,654,575	62.44%	61.59%	185,539,071	62.74%	61.35%
TOTAL	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**

(1) For information on the change in the voting rights held by the French State, see the explanations in the following paragraphs.

(2) The change in the percentage of voting rights of the Daimler group between 2018 and 2019 is the result of the loss of double voting rights attached to Renault shares following a transfer of Renault shares between subsidiaries of the Daimler group (for details, see the same section of the 2019 Securities Report).

(3) The portion of shares held by employees and former employees that are taken into account in this category corresponds to shares held in the FCPE mutual funds, as well as to registered shares directly held by the beneficiaries of free share allocation as of the 2016 allocation plan, pursuant to Article L. 225-102 of the French Commercial Code.

The share capital amounts to €1,126,701,902.04 divided into 295,722,284 shares. As at December 31, 2020, this was distributed as follows:

- the French State held 15.01% of the share capital corresponding to 22.00% of theoretical voting rights and 28.61% of exercisable voting rights in Renault (excluding the application of the restrictions described in 3-(1)-“Shareholder agreements on shares and voting rights of the Company” below);
- the Nissan group, through its wholly-owned subsidiary Nissan Finance Co., Ltd., held 15% of Renault’s share capital (unchanged compared to December 31, 2019). However, Nissan Finance Co., Ltd. is not entitled to exercise the voting rights attached to these shares pursuant to the provisions of Article L. 233-31 of the French Commercial Code, owing to Renault’s ownership interest in Nissan Motor Co., Ltd., parent company of Nissan Finance Co., Ltd.;
- the Daimler group, through its subsidiaries Daimspain, Daimspain DAG and Daimspain DT, holds 3.10% of the capital and 5.07% of the exercisable voting rights in Renault;
- Renault’s employees and former employees own 3.48% of the share capital, including 2.91% via FCPE mutual funds under collective management and 0.57% by employee beneficiaries of free share allocations since the 2016 plan;
- treasury stock represented 1.53% of the share capital. Under French law, such shares do not carry voting rights;
- the free float represented 61.88% of the share capital (compared with 62.44% as at December 31, 2019); and
- the members of the Board of Directors together and directly hold less than 0.5% of the Company’s share capital.

To the best of the Company’s knowledge, no other shareholder holds more than 5% of the capital or voting rights, directly or indirectly, alone or in concert, other than the French State or Nissan Finance Co, Ltd.

A survey of the holders of Renault bearer shares was conducted on November 30, 2020.

This gave an estimated breakdown of the public ownership’s interest by category of major shareholder. At that date:

- the institutional shareholders owned 44.15% of Renault’s share capital, it being stated that:
- French institutional investors held 11.42% of the share capital,
- foreign institutional investors held 32.73% of the share capital, and
- the 10 largest French and foreign institutional investors held approximately 18.62% of the share capital;
- the remaining public ownership in the capital i.e., 17.73% was held primarily by individual shareholders.

Options

The Company has decided to no longer grant any new stock-option purchase plans.

The latest authorization was adopted by the Combined General Meeting of April 29, 2011 for a period of 38 months. There are no plans to request a new authorization from the Annual General Meeting. For details of current grants and options, see TABLE NO. 8 in 3-(2)-(iii)-“Summary tables” below.

Performance Shares

Pursuant to Article L. 225-197-1 of the French Commercial Code, the Combined General Meeting of June 12, 2019, authorized, for a period of 38 months, the Board of Directors to grant performance shares, either existing or to be issued, to employees of the Company or to certain categories of such employees and employees of the companies and groupings related to it, as provided for in Article L. 225-197-2 of the French Commercial Code. For details regarding grants and shares in circulation, refer to TABLE NO. 9 in 3-(2)-(iii)-“Summary tables” below.

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Share buyback program [29]

Trading by Renault in its own shares in 2020 and allocation of treasury shares

As at December 31, 2020, Renault held 4,538,199 shares with a par value of €3.81, and a net carrying amount of €262,256,710.

Pursuant to the provisions of Article L. 225-209 of the French Commercial Code, the eighteenth resolution of the Combined General Meeting of June 12, 2019 authorized the Company to trade in its own shares so as to allow it to benefit from the opportunities granted by applicable law. The authorization was granted until December 12, 2020. A new share buyback program was authorized by the Annual General Meeting of June 19, 2020, rendering the program authorized on June 12, 2019 ineffective from the date of said meeting.

In February 2020, Renault acquired 1,270,000 of its own shares as part of the share buyback program approved by the Annual General Meeting of June 12, 2019.

The 4,538,199 shares held directly or indirectly by Renault as at December 31, 2020, are allocated in their entirety to the fulfilment of free performance share plans or any other form of allocation, allotment or transfer granted to employees or senior executives of the Company. The shares acquired by the beneficiaries of share-based compensation (Long-Term Incentives) must not have any effect on the share capital structure. Shares acquired under a free performance share award shall therefore come from the share buyback program. The aim is to leave the Company's share capital unchanged.

Percentage of treasury shares held directly or indirectly as at December 31, 2020: 1.53%.

Number of shares canceled over the 24 months preceding December 31, 2020: 0.

Number of shares held in the portfolio as at December 31, 2020: 4,538,199.

Net carrying amount of the portfolio as at December 31, 2020: €262,256,710.

Portfolio value as at December 31, 2020 [30]: €162,285,996.

TRADING BY RENAULT IN ITS OWN SHARES IN 2020 AS PART OF THE PROGRAM AUTHORIZED BY THE COMBINED GENERAL MEETING OF JUNE 12, 2019

	Total gross flows at December 31, 2020		Long and short positions at December 31, 2020	
	Buy	Sell	Open buy positions	Open sell positions
Number of shares	1,270,000	0	Nil	Nil
Average selling, purchase or exercise price	€32.24	0	Nil	Nil
AMOUNT	**€40,943,490**	**0**	**NIL**	**NIL**

Description of the share buyback program submitted for authorization to the Annual General Meeting of April 23, 2021

Pursuant to Articles 241-1 to 241-7 of the French Financial Market Authority (AMF) General Regulation and Article L. 451-3 of the French Monetary and Financial Code, this section describes the objectives and arrangements for the new treasury share buyback program organized by Renault, which has been adopted by |the Combined General Meeting of Shareholders of April 23, 2021.

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29 This paragraph includes information that must be given in the description of the program in application of Article 241-2 of the AMF General Regulation and information required in application of the provisions of Article L. 225-211 of the French Commercial Code.

30 Based on a stock market price of €35.76 at December 31, 2020.

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The objectives of the program are to:

i. cancel all or some of the shares acquired, notably to compensate for dilution arising from the exercise of share subscription options or the acquisition of shares allocated free of charge, subject to the adoption of seventeenth resolution put to this Annual General Meeting;

ii. use all or some of the shares acquired to implement any share purchase option plan or restricted share plan, or any other form of assignment, allocation, disposal, or transfer for former or current employees and managers of the Company and its Group, and complete any hedging transaction relating to any such transactions, within the terms established by law;

iii. deliver any or all of the shares acquired upon exercise of rights attached to securities giving right, through conversion, exercise, redemption or exchange or any other manner, to shares of the Company, within the framework of applicable regulations;

iv. act on the secondary market or the liquidity of the Renault share through an independent Investment Services Provider pursuant to a liquidity agreement complying with the code of ethics approved by the AMF; and

v. more broadly, perform all other transactions currently admissible, or that would become authorized or admissible, by applicable laws or regulatory provisions or by the AMF.

The acquisition, disposal, transfer, or exchange of these shares may be performed by any means, notably on the market or through over-the-counter transactions, including block trading, using derivative financial instruments or bonds or securities granting access to the Company's share capital, or by implementing option strategies, within the bounds of applicable regulations.

The Annual General Meeting sets:

- the maximum purchase price (or the counter-value of this amount on the same date in any other currency), excluding acquisition costs, at €100 per share, and the maximum amount of funds allocated for the completion of the share purchase program at €2,957.25 million, it being specified that in the event of transactions affecting the share capital (splitting or consolidation of shares or free share allocations to shareholders), the price and the maximum amount of funds allocated for the completion of the share purchase program will be adjusted on the basis of the ratio of the number of securities constituting the share capital prior to the transaction compared to the total number after the transaction;
- the number of shares which may be acquired at 10% of the shares constituting the share capital, it being specified that (a) this limit applies to a given amount of the Company's share capital, to be adjusted if necessary to take into account transactions affecting the share capital subsequent to this Annual General Meeting and (b) if the aim of the share buyback is to enhance share liquidity pursuant to the conditions set out in the AMF General Regulations, the number of shares taken into account to calculate the 10% limit corresponds to the number of shares purchased, minus the number of shares resold during the authorization period.

As of December 31, 2020, the 10% limit of the share capital corresponded to 29,572,228 Company shares.

Within the limits allowed by the applicable regulations, transactions performed by the Board of Directors pursuant to this authorization may take place at any time during the validity of the share buyback program, it being specified that if a public bid for the Company's stocks is made by a third party, the Board of Directors may not implement this authorization and the Company may not pursue any share purchase program until after the end of the bid period, except in the case of prior authorization having been granted by the Annual General Meeting.

Pursuant to the provisions of Article L. 225-210 of the French Commercial Code, the Company may not own more than 10% of the total of its own shares, or more than 10% of any given share category, either directly or through any person acting in their own name on behalf of the Company.

All powers are granted to the Board of Directors, including powers of sub-delegation, to implement this authorization, specify, if necessary, its terms, decide on its conditions and, in particular, place all orders on or off the stock market, assign or re-assign the shares acquired to the different purposes pursued in compliance with applicable legal and regulatory conditions, perform all formalities, and, more generally, do all that is required in this respect.

Each year, the Board of Directors shall make a report of the transactions performed pursuant to this resolution to the Annual General Meeting.

This authorization is granted for a maximum period of eighteen (18) months as of the date of this Annual General Meeting, and renders any previous authorization to the same end null and void for any remaining, unused amounts covered thereby.

(5) DESCRIPTION OF PRINCIPAL SHAREHOLDERS:

Ownership of shares and voting rights

As of December 31, 2020

Name or Corporate Name	Address	Number of Shares Held	Percentage to the Aggregate Number of Issued Shares	Voting Rights
French State [1]	France	44,387,915	15.01%	28.57%
Nissan Finance Co., Ltd.	1-1-1, Takashima, Nishi-ku, Yokohama-shi, Kanagawa	44,358,343	15.00%	-
Daimler Group	Mercedesstrasse 137, 70327 Stuttgart, Federal Republic of Germany	9,167,391	3.10%	5.07%
Employees [2]		10,286,922	3.48%	5.30%
Treasury stock		4,538,199	1.53%	-
Free float		182,983,514	61.88%	61.06%
Total	–	**295,722,284**	**100.00%**	**100.00%**

(1) For information on the change in the voting rights held by the French State, see “(4) DISTRIBUTION OF SHARES BY TYPE OF SHAREHOLDERS (as of December 31st, 2020)” above.

(2) The portion of shares held by employees and former employees that are taken into account in this category corresponds to shares held in the FCPE mutual funds, as well as to registered shares directly held by the beneficiaries of free share allocation as of the 2016 allocation plan, pursuant to Article L. 225-102 of the French Commercial Code.

2. POLICY OF PAYMENT OF DIVIDENDS:

Allocation of net profits

Net profits are allocated in compliance with applicable legislation.

Distributable income consists of the current year’s income, less previous losses and amounts transferred to the legal reserves, plus retained earnings brought forward from previous years as specified by law. Upon recommendation by the Board of Directors, the Annual General Meeting may then determine portions of this income to be allocated to optional ordinary and special reserves or to be carried over. The balance, if any, is divided among the shares in proportion to their paid-up and unamortized value.

In accordance with legal provisions, the Annual General Meeting has the authority to offer shareholders the option of receiving all or part of the dividend payout in cash or in shares.

Requests for the payment of scrip dividends must be submitted within the time period established by the Annual General Meeting, without exceeding three months from the date of the meeting. The Board of Directors may choose to suspend this period for up to three months if the share capital is increased.

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Dividends

Given the consequences of the health crisis on the Group's debt, the Board of Directors, at its meeting of February 18, 2021, proposed not to pay dividends for 2020, a proposal that has been approved by the Annual General Meeting of April 23, 2021. The Group will draft a new dividend policy as soon as the financial situation improves.

Five-year dividend record

Dividends are paid out at the dates and places specified either by the Annual General Meeting or, failing that, by the Board of Directors.

Financial year	**No. of shares comprising the share capital at December 31**	Dividend per share (€)	Payable date
2015	295,722,284	2.40	May 17, 2016
2016	295,722,284	3.15	June 23, 2017
2017	295,722,284	3.55	June 25, 2018
2018	295,722,284	3.55	June 20, 2019
2019	295,722,284	0.00*	

** The Board of Directors, at its meeting of February 13, 2020, proposed the payment of €1.10 per share in respect of the 2019 financial year. At its meeting of April 9, 2020, the Board of Directors of Renault decided to withdraw the proposal to pay this dividend, which was approved by the Annual General Meeting of June 19, 2020 (third resolution).*

3. STATE OF CORPORATE GOVERNANCE, ETC.

(1) SUMMARY OF CORPORATE GOVERNANCE

Board organization, operation and missions

1. Organization of the Board of Directors

NUMBER OF MEMBERS			NUMBER OF MEETINGS		
16	vs	18	**12**	vs	14
2020		*2019*	*2020*		*2019*
PERCENTAGE OF INDEPENDENT DIRECTORS			**ATTENDANCE RATE**		
66.7%	vs	64.3%	**94.6%**	vs	89.1%
2020		*2019*	*2020*		*2019*

I. Independence of the Board of Directors

The Board of Directors is committed to respecting the principle of independence, which is set forth in its Board Charter.

Excerpt of the Board Charter provisions governing the independence of the directors

At least half of the directors, not including any directors elected by the employees (*administrateurs élus par le personnel salarié*) and the director representing the employee shareholders

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(*administrateur représentant les salariés actionnaires*), shall be considered as independent according to the criteria set forth in the AFEP-MEDEF Code.

However, the Board of Directors, on the recommendation of the Governance and Compensation Committee, may consider that a director who meets the criteria set forth in the AFEP-MEDEF Code may not be considered as independent given his/her particular situation or that of the Company. Conversely, the Board may consider that a director who does not meet the aforementioned criteria should nevertheless be considered as independent.

Each year, the Governance and Compensation Committee shall discuss for each director, whether such director should be considered as independent, and the independence of each director shall be examined on a case-by-case basis by the Board of Directors in light of the criteria set forth in the AFEP-MEDEF Code. Upon appointment of a new director or renewal of the terms of office a director, the question of whether such director may be considered as independent should also be discussed.

Pursuant to the Board Charter, the Board of Directors refers to the criteria set forth in the AFEP-MEDEF Code to identify situations that may compromise the exercise of freedom of judgment by directors.

In any event, it is recalled that, in accordance with the AFEP-MEDEF Code, every director is under an obligation to inform the Board of Directors of any potential conflict of interest situation and to refrain from attending the debate and from participating in the vote of the corresponding deliberation.

Each year, the Company sends a questionnaire to each director in order to assess his or her independence in accordance with the criteria of the AFEP-MEDEF Code.

The Governance and Compensation Committee and the Board of Directors shall also review the classification of each director as independent in light of these same criteria.

As part of this review, the Governance and Compensation Committee and the Board of Directors pays particular attention to the assessment of the materiality of the business relationships between the directors and the Company, both from the standpoint of the Group and of the relevant director. This assessment shall be carried out in the light of qualitative criteria, such as the nature of the business relationships, and quantitative criteria, such as the amounts committed under these relationships.

Accordingly, to qualify as independent, the Board of Directors ensures that there were no significant cash flows between the Company and any company of which Company's directors are directors or Executive Officers, in particular by examining the share these companies account for in the Company's revenue.

The table below summarizes the results of the appraisal of the independence of directors as at December 31, 2020 in view of the criteria defined by the AFEP-MEDEF Code.

	Employee or corporate officer (Criterion 1)	Cross-directorships (Criterion 2)	Significant business relationships (Criterion 3)	Family ties (Criterion 4)	Statutory auditor (Criterion 5)	12 years on the Board (Criterion 6)	CEO [(1)] variable compensation (Criterion 7)	Ties with shareholders (Criterion 8)	Status assigned
Jean-Dominique SENARD	Yes	No	No	No	No	No	No	No	Independent
Catherine BARBA	No	No	No	No	No	No	N/A	No	Independent
Frédéric BARRAT	Yes	No	No	No	No	No	N/A	No	N/A [(2)]
Miriem BENSALAH-CHAQROUN	No	No	No	No	No	No	N/A	No	Independent

Thomas COURBE	No	No	No	No	No	No	N/A	Yes	Non independent
Marie-Annick DARMAILLAC	No	No	No	No	No	No	N/A	No	Independent
Pierre FLEURIOT	No	No	No	No	No	No	N/A	No	Independent
Richard GENTIL	Yes	No	No	No	No	No	N/A	No	N/A (2)
Benoît OSTERTAG	Yes	No	No	No	No	No	N/A	No	N/A (2)
Éric PERSONNE	Yes	No	No	No	No	No	N/A	No	N/A (2)
Yu SERIZAWA	No	No	No	No	No	No	N/A	Yes	Non independent
Pascale SOURISSE	No	No	No	No	No	No	N/A	No	Independent
Patrick THOMAS	No	No	No	No	No	No	N/A	No	Independent
Martin VIAL	No	No	No	No	No	No	N/A	Yes	Non independent
Joji TAGAWA	No	No	No	No	No	No	N/A	Yes	Non independent
Annette WINKLER	No	No	No	No	No	No	N/A	No	Independent

(1) CEO means "Chief Executive Officer".
(2) The Director representing employee shareholders and the Directors representing employees are not taken into account for the calculation of the independence rate in accordance with the recommendations of the AFEP-MEDEF Code.

At its meeting of February 18, 2021, the Board of Directors examined the situation of Mr. Jean-Dominique Senard with regard to criterion no. 1 of the AFEP-MEDEF Code, given his capacity as director of Nissan and Chairman of Renault s.a.s. for the period from October 11, 2019, to June 30, 2020.

The AFEP-MEDEF Code states that one of the criteria that the Board of Directors must assess to possibly exclude someone from the status of independent director is that of "*not being or not having been, during the past five years, an employee, executive officer, or director of a company that the company consolidates*." According to the AFEP-MEDEF Code implementation guide, this recommendation also applies when a director holds "*an office in a company in which the first company holds a non-controlling but significant stake, or in a sister company*".

It is recalled that Nissan is not a company fully consolidated by Renault. Renault has significant influence over Nissan and therefore accounts for its interest in Nissan using the equity method (for more details on Renault's shareholding in Nissan, see note 12 to Consolidated Financial Statements).

The Board of Directors, on the recommendation of the Governance and Compensation Committee, held that the appointment of the Chairman of the Board of Directors of Renault to the Board of Directors of Nissan, with a view to developing and strengthening cooperation between the Boards of Directors of the two Alliance partners was not such as to call into question Mr. Jean-Dominique Senard's freedom of judgement and independence with respect to Renault.

Furthermore, should such a situation give rise to any conflict of interest, the provisions of the Board Charter requiring the director in question to abstain from participating in the deliberations and votes of the Board of Directors would apply.

In addition, the Board of Directors, on the recommendation of the Governance and Compensation Committee, considered that the performance by Mr. Jean-Dominique Senard of the duties of Chairman of Renault s.a.s. from October 11, 2019, to June 30, 2020, was of an exceptional and purely temporary nature, during the time required for the Board of Directors to conduct the succession process for the

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Chief Executive Officer and until the arrival of Mr. Luca de Meo on July 1, 2020. The Board of Directors therefore considered that this exceptional situation was not such as to call into question the independence of Mr. Jean-Dominique Senard at the end of this temporary term of office.

At its meeting of February 18, 2021, the Board of Directors also reviewed Mr. Pierre Fleuriot's situation with regard to criterion no. 1 of the AFEP-MEDEF Code in view of his appointment as director of Nissan.

The Board of Directors, on the recommendation of the Governance and Compensation Committee, held that the appointment of the Lead Independent Director of Renault to the Board of Directors of Nissan, with a view to developing and strengthening cooperation between the Boards of Directors of the two Alliance partners was not such as to call into question Mr. Pierre Fleuriot's freedom of judgment and independence with respect to Renault.

Furthermore, should such a situation give rise to any conflict of interest, the provisions of the Board Charter requiring the director in question to abstain from participating in the deliberations and votes of the Board of Directors would apply.

Following an analysis of the independence of the Directors, on February 18, 2021, the Board of Directors, on the recommendation of the Governance and Compensation Committee and in accordance with the criteria set forth in the AFEP-MEDEF Code, drew up the following list of directors classified as independent as at December 31, 2020: Catherine Barba, Miriem Bensalah-Chaqroun, Marie-Annick Darmaillac, Pascale Sourisse, Annette Winkler, Pierre Fleuriot, Jean-Dominique Senard and Patrick Thomas.

Thus, as of December 31, 2020, the Company's Board of Directors was composed of 16 members, 8 of whom were deemed to be independent. Pursuant to the recommendations of the AFEP-MEDEF Code, the directors representing the employees and the director representing employee shareholders have not been taken into account when calculating the independence rate, which is thus 66.7%.

II. Lead Independent Director

The Board of Directors has decided to maintain a Lead Independent Director appointed from among the Independent Directors despite the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer.

The position of Lead Independent Director was first filled in 2019 by Mr. Philippe Lagayette, whose term of office as Director expired at the Annual General Meeting of June 12, 2019.

At its meeting on July 25, 2019, the Board of Directors then appointed Mr. Pierre Fleuriot as Lead Independent Director for the remainder of his term of office as Director, *i.e.*, until the Annual General Meeting called to approve the financial statements for financial year 2021.

The powers of the Lead Independent Director are set out in the Board Charter.

Excerpt of the Board Charter provisions governing the Lead Independent Director

The Board of Directors may, on the proposal of the Governance and Compensation Committee, appoint a Lead Independent Director from among directors considered to be independent.

If the functions of the Chairman of the Board of Directors and the Chief Executive Officer are combined, the Board of Directors is required to appoint a Lead Independent Director.

The Lead Independent Director shall be appointed for a term that shall not exceed his/her term of office as director. He/she shall be eligible for reappointment as Lead Independent Director. The functions of the Lead Independent Director may be terminated at any time by the Board of Directors.

The Lead Independent Director shall replace the Chairman in the following cases:

- if the Chairman is temporarily unavailable, for the duration of his/her unavailability;
- in the event of the Chairman's death, until the election of a new Chairman.

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More generally, the Lead Independent Director shall chair meetings of the Board of Directors in the absence of the Chairman.

The Lead Independent Director shall:

- be consulted by the Chairman regarding the agenda of each meeting of the Board of Directors and the schedule of meetings; the Lead Independent Director may propose to the Chairman additional agenda items for a Board of Directors' meeting or the convening of a Board of Directors' meeting regarding a particular matter, whose importance or urgency would justify holding an extraordinary meeting;
- convene the Board in exceptional circumstances, after having sought the opinion of all Committees Chairs;
- convene, at least once per year, if the functions of the Chairman and the Chief Executive Officer are combined, a meeting of the Board's members in the absence of the Chairman and Chief Executive Officer and, as the case may be, of the Chief Operating Officer(s). Those meetings shall be convened, in particular, to assess the performance of the Chairman and Chief Executive Officer and, as the case may be, of the Deputy Chief Executive Officer(s), and to examine their respective compensation; the Lead Independent Director shall preside over the debates during such meetings;
- ensure that the Independent Directors liaise with the other members of the Board of Directors and General Management; the Lead Independent Director shall work to ensure that the directors are able to fulfill their duties under the best possible conditions and, in particular, receive comprehensive information prior to the Board of Directors' meetings;
- prevent conflicts of interest, particularly by carrying out prevention and awareness-raising activities among the directors; the Lead Independent Director shall bring to the Chairman's attention any potential conflicts of interest concerning the Chief Executive Officer and the Deputy Chief Executive Officers, as well as members of the Board of Directors he/she may have identified;
- be appointed by the Board of Directors as Chair or member of one or more Committees of the Board of Directors; in any event, the Lead Independent Director may attend meetings and have access to the work of all committees;
- take note of requests made by directors regarding governance and shall work to ensure that such requests are addressed; the Lead Independent Director shall assist the Chairman or the Chief Executive Officer in responding to shareholders' requests, be available to meet some of them with the approval of the Chairman or the Chief Executive Officer, and inform the Board of shareholders' concerns regarding governance;
- ensure compliance with this Board Charter; and
- report on the assessment of his/her duties once a year to the Board of Directors; the Lead Independent Director may be invited by the Chairman to report on his/her activities during Annual General Meetings.

Review of the Lead Independent Director's activity in 2020

During the financial year 2020, Mr. Pierre Fleuriot attended all meetings of the Board of Directors, of the Audit, Risks and Compliance Committee and of the Governance and Compensation Committee.

The Lead Independent Director plays a major role in the governance of the Company by fulfilling several missions, which focus on the following areas:

Governance and compensation

As Lead Independent Director, Mr. Pierre Fleuriot was closely involved in the work of the Governance and Compensation Committee, particularly during the process of selecting a new Chief Executive Officer following the dismissal of Mr. Thierry Bolloré, and in determining the compensation of executive officers.

Board of Directors' meetings

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The Lead Independent Director was actively involved in preparing the Board of Directors' meetings by giving his opinion on meeting agendas and by ensuring the quality of the information given to members of the Board of Directors and its committees.

In 2020, Mr. Pierre Fleuriot asked, among other things, that a number of specific topics be examined by the Board of Directors in light of current events in the Group and the automotive industry.

He had regular discussions with all directors, in particular the various committee chairmen.

Discussions with the Senior Management and Independent Directors

In the context of the COVID-19 epidemic, Mr. Pierre Fleuriot each had regular discussions with:

- the Independent Directors, to ensure that the conditions were in fact met for them to be able to fully exercise their mandate;
- the Chairman of the Board of Directors, the Chief Executive Officer, the members of the Group Executive Committee, and the heads of key functions (VP, Group Accounting, General Counsel, Head of Tax, *etc*.), as well as the statutory auditors.

He also kept himelf informed of the latest news of the Group and its competitors.

Relations with shareholders

As part of his office as Lead Independent Director, Mr. Pierre Fleuriot also met with institutional shareholders during the second half of 2020 as part of a governance roadshow, where he presented the different changes in the Board of Director's operation and noted the shareholders' main concerns and expectations. He reported these concerns and expectations to the Board of Directors.

2. Operation of the Board of Directors

The rules governing the operation of the Board of Directors are specified in the Board Charter. The latest version of the Board of Directors' Charter was adopted by the Board of Directors at its meeting of June 12, 2019, on the basis of the work of the Appointments and Governance Committee. This update aims to take into account both the evolution of the Company's governance and the version of the AFEP-MEDEF Code of June 2018.

Excerpt of the Board Charter provisions governing the operation of the Board of Directors

The Board of Directors shall be convened to discuss a specific agenda.

Each director shall be free and shall have the responsibility to request the Chairman to add certain items to the draft agenda if he/she believes that they fall within the competence of the Board of Directors. The Chairman shall inform the Board of this addition.

The Board of Directors may during any meeting, in case of emergency, discuss matters that are not on the agenda which was previously communicated.

The Chairman shall ensure that the directors receive, including from the Chief Executive Officer, any documents and information necessary to perform their duties.

Minutes shall be drawn up for each meeting of the Board of Directors in accordance with applicable laws and provisions of the articles of association.

3. Missions of the Board of Directors

Excerpt of the Board Charter provisions governing the missions of the Board of Directors

The Board of Directors shall determine, on the proposal of the Chief Executive Officer, the strategic orientations of the Company's activities, taking into account social and environmental issues. It shall ensure their implementation.

Subject to the powers expressly granted to shareholders' meetings and within the limits of the Company's corporate purpose, the Board shall address any matter relating to the proper operation of the Company and settle by its deliberations any matters affecting the Company.

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In accordance with applicable laws and regulations, and pursuant to the terms and conditions set forth, as the case may be, in this Board Charter, the Board of Directors shall:

- have authority to convene general meetings of the shareholders of the Company and to determine the agenda of such meetings;
- examine and approve the parent company financial and consolidated financial statements, report on its activity in the annual report and approve the statutory and regulatory reports;
- examine the Group's annual budget and medium-term plan presented by the Chief Executive Officer and any modification thereto;
- discuss each year the strategic orientations of the Company and the Alliance, taking into account social and environmental issues;
- examine on a regular basis any opportunities and risks associated with the strategy that it has defined;
- give its opinion on any important decision that is not in line with the Company's strategy;
- be alerted by Senior Management, at the earliest opportunity, of the occurrence of any external event or internal developments that significantly affect the Company's outlook or the forecasts that have been presented to the Board of Directors;
- promote long-term value creation by the Company and the Group, taking into account ethical, social and environmental responsibility issues;
- choose the form of exercise of the Senior Management in accordance with Article 17 of the Company's articles of association;
- appoint or dismiss the Chairman, the Chief Executive Officer and, as the case may be, on the proposal of the Chief Executive Officer, the Deputy Chief Executive Officer(s), and determine their compensation;
- determine the powers of the Chief Executive Officer and, as the case may be, in agreement with the Chief Executive Officer, those of the Chief Operating Officer(s);
- decide, on the proposal of the Chairman, to create committees in accordance with applicable law and provisions of the articles of association and this Board Charter;
- determine, on the proposal of the Chairman, the duties assigned to the committees created in accordance with applicable law and provisions of the articles of association and this Board Charter;
- appoint, on the proposal of the Governance and Compensation Committee, the members of the committees created in accordance with applicable law and provisions of the articles of association and the Board Charter;
- determine every year, on the proposal of the Governance and Compensation Committee, the list of directors considered to be independent according to the criteria set forth in the AFEP-MEDEF Code;
- allocate, on the proposal of the Governance and Compensation Committee, attendance fees among directors in accordance with this Board Charter;
- decide to grant stock options and/or performance shares to eligible Group employees and corporate officers in accordance with the authorizations granted to the Board by the Annual General Meeting;
- present to the Annual General Meeting a report on corporate governance;
- monitor the implementation of the system for preventing and detecting bribery and influence peddling;
- monitor the implementation of a non-discrimination and diversity policy;
- define the Company's financial communication policy;
- ensure that shareholders and investors are provided with relevant, balanced and educational information about strategy, the development model, the way in which material extra-financial issues affecting the Company are taken into account and the Company's long-term outlook; and
- authorize agreements and undertakings governed by Articles L. 225-38 *et seq.* of the French Commercial Code.

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The Board of Directors shall also carry out any controls and verifications it deems appropriate. Each director shall receive any information necessary for the performance of his/her duties.

The Chairman shall periodically, and at least once a year, add to the agenda of a Board meeting a review of the budget, the industrial strategy of the Group, market developments, the competitive environment and the main issues, including concerning ethics and the Group's social and environmental responsibility, the Group's financial strategy and the Company's policy regarding gender equality and equal pay.

The Board of Directors shall meet at least once a year without the presence of senior executive officers. These meetings shall be dedicated, in particular, to the assessment of the performance of the Chief Executive Officer and, as the case may be, the Deputy Chief Executive Officer(s), and the review of their respective compensation.

4. Activity of the Board of Directors in 2020

In 2020, in a context marked by the COVID-19 epidemic, the Board of Directors met 12 times. The average length of the meetings of the Board of Directos was four hours, it being specified that one meeting, dedicated to the Group's strategy, lasted a full day.

In addition, as every year, the independent directors participated in two meetings held by the Chairman of the Board of Directors, without the members of Senior Management being present ("executive sessions").

Moreover, the members of the Board of Directors held two lunch meetings with the members of Senior Management.

Finally, the directors representing employees and the director representing employee shareholders participated in four meetings held with members of Senior Management.

All decisions on the Board of Directors meeting agenda were discussed, the agenda being amended to include items affecting the Company, thus demonstrating the Board of Directors' high degree of agility. In 2020, the attendance rate was 94.6% (for details of attendance rates for each individual director, see (2)-(i)-"Composition of the Board of Directors" below).

The Board of Directors discussed and passed resolutions on the following items relating to the key aspects of its remit:

Group strategy

The Board of Directors examined the following main strategic topics:

- the new Renaulution strategic plan;
- the Group's situation concerning, among other things, sales and markets, manufacturing, human resources and finances during the COVID-19 crisis;
- the "2o22 plan" for reducing fixed costs;
- the bank loan secured by the French State and entered into on May 20, 2020;
- profitability in Europe;
- the launch of the E-TECH range.

As every year, the Board of Directors held its annual strategic seminar to discuss topics of importance to Groupe Renault. During this seminar, the directors learned about and tested the vehicles from Groupe Renault's E-TECH range. The Chief Executive Officer and operational managers gave them an in-depth presentation on the macroeconomic environment of the automotive market and Groupe Renault's strategy and business outlook.

Group's social and environmental challenges

As every year, the Board of Directors identified social and environmental issues as some of its key concerns. The Board reviewed the following topics in 2020:

- the process of defining Renault's *raison d'être*;

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- the non-discrimination and diversity policy, in particular with regard to the balanced representation of women and men in management bodies and beyond, as well as the equal pay policy applicable within the Group, pursuant to Article 1.7 of the AFEP-MEDEF Code and French Law No. 2018-771 of September 5, 2018, on the freedom to choose one's professional future;
- the circular economy;
- Group compliance with CAFE standards;
- Group hygiene, safety, and environmental policies.

Governance of the Group

In 2020, the Board of Directors notably:

- decided to appoint Mr. Luca de Meo as Chief Executive Officer of the Company with effect from July 1, 2020;
- delivered a favorable opinion on the appointment of Ms. Clotilde Delbos as Deputy Chief Executive Officer of Renault S.A. from July 1, 2020;
- took note of the expiry of the directorships of Ms. Olivia Qiu and Mr. Thierry Derez at the end of the 2020 Annual General Meeting and their desire not to seek a renewal of their term of office. The Board of Directors, on the recommendation of the Governance and Compensation Committee, decided not to replace them and, consequently, to reduce the number of directors from 18 to 16 at the end of the 2020 Annual General Meeting;
- approved the list of independent directors, on the recommendation of the Governance and Compensation Committee;
- discussed the composition of its specialized committees;
- co-opted Mr. Joji Tagawa as a director nominated by Nissan to replace Mr. Yasuhiro Yamauchi for the remainder of the latter's term of office until the 2022 Annual General Meeting;
- approved the amendment of the procedures for appointing the director representing employee shareholders and submitted, as a consequence, the modification of Article 11 of the articles of association of Renault S.A. to the Annual General Meeting on April 24, 2020. For details on the procedures for appointing the director representing employee shareholders, see (2)-(i)-"Governance structure" below;
- took note of the renewal of the terms of office of Mr. Frédéric Barrat, Mr. Richard Gentil, and Mr. Eric Personne as directors representing the employees, following the Group elections held from October 5 to 8, 2020;
- convened the Annual General Meeting initially scheduled on April 24, 2020, in particular by setting its agenda. Because of the public health emergency caused by the COVID-19 pandemic, the Board of Directors decided to postpone the Annual General Meeting to June 19, 2020. At that time, the Board decided, pursuant to French Order No. 2020-321 of March 25, 2020, to hold the Annual General Meeting without the physical presence of the shareholders and other persons entitled to attend;
- reviewed the summary reports submitted by the Chairperson of each specialized committee;
- instructed an external consulting firm to evaluate the Board's operation and the individual contributions of its members;
- approved the compensation of the Chairman of the Board of Directors, the Chief Executive Officer, and the Interim Chief Executive Officer for the 2019 financial year ; and set their compensation policies for the 2020 financial year;
- reviewed the budgetary envelope and the policy for allocating directors' compensation;
- set the terms of the performance share plan for 2020;
- adopted the management report of the Board of Directors and the Corporate Governance Report for financial year 2019, pursuant to Articles L. 225-100 and L. 225-37 of the French Commercial Code;

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- analyzed and approved the responses to written questions submitted by shareholders of the Company prior to the Annual General Meeting.

Accounts and budget

In 2020, the Board of Directors notably:

- approved the consolidated financial statements of Groupe Renault and the financial statements of the Company and Renault s.a.s. for the 2019 financial year;
- established the allocation of 2019 earnings proposed to the Annual General Meeting of shareholders. It is noted that in the context of the global COVID-19 pandemic, and in the interest of responsibility towards all Group stakeholders, who have made considerable efforts or suffered the effects of an unprecedented crisis, the Board of Directors of Renault decided to no longer propose the distribution of a dividend at the 2020 Annual General Meeting. This decision has been approved by the Annual General Meeting;
- examined the consolidated financial statements for the first quarter of 2020;
- examined the 2021 budget; and
- examined the Group's liquidity situation and credit rating.

Related-party agreements

During its meeting held on February 13, 2020, the Board of Directors:

- confirmed that, with the exception of the non-compete undertaking and a pension commitment concerning the post-office benefits of Mr. Thierry Bolloré, which were terminated at the time of his departure, no regulated agreements were entered into during the 2019 financial year; and
- re-examined the related-party agreements entered into and authorized during previous financial years, the performance of which continued during the 2019 financial year.

During its meeting held on February 13, 2020, the Board of Directors, on the recommendation of the Governance and Compensation Committee, also adopted an internal procedure on the classification of agreements entered into by the Company and allowing to assess agreements on current operations and entered into under normal conditions, pursuant to Article L.225-39 of the French Commercial Code resulting from French Law No. 2019-486 of May 22, 2019 (for details on this procedure, see “Assessment procedure for current agreements concluded under arm’s length terms” below).

For further details on the related-party agreements and undertakings of Renault S.A., see (3)-(iv)-“Statutory auditors’ special report on related-party agreements” below.

Finally, with regard to Renault s.a.s., no regulated agreement or undertaking was entered into during the 2020 financial year.

Activity of the specialized committees of the Board of Directors in 2020

To examine specific issues within the remit of the Board of Directors in more detail, four specialized committees have been set up to assist the Board of Directors in its remit and work. The recommendations of the committees are presented to the Board in the form of reports given in Board of Directors meetings by their respective Chairs.

At its meeting on June 12, 2019, the Board of Directors decided to reorganize its committees as follows:

- the merger of the Appointments and Governance Committee and the Compensation Committee, now called the “Governance and Compensation Committee”;
- the creation of an Ethics and CSR Committee, for better consideration of the Company’s ethics and CSR issues;
- the renaming of the Audit, Risks and Ethics Committee, now called the “Audit, Risks and Compliance Committee”; and

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- the simplification of the name of the International, Industrial and Digital Strategy Committee, which is now called the “Strategy Committee”.

The general operation of the committees is mainly defined in the Board Charter.

Excerpt of the Board Charter provisions governing committees

The committees shall be solely composed of members of the Board of Directors.

The Board of Directors shall appoint, on the proposal of the Governance and Compensation Committee, the members of the committees, taking into account the skills, experience and availability of the directors, for terms not exceeding their terms of office as members of the Board of Directors.

These members shall be appointed in a personal capacity and may not be represented.

Each committee shall be chaired by an Independent Director appointed by the Board of Directors, on the proposal of the Governance and Compensation Committee, for a maximum term corresponding to his/her term as member of the Board of Directors. The Chair of a committee may be reappointed.

The Chair of each committee shall determine the conditions under which he/she shall report to the Board of Directors on the work of the committee. If he/she is unable to do so, the Chair shall name a committee member to report to the Board of Directors on such committee’s work.

Any matter falling within a Committee’s area of competence as determined by the Board Charter shall be referred to that Committee.

The Chairman may also refer to a Committee any matter included or to be included on the agenda of the Board of Directors.

Finally, the Board of Directors and the Chairman may also, at any time, refer to a Committee other matters falling within its area of competence.

The Chair of each Committee shall establish the agenda of each meeting and determine its annual program. Where the agenda of a committee meeting includes certain matters that also fall within the area of competence of another committee, the Chair of the first committee shall ensure coordination with the Chair of the second.

Notices of meetings may be issued by any means, including verbally, according to the conditions provided for in respect of each committee.

Committees must be in a position to fully perform their duties. For that purpose, information and documents relating to the agenda of the committee meetings shall be sent, except in case of emergency or where necessary and justified, at least three (3) calendar days prior to the meeting.

Committees shall be held at least two (2) days before the meeting of the Board of Directors during which items examined during committee meetings will be discussed, except in case of emergency or where impossible.

Committees may, in fulfilling their respective remit, hear members of the Executive Committee of the Group and other senior executives of the Group, and request that external technical studies be conducted, at the Company’s expense, after having informed the Chairman or the Board of Directors. If committees resort to the services of external advisors, the committees must ensure that the advisors concerned remain objective.

The committees shall report on the information obtained and the opinions received.

The Chairman and the Chief Executive Officer may, if they so wish, take part in committee meetings, except in cases where their personal situation is under discussion. They have access to the work of the committees.

1. Audit, Risks and Compliance Committee (CARC)

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NUMBER OF MEMBERS			NUMBER OF MEETINGS				MEMBERS AS OF DECEMBER 31, 2020	
6	vs	6	**5**	vs	11		▪ Ms. Sourisse* (Chairwoman) ▪ Mr. Fleuriot*	▪ Mr. Ostertag** ▪ Mr. Tagawa ▪ Mr. Thomas* ▪ Mr. Vial
2020		*2019*	*2020*		*2019*			
PERCENTAGE OF INDEPENDENT DIRECTORS**			**ATTENDANCE RATE**				** Independent Director.* *** The Director representing employee shareholders is not taken into account for the calculation of the independence rate in accordance with the recommendations of the AFEP-MEDEF Code.*	
60%	vs	80%	**100%**	vs	92.3%			
2020		*2019*	*2020*		*2019*			

Composition

The Board Charter lists the principles for the composition of CARC.

Excerpt of the Board Charter provisions governing the composition of CARC

The CARC is composed of three (3) to six (6) members appointed by the Board, and at least two-thirds (2/3) of such members shall be selected from among the Independent Directors. It may not include any senior executive officer. Directors members of the CARC shall hold qualifications or have technical or managerial experience in the financial or accounting fields.

The CARC Chair, selected from among the Independent Directors on the proposal of the Governance and Compensation Committee, shall be appointed or reappointed after a specific examination by the Board.

Upon their appointment, CARC members shall receive information on the Company's specific accounting, financial, extra-financial and operational features.

The CARC meets at least four (4) times a year, before each closing of the annual and half-yearly financial statements. It meets when convened by the Chair of the committee or at the request of half of its members.

The composition of CARC has been designed to ensure that all its members have finance and/or accounting skills or appropriate professional experience in the areas within the CARC's remit (see the biographical information on the directors concerned in (2)-(i)-"List of offices and functions exercised by the directors" below).

Ms Pascale Sourisse has had a career in management positions in various large companies in France and abroad. Before her appointment as Chair of the CARC, she had been a member of that committee since 2010.

Mr. Pierre Fleuriot, former General Manager of the Commission des Opérations de Bourse (now French Securities Market Authority), has held various positions at the head of international banking institutions. This professional experience gives him particular legitimacy to participate in this committee.

Mr. Benoît Ostertag is a director representing employee shareholders. He has received specific training for the role of director, including training covering the accounting and financial aspects of company management. His thorough knowledge of the Company enables him to have a firm grasp of the committee's business and actively take part in it.

Mr. Joji Tagawa, director appointed on the proposal of Nissan, joined the CARC thanks to of his financial skills acquired since 1983 within Nissan's finance department.

Mr. Thomas has had a career as the head of large international groups. His experience, which was acquired in particular as Manager of the Hermès group for 10 years, gives him the ability to participate actively in all discussions of this committee.

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Mr. Martin Vial, Head of the French State Holding Agency (Agence des Participations de l'État) since August 24, 2015, has been a director of many companies with public shareholding.

Missions

Excerpt of the Board Charter provisions governing the missions of the CARC

The CARC shall monitor issues concerning the preparation and audit of the financial statements and accounting and financial information, as well as the effectiveness of internal audit and risk management systems.

In that respect, the Board assigns the following duties to the CARC:

- regarding the financial statements:
- monitor issues relating to the preparation and audit of the financial statements and financial information,
- carry out a prior examination of the Company's financial statements, particularly the annual and half-year parent corporate and consolidated financial statements, and monitor the statutory audit thereof by the statutory auditors; the examination of the annual financial statements shall be accompanied by a presentation by management describing the exposure to risks, including social and environmental risks and the Company's material off-balance sheet commitments along with accounting options selected,
- ensure the relevance and constancy of accounting methods used to prepare the parent corporate and consolidated financial statements, particularly in respect of material transactions and in order to prevent any breach of such rules,
- examine the scope of consolidated companies and, as the case may be, the reasons for which companies have not been included therein,
- examine, before their publication, draft annual and half-year financial statements, activity reports, results and all financial statements (including forecasts) prepared for the purposes of specific material transactions, and important financial press releases relating thereto before they are published,
- examine, in financial terms, certain transactions proposed by the Chief Executive Officer and presented to the Board of Directors, such as capital increases, purchases of participations and acquisitions or disposals,
- be informed annually of the Group's financial strategy and of the terms of the Group's main financial transactions, and
- ensure the quality of procedures implemented to ensure compliance with financial markets regulations;
- regarding external control:
- oversee the selection procedure for statutory auditors and submit to the Board a recommendation on the statutory auditors proposed for appointment by the general meeting of the shareholders, as well as a recommendation in the event of a renewal of the appointment of one or more statutory auditors,
- monitor the statutory auditors' performance of their assignments, including by reviewing their audit plan and program of work, the results of their verifications, their recommendations and related next steps,
- examine each year with the statutory auditors the breakdown of fees invoiced by the statutory auditors between audit services in the strict sense, audit-related services and any other services,
- approve the provision by the statutory auditors of non-prohibited services, other than the certification of the financial statements, as authorized by applicable regulations,
- ensure that the statutory auditors meet independence requirements and take necessary measures in accordance with applicable law, and

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- mediate, as the case may be, on areas of disagreement between the statutory auditors and Senior Management that may arise in such activities;
- regarding internal control:
- monitor the effectiveness of the Group's internal control and internal audit systems and procedures, including regulatory and operational compliance,
- examine with internal audit officers the plans for internal control work and action, the conclusions of such work and action, the resulting recommendations and related outcome,
- be informed by Senior Management of any complaints by third parties or internal information relating to criticism of the Company's accounting documents or internal control procedures, as well as procedures adopted for that purpose and steps taken to address such complaints or criticism, and
- examine the section relating to internal control and risk management procedures included in the Company's annual management report;
- regarding risks:
- monitor the effectiveness of systems and procedures for identifying and assessing the Group's risks concerning procedures relating to the preparation and treatment of accounting and financial information,
- examine material risks and off-balance sheet commitments, assess the importance of failures or weaknesses reported to it and inform, as the case may be, the Board of Directors, and
- ensure, as the case may be, that a system for preventing and detecting bribery and influence-peddling has been implemented.

  As part of its duties, the CARC shall hear the statutory auditors, particularly during meetings concerning the examination of the process for preparing financial information and accounting information, in order for the statutory auditors to report on the performance of their duties and the conclusions of their work.

  The CARC shall also hear finance, accounting, treasury and internal audit officers. These hearings must be held, if the committee so wishes, without the presence of the Company's Senior Management.

  The CARC shall report to the Board regularly on the performance of its duties. It shall also report on the results of the audit of the financial statements, the way in which such audit contributed to the integrity of financial information and the role it played in this process. It shall inform the Board without delay of any difficulty encountered.

Committee activity

The CARC met five times in 2020, with an attendance rate of 100% (for details of attendance rate for each individual director, see the table in (2)-(i)-"Composition of the Board of Directors" below).

Pursuant to the applicable laws and regulations in force and the AFEP-MEDEF Code, the CARC dealt in particular with the following topics:

- examining the Group's consolidated financial statements, the financial statements of the Company and Renault s.a.s for 2019, the Group's consolidated financial statements for the first half of 2020, and the related financial press releases. In particular, the CARC studied the valuation of assets in the operational sector, asset depreciation tests, and trends in the automotive market and their consequences on the Company's financial performance;
- reviewing the accounting and financial impacts of certain Group's partnerships;
- monitoring the 2020 performance with respect to the budget;
- the preparation of the 2021 budget;
- reviewing the draft financial resolutions proposed to the Annual General Meeting of June 19, 2020;
- reviewing the guarantees granted in 2020;

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- monitoring the 2020 internal audit plan and presentation of the 2021 internal audit plan;
- monitoring the red-rated audits and the related action plans;
- the audit of the risk management system;
- the external audit plan presented by the statutory auditors as part of their statutory auditing mission;
- the independence of the statutory auditors;
- the statutory auditors' fees and the non-audit services provided by them;
- the statutory auditors' renewal process;
- the "2o22 plan" for reducing fixed costs;
- the Group's liquidity situation and credit rating;
- mapping of the corruption risks and update on the action plan for the implementation of the French "Sapin II Act";
- Groupe Renault's actions to prevent corruption;
- the control carried out by the French Anti-Corruption Agency (AFA);
- RCI's governance and risk control scheme;
- RCI's audit plan for 2020;
- monitoring of financial risks;
- monitoring of risks and of the risk management system concerning cybercriminality;
- internal control and risk control (mapping of the Group's major risks);
- internal control self-assessment;
- monitoring of the main legal and tax disputes;
- developments in the management report on Internal Control (formerly included in the report of the Chairman of the Board of Directors).

The following points may be noted:

- the Company's consolidated financial statements and parent corporate financial statements were examined by CARC during its meetings, held in due time in accordance with the AFEP-MEDEF Code;
- one of CARC's missions is to monitor the effectiveness of the internal control and risk management systems, described in "Group internal control and risk management system" below. As part of this, the examination of the financial statements by the committee, in the presence of the Chief Financial Officer and of the Head of Audit, Risk and Ethics, is accompanied by a presentation given by the statutory auditors describing the key aspects of the work performed, their conclusions on the accounting approaches adopted, and developments in regulations in this area; and
- the CARC also auditioned the Company's statutory auditors twice, without Senior Management being present.

After each CARC meeting a report is presented to the next meeting of the Board of Directors. These reports allow the Board of Diretors to be fully informed, thus facilitating its deliberations. Furthermore, minutes are drawn up after each CARC meeting and submitted for the approval of all its members.

2. Ethics and CSR Committee

NUMBER OF MEMBERS			NUMBER OF MEETINGS			MEMBERS AS OF DECEMBER 31, 2020	
5	vs	5	**4**	vs	1	▪ Ms. Darmaillac* (Chairwoman) ▪ Ms. Barba* ▪ Mr. Barrat**	▪ Mr. Personne** ▪ Ms. Serizawa
2020		*2019*	*2020*		*2019*		

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PERCENTAGE OF INDEPENDENT DIRECTORS**			ATTENDANCE RATE				* Independent Director. ** The Directors representing employees are not taken into account for the calculation of the independence rate in accordance with the recommendations of the AFEP-MEDEF Code.
66.7%	vs	66.7%	**100%**	vs	80%		
2020		*2019*	*2020*		*2019*		

Composition

The Board Charter lists the principles governing the composition of the Ethics and CSR Committee.

Excerpt of the Board Charter provisions governing the composition of the Ethics and CSR Committee

The committee shall consist of three (3) to six (6) members appointed by the Board, the majority of whom shall be selected from among the Independent Directors. The Chair of the committee shall be appointed by the Board, on the proposal of the Governance and Compensation Committee, from among the Independent Directors.

Missions

Excerpt of the Board Charter provisions governing the missions of the Ethics and CSR Committee

The Ethics and CSR Committee is tasked by the Board with:

- ensuring that the Company and Group have a high level of commitment in terms of extra-financial compliance, ethics and social and environmental responsibility;
- examining the Group's policies, reference texts and Charters on these matters, including the Group's code of ethics, and ensuring their effectiveness;
- reviewing and assessing procedures for reporting and controlling non-financial indicators (environmental, health and safety indicators and workforce-related reporting);
- receiving, every year, the presentation of the risk-mapping of the Group relating to ethics, social responsibility and sustainable development; it shall review the risks and opportunities identified and shall be kept informed of their evolution and the characteristics of the related management systems;
- reviewing reporting, assessment and control systems to ensure that the Company is able to provide reliable non-financial information and, in particular, issue an opinion on the declaration of extra-financial performance that must be published in accordance with applicable law;
- working to ensure that the Group takes into account extra-financial issues and long-term outlooks;
- promoting ethics, ensure that ethical rules are harmonized within Group entities and monitoring their application;
- examining Human Resources policies; and
- receiving, every year, the presentation of the risk-mapping of the Group relating to ethics and compliance; it shall review the risks and opportunities identified and shall be kept informed of their evolution and the characteristics of related management systems.

The Ethics and CSR Committee coordinates its work with the other committees in the areas that concern them, in particular the CARC (in particular in matters relating to internal control, compliance, risk analysis and non-financial information) and the Strategy Committee (in particular in matters relating to ethics policy, corporate social responsibility and sustainable development).

Committee activity

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Created on June 12, 2019, this committee met four times in 2020. The attendance rate was 100% (for details of attendance rate for each individual director, see (2)-(i)-“Composition of the Board of Directors” below).

The Committee notably examined the following topics:

- investors’ expectations with regard to Groupe Renault's environmental, social, and governance (ESG) challenges;
- the process of defining the Group's *raison d’être*;
- the Group's materiality matrix and the CSR indicators being monitored;
- the draft climate report;
- the plans to create a specific circular-economy factory (the ReFactory) in Flins;
- the creation of a stakeholders committee;
- the new roadmap for the Groupe Renault Corporate Foundation;
- the Ethics measures rolled out in 2020;
- the Group's Ethics and Compliance network;
- the status of the roll-out of the professional alert system;
- the "Inspiring Ethics" seminar organized within the Group;
- the preparation and organization of the audit by the French Anticorruption Agency;
- the organizational structure and role of the Human Resources Department;
- the Group’s inclusion and diversity policy;
- the Group hygiene, safety, and environmental indicators;
- social dialogue in the context of the "2o22 plan" for reducing fixed costs.

3. Governance and Compensation Committee

NUMBER OF MEMBERS			NUMBER OF MEETINGS				MEMBERS AS OF DECEMBER 31, 2020	
5	vs	5	**5**	vs	13		▪ Mr. Thomas* (Chairman) ▪ Ms. Darmaillac* ▪ Mr. Fleuriot*	▪ Mr. Personne** ▪ Mr. Vial
2020		*2019*	*2020*		*2019*			
PERCENTAGE OF INDEPENDENT DIRECTORS**			**ATTENDANCE RATE**				** Independent Director.* *** The Director representing employee shareholders is not taken into account for the calculation of the independence rate in accordance with the recommendations of the AFEP-MEDEF Code.*	
75%	vs	75%	**100%**	vs	93.1%			
2020		*2019*	*2020*		*2019*			

Composition

The Board Charter lists the principles governing the composition of the Governance and Compensation Committee.

Excerpt of the Board Charter provisions governing the composition of the Governance and Compensation Committee

The committee shall consist of three (3) to six (6) members appointed by the Board, the majority of whom shall be selected from among the Independent Directors. The Chair of the committee shall be appointed by the Board, on the proposal of the Governance and Compensation Committee, from among the Independent Directors. A director representing the employees shall be appointed as a member of this committee. The committee may not include any senior executive officer.

Missions

Excerpt of the Board Charter provisions governing the missions of the Governance and Compensation Committee

The Board assigns the following duties to the Governance and Compensation Committee:

- regarding the selection of directors and the composition of committees:
- assess potential candidates for vacancies on the Board of Directors, particularly in the event of unexpected vacancies or the appointment of additional directors, taking into account the Company's diversity policy,
- assess the appropriateness of renewing the terms of office of directors that have expired, taking into account the Company's diversity policy,
- examine any proposal relating to the designation of committee members and Chairs, taking into account the Company's diversity policy, and formulate a recommendation to the Board regarding these proposals, and
- recommend the appointment of a Lead Independent Director;
- regarding the succession of senior executive officers:
- prepare, when the expiry of their terms of office is approaching, recommendations for the succession of the Chairman and the Chief Executive Officer,
- establish a succession plan for the Company's senior executive officers; senior executive officers may be involved in the committee's work in performing this mission, and
- be informed of Senior Management's plans relating to the appointment of members of the Executive Committee of the Group;
- regarding the operation of the Board and the governing bodies:
- ensure that the senior executive officers implement a non-discrimination and diversity policy, particularly regarding balanced representation of women and men within governing bodies,
- assist the Board in performing its periodic assessments,
- prepare the process for assessing the Board's members, organization and operation (including that of its committees) and oversee the Board's self-assessment process, in accordance with the recommendations of the AFEP-MEDEF Code,
- assess the proper operation of governing bodies and subsequently formulate recommendations to the Board,
- monitor changes in the Company's shareholding structure and how the Company takes such changes into account with a view to monitoring the representation of shareholders (including employee shareholders) in its governance,
- assess every year whether each director may individually be considered as independent within the meaning of the AFEP-MEDEF Code,
- be kept informed by the Chairman of the Board each time a director cannot attend or take part in a vote due to a conflict of interest; it shall examine the directors' periodic declarations of conflicts of interest, as the case may be, prepare a list of matters likely to give rise to conflicts of interest and report accordingly to the Board,
- submit a report on the composition and operation of the Board and on the Board's diversity policy, and issue an opinion on draft resolutions relating thereto which will be submitted to the General Meeting of Shareholders in accordance with applicable laws and regulations,
- assess whether governance practices within the Company comply with the AFEP-MEDEF Code and the recommendations of the Autorité des Marchés Financiers and of proxy advisors and ensure their continued compliance therewith, and
- highlight deviations from the recommendations of the AFEP-MEDEF Code and prepare related explanations;

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- regarding the compensation of senior executive officers:
- make recommendations to the Board concerning all compensation items, the pension and benefits system, benefits in kind and the various pecuniary rights of the Chairman and the Chief Executive Officer, including, as the case may be, the granting of stock options or free shares in the Company and, in relation thereto, prepare the annual assessment of senior executive officers,
- ensure that the elements of the Chairman's and the Chief Executive Officer's compensation are closely linked with the implementation and results of the Group's strategy,
- ensure that the compensation policy, its structure and its elements comply with applicable law and with the recommendations of the AFEP-MEDEF Code,
- propose to the Board, as the case may be, the amount of the variable portion of the compensation of senior executive officers, after assessing the fulfillment of the related performance criteria,
- carry out a prior examination of the terms and conditions of any service agreement that a director or senior executive officer of the Company may wish to enter into, and
- submit to the Board, every year, a draft report on the compensation policy and issue an opinion on draft resolutions relating thereto which will be submitted to the General Meeting of Shareholders in accordance with applicable laws and regulations;
- regarding director compensation:
- make recommendations on the overall amount and arrangements for apportioning attendance fees allotted to directors, and
- examine the section relating to director compensation included in the report on corporate governance;
- regarding compensation of the Group's main executives:
- be informed of the compensation policy for members of the Executive Committee of the Group, and
- formulate recommendations on all types of incentive mechanisms for employees of the Company and, more broadly, Group companies, including employee savings plans, supplementary pension plans, reserved issuances of securities giving access to the capital and grants of stock options or free shares.

Committee activity

This committee met five times in 2020. The attendance rate was 100% (for details of attendance rate for each individual director, see (2)-(i)-"Composition of the Board of Directors" below).

Its activity included the following:

- management of the selection process for a new Chief Executive Officer and the appointment of Mr. Luca de Meo Chief Executive Officer effective on July 1, 2020;
- determination of the components of the compensation of the Chairman of the Board of Directors, the Chief Executive Officer, the Interim Chief Executive Officer and the Directors for the 2019 financial year;
- determination of the compensation policies for the Chairman of the Board of Directors, the Chief Executive Officer, the Interim Chief Executive Officer and the directors for the 2020 financial year;
- reviewing the list of Independent Directors pursuant to the criteria specified in the AFEP-MEDEF Code, in particular the criterion relating to significant business ties;
- the Board of Directors' assessment for the 2019 financial year and the process of having the Board of Directors evaluated by an external consultant for the 2020 financial year;
- the report on corporate governance published in the 2019 Universal registration document;
- the evolution of the composition of the Board of Directors and of its committees;

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- the changes in the procedure for appointing the director representing employee shareholders. For details on the procedures for appointing the director representing employee shareholders, see (2)-(i)-"Governance structure" below;
- performance share allocation plans for the 2020 financial year; and
- the internal procedure on the classification of agreements entered into by the Company and allowing to assess agreements on current operations and entered into under normal conditions, pursuant to Article L.225-39 of the French Commercial Code resulting from French Law No. 2019-486 of May 22, 2019 (for details on this procedure, see "Assessment procedure for current agreements concluded under arm's length terms" below).

4. Strategy Committee

NUMBER OF MEMBERS			NUMBER OF MEETINGS				MEMBERS AS OF DECEMBER 31, 2020	
6	vs	8	**4**	vs	3		▪ Ms. Winkler* (Chairwoman) ▪ Ms. Barba* ▪ Ms. Bensalah-Chaqroun* ▪ Mr. Courbe	▪ Mr. Gentil** ▪ Mr. Ostertag**
2020		*2019*	*2020*		*2019*			
PERCENTAGE OF INDEPENDENT DIRECTORS**			ATTENDANCE RATE				** Independent Director.* *** The Director representing employee shareholders and the Director representing employees are not taken into account for the calculation of the independence rate in accordance with the recommendations of the AFEP-MEDEF Code.*	
75%	vs	66.7%	**77.1%**	vs	79.2%			
2020		*2019*	*2020*		*2019*			

Composition

The Board Charter lists the principles governing the composition of the Strategy Committee.

Excerpt of the Board Charter provisions governing the composition of the Strategy Committee

The committee shall consist of three (3) to eight (8) members appointed by the Board. The Chair of the committee shall be appointed by the Board, on the proposal of the Governance and Compensation Committee, from among the Independent Directors. Directors who are members of the committee must have (i) in-depth knowledge of the industrial or digital sector or (ii) specific skills in international development.

Missions

Excerpt of the Board Charter provisions governing the missions of the Strategy Committee

The Strategy Committee's main duty, as part of the work of the Board of Directors, shall be to regularly review the overall strategy of the Group and the Alliance, including, but not limited to, the following:

- mergers and acquisitions, disposals, strategic and partnership agreements that have a material impact on the strategy of the Group and the Alliance;
- the strategy as regards product and technology development;
- the competitiveness of production sites and of their supplier base;
- growth and financial strategy;
- the Group's geographical expansion strategy; and
- and to make recommendations to the Board of Directors in this respect.

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Committee activity

The committee met four times in 2020. The committee meets three or four times a year in rather long meetings in order to examine Group strategic issues in depth. The attendance rate was 77.1% (for details of attendance rate for each individual director, see (2)-(i)-“Composition of the Board of Directors” below).

In particular, the committee examined the following topics:

- the overall Renault strategy (including carbon neutrality);
- the Group strategy for China;
- the outlook for the automotive industry and strategic considerations for 2019-2030;
- the Group's strategic initiatives;
- brand vision and image;
- the Group's situation in the context of the COVID-19 crisis;
- the "2o22 plan" for reducing fixed costs.

The Strategy Committee devoted several meetings to the new strategic plan, Renaulution. The Committee carefully examined topics related to income management, fixed and variable costs, the industrial project in northern France, the Group's international strategy, platform strategy and mobility.

Evaluation of the Board of Directors

Each year, the Board of Directors carries out an evaluation of its composition, organization and operation with a view to improving the efficiency of its work and, at least once every three years, a formal evaluation with the help of external consultants.

Formal evaluations took place in 2014 and 2017.

The Board of Directors, on the recommendation of the Governance and Compensation Committee, decided to once again call upon external consultants to carry out a formal evaluation of the work of the Board and its committees in 2020.

All Board members answered a questionnaire and spoke with the external consultants. The conclusions of the evaluation were presented at the Governance and Compensation Committee meeting on February 15, 2021, and then at the Board of Directors meeting on February 18, 2021.

The purpose of the questionnaire and of the interviews with the members of the Board was to evaluate the following themes:

- the composition, role, structure, missions and operation of the Board of Directors and its committees;
- the relationships between the Board of Directors and Senior Management; and
- the individual contribution of each director and collective efficiency; and
- follow-up on the points for improvement identified in the previous evaluation.

The evaluation provided an opportunity to learn from the experience of recent events, in particular since the last external evaluation in 2017, and to reassess the ways in which the Board of Directors and its committees operate.

It highlighted the main changes that have occurred since 2017, i.e.:

- the new governance dynamic implemented in 2019, when the offices of Chairman and Chief Executive Officer were separated and the position of Lead Independent Director was maintained;
- the new collective dynamic created by the Chairman;
- the changes in the composition of the Board, with a reduced number of members and new skills;
- more in-depth and transparent discussions with Senior Management; and
- the Board's better consideration of CSR issues with the creation of the Ethics and CSR Committee.

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This evaluation identified recommendations and areas for improvement, such as:

- developing the skills of the Board of Directors in order to enable it to better address future topics (such as mobility, data, energy, new forms of propulsion, etc.) and to better understand strategic choices to be done by the Company (such as product strategy, electric / hydrogen / connected car, mobility technologies, *etc*.);
- strengthening the skills of the Board of Directors in financial matters in order to establish a culture of profitability, optimal cash management, value creation for employees and shareholders;
- better understanding, at the level of the Board of Directors, and not only of the committees, the subjects related to succession plans, talents and diversity, and including these topics on the Board's agenda more regularly;
- continuing and intensifying the appropriation of ESG topics by the Board of Directors in addition to the work carried out by the Ethics and CSR Committee;
- developing cross-functional approaches (i) between the Ethics and CSR Committee and the Audit, Risks and Compliance Committee on extra-financial performance issues and (ii) between the Ethics and CSR Committee and the Strategy Committee on the Group's ESG strategy;
- understanding the strategy at the level of the Strategy Committee in a global manner, not only through individual topics.

Implementation of the “comply or explain” rule

Pursuant to the provisions of Article L. 22-10-10 of the French Commercial Code, the Company refers to the AFEP-MEDEF Code, whose recommendations it follows.

Pursuant to the “comply or explain” rule in Article 27.1 of the AFEP-MEDEF Code and the provisions of Article L. 22-10-10 of the French Commercial Code, the recommendations of that Code that have not been followed and the related explanations are summarized in the table below:

Recommendation of the AFEP-MEDEF Code (January 2020 version)	Comments
Director independence criteria (Article 9.5)	At its meeting of February 18, 2021, the Board of Directors examined the situation of Mr. Jean-Dominique Senard with regard to criterion no. 1 of the AFEP-MEDEF Code, given his capacity as director of Nissan and Chairman of Renault s.a.s. for the period from October 11, 2019, to June 30, 2020. The AFEP-MEDEF Code states that one of the criteria that the Board of Directors must assess to possibly exclude someone from the status of independent director is that of “*not being or not having been, during the past five years, an employee, executive officer, or director of a company that the company consolidates.*” According to the AFEP-MEDEF Code implementation guide, this recommendation also applies when a director holds “*an office in a company in which the first company holds a non-controlling but significant stake, or in a sister company*”. It is recalled that Nissan is not a company fully consolidated by Renault. Renault has significant influence over Nissan and therefore accounts for its interest in Nissan using the equity method (for more details on Renault's shareholding in Nissan, see note 12 to Consolidated Financial Statements). The Board of Directors, on the recommendation of the Governance and Compensation Committee, held that the appointment of the

	Chairman of the Board of Directors of Renault to the Board of Directors of Nissan, with a view to developing and strengthening cooperation between the Boards of Directors of the two Alliance partners was not such as to call into question Mr. Jean-Dominique Senard's freedom of judgement and independence with respect to Renault. Furthermore, should such a situation give rise to any conflict of interest, the provisions of the Board Charter requiring the director in question to abstain from participating in the deliberations and votes of the Board of Directors would apply. In addition, the Board of Directors, on the recommendation of the Governance and Compensation Committee, considered that the performance by Mr. Jean-Dominique Senard of the duties of Chairman of Renault s.a.s. from October 11, 2019, to June 30, 2020, was of an exceptional and purely temporary nature, during the time required for the Board of Directors to conduct the succession process for the Chief Executive Officer and until the arrival of Mr. Luca de Meo on July 1, 2020. The Board of Directors therefore considered that this exceptional situation was not such as to call into question the independence of Mr. Jean-Dominique Senard at the end of this temporary term of office. At its meeting of February 18, 2021, the Board of Directors also reviewed Mr. Pierre Fleuriot’s situation with regard to criterion no. 1 of the AFEP-MEDEF Code in view of his appointment as director of Nissan. The Board of Directors, on the recommendation of the Governance and Compensation Committee, held that the appointment of the Lead Independent Director of Renault to the Board of Directors of Nissan, with a view to developing and strengthening cooperation between the Boards of Directors of the two Alliance partners was not such as to call into question Mr. Pierre Fleuriot’s freedom of judgment and independence with respect to Renault. Furthermore, should such a situation give rise to any conflict of interest, the provisions of the Board Charter requiring the director in question to abstain from participating in the deliberations and votes of the Board of Directors would apply.
Termination of the employment contract of the Chief Executive Officer (Article 22.1)	At its meeting of October 11, 2019, the Board of Directors decided (i) to terminate Mr. Thierry Bolloré’s office as Chief Executive Officer of Renault SA with immediate effect and (ii) to appoint, with immediate effect, Ms Clotilde Delbos as Chief Executive Officer of Renault SA for an interim period, until a new Chief Executive Officer is appointed. Given the exceptional circumstances and transitory nature of this situation, the Board of Directors held, on the recommendation of the Governance and Compensation Committee, that there was no reason to terminate Ms Clotilde Delbos’ employment contract with Renault s.a.s, which corresponds to her functions as Chief Financial Officer of Groupe Renault (separate from her office as interim Chief Executive Officer of Renault SA) which she continued to exercise

	under the supervision of the Chairman of Renault s.a.s, Mr. Jean-Dominique Senard. This temporary situation ended upon the arrival of Mr. Luca de Meo as Chief Executive Officer of Renault SA and Chairman of Renault s.a.s. on July 1, 2020.
Proportion of independent directors on the Audit Committee (Article 16.1)	The AFEP-MEDEF Code provides that "*at least two thirds of the members of the Audit Committee must be independent directors and the Committee must not include any executive officers*". As at December 31, 2020, the Audit, Risks and Compliance Committee had six members, including three independent directors, one director representing the French State, one director representing Nissan and one director representing employee shareholders, meaning that 60% of members were independent directors, which is lower than the rate of two thirds required by the AFEP-MEDEF Code. The Board of Directors considers this composition to be balanced, given the decision to maintain a limited number of members with the presence of representatives of the reference shareholders and employees, while still supporting effective Committee work, which requires a level of financial and accounting expertise. Furthermore, the Board of Directors, meeting on February 18, 2021, on the recommendation of the Governance and Compensation Committee, decided to propose to the Annual General Meeting of Shareholders of April 23, 2021, that Mr. Bernard Delpit be appointed as independent director. Given his long and extensive experience in financial matters, Mr. Delpit is expected to join the Audit, Risks, and Compliance Committee shortly.

Assessment procedure for current agreements concluded under arm's length terms

During its meeting of February 13, 2020, the Board of Directors, on the recommendation of the Governance and Compensation Committee, adopted an internal procedure on the qualification of agreements signed by the Company allowing it to assess the agreements covering current operations concluded under arm's length terms, in accordance with the provisions of Article L. 225-39 of the French Commercial Code (resulting from law No. 2019-486 of May 22, 2019).

The internal procedure approved by Renault's Board of Directors describes the methodology used to qualify the different agreements to which Renault SA is a party as related-party agreements or current agreements. It also recalls the legal related-party control procedures.

This internal procedure will be assessed on an annual basis by the Company's Board of Directors, after having been reviewed by the Governance and Compensation Committee, in order, notably, to take into account any legislative or regulatory amendments, changes in best practices and any application difficulties during the financial year.

At its meeting of February 18, 2021, the Board of Directors examined the internal procedure for evaluating current agreements concluded under arm's length terms and, on the recommendation of the Governance and Compensation Committee, concluded that this procedure was in accordance with legal provisions and that no modification was necessary.

Procedures for shareholders' participation in the Annual General Meeting

Article 21 of the Company's articles of association specifies the procedures for shareholders' participation in the Annual General Meeting. (see "Annual General Meetings" below).

Group internal control and risk management system

Groupe Renault has adopted organizational structures and procedures to contain the risks inherent in its activities and to limit their negative impact. The risk management and internal control systems are implemented in all corporate functions, all activities and all regions. The main objectives are to:

- identify and manage risks to which the Company is exposed;
- ensure compliance with rules, laws and regulations;
- control quality, cost and delivery times in its activities;
- ensure that financial, accounting and management disclosures are reliable, relevant and of a high standard.

These structures and procedures cannot, however, offer an absolute guarantee that the Company's objectives will be achieved. In order to mediate between the opportunities and risks, Groupe Renault's global risk management system aims to reduce the impact and/or probability of events having a significant influence on the control of operations or the fulfillment of objectives. The internal control and risk management systems identify and assess risks by measuring the level of risk factor control and the efficacy of management plans.

The Group comprises the following operating sectors: Groupe Renault Automotive excluding AVTOVAZ, the AVTOVAZ group, RCI Bank and Services, and Mobility Services.

Since 2007, Groupe Renault has taken into account the reference framework and implementation guidelines of the French Financial Markets Authority (AMF), which were updated in July 2010, and the recommendations of the Audit Committee working group report published in July 2010. This framework applies to Groupe Renault Automotive and Mobility Services Segments.

The AVTOVAZ group has management autonomy and has implemented an internal control system and risk management system in accordance with Russian legislation and the organization described in this section; any variations are indicated and explained.

RCI Banque sales financing has defined its own internal control framework for sales financing in accordance with banking and financial regulations. This system is outlined in "The RCI Banque group's specific features in terms of internal control and risk management" below. RCI Banque is subject to controls by the French Prudential Supervisory Authority (ACPR) and the European Central Bank (ECB).

The various actors involved in risk management

In 2020, the Automotive division of Groupe Renault, excluding AVTOVAZ, was structured around three axes: Regions, Corporate Functions and Programs. They help set the business strategy and implement it on a daily basis:

- the "Regions" axis develops the business in the field. The Regions are responsible for optimizing the business and generating profitable revenues;
- the "Corporate Functions" axis groups together all of the business functions, with global responsibility. Corporate Functions define the policies, and supply the appropriate standards, methods and skills to the Programs and Regions;
- the "Programs" axis is responsible for the life-cycle of the vehicles and services at a global level. Programs develop the vehicle ranges and services and manage their profitability.

From 2021, this organization will change to comprise four brands and global functions. See (2)-(ii)-"Management bodies as at March 1, 2021" below and III-1- " The Group's Strategy" for more details.

This structure does not exist for the AVTOVAZ group.

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Sales Financing has its own internal control and risk management systems and organization, as outlined in "The RCI Banque group's specific features in terms of internal control and risk management" below.

Structuring around three lines of control

In accordance with the general principles of internal control defined by the AMF, and in compliance with the principle of separation of offices, Groupe Renault's internal control and risk management system is structured around the concept of the three lines of defense described below:

- operational management, the first line of control, applies and deploys in its area of responsibility the principles and techniques of internal control and risk management defined at Group level. Employees are therefore required to comply with the internal control system defined for their field of activity, the Group's code of ethics, the guide for preventing corruption and influence peddling, as well as their own dedicated Codes of Ethics;
- corporate functions, an essential link in the second line of control, provide ongoing support to assess the proper application and effectiveness of risk management. This monitoring is performed by:
- the Internal Control department, which circulates self-assessment questionnaires and carries out compliance tests. It also ensures that action plans are identified and implemented to correct the shortcomings identified,
- the Risk Management department, which is responsible for updating the mapping of the Group's major risks and monitoring action plans designed to reduce the impact or probability of the main risks identified, and for providing support for the risk mapping of programs, operating entities and corporate functions,
- the Group Performance Control department, with its representatives in the entities, which coordinates and steers the process in the field. It ensures that all personnel comply with management rules and assists operational staff in the coordination of their action plans and monitoring,
- the other departments of the so-called "corporate" functions, which are responsible at the global level for establishing policies, standards and methods;
- internal audit, the third line of control, assesses the functioning of internal control and risk management systems and makes recommendations for their improvement.

Internal Audit department

The Internal Audit department conducts an independent and objective assessment of the corporate governance, risk management and control processes as defined within the Group. The mission, role,

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responsibilities and scope of internal audit are laid down in an audit charter whose updated version was approved by the Audit, Risks and Compliance Committee (CARC) in May 2019. Through its recommendations, Internal Audit contributes to the improvement of operational security and the optimization of the overall performance of the company. At the end of each assignment, Internal Audit distributes a final report and summary note, which are systematically distributed to the areas audited, the functions/ entities/projects in question, the Chief Executive Officer and the Chairman of the Group. The summary note includes an opinion issued by Internal Audit that aims to give an overall assessment on the level of control of the audited activities: satisfactory (green), some improvements needed (yellow), substantial improvements needed (orange), insufficient (red).

The Internal Audit department covers all entities and activities of Groupe Renault's automotive branch, excluding AVTOVAZ, which has its own internal audit structure. The financial branch (RCI Banque) also has its own internal audit structure. The Internal Audit department can also audit functions that have converged with Nissan. For entities in partnership with Groupe Renault, Internal Audit may intervene if the partner so agrees. For activities entrusted to third parties, intervention by Internal Audit is possible if the contract's audit clause so provides.

Audit plans are made on an annual basis and cover a 2-year period. They are verified by Senior Management and approved by the Audit, Risks and Compliance Committee. The audit plans are revised as often as necessary to take into account additional requests.

Internal Audit missions make it possible to:

- assess the compliance of processes and their application with the rules, standards, laws and regulations in force;
- assess the effectiveness of processes and the performance of transactions;
- verify the quality of the controls performed by the operational department and the support and control functions;
- suggest areas for improvement or progress in the form of recommendations;
- fight against fraud and corruption;
- verify the effective implementation of the recommendations.

Following the recommendations made in each audit report, an action plan defined by the audited entities is approved by the audit function. Recommendations have three levels of criticality (high, medium, low, identified respectively as A, B and C). The Internal Audit department ensures that the recommendations are implemented. Every six months, it prepares a progress report on A and B recommendations for the Group Executive Committee and the Audit, Risks and Compliance Committee.

The Internal Audit department is certified by the French Institute of Audit and Internal Control (IFACI) [31]. This certification, in accordance with the standards for the professional practice of internal auditing (*référentiel professionnel de l'audit interne* – RAI), comprises 25 general requirements divided into 100 detailed requirements across five categories: positioning, steering, audit processes, GRC (governance, risks and compliance) assessment program and professionalism.

Governance

The first two lines of defense report on internal control and risk management issues to dedicated committees: the Risks and Internal Control Committee (*Comité des risques et du contrôle interne*, CRCI) and the Ethics and Compliance Committee (*Comité d'éthique et de conformité*, CEC). They occasionally report to the Executive Committee and the Operations Review Committee as part of thematic presentations. The aim of the Risks and Internal Control Committee is to regularly validate and assess the efficiency of the internal control and risk management systems.

31 French Institute for Audit and Internal Control (Institut français de l'Audit et du Contrôle interne).

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The second and third line of defense present the results of their work to the Audit, Risks and Compliance Committee (CARC), whose duties are defined in “Activity of the specialized committees of the Board of Directors in 2020” above.

In the course of their duties, the statutory auditors assess the internal control of the preparation and processing of accounting and financial data and, when necessary, issue recommendations.

The Group risk management system

The Group applies a risk management method based on one hand, on identifying and assessing risks of any kind, which are then mapped, and, on the other hand, on carrying out action plans to deal with these risks, and specifically their net impact and/or probability of occurrence, by means of: elimination, prevention, protection or transfer. This method applies to the Group, entities, vehicle programs and corporate functions. The mapping of major Group risks (descending and ascending) is presented to the Risks and Internal Control Committee, the Group Executive Committee and the Audit, Risks and Ethics Committee, which validate it.

The major risk factors to which the Group is exposed are described in III-“2. RISKS IN BUSINESS, ETC.”.

To carry out its duties, the Risk Management department relies, in particular, on two networks:

- one comprising managers mainly from the performance and control function, for the operating entities (countries, commercial and/or industrial subsidiaries) and corporate functions, and from the quality assurance function, for the programs. These managers are known as Operational Risk Managers (RMO). They work with the Risk Management department on the operational implementation of risk management systems within the entities, the programs and corporate functions;
- the other made up of experts who manage a specific area of risks. These may be risks common to all companies or specific to one of Groupe Renault’s segments of activity. These experts are known as Expert Risk Managers (RME) and consult on the standardized risk management plans in their area of expertise.

To draw up the audit plan for the Company’s major risks, which is validated by Senior Management and approved by the CARC, the Internal Audit department uses risk maps to identify the most pertinent audit themes and assess risk coverage. Through its auditing task, the Internal Audit department provides the Risk Management department with insight on the effective level of control of major risks.

The risk management policy is applied at Group level for major risks. It is also rolled out at operating entity level (countries, commercial and/or industrial subsidiaries), for vehicle programs and global functions.

In 2020, the Risk Management department focused its activities on:

- updating the mapping of the Group’s major risks. This process was carried out in a descending direction in relation to the Group’s medium-term strategic plan, which was developed during 2020, so that it will integrate the treatment plans responding to the identified risks;
- the strengthening of treatment plans and processes to improve the control of the major risks identified previously;
- assistance to operating entities in the implementation of country, industrial site and commercial subsidiary risk mappings, carried out with the operational risk managers of the relevant entities;
- assistance to the program or project departments in creating risk mapping for projects;
- assistance to the corporate functions.

In addition, awareness-raising actions for Group employees about risk culture and the fundamentals of risk management were continued by the Risk Management department (communication and training, in particular through e-learning modules).

In 2021, the Risk Management department’s activities will continue to focus on these priority areas.

The Group internal control system

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Group ethics and Corporate Function guidelines

The “Corporate Functions” define and issue the policies and standards to be deployed, which are then rolled out as procedures and operating methods to ensure that processes at operational level function in accordance with the principles outlined in the code of ethics, the Guide for preventing corruption and influence peddling and the dedicated Codes of Ethics.

The Internal Control department distributes guidelines (Minimum Control Standards & Control Basic Rules) that list the main themes to be controlled and incorporated into the operational staff’s control activities.

Internal delegations and separation of offices

In addition to command-line structures, the Group has set up a staff reporting system so that corporate function managers can provide leadership for their function correspondents throughout the Group.

The decision-making process is based on a system of internal delegation that determines in which areas and at which levels operational managers may make decisions. All the rules for delegating decision-making authority are communicated to personnel via the intranet. Decision requests are tracked in a workflow that implements the rules specifying the persons to be involved, in accordance with internal control procedures or documented in the minutes of the committees responsible for making the decision.

The principle of separation of offices and tasks is required at all hierarchical and functional levels within the Group, and within the computer systems, to facilitate independent control and to separate tasks and functions corresponding to operations, the protection of property and their booking for accounting purposes.

Implementation of objectives

Each year, the Internal Control department runs an internal control campaign in which self-assessment questionnaires are sent to the Group’s main entities. The CEOs of the entities validate these self-assessments and commit to defining and implementing action plans to remedy any internal control shortcomings identified. These action plans are subject to annual monitoring by the Internal Control department. The results of these self-assessments are presented to the Risks and Internal Control Committee and Audit, Risks and Compliance Committee once a year.

Compliance tests are conducted on the basis of a sample of entities by the internal controllers of the Internal Control department to verify the quality of the self-assessments. This internal control system applies to the parent company and all significant entities, fully consolidated companies in particular.

Entities with lower risk levels (entities not fully consolidated or unconsolidated entities) are subject to separate internal control systems.

The work of the Internal Control department in 2020 included:

- continued action to improve the corruption prevention system and support for the operational staff concerned;
- work designed to make *"métier"* prescribers more involved into internal control self-assessment to better assess operational risks;
- the roll-out of training courses on internal control, in particular on the method for analyzing the separation of duties with standard matrices on the main risky processes; more than 455 managers and 43 Management Committees have been trained over the last three years;
- definition of preventive and detection controls based on a data analytics unit;
- review of the rules for delegation of authority, in particular following changes in the Group’s method of governance.

The Tone at the Top in terms of internal control was reaffirmed by the circulation of an editorial signed by the Group CFO, positioning internal control as an essential feature of management and a key performance driver.

The priorities in 2021 will be to continue these underlying actions begun in previous years.

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The RCI Banque group's specific features in terms of internal control and risk management

RCI Banque has a global internal control system which aims to identify, analyze and manage the main risks identified in relation to the Company's objectives. The RCI Banque group's Internal Control Committee has validated the general framework for this system, which is described in the Internal Control Charter.

This Charter defines the system applicable to the French and foreign companies over which RCI Banque has effective control and specifies in particular:

- the general arrangements for managing internal control;
- the local arrangements for subsidiaries, branches and joint-ventures;
- the special arrangements for various functional areas.

Risk control at RCI is overseen on three levels by separate functions:

- the first line of control is exercised by the operational functions in charge of day-to-day risk management as part of the activities in their area of expertise. These functions decide and are responsible for taking risks in the conducting of transactions and the objectives assigned to them. They exercise this responsibility in accordance with the management rules and the risk limits defined by the Corporate functional departments.

  The Corporate functional departments are in charge of risk definition, rules, management methods, measurement and monitoring at the corporate level. Each department, in its area of expertise, manages and oversees the risk management system via guidelines and country objectives. Risk is monitored by periodic dedicated committees in both the subsidiaries and centrally. These departments rely on local representatives for risk measurement and exposure monitoring and ensure that limits are respected at the group level;
- the second line of defense includes:
- the Internal Control department and the internal controllers for the Group entities, which control the level of compliance of transactions with the management rules defined in the procedures. More specifically, they verify the relevance of the first line of control,
- the Risk and Banking Regulations department, which oversees the deployment of the Group's risk governance policy, verifies the efficiency of risk management by the functional departments and of compliance with the limits and alert thresholds established and ensures that the Risk Committee of the RCI Board of Directors is notified when those thresholds are exceeded;
- the third line of defense is the internal audit function, which aims to provide assurance to RCI Banque's Board of Directors and Senior Management about the degree of control over transactions and the oversight exercised by the first two lines.

The risk management system covers all the macroprocesses of the RCI Banque group and includes the following tools:

- the list of the main so-called critical and significant risks for which a pilot, appetite level, alert thresholds and limits are defined (Risk Appetite Framework). For each risk, a detailed analysis is performed that identifies the components of the risk and the management and oversight principles that keep it in line with the risk appetite level. These elements are reviewed at least once a year in connection with the RCI Banque group business model and strategy;
- the mapping of operational management rules contributes to risk management; it is deployed in all of the RCI Banque group's consolidated subsidiaries. This mapping is updated regularly by the central business activity departments. The level of control of operational management rules is assessed annually by the process owners in all subsidiaries;
- the incident collection database helps to identify malfunctions that correspond to predefined criteria and enables the corrective and preventive measures required to control risks to be put in place. This database is used for internal and regulatory reporting purposes. The system sets thresholds for immediately communicating incidents to RCI Banque's Executive Committee, RCI Banque's Board

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of Directors, Groupe Renault's Ethics and Compliance Committee (CEC), the French Prudential Supervisory Authority (ACPR) and the European Central Bank.

Bodies and actors involved in RCI Banque's internal control and risk management

The RCI Banque Board of Directors, as supervisory body, has the following responsibilities:

- it decides on the bank's business strategy and monitors the implementation, by Executive Directors and the Executive Committee, of supervisory procedures to ensure effective and prudent management;
- it approves and periodically reviews the strategies and policies for taking on, managing, monitoring and reducing risk;
- it examines the governance model, periodically assesses its effectiveness, and ensures that corrective action is taken to remedy any shortcomings;
- it oversees the publication and communication processes and checks the quality and reliability of information due to be published and disclosed by the Company.

As such, the Board devotes at least one meeting a year to a review of the internal control system, in order to sign off on the annual report on internal control submitted to the French Prudential Supervisory Authority (ACPR).

The Board of Directors is assisted in its duties by four specialized committees:

- the Audit and Accounts Committee meets three times a year. It is responsible for preparing, presenting and monitoring the financial statements, overseeing the statutory audit of the separate and consolidated financial statements, monitoring the independence of the statutory auditors and the definition of their non-auditing services, recommending the appointment of the statutory auditors and monitoring their rotation, verifying the effectiveness of internal control and risk management systems, reviewing the audit plan, analyzing the audits carried out and reviewing investments in unconsolidated companies;
- the Risk Committee meets four times a year. Its role includes examining the risk map and signing off on the definition of risks, and analyzing and authorizing RCI group risk limits in line with the Board's risk appetite and with a view to assisting the Board in terms of oversight. It is also responsible for analyzing action plans in the event that limits or notification thresholds are exceeded, and for examining pricing systems for products and services. In parallel with the Compensation Committee, it also has the task of examining whether the compensation policy is compatible with the Company's risk exposure, So that it can advise the Board of Directors, this Committee is also responsible for the analysis and approval of the internal control report, compliance with capital (ICAAP) and liquidity (ILAAP) regulations, the recovery plan, and significant aspects of the rating and estimating processes derived from the Company's internal credit risk models;
- the Compensation Committee meets at least twice a year. It examines the compensation policy for company officers and the Head of Risk Management annually and prepares decisions for the Board of Directors regarding the compensation of individuals who have an impact on risk and risk management;
- the Appointments Committee meets at least twice a year. It has the task of recommending directors to the Board of Directors. It is also in charge of the annual review of the Board of Directors, including its structure, membership, gender diversity and breadth of directors' knowledge, skills and experience. It submits nominations to the Board for Executive Directors, the Chief Executive Officer, Deputy Chief Executive Officers and the holders of key positions.

The Executive Committee, the group's Senior Management body, directs the RCI Banque's policy and strategy.

The Senior Management relies on the following committees to oversee the group's risk management:

- the Financial Committee, which reviews the following topics: economic analysis and forecasts, cost of funds, liquidity risks, interest rate risk and counterparty risk in the different areas and subsidiaries of the group. The balance sheet and income statement of RCI Holding are also analyzed to make the necessary adjustments to intra-group transfer pricing;

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- the Credit Committee, which approves commitments exceeding the authorization limits of subsidiaries and the Group Head of Commitments;
- the Performance Committee, for “Customer and Network Risks”, which evaluates the quality of customer origination and benchmarks subsidiaries’ performance in terms of recovery. Within the dealership network, changes in the outstanding portfolio and inventory turnover are reviewed, together with changes in dealer and portfolio classification;
- the Regulatory Committee, which reviews major regulatory changes, prudential supervision and action plans, and validates internal rating models and the associated management policy;
- the Internal Control, Operational Risk and Compliance Committee, which oversees the group’s entire internal control system, monitors quality and related procedures, and adapts resources, systems and procedures. It defines, manages and monitors the principles of the operational risk management policy and compliance control system. It also keeps track of action plans. This committee also exists within each RCI Banque group subsidiary;
- the New Product Committee, which approves new products before they are marketed, by ensuring the compliance of the new products with the group’s commercial policy, the group’s budget requirements, locally applicable legislation, and group risk governance.

Process Owners have been appointed for each macroprocess and are responsible for risk management in their respective areas of expertise in line with group standards, defining and updating the corresponding procedures and first-level controls.

Regulatory Monitoring Officers are responsible for monitoring, analyzing and informing operational staff of any regulatory changes impacting RCI Banque as part of the compliance control system put in place to ensure good corporate governance.

The Group Regulatory Compliance Officer for the RCI Banque group reports to the Chief Executive Officer. This Officer is the guarantor of RCI Banque’s compliance in areas such as the fight against money laundering and terrorist financing, ethics, professional whistle-blowing, prevention of corruption, legal, tax and regulatory oversight and the related control plan.

The Director of the Internal Control department (*Département du Contrôle Interne*, DCI), who reports to the Risk Management Director, is responsible for the permanent control of the organization and direction of the general internal control system for the entire group. In terms of internal control supervision in the RCI Banque group subsidiaries, the Director of the Internal Control department is supported by internal controllers who report to him/her functionally. The internal controllers report hierarchically to the CEO of the subsidiary. Similarly, the Director of the Internal Control department is supported by employees within the central functions to manage the internal control supervision system within the RCI Banque group departments.

The Director of the Risk and Banking Regulation department (*Département Risques et Règlementation Bancaire*, DRRB), who reports to the Risk Management Director, ensures the deployment of the Risk Governance Policy within the group and ensures its consistency with the Risk Appetite Framework (RAF) defined by the Board of Directors; ensures the reliability of risk measurement indicators, the completeness of risk management systems for each risk and the effective exercise of such management; controls, more specifically, the effectiveness of the reporting and alert feedback channels from the subsidiaries to the Corporate departments and prepares a summary report on the risks for the management bodies and the Risks Committee of the Board of Directors, as appropriate; verifies the adequacy of the corrective measures developed in the event of failures and their effective implementation by the management functions; plays a central role in monitoring the group’s compliance with applicable prudential regulations.

The Audit and Periodic Control Director for the RCI Banque group reports to the Chief Executive Officer. He/she is independent of the Permanent Control department and works with the different subsidiaries based on an annual audit plan validated by the Audit and Accounts Committee. Audits result in written reports including recommendations that are submitted to the Internal Control

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Committee and the Audit and Accounts Committee. These findings and recommendations are presented in the annual report on internal control.

MANAGEMENT BODIES

See (2) - “(ii) MANAGEMENT BODIES” below.

ADDITIONAL INFORMATION

Annual General Meetings

Annual General Meetings are convened in accordance with applicable legal and regulatory provisions. The right to attend Annual General Meetings is evidenced by the registration of the shares in an account in the name of the shareholder or in the name of the registered intermediary acting on his or her behalf, by midnight (zero hours) Paris time on the second working day before the Annual General Meeting, either in the registered share account held by the Company or in the bearer share accounts held by an authorized intermediary. The registration of bearer shares in the share records held by the authorized intermediary is evidenced by a shareholding certificate issued by the said intermediary.

Identifiable bearer shares

The Company is authorized to make use of the appropriate legal provisions for identifying shareholders having immediate or future voting rights in its own Shareholders’ Meetings.

Shareholding disclosures

In addition to the legal requirement for shareholders to inform the Company if they hold certain percentages of its share capital or voting rights, every shareholder or fund management company that comes into possession of a number of shares above 2% of the share capital or voting rights, or a multiple of this percentage representing less than or equal to 5% of the share capital or voting rights, shall inform the Company of the total number of shares held. Such disclosure shall be made by registered letter with return-receipt within a time period set forth in a Conseil d’État decree, starting from the date of registration of the shares that brought the shareholder’s interest up to or beyond the threshold. In excess of 5%, the aforementioned disclosure requirement applies to 1% fractions of the share capital or voting rights.

For the purposes of determining the thresholds described above, indirectly held shares or equity equivalents held as defined by the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code will also be taken into account.

The declarer must certify that the said declaration includes all shares held or owned as per the provisions of the preceding paragraph, and must indicate the acquisition date(s). The disclosure requirement applies in the same manner if the holding of shares falls below any of the aforementioned thresholds, 2% or 1% as applicable.

If the conditions described above are not complied with, any shares exceeding the fraction that should have been declared shall be deprived of its voting rights at any Shareholders’ Meetings held in a period of two years following the date of due notification, in so far as this is requested at the meeting by one or more shareholders who together hold at least 1% of share capital.

Threshold crossings in 2020

In 2020, the Company received declarations for the crossing of the legal threshold of 5% of the voting rights, alternately upwards and downwards, from BlackRock, Inc., acting on behalf of clients and funds under its management. BlackRock’s most recent notification, dated August 18, 2020, indicated that it held 4.54% of the Company’s share capital and 3.32% of its voting rights.

Shareholder agreements on shares and voting rights of the Company

Absence of in concert action between Renault and Daimler

Renault and Daimler have declared that they are not acting in concert, directly or indirectly, as defined in Article L. 233-10 of the French Commercial Code. To the best knowledge of the Company, and as at March 15, 2021, which is the filing date of the Universal Registration Document, there are no shareholder agreement governing relations between the Company's shareholders, and no in concert actions. For details of the agreements or transactions between Renault and Daimler, please refer to VI-3-"(1)RECENT DEVELOPMENTS".

Restrictions on the transfer of shares

As part of the long-term strategic Master Cooperation Agreement signed on April 7, 2010 by Renault SA, Nissan Motor Co., Ltd., Renault-Nissan B.V. and Daimler AG, the Parties made the following commitments in accordance with Article L. 22-10-11 of the French Commercial Code:

- right of first offer: if Daimler wishes to transfer its Renault shares (either at the end of the lock-up commitment or during that period in case of authorized transfer), Renault benefits from the right of first offer, allowing it to acquire those shares. If Renault chooses not to exercise its right, Daimler may sell its shares to third parties that are not competitors of Renault or propose them for sale on the market;
- commitment in the event of a hostile public offer: after the end of the lock-up commitment, Daimler agrees to not tender its shares to a public offer on Renault shares that has not received approval from Renault's Board of Directors. This commitment will end on termination of the Master Cooperation Agreement.

Restrictions on the free exercise of voting rights attached to shares held by the French State

In the context of the discussions conducted, on the one hand between Renault and Nissan and on the other between Renault and the French State, to restore the balance between the investments of these two shareholders in Renault, and on this occasion, to ensure the continuity and development of the Alliance, on February 4, 2016, Renault and the French State entered into a governance agreement aimed at restricting the free exercise of the French State's voting rights in respect of certain decisions submitted to Renault's Annual General Meeting.

This limitation varies depending on the quorum achieved at the Annual General Meeting:

- if the shareholders attending or represented at the Annual General Meeting in question own maximum 70% of the shares with voting rights (either single or double voting rights), the French State's freely exercisable voting rights are capped at 17.9% of the voting rights exercisable; and
- if the shareholders attending or represented at the Annual General Meeting in question own more than 70% of the shares with voting rights (either single or double voting rights), the French State's freely exercisable voting rights are capped at 20% of the voting rights exercisable.

Beyond this applicable capping threshold, the French State's voting rights are exercised in a neutral way, *i.e.*:

- at 50% in favor, and 50% against the adoption of ordinary resolutions;
- at 66⅔% in favor, and 33⅓% against the adoption of extraordinary resolutions; and
- in full for the adoption of resolutions requiring shareholder unanimity.

The French State's neutralized voting rights do not have an impact on the outcome of the vote for resolutions subject to capping, unlike voting rights that are freely exercisable by the French State and the other shareholders.

The restriction on the free exercise of the French State's voting rights applies to all decisions within the competence of the Ordinary General Meeting, with the exception of the following decisions, for which the French State may freely exercise all of its double voting rights:

- allocation of earnings, fixing of the dividend and its payout date;
- the option of receiving all or part of the dividend payout in cash or in shares;

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- appointment of directors representing the French State, renewal of their terms of office or ratification of their appointments by the Board of Directors;
- removal of directors representing the French State;
- approval of the sale of significant assets;
- related-party agreements against which the representatives of the French State voted on the Board of Directors; and
- grant of delegation to the Board of Directors to trade in Renault's shares, in the event of a program to buyback one or more blocks of shares from one or more identified shareholders.

For Extraordinary General Meetings, the French State may freely exercise all of its voting rights, with the exception of the following decisions for which the French State's freely exercisable voting rights are capped, namely:

- grant or renewal of delegations of authority or powers to the management bodies of Renault whose terms are consistent with the existing practices of Renault as demonstrated over the five years preceding the decision;
- decision or delegation granted to the Board of Directors to award stock-options, allocate consideration-free shares or issue shares or securities giving access to the capital to the employees and company officers of the Group;
- modification of the age limit for the exercise of functions or the term of office of directors and senior executive officers; and
- transfer of the head office (except outside of France).

IMPLEMENTATION OF RESTRICTIONS ON THE FREE EXERCISE OF VOTING RIGHTS ATTACHED TO SHARES HELD BY THE FRENCH STATE AT ANNUAL GENERAL MEETINGS

				Quorum less than or equal to 70%		Quorum greater than 70%	
Accounts	Voting conditions	Percentage of voting rights exercisable		Simple majority	Qualified majority	Simple majority	Qualified majority
Account 7			1/3 (2.87%)	No	No	No	No
Account 6	Postal voting	8.6%	1/6 (1.43%)	No	Yes	No	Yes
Account 5			1/2 (4.3%)	Yes	Yes	Yes	Yes
Account 4			1/3 (0.7%)	No	No	Free	Free
Account 3	Voting by proxy	2.1%	1/6 (0.35%)	No	Yes	Free	Free
Account 2			1/2 (1.05%)	Yes	Yes	Free	Free
Account 1	Postal voting	17.9%	1 (17.9%)	Free	Free	Free	Free

Resolutions submitted by a shareholder other than the French State are not subject to the restriction mechanism if the French State votes according to the recommendations of the Board of Directors of Renault.

Restrictions on the free exercise of voting rights shall cease to apply if:

- Nissan exercises the voting rights attached to its shares at any Renault Annual General Meeting; and
- the Restated Alliance Master Agreement entered into between Renault and Nissan on March 28, 2002 (as amended on April 29, 2005, November 7, 2012 and December 11, 2015) is amended, and the representatives of the French State did not vote in favor thereof on the Board of Directors, or if the said Restated Alliance Master agreement is terminated.

In addition, the restriction is suspended:

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- in the event of a public offer on the financial securities of Renault initiated by any person, from the announcement thereof until the expiration of the offer period; and
- as long as a person (with the exception of the French State, but including Nissan), acting alone or in concert, owns, directly or indirectly, immediately or in future, a participation or an economic exposure representing more than 15% of the share capital or voting rights of the Company.

In the event of violation by the French State of its commitments under the corporate governance agreement, Renault may seek conversion into bearer shares of all Renault shares owned by the French State, thus depriving them of the double voting rights for a period of two years.

BNP Paribas Securities Services, the custodian for Renault's shares, assists Groupe Renault in the implementation of this mechanism through the management of the seven fully registered shareholder accounts in which the Renault shares held by the French State are registered. The terms of its involvement are set out in an agreement for the implementation of the corporate governance agreement, which was signed on February 4, 2016 between Renault, the French State and BNP Paribas Securities Services.

(2) STATE OF DIRECTORS AND OFFICERS

This section describes the method for managing and directing Renault SA as a listed company and the parent company of Groupe Renault. This management method is also applicable to Renault s.a.s, a subsidiary of Renault SA and the umbrella company for Groupe Renault's automotive and financial businesses.
The operating principles and missions of the Board of Directors are described in the Board Charter, which is available in full on Groupe Renault's website. The main contents of the Board Charter are reproduced below.

(i) BOARD OF DIRECTORS

Governance structure

Evolution of the mode of governance

During its meeting of January 24, 2019, the Board of Directors, on the recommendation of the Appointments and Governance Committee, decided to separate the offices of Chairman of the Board of Directors and Chief Executive Officer. The Board of Directors considers that this governance structure is appropriate to Renault's current challenges. It enables the Company to benefit from both the Chairman's stature and expertise in corporate governance and the managerial background and industrial and automotive expertise of the Chief Executive Officer, in charge of the management and the implementation of the Company's mid-term plan.

The office of Chairman of the Board of Directors was entrusted to Mr. Jean-Dominique Senard following his appointment as a Director [32] pursuant to the provisions of Article L. 225-17 par. 3 of the French Commercial Code. On this occasion, the office of Chief Executive Officer had been entrusted to Mr. Thierry Bolloré.

During its meeting of October 11, 2019, the Board of Directors decided to end Mr. Thierry Bolloré's term of office as Chief Executive Officer of Renault SA and Chairman of Renault s.a.s with immediate effect. The Board of Directors has also decided to appoint Ms Clotilde Delbos as Chief Executive Officer of Renault SA for an interim period, until a process is completed to appoint a new Chief Executive Officer.

32 *This appointment was ratified by the Annual General Meeting held on June 12, 2019.*

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Following the selection process conducted by the Governance and Compensation Committee, the Board of Directors, at its meeting on January 28, 2020, decided to appoint Mr. Luca de Meo as Chief Executive Officer of Renault SA and Chairman of Renault s.a.s, effective July 1, 2020.

The Board of Directors was of the opinion that Mr. Luca de Meo, due to his background, experience and success in his previous functions, possesses all of the qualities required to contribute to the growth and transformation of Groupe Renault in all its dimensions.

In addition, the Board of Directors delivered a favorable opinion on the appointment of Ms. Clotilde Delbos as Deputy Chief Executive Officer of Renault S.A. from July 1, 2020.

Powers of the Chairman of the Board of Directors

The Company's articles of association specify that the Board of Directors must appoint one of its members as its Chairman; this must be a natural person, who may be elected for more than one term.

Excerpt of the Board Charter provisions governing the powers of the Chairman of the Board of Directors

The Chairman shall organize and direct the Board of Directors' work, on which he/she shall report to the General Meeting of Shareholders. The Chairman shall determine the schedule and the agenda of and convene the Board meetings.

The Chairman shall chair the meetings of the Board of Directors. If the Chairman is unable to attend, Board meetings shall be chaired (i) by the Lead Independent Director or (ii) if there is no Lead Independent Director, or if he/she is absent or unable to attend, by the Chair of the Governance and Compensation Committee.

Except in specific circumstances, the Chairman is the sole person empowered to communicate on behalf of the Board of Directors, in accordance with the principle of collegiality of the Board.

The Chairman shall ensure that Renault's corporate bodies correctly operate, particularly the Board of Directors and its committees. The Chairman shall ensure that directors receive the information they need to fulfill their duties and, more generally, that they are able to take part in the work of the Board of Directors and its committees.

In addition, the Chairman shall also ensure that members of the Board of Directors take part in the Board of Directors' work effectively, with diligence, expertise and loyalty, and that they take the time necessary to address the issues, including strategic issues, concerning Renault, the Group and the Alliance with Nissan and Mitsubishi (the "Alliance").

The Chairman shall ensure that the work of the Board of Directors is well organized, in a manner conducive to constructive discussion and decision-making. The Chairman shall lead the work of the Board of Directors and coordinate its work with that of the committees, which he/she may consult, at any time, on any matter within their competence. In that respect, the Chairman may add any matter he/she deems relevant to the agenda of any meeting of a committee of the Board of Directors. The Chairman may attend, if he/she so wishes, committee meetings, except where his/her personal situation is being discussed. The Chairman shall have access to the committees' work.

<u>Other duties of the Chairman:</u>

The Chairman shall also have the following duties, which he/she shall perform in liaison with the Chief Executive Officer:

- be the contact person of Nissan and Mitsubishi in respect of any discussion regarding the organization and development of the Alliance;
- propose to the Board of Directors any new agreement or alliance that he/she deems useful for Renault's future; and
- subject to applicable laws and regulations, as well as the provisions of the agreements entered into among Alliance members, be selected as Renault's candidate for appointment to the management or administrative bodies of the Alliance and of its members.

The Chairman shall keep the Board of Directors informed of the performance of his/her duties relating to the Alliance and shall make recommendations on any decisions to be taken on this matter.

In all circumstances, the Chairman shall, together with the Chief Executive Officer, work to ensure the development of the Alliance and to strengthen and secure the relations between Renault, Nissan and Mitsubishi.

Finally, the Chairman shall work to ensure that high-quality relations are maintained with Renault shareholders and shall contribute to promoting Renault's values and image among its staff and partners.

The Chairman shall have access to the Company's corporate functions that he/she needs in order to perform his/her duties. The Chairman may ask the Chief Executive Officer for any information that may be useful for the performance of his/her duties, as well as for the work of the Board of Directors or its committees, including regarding the operation, the organization and the development of the Alliance, strategy, financial reporting, major investment and divestment projects and major financial transactions.

JEAN-DOMINIQUE SENARD
Chairman of the Board of Directors
Birth date: 3/7/1953 (68 years old)
Nationality: French
Date of first appointment: January 2019
Start date of current term of office: January 2019
Current term expires: 2023 AGM
Number of registered shares held: 4,940
Skills:

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Jean-Dominique Senard graduated from France's HEC business school (Hautes Études Commerciales). He also holds a Master's Degree in Law. He began his career in various financial and operations positions with Total, from 1979 to 1987, and then with Saint-Gobain from 1987 to 1996.

From 1996 to 2001, he was Chief Financial Officer of Pechiney and a member of its Group Executive Council. He was also head of Pechiney's Primary Aluminum sector until 2004. As a member of Alcan's Executive Committee, he was in charge of integrating Pechiney and served as Chairman of Pechiney SA.

Jean-Dominique Senard joined Michelin in March 2005 as Chief Financial Officer and a member of the Michelin Group Executive Council.

In May 2007, he was appointed as Managing Partner of the Michelin Group.

On May 13, 2011, Jean-Dominique Senard was appointed as Managing General Partner of the Michelin group alongside Michel Rollier.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Chairman of the Board of Directors of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

Chairman of the Fondation d'entreprise Groupe Renault (France)

Offices and functions in companies outside of Groupe Renault:

Listed companies:

Vice-Chairman of the Board of Directors and member of the Appointments Committee of Nissan Motor Co., Ltd. (Japan)

Lead Independent Director and member of the CSR Committee of Saint-Gobain (France)

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	From 2012 to 2019, Jean-Dominique Senard was Chief Executive Officer of Michelin and supervised the Executive Committee and the Corporate Legal and Digital Activities departments. On January 24, 2019, Jean-Dominique Senard was appointed as Chairman of the Board of Directors of Renault.	**Non-listed companies:** Member of the Supervisory Board of Fives s.a.s (France) **Other legal entities:** Chairman of Association Française des Entreprises pour l'Environnement (France) Co-Chairman of the Agence Auvergne-Rhône-Alpes Entreprises (France)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Chairman of Renault s.a.s (France)	2020
Chief Executive Officer and General Partner of Michelin (France)	2019
Managing Partner of Compagnie Financière Michelin SCmA (France)	2017

€	Finance		Senior Executive experience		Automotive industry		International experience		Digital and innovation		Environmental, Social and Governance

Powers of the Chief Executive Officer

Excerpt of the Board Charter provisions governing the powers of the Chief Executive Officer

The Chief Executive Officer shall direct the Company's activities. In this respect, the Group's operational and functional departments shall report to the Chief Executive Officer.

The Chief Executive Officer shall have the broadest powers to act under all circumstances on behalf of the Company, subject to legal restrictions and limitations imposed by the articles of association and the provisions of this Board Charter.

The Chief Executive Officer shall represent the Company in its relations with third parties.

The Chief Executive Officer shall be appointed by the Board of Directors. If the Chief Executive Officer is not a director, he/she shall be a permanent guest to the meetings of the Board of Directors. In such capacity, he/she may attend all Board meetings without voting rights. However, he/she shall not participate in discussions relating to his/her term of office or compensation.

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LUCA DE MEO

Chief Executive Officer

Birth date: 06/13/1967 (53 years old)

Nationality: Italian

Date of first appointment: July 2020

Number of registered shares held: 5,000

Main areas of expertise and experience: see biography hereafter

Biographie – expérience professionnelle

Born in Italy in Milan in 1967, Luca de Meo graduated in business administration at the Luigi Bocconi Commercial University in Milan.

Luca de Meo began his career at Renault before joining Toyota Europe, then the Fiat Group where he managed the Lancia, Fiat and Alfa Romeo brands. He has more than 20 years of experience in the automotive sector.

Luca de Meo joined the Volkswagen Group in 2009 as Marketing Director, both for passenger cars of the Volkswagen brand and for the Volkswagen Group. He then held the position of member of the Board of Directors in charge of Sales and Marketing at AUDI AG in 2012.

He was Chairman of the Executive Committee of SEAT from November 1, 2015 until January 2020 and member of the Supervisory Boards of Ducati and Lamborghini, and Chairman of the Board of Directors of the Volkswagen Group in Italy.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Chief Executive Officer of Renault SA (France)

Non-listed companies:

Chairman of Renault s.a.s. (France)

Member of the Supervisory Board of Alliance Ventures B.V. (Netherlands)

Chairman of the Management Board of Renault-Nissan B.V. (Netherlands)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

Director and member of the Nomination and Remuneration Committee of Telecom Italia (Italy)

Non-listed companies:

None

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expiry**
Chairman of the Executive Committee of SEAT (Spain)	2020
Member of the Supervisory Board of Ducati (Italy)	2020
Member of the Supervisory Board of Lamborghini (Italy)	2020

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		Chairman of the Board of Directors of Volkswagen Italy (Italy)	2020

Limitation on the powers of the Chief Executive Officer

The Board Charter specifies that the Board of Directors is to deliberate on the strategic orientations of the Company once a year, including those relating to the Alliance, as proposed by the Chief Executive Officer, taking into account social and environmental issues. It examines any changes to be made to these orientations and gives its opinion before any major decision that may be deemed not to be consistent with the Company's strategy.

In addition, the Board Charter limits the powers of the Chief Executive Officer as follows:

Excerpt of the Board Charter provisions governing the limitations on the powers of the Chief Executive Officer

The Chief Executive Officer must obtain the authorization of the Board of Directors for any external growth transaction and any acquisition or disposal of any ownership in any company, whether existing or to be created, where the amount exceeds €250 million.

The Chief Executive Officer must inform the Board of Directors of any external growth transaction and any acquisition or disposal of any ownership in any company, whether existing or to be created, where the amount exceeds €60 million.

The Board of Directors shall determine every year the total amount of sureties (cautions), endorsements (avals) or guarantees (garanties), which the Chief Executive Officer may provide without requesting the Board's specific authorization.

Chief Executive Officer's obligation to hold shares

Pursuant to the recommendations of the AFEP-MEDEF Code, the Board of Directors decided at its meeting on July 29, 2020, to set the minimum number of registered shares to be held by the Chief Executive Officer until the end of his term of office at 5,000 shares.

This minimum holding obligation complements the obligation for the Chief Executive Officer to retain until the end of his term of office 25% of the shares resulting from the free allocation of shares (for more details on the retention obligation, see (iii) – "Compensation policy for the Chief Executive Officer" below).

The minimum holding requirement ensures that a Chief Executive Officer who does not yet own shares resulting from free allocations of shares is aligned with the interests of shareholders upon taking office.

Composition of the Board of Directors

The members of the Board of Directors are appointed by the Annual General Meeting, with the exception of the Director designated by the French State pursuant to Article 4 of French Order No. 2014-948 of August 20, 2014 on corporate governance and equity transactions in companies with public shareholding and the Directors representing the employees.

The term of office for Directors is four years. Pursuant to the recommendations of the AFEP-MEDEF Code, these terms of office are staggered, to avoid them all ending and coming up for renewal at the same time.

Excerpt of the Board Charter provisions governing the composition of the Board of Directors

The composition of the Board aims to achieve a balance between professional experience, qualifications, independence and ethics, together with a balanced representation of women and men and diversity in terms of recruitment consistent with the Group's international development.

Procedure for appointing directors

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Pursuant to the Company's articles of association and the legal and regulatory provisions applicable to it, the Board of Directors is composed of:

- 3 to 14 directors appointed by the Annual General Meeting
- **Appointment of independent directors**

  In case of a vacancy of one or more offices of the independent directors or when the Board has expressed its desire to expand or change its membership, the Governance and Compensation Committee defines the profile sought with regard to its diversity policy and the required skills that have been identified, in particular during the annual evaluation of the operation of the Board and its committees. The Governance and Compensation Committee appoints a recruitment firm to assist it with the process of selecting future independent directors.

  The Governance and Compensation Committee selects the candidates with the help of the appointed recruitment firm on the basis of criteria relating to their professional experience, skills, independence and ethics, while maintaining a gender balance between men and women and diversity in recruitment in accordance with the international dimension of the Group.

  The Governance and Compensation Committee then presents the selected candidate(s) to the Board of Directors and recommends that the Board co-opt or, as the case may be, propose to the Annual General Meeting that the candidates be appointed.

  The Board of Directors co-opts or, as the case may be, proposes that the Annual General Meeting appoint the selected candidate(s) as independent director(s).

- **Appointment of directors proposed by Nissan**

  In accordance with the provisions of the Restated Alliance Master Agreement ("RAMA"), which governs the ownership relationship between Renault and Nissan and regulates the governance of the Alliance, two of the members of the Board of Directors of the Company are directors proposed by Nissan.

  The Governance and Compensation Committee, on the proposal of Nissan, recommends that the Board of Directors co-opt or, as the case may be, propose the appointment of the directors representing Nissan to the Annual General Meeting.

  The Board of Directors of the Company co-opts or, as the case may be, proposes that the Annual General Meeting appoint the director(s) proposed by Nissan.

- **Appointment of the director proposed by the French State**

  Pursuant to the provisions of French Order 2014-948 of August 20, 2014, on the governance and capital transactions of companies with public shareholding, as amended, one of the members of the Board of Directors of the Company is a director nominated by the French State.

  The Governance and Compensation Committee, on the proposal of the French State, recommends that the Board of Directors co-opt or, as the case may be, propose the appointment of said director representing the French State to the Annual General Meeting.

  The Board of Directors of the Company co-opts or, as the case may be, proposes that the Annual General Meeting appoint the director proposed by the French State.

- One director appointed by the French State

  Pursuant to the provisions of French Order No. 2014-948 of August 20, 2014, on the governance and capital transactions of companies with public shareholding, as amended, the French State may appoint a representative to the board of directors of companies in which it alone directly holds more than 10% of the share capital. This director is appointed by the Minister for the Economy.

- 3 directors elected by the employees

  Pursuant to the Company's articles of association, three directors are elected directly by the employees of the French subsidiaries, divided into different electorates. One seat is allocated to the "Engineers – Executives and Similar" electorate and two seats to the "Other Employees" electorate.

The candidates or candidate lists may be presented either by one or more representative organizations as defined by the applicable regulations, or by 100 voters.

To be considered eligible, candidates must have an employment contract with, and be actively employed by, the Company or one of its direct or indirect subsidiaries whose registered office is located in France for at least two years prior to the effective date of the term of office of the position for which the election is being held.

The number, place and composition of the polling stations are determined by the Company's establishments and subsidiaries concerned thereby, in accordance with current practices for the election of employee representatives.

- One director representing employee shareholders

Pursuant to the Company's articles of association, a member representing employee shareholders, and an alternate, are elected by the Ordinary General Meeting from among two full candidates and two alternate candidates nominated by employee shareholders.

Each full candidate is designated, respectively, along with his or her alternate, by:

- the Supervisory Boards of company mutual investment funds (FCPE) whose assets are composed of shares of the Company, in accordance with Article L. 214-165 of the French Monetary and Financial Code, and whose unit holders are current or former employees of the Company or of an affiliated company as defined in Article L. 225-180 of the French Commercial Code; and
- employees of the Company or of an affiliated company as defined in Article L. 225-180 of the French Commercial Code who directly hold registered shares of the Company (i) following free share allocations made under Article L. 225-197-1 of the French Commercial Code and authorized by a decision of the Extraordinary General Meeting after August 7, 2015, (ii) within the framework of the employee savings plan or (iii) acquired under Article 31-2 of French Order 2014-948 of August 20, 2014, on the governance and capital transactions of companies with public shareholding and Article 11 of Law No. 86-912 of August 6, 1986 on privatization, in the version applicable prior to the entry into force of the above-mentioned Order.

Diversity policy applied to the Board of Directors

Pursuant to Article L. 22-10-10 of the French Commercial Code, the Board, of Directors has defined a diversity policy based on its past practices.

Policy criteria

The composition of the Board of Directors seeks a balance between experience, competence, independence and ethics, all while respecting a balanced representation of women and men and a diversity of recruitment notably taking into account the international dimension of Groupe Renault. More precisely:

- regarding the size of the Board of Directos, the number of Board of Directors members must be such as to enable reconciliation of the skills, independence and specificities of Groupe Renault’s shareholding;
- the Board of Directors, while complying at least with legal requirements and the recommendations of the AFEP-MEDEF Code in terms of gender balance, considers that it benefits from being diverse in its composition (gender, nationality, culture);
- in terms of skills, the Company seeks above all the complementarity of skills, profiles and experiences but also their relevance to the Company’s strategy and to the challenges it faces;
- in terms of seniority, the Company seeks a balance between experience within the Board of Directors and progressive renewal of its composition;
- the Board of Directors expects a high level of commitment and ethics from each of its members.

Policy implementation

To implement this diversity policy, the Board of Directors uses annual evaluations of its work (for more details on the Board’s evaluation, see (1) – “Evaluation of the Board of Directors” above). The

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progressive and planned renewal of the terms of offices makes it possible to anticipate the skills to be renewed or to evolve according to the evolution of the industry and of the markets in which the Company operates.

Implementation of the diversity policy in 2020:

- the number of members of the Board of Directors was reduced to 16 Directors. This number remains higher than the average for CAC 40 companies, but is explained by the level of representation of the employees and of the reference shareholders in accordance with the law, the articles of association or agreements entered into with Nissan, and the desire to ensure the presence of a majority of Independent Directors. As such, the independence rate of the Board of Directors as of December 31, 2020 was 66.7%[33], up from the rate of 64.3% as of December 31, 2019;
- the number of women on the Board of Directors at the close of the 2020 Annual General Meeting stands at six, i.e. a feminization rate of 50.0%[33], stable compared to the previous year. Moreover, three of the Board of Directors' four committees are chaired by women;
- the Strategy Committee's expertise in the automotive industry and in executive management especially, was reinforced by the appointment of Ms Annette Winkler, former Vice-Chairman of Daimler AG and former Chief Executive Officer of Smart, as Chairwoman of this Committee in February 2020;
- the Board of Directors contains four different nationalities and a majority of Directors who work or have worked abroad or in international groups;
- three Directors representing employees and one Director representing employee shareholders are fully associated in the work of the Board of Directors and its committees. These four Directors benefit from in-house training provided by Groupe Renault's employees and training provided by external organizations. This training helps them to exercise their mandate to the fullest, by enabling them to quickly acquire the specific skills of a company director. In addition, their professional background as well as their trade union activity within Groupe Renault gives them a solid knowledge of the Group's organization and activities;
- the changes in the composition of the Board of Directors committees are part of the continuing implementation of this diversity policy of the Board of Directors.

With the exception of the Directors appointed on the proposal of Nissan and the Directors designated by the French State, no contracts or agreements have been concluded with main shareholders, clients, suppliers, or other parties allowing any of these persons or one of their representatives to be selected as a member of the Board or other Senior Management body in the Company, thus mitigating potential or actual conflicts of interest.

Diversity policy applied to Senior Management

The Board of Directors also oversees the deployment of the Group's diversity policy by Senior Management. In light of this, the Board of Directors and the Ethics and CSR Committee annually review the Group's diversity and inclusion policy, and more specifically the policy on the balanced representation of women and men on the governing bodies.

As of December 31, 2020, there were two women on the Board of Management, including the Deputy Chief Executive Officer.

At its meeting on February 18, 2021, the Board of Directors, on the proposal of the Senior Management, defined the following objectives for gender diversity within its governing bodies including the Board of Management, the Corporate Management Committee, and the Brand Management Committees. The percentage of women on the governing bodies should reach 30% before or in 2030, 35% before or in 2035 and 50% before or in 2050.

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33 *Excluding the directors representing employees and the director representing employee shareholders.*

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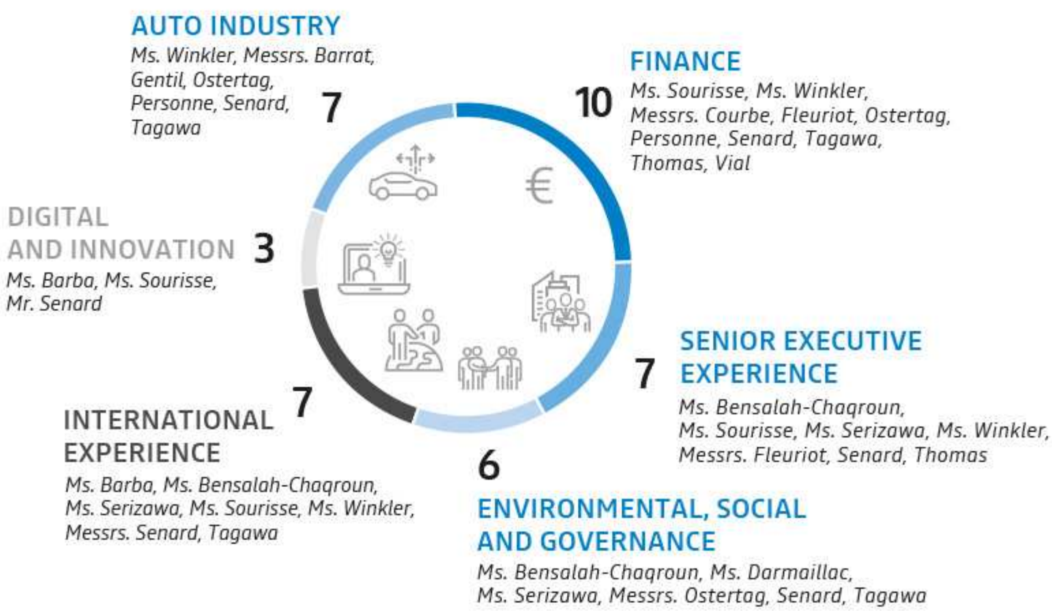
For further information on these objectives and the diversity policy applied within the Group, see II - “5 STATE OF EMPLOYEES”.

SKILLS MAPPING OF THE MEMBERS OF THE BOARD OF DIRECTORS AS OF DECEMBER 31, 2020



	Finance: experience in financial sector (banks, accounting, financial market), capital management or risk management; in-depth understanding of financial reporting processes and corporate finance

	Senior Executive experience: experience serving as CEO or senior executive in organization of significant size

	Automotive industry: automotive industry experience; knowledge of Groupe Renault’s business and competitive environment

	International experience: extensive relevant experience doing business in multiple geographies and overseeing multinational operations

	Digital and innovation: recent expertise or experience with the development and implementation of technology strategies; experience in companies having a strong technology focus

	Environmental, Social and Governance: experience in managing ESG issues and their relationships to the Company’s business

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS DURING THE 2020 FINANCIAL YEAR

Director	Event	Replaced by	Date
Thierry Derez	Term expiry	-	June 19, 2020
Olivia Qiu	Term expiry	-	June 19, 2020

Joji Tagawa	Appointment	-	April 29, 2020 (ratification by the Annual General Meeting of June 19, 2020)
Yasuhiro Yamauchi	Resignation	Joji Tagawa	April 23, 2020

OVERVIEW OF THE BOARD OF DIRECTORS AS OF DECEMBER 31, 2020

	Personal information				Position on the Board				Participation in Board Committees			
Director	Gender	Age	Nationality	Number of shares	Independence	Initial date of appointment	Term of office expires	Length of service on the Board	CARC	GCC	ECSRC	SC
Jean-Dominique Senard	M	67	French	4,940	c	January 2019	2023 AGM	2 years				
Catherine Barba	F	47	French	100	ID	June 2017	2022 AGM	3 years and 7 months			m	m
Frédéric Barrat	M	48	French	206.48 units in an FCPE	DRE	November 2016	November 2024	4 years and 2 months			m	
Miriem Bensalah-Chaqroun	F	58	Moroccan	250	ID	June 2017	2021 AGM	3 years and 7 months				m
Thomas Courbe	M	48	French	N/A	FSR	October 2018	2021 AGM	2 years and 3 months				m
Marie-Annick Darmaillac	F	66	French	100	ID	June 2017	2021 AGM	3 years and 7 months		m	c	
Pierre Fleuriot	M	66	French	100	ID	June 2018	2022 AGM	2 years and 7 months	m	m		
Richard Gentil	M	52	French	1	DRE	November 2012	November 2024	8 years and 2 months				m
Benoît Ostertag	M	55	French	161.32 units in an FCPE	DRES	May 2011	2021 AGM	9 years and 8 months	m			m
Éric Personne	M	58	French	100 shares and 151.98 units in an FCPE	DRE	November 2012	November 2024	8 years and 2 months		m	m	
Yu Serizawa	F	62	Japanese	100	NR	December 2016	2021 AGM	4 years and 1 month			m	
Pascale Sourisse	F	58	French	1,000	ID	April 2010	2022 AGM	10 years and 9 months	c			
Joji Tagawa	M	60	Japanese	0	NR	April 2020	2022 AGM	8 months	m			
Patrick Thomas	M	73	French	100	ID	April 2014	2022 AGM	6 years and 9 months	m	c		
Martin Vial	M	66	French	N/A	FSR	September 2015	N/A	5 years and 4 months	m	m		
Annette Winkler	F	61	German	1,000	ID	June 2019	2023 AGM	1 year and 7 months				c

CARC: Audit, Risks and Compliance Committee
GCC: Governance and Compensation Committee
ECSRC: Ethics and CSR Committee
SC: Strategy Committee

c: Chairperson
m: Member
ID: Independent Director
F: Female
M: Male

DRE: Director representing employees
DRES: Director representing employee shareholders
FSR: French State Representative
NR: Nissan representative

Confidential C

AS AT DECEMBER 31, 2020

16

DIRECTORS

58.5 AVERAGE AGE

4.3 YEARS SENIORITY

66.7%[1] INDEPENDENT DIRECTORS

4 NATIONALITIES

6 WOMEN

3 committee chairs

(1) *Excluding the directors representing employees and the director representing employee shareholders.*

ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES IN 2020

Directors as of December 31, 2020	Board of Directors (12 meetings)	Audit, Risks and Compliance Committee (5 meetings)	Governance and Compensation Committee (5 meetings)	Ethics and CSR Committee (4 meetings)	Strategy Committee (4 meetings)
Jean-Dominique Senard	100%	-	-	-	-
Catherine Barba	100%	-	-	100%	100%
Frédéric Barrat	100%	-	-	100%	-
Miriem Bensalah-Chaqroun	91.67%	-	-	-	50%
Thomas Courbe	75%	-	-	-	75%
Marie-Annick Darmaillac	100%	-	100%	100%	-
Pierre Fleuriot	100%	100%	-	-	-
Richard Gentil	91.67%	-	-	-	100%
Benoît Ostertag	100%	100%	-	-	75%
Éric Personne	100%	-	100%	100%	-
Yu Serizawa	100%	-	-	100%	-
Pascale Sourisse	100%	100%	-	-	-
Joji Tagawa	100%	100%	-	-	-
Patrick Thomas	100%	100%	100%	-	-
Martin Vial	83.33%	100%	100%	-	-
Annette Winkler	100%	-	-	-	100%

The Board of Directors examined the attendance rates below 100%. On this occasion, the Board ensured that the directors who were unable to participate in all the meetings of the Board or of the Committees of which they are members have taken note of the topics dealt with and of the discussions with Senior Management and, where applicable, presented their comments and proposals.

OVERVIEW OF THE TERMS OF OFFICE OF THE MEMBERS OF THE BOARD OF DIRECTORS AS OF MAY 27, 2021

Year of expiry	Director	Method of appointment	Date of first appointment

2022 AGM	Catherine Barba* Pierre Fleuriot* Pascale Sourisse* Joji Tagawa	Director elected by the Annual General Meeting Director elected by the Annual General Meeting Director elected by the Annual General Meeting Director elected by the Annual General Meeting proposed by Nissan	June 2017 June 2018 April 2010 April 2020
2023 AGM	Jean-Dominique Senard* Annette Winkler*	Director elected by the Annual General Meeting Director elected by the Annual General Meeting	January 2019 June 2019
2024 November	Frédéric Barrat Richard Gentil Éric Personne	Director elected by employees Director elected by employees Director elected by employees	November 2016 November 2012 November 2012
2025 AGM	Miriem Bensalah-Chaqroun* Thomas Courbe Marie-Annick Darmaillac* Bernard Delpit* Noël Desgrippes Frédéric Mazzella* Yu Serizawa	Director elected by the Annual General Meeting Director elected by the Annual General Meeting proposed by the French State Director elected by the Annual General Meeting Director elected by the Annual General Meeting Director elected by the Annual General Meeting proposed by the employee shareholders Director elected by the Annual General Meeting Director elected by the Annual General Meeting proposed by Nissan	June 2017 October 2018 June 2017 April 2021 April 2021 April 2021 December 2016
N/A	Martin Vial	Director designated by the French State	September 2015
** Independent Director.*			

List of offices and functions exercised by the directors

Directors as at May 27, 2021

The number of male/female directors and the percentage of female members.
Number of male members: 11
Number of female members: 6 (percentage of female members: 46.2% (for the purposes of this calculation the 3 directors representing the employees and the 1 director representing employee shareholders are not included in the total number of directors, in accordance with the AFEP-MEDEF Corporate governance code of the listed corporations.))

The Directors' titles, names, dates of birth, principal brief personal histories, terms of office and class and number of Renault shares owned are as follows:

The main office or function exercised by a director is underlined.

CATHERINE BARBA
Independent Director
Birth date: 02/28/1973 (48 years old)
Nationality: French
Date of first appointment: June 2017
Start date of current term of office: June 2018
Current term expires: 2022 AGM
Number of registered shares held: 100
Main areas of expertise and experience: see biography hereafter
Skills:

Member of the Ethics and CSR Committee

Member of the Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Entrepreneur, e-commerce pioneer, expert in retail digital transformation, Catherine Barba is one of the most active female business angels in France and committed to the promotion of diversity for years.

A graduate of ESCP Europe, she created and sold several e-commerce companies. She lived in New York from 2015 to 2020, where she created PEPS Lab to help retail brands accelerate their transformation. She is also the author of several reference books about the future of retail, including "Stores are not dead".

Catherine Barba invests in and serves on the Board of Directors of successful tech start-ups, including Retency (analytics in store), Reech (influencer marketing), Popshop (next generation of e-commerce), Euveka (CES 2018 Innovation Awards Honoree for mannequin technology), Cargo (in-car commerce) and Showfields (next generation of physical stores).

She was awarded with many distinctions among which that of "Femme en Or" in 2011, "Alumni of the Year" of ESCP Europe in 2012, Women of economic influence in France in 2014, the "Inspiring Fifty" prize in 2015 and 2016 which rewards the 50 most inspiring women of the digital ecosystem in Europe. Catherine Barba is a Director of Etam, Knight of the French National Order of Merit and

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

Non-listed companies:

<u>Chairwoman of CB Group</u> (France)

Member of the Supervisory Board of Etam (France)

Director of Euveka (France)

Director of Popshop Live (United States)

Director of Reech (France)

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**

Confidential C

	Knight of the National Order of the Legion of Honor.	Director of RelevanC (France)	2020
		Director of So Shape (France)	2016
		Director of Electronic Business Group (France)	2016

FRÉDÉRIC BARRAT
Director elected by employees
Birth date: 09/05/1972 (48 years old)
Nationality: French
Date of first appointment: November 2016
Start date of current term of office: November 2020
Current term expires: November 2024
Number of registered shares held: 206.48 units in an FCPE mutual fund
Main areas of expertise and experience: see biography hereafter
Skills:

Member of the Ethics and CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Holder of a BTS in automated manufacturing, Frédéric Barrat joined Renault in 1995 as an assessment and reception leader at the prototype manufacturing center in Guyancourt, the leading operating segment of the Guyancourt Technocentre. In December 1999, he joined the Quality department. His initial role was a quality assessment technician for new product launches, and he later went on to become a Quality Manager for the C and D-segments. During this time, he notably led the quality assessment of the SCENIC II, the first Renault vehicle to be assessed using the new Renault-Nissan Alliance (AVES) rating guidelines.

Since March 2005, he has worked on the Special Requirements operation (vehicle images), where he initially coordinated trial and preparation missions. His current role is leader of processes and planning for Special Requirements.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES	
Offices and functions in Groupe Renault companies:	
Listed companies:	
Director of Renault SA (France)	
Non-listed companies:	
Director of Renault s.a.s (France)	
Other legal entities:	
None	
Offices and functions in companies outside of Groupe Renault:	
Listed companies:	
None	
Non-listed companies:	
None	
Other legal entities:	
None	
OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
None	

	Member of the Strategy Committee	**OFFICES AND OTHER FUNCTIONS IN FRENCH**

Confidential C

MIRIEM BENSALAH-CHAQROUN

Independent Director

Birth date: 11/14/1962 (58 years old)

Nationality: Moroccan

Date of first appointment: June 2017

Start date of current term of office: April 2021

Current term expires: 2025 AGM

Number of registered shares held: 250

Main areas of expertise and experience: see biography hereafter

Skills:

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Graduate of an MBA in International Management and Finance from the University of Dallas, Texas (USA), Miriem Bensalah-Chaqroun held various positions within the Société Marocaine de Dépôt et de Crédit from 1986 to 1989 before joining the Holmarcom group (her family holding company, among the top five industrial and financial groups in Morocco) in 1989. Since then, she has been Group Director and Vice-President and Chief Executive Officer of Les Eaux Minérales d’Oulmès.

As part of her professional activities, Miriem Bensalah-Chaqroun is also Chairman of the Board of Orangina Morocco and Chief Executive Officer of Oulmès Drinks Development.

From 2012 to 2018, she was President of the Confédération Générale des Entreprises du Maroc, the Moroccan employers’ association.

AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

Vice-President and Chief Executive Officer of Les Eaux Minérales d’Oulmès (Morocco)

Director of Suez (France)

Non-listed companies:

Director of Holmarcom (Morocco)

Miriem Bensalah-Chaqroun holds several offices with non-listed subsidiaries and/or participations of Les Eaux Minérales d’Oulmès. For the sake of clarity, these offices are not listed here.

Other legal entities:

Member of the Global Investors for Sustainable Development Alliance – GISD (UN)

Director of Al Akhawayn University (Morocco)

Chairman of the Centre Euro-Méditerranéen d’Arbitrage (Morocco)

Confidential C

		Director of Equanim SAS Société de Médiation Internationale (France)	
		OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
		Member of the Board and Chairman of the Audit Committee of Bank Al Maghrib (Central Bank of Morocco, Morocco)	2020
		Chairman of the Confédération Générale des Entreprises du Maroc (Morocco)	2018
		Director of Eutelsat (France)	2017

THOMAS COURBE
Director representing the French State
Birth date: 10/03/1972 (48 years old)
Nationality: French
Date of first appointment: October 2018
Start date of current term of office: April 2021
Current term expires: 2025 AGM
Number of registered shares held: N/A
Main areas of expertise and experience: see biography hereafter
Skills:
-

Member of the Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Thomas Courbe is Ingénieur général de l'Armement and a graduate of the École Supérieure de l'Aéronautique et de l'Espace (SUPAERO).

He began his career in 1995 at the Ministry of Defense as head of fighter aircraft programs then Chief of Staff of the Director of aircraft programs

He joined the Directorate General of the Treasury in 2002 where he was successively deputy head of the Asia office, head of the Africa -Maghreb office, head of the aeronautical, military and naval business office, Secretary General of the Paris Club and then Deputy Director of bilateral economic relations.

In 2010, he was appointed Chief of Staff of the State Secretary in charge of Foreign Trade (Pierre Lellouche) and Deputy Chief of Staff of the French

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES
Offices and functions in Groupe Renault companies:
Listed companies:
Director of Renault SA (France)
Non-listed companies:
Director of Renault s.a.s (France)
Other legal entities:
None
Offices and functions in companies outside of Groupe Renault:
Listed companies:
None
Non-listed companies:

Confidential C

Minister of Economy, Finance and Industry (Christine Lagarde and then François Baroin).

In 2012, he returned to the Treasury department where he served as Secretary General, then Deputy Director General from 2015 to 2018.

In August 2018, Thomas Courbe was appointed Director General for Entreprises.

Government Representative on the Board of La Poste (France)

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Censor of Orano SA (France)	2020
Director of Dexia SA (France)	2018
Director of Dexia Crédit Local (France)	2018

MARIE-ANNICK DARMAILLAC
Independent Director
Birth date: 11/24/1954 (66 years old)
Nationality: French
Date of first appointment: June 2017
Start date of current term of office: April 2021
Current term expires: 2025 AGM
Number of registered shares held: 100
Main areas of expertise and experience: see biography hereafter
Skills:

Chairwoman of the Ethics and CSR Committee

Member of the Governance and Compensation Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

A magistrate by training, Marie-Annick Darmaillac successively held the positions of judge at the Versailles Court and bureau head at the DGCCRF (the French Directorate-General for Competition, Consumer Affairs and Prevention of Fraud). She was subsequently Deputy Director of Continuing Education at the École Nationale de la Magistrature and Technical Advisor to the French Ministry of Justice.

Marie-Annick Darmaillac also held the position of Deputy of the Mediator of the French Republic, before being appointed Secretary General of the Public Prosecutor's Office of the Court of Appeal of Paris and Deputy-prefect of the City of Paris until October 2005. She then joined the Bolloré group, where, as Deputy General Secretary, she was responsible in particular for oversight of the management of the Group's major talents

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

Non-listed companies:

None

as well as ethical and sustainable development issues.

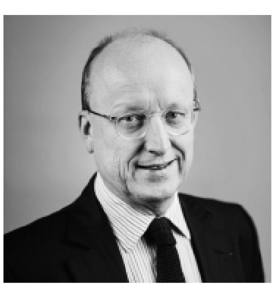
In October 2015, Marie-Annick Darmaillac became Director of Internal Talent Promotion and Development for the Canal+ group.

In January 2017, she joined Vivendi as Corporate Social Responsibility (CSR) and Compliance Director until October 2020.

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Permanent Representative of Financière V on the Board of Bolloré (France)	2020
Permanent Representative of Financière V on the Board of Financière de l'Odet (France)	2020
Permanent Representative of Socfrance on the Board of Société Industrielle et Financière de l'Artois (France)	2020
Permanent Representative of the Société des Chemins de Fer & Tramways du Var et du Gard on the Board of Financière Moncey (France)	2020
President of the Société Immobilière Mount Vernon (France)	2020



BERNARD DELPIT
Independent Director

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Bernard Delpit holds a degree in law and is a graduate of IEP Paris and ENA. He began his career in 1990 at the French Treasury (Inspection Géné rale des Finances) and then held various positions at the Ministry of the Economy and Finance. In 2000, he

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

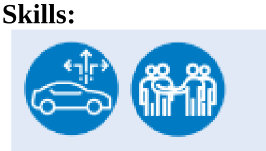
Confidential C

Birth date: 10/26/1964 (56 years old) **Nationality:** French **Date of first appointment:** April 2021 **Start date of current term of office:** 23 April 2021 **Current term expires:** AGM 2025 **Number of registered shares held:** None **Main areas of expertise and experience:** see biography hereafter **Skills**	joined the PSA Peugeot Citroën Group, where from 2001 he was Deputy CEO of Dong Feng Peugeot Citroën Automobiles in China, then Director of Controlling of the PSA Group in 2004. In 2007, he became economic advisor in the staff of the French President. In 2009, he was appointed Deputy Chief Executive Officer and Chief Financial Officer of La Poste Group and then joined Crédit Agricole Group as Chief Financial Officer in 2011. He has been Chief Financial Officer of the Safran Group since 2015 and was appointed Deputy Chief Executive Officer in January 2021	Renault SA **Non-listed companies:** Renault s.a.s. **Other legal entities:** None Offices and functions in companies outside of Groupe Renault: **Listed companies:** Executive Vice President and Chief Financial Officer of the Safran Group (France) **Non-listed companies:** Member of the Board of Directors of BPI (France) Member of the Board of Directors of Ariane Group (France) **Other legal entities:** None OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD — **Term expired** None

	**BIOGRAPHY – PROFESSIONAL EXPERIENCE** Noël Desgrippes holds a degree in Electronics-Electrotechnics-Automatics and a DESS in Industrial Control and Quality Management from the University of Clermont Ferrand. After a year as a firefighter in Paris, he began his career at Renault 25 years ago in the Mechanical Engineering	**OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES** CURRENT OFFICES Offices and functions in Groupe Renault companies: **Listed companies:**

Confidential C

NOËL DESGRIPPES
Director elected upon proposal of the employee shareholders
Birth date: 12/22/1970 (50 years old)
Nationality: French
Date of first appointment: April 2021
Start date of current term of office: April 2021
Current term expires: AGM 2025
Number of registered shares held: 172.72 units in an FCPE mutual fund
Main areas of expertise and experience: see biography hereafter
Skills:



department as Quality Management System pilot, then in 1999 joined the Environmental department where he supervised the implementation of ISO 14001 certification on a worldwide scope of the various factories and engineering centers of the group. He then joined the Real Estate and General Services department as Technical Secretary. He is currently responsible for a Technical Support team at the Lardy site. Noël Desgrippes also holds the position of Chairman of the Supervisory Board of the Renault France FCPE. Elected CFDT, he is currently secretary of the Social and Economic Council of the Renault Lardy establishment and deputy secretary of the Central Social and Economic Committee of Renault France since 2014. His career reflects his convictions around economic performance associated with Social, Corporate and Environmental responsibility.

Renault SA

Non-listed companies:

Renault s.a.s.

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

Non-listed companies:

None

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
None	

PIERRE FLEURIOT
Independent Director
Birth date: 01/31/1954 (67 years old)
Nationality: French
Date of first appointment: June 2018

Lead Independent Director

Member of the Audit, Risks and Compliance Committee

Member of the Governance and Compensation Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Graduate of the Institut d'Études Politiques de Paris, Masters' degree in Law and alumni of the École Nationale d'Administration, Pierre Fleuriot started

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Confidential C

Start date of current term of office: June 2018 **Current term expires:** 2022 AGM **Number of registered shares held:** 100 **Main areas of expertise and experience:** see biography hereafter **Skills:**	his career as financial auditor, then became General Manager of the Commission des Opérations de Bourse. In 1997 he joined ABN AMRO, where he held various positions and lastly served as Senior Executive Vice-President of ABN AMRO and Vice-President of Wholesale Clients. In 2009 he became Chief Executive Officer of Credit Suisse France, in charge of the Investment Banking, Private Banking and Asset Management for France, Belgium and Luxembourg. Following his departure from the management of Credit Suisse France in 2016, he founded PCF Conseil & Investissement, a consulting firm of which he is the Chairman.	Director of Renault s.a.s (France) **Other legal entities:** None Offices and functions in companies outside of Groupe Renault: **Listed companies:** Director and member of the Audit Committee of Nissan Motor Co., Ltd. (Japan) **Non-listed companies:** Chairman of PCF Conseil & Investissement (France) Director and Chairman of the Risk Committee of Bank of America Securities Europe SA (France) Director and Chairman of the Governance, Appointments and Remuneration Committee of the Casablanca Stock Exchange (Morocco) **Other legal entities:** Chairman of Cercle de l'Orchestre de Paris (France) Chairman of the Fondation de l'Orchestre de Paris (France) OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD — **Term expired** Chief Executive Officer of Credit Suisse France (France) — 2016

	Member of the Strategy Committee **BIOGRAPHY – PROFESSIONAL EXPERIENCE**	**OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES** CURRENT OFFICES

Confidential C

RICHARD GENTIL

Director elected by the employees

Birth date: 04/29/1968 (53 years old)

Nationality: French

Date of first appointment: November 2012

Start date of current term of office: November 2020

Current term expires: November 2024

Number of registered shares held: 1

Main areas of expertise and experience: see biography hereafter

Skills:

Richard Gentil was hired as a maintenance technician at the Fonderie (foundry) in 1988. He specializes in hydraulics, pneumatics and gas for the whole foundry. Holding electro-technical and electro-mechanical vocational certificates (BEP and CAP) and a Baccalauréat in the maintenance of Automated Mechanical Systems, he speaks and writes English fluently. He is a member of the Solidarity Committee of the Works Council of Renault Cléon.

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

Non-listed companies:

None

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
None	

FRÉDÉRIC MAZZELLA

Independent Director

Birth date: 03/09/1976 (45 years old)

Nationality: French

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Frédéric Mazzella is the founding Chairman of BlaBlaCar, and the entrepreneurial co-Chairman of France Digitale, the largest association of start-ups in Europe. After a career combining physics, computer science and music at ENS Ulm, Stanford, INSEAD, NASA and the Conservatoire Supérieur de Paris, Frédéric designed the first version of BlaBlaCar to make the concept of carpooling practical and popular. Once the concept was proven in France, the company enjoyed strong international growth and became the first French “

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Renault SA

Non-listed companies:

Renault s.a.s.

Confidential C

Date of first appointment: 23 April 2021
Start date of current term of office: 23 April 2021
Current term expires: AGM 2025
Number of registered shares held: 250
Main areas of expertise and experience: see biography hereafter
Skills:

unicorn" and the world leader in its field, bringing together a community of 90 million drivers and passengers in 22 countries. BlaBlaCar now positions itself as a champion of shared, sustainable, accessible and multimodal mobility, by adding to its historic long-distance car-sharing offer, home-work car-sharing and buses. At the same time, since 2018, Frédéric Mazzella has been focusing the energy of the France Digitale association on the themes of technological sovereignty, impact and talent.

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

Director of Trivago (Germany)

Non-listed companies:

Chairman and Founder of BlaBlaCar

Other legal entities:

Founding member and entrepreneur co-Chairman of France Digitale (France)

Director of École Polytechnique (France)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Chief Executive Officer of BlaBlaCar	2016

ÉRIC PERSONNE
Director elected by the employees
Birth date: 10/14/1962 (58 years old)
Nationality: French
Date of first appointment: November 2012

Member of the Governance and Compensation Committee

Member of the Ethics and CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

After starting his career as a photographer, Éric Personne became a Renault dealer in 1988 and led a 15-member team selling 250 vehicles per year. In 2002 he joined the Renault Retail Group where he performed a number of roles including head of after-sales and head of ISO certification.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

Start date of current term of office: November 2020
Current term expires: November 2024
Number of registered shares held: 100 shares and 151.98 units in an FCPE mutual fund
Main areas of expertise and experience: see biography hereafter
Skills:

In 2007, Éric Personne became responsible for commercial and quality reporting for Renault Retail Group. On April 1, 2020, he joined the Real Estate and General Services Department as project manager. From 2005 to 2012, he served as a CFE-CGC representative on the Groupe Renault Works Council, and has built up more than 30 years of experience in employer and employee industrial action in his various professional circles.

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

Non-listed companies:

None

Other legal entities:

Director of Institut Français des Administrateurs (France)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
None	

YU SERIZAWA
Director appointed upon proposal of Nissan
Birth date: 07/25/1958 (62 years old)
Nationality: Japanese
Date of first appointment: December 2016
Start date of current term of office: April 2021
Current term expires: 2025 AGM
Number of registered shares held: 100
Main areas of expertise and experience: see biography hereafter

Member of the Ethics and CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

After a short career as economist and financial analyst at Crédit Lyonnais (Tokyo Branch and Paris head office), Yu Serizawa was involved in the creation of InfoPlus Incorporated in 1985, and then founded Forma Corporation in 1992.

She advises numerous multinational companies in cross-cultural adaptation and international strategy.

She also advises several institutional investors on alternative investment strategies.

Yu Serizawa was Senior Advisor for Japan to the World Economic Forum between 1990 and 2005.

Since 2000, she has also been a Senior Advisor to the President of Mori Building Company Limited, and in 2003, she helped

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

None

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Skills:

establish the Science and Technology in Society forum, where she currently serves as Director General for International Affairs. She is also serving as Specially Appointed Professor at Kyoto University since April 2020.

Non-listed companies:

President and Chief Executive Officer of Forma Corporation (Japan)

Advisor to the President of Mori Building Company, Limited (Japan)

Other legal entities:

Director General for International Affairs, Science and Technology in Society (STS) Forum (non-profit organization, Japan)

Director of the Japanese Committee of Honour of the Royal Academy of Arts in London (United Kingdom)

Auditor for Daisen-In Temple, Daitokuji (Japan)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Secretary General for International Affairs, Science and Technology in Society Forum (Japan)	2013

PASCALE SOURISSE
Independent Director
Birth date: 03/07/1962 (59 years old)
Nationality: French
Date of first appointment: April 2010
Start date of current term of office: June 2018

Chairwoman of the Audit, Risks and Compliance Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Graduate of the École Polytechnique and the École Nationale Supérieure des Télécommunications (ENST), Pascale Sourisse began her career holding management positions within France Télécom, Jeumont-Schneider and Compagnie Générale des Eaux, as well as with the French Ministry of Industry. In 2001 she became President and Chief Executive Officer

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

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Current term expires: 2022 AGM
Number of registered shares held: 1,000
Main areas of expertise and experience: see biography hereafter
Skills:

of Alcatel Space and then of Alcatel Alenia Space in 2005.

In 2007, she was appointed Assistant Chief Executive Officer of Thales, a member of the Executive Committee, responsible for the Space division and Chairman and Chief Executive Officer of Thales Alenia Space. In 2008, she was appointed Senior Vice-President and Chief Executive Officer of Thales' Land & Joint Systems division and in February 2010, became Senior Vice-Chairwoman of the Defense & Security C4I Systems division. Since 2012 she has also served as Chairwoman and Chief Executive Officer of Thales Communications & Security, and President of Thales Services.

Since February 2013, she has been Senior Executive Vice President International Development for the Thales group.

Pascale Sourisse is an Officer of the French Legion of Honor (Officier de la Légion d'Honneur) and Commander of the French Order of Merit (Commandeur de l'Ordre du Mérite).

Other legal entities:

None

Offices and functions in companies outside of Groupe Renault:

Listed companies:

Director, member of the Strategy and CSR Committee and Compensation Committee of Vinci (France)

Member of the Executive Committee and Senior Executive Vice President International Development of Thales (France)

Non-listed companies:

Chairwoman and Director of Thales International s.a.s (France)

Chairwoman of Thales Europe s.a.s (France)

Permanent Representative of Thales in its capacity of Director of ODAS (France)

Member of the ODAS Compensation Commission (France)

Other legal entities:

Member of the National Academy of Technology (France)

Member of the Board of Directors of the École Polytechnique (France)

Member of the Board of Directors (College of Founding Members) of the Fondation de l'École Polytechnique (France)

Director of the Thales Solidarity Endowment Fund (France)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Member of the Committee of	2019

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		Appointments and Governance of Vinci (France)	
		President of Conseil d'École de Télécom Paris Tech (France)	2017
		Director of the Agence Nationale des Fréquences (France)	2017
		Director, member of the Audit and Ethics Committee and Chairwoman of the End-of-Cycle Obligations Oversight Committee of Areva SA (France)	2017
		Director of the Agence Nationale de la Recherche (France)	2016

JOJI TAGAWA
Director appointed upon proposal of Nissan
Birth date: 12/07/1960
(60 years old)
Nationality: Japanese
Date of first appointment: April 2020
Start date of current term of office: April 2020
Current term expires: 2022 AGM
Number of registered shares held: 0
Main areas of expertise and experience: see biography hereafter
Skills:

Member of the Audit, Risks and Compliance Committee

Biography – professional experience

Joji Tagawa holds a degree in economics from Keio University in Japan. He joined Nissan Motor Co., Ltd. in 1983. He held various management positions in the Finance division, Global Public Relations and Investor Relations division.

In April 2006, Joji Tagawa was appointed Operating Officer, as Global Treasurer and investor relations. From April 2014, he was Corporate Vice President of Nissan Motor Co., Ltd., responsible for investor relations and Mergers & Acquisitions Support Department.

Joji Tagawa was appointed as <u>Chief Sustainable Officer and Senior Vice-President</u> since December 2019, in responsible for Environment/Sustainability, External government affairs,

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES
CURRENT OFFICES
Offices and functions in Groupe Renault companies:
Listed companies:
Director of Renault SA (France)
Non-listed companies:
Director of Renault s.a.s (France)
Other legal entities:
None
Offices and functions in companies outside of Groupe Renault:
Listed companies:
Senior Vice-President of Nissan Motor Co., Ltd. (Japan)

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	Investor relations, IP promotion and Corporate service.	Director of Mitsubishi Motor Corporation (Japan)	
		Non-listed companies:	
		Board member of Nissan Finance Co. Ltd. (Japan)	
		Other legal entities:	
		None	
		OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expiry**
		None	

 **MARTIN VIAL** **Director representing the French State** **Birth date:** 02/08/1954 (67 years old) **Nationality:** French **Date of first appointment:** September 2015 **Start date of current term of office:** September 2015 **Current term expires:** N/A **Number of registered shares held:** N/A **Main areas of expertise and experience:** see biography hereafter **Skills:**	**Member of the Audit, Risks and Compliance Committee** **Member of the Governance and Compensation Committee** **BIOGRAPHY – PROFESSIONAL EXPERIENCE** After graduating from the École Supérieure des Sciences Économiques et Commerciales (ESSEC) and the École Nationale Supérieure des Postes et Télécommunications, Martin Vial began his career as Director of PTT (French administration for postal services and telecommunications) within the Finance department of the Direction Générale des Postes. In 1986 he joined the Treasury department at the French Ministry for the Economy and Finance. He assumed a series of positions between 1988 and 1993, including Technical Advisor, Deputy Chief of Staff and Chief of Staff of the Ministry of Postal Services, Telecommunications and Space, the Ministry of Infrastructure, Housing and Transport, and finally the Ministry of Postal Services and Telecommunications.	**OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES** CURRENT OFFICES Offices and functions in Groupe Renault companies: **Listed companies:** Director of Renault SA (France) **Non-listed companies:** Director of Renault s.a.s (France) **Other legal entities:** None Offices and functions in companies outside of Groupe Renault: **Listed companies:** Director and member of the Strategy Committee and of the Appointments and Compensation Committee of EDF (France) Director and member of the Audit Committee of Air France-KLM (France)

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In 1993, Martin Vial was appointed Chairman and Chief Executive Officer of Aéropostale and was elected Chairman of the CSTA (French air transport association) and the FNAM (Fédération Nationale de l'Aviation Marchande).

At the end of 1997, he became Chief Executive Officer of La Poste group. In September 2000, he was appointed both Chairman of La Poste group and Vice-President of the Caisse Nationale de Prévoyance (CNP). Martin Vial joined the Cour des Comptes in September 2002 as a *Conseiller Maître*.

From 2003 to 2014, he was Chief Executive Officer of the Europ Assistance group, the world leader in care services, and Director and Chief Executive Officer of Europ Assistance Holding. He also chairs several boards of directors for the companies of this group. In January 2015 he founded Premium Care, a care company for the elderly.

He has been Commissioner for the French State Holdings (*Commissaire aux participations de l'État*) since August 2015.

Non-listed companies:

Director and member of the Audit Committee, Risk Committee and Appointments and Compensation Committee of Bpifrance SA (France)

Other legal entities:

None

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	**Term expired**
Director and member of the Strategy Committee and of the Governance and Appointments of Thales	2017

ANNETTE WINKLER
Independent Director
Birth date: 09/27/1959 (61 years old)
Nationality: German
Date of first appointment: June 2019
Start date of current term of office: June 2019
Current term expires: 2023 AGM
Number of registered shares held: 1,000

Chairwoman of the Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Annette Winkler holds a doctorate in economics from the University of Frankfurt (Germany) and was Managing Partner of a medium-sized construction company.

In 1995, she joined the Mercedes-Benz group, where she held various positions, including Director of Public Relations and Communications.

After two years at the head of the Mercedes-Benz sales and service establishment in Brunswick, she

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Offices and functions in Groupe Renault companies:

Listed companies:

Director of Renault SA (France)

Non-listed companies:

Director of Renault s.a.s (France)

Other legal entities:

None

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<table>
<tr><td rowspan="11">Main areas of expertise and experience: see biography hereafter
Skills:</td><td rowspan="11">became Chief Executive Officer of DaimlerChrysler Belgium and Luxembourg (1999-2005), and, as Vice President Global Business Management & Wholesale Europe (2006-2010), she became responsible for the development of the Mercedes-Benz global dealer network. From 2010 to 2018, she was Chief Executive Officer of Smart (with worldwide responsibility for the brand and also in charge of the Smart plant in Lorraine).

Annette Winkler has been a member of the Board of Directors of the listed company L’Air Liquide since 2014.</td><td colspan="2">Offices and functions in companies outside of Groupe Renault:</td></tr>
<tr><td colspan="2">Listed companies:</td></tr>
<tr><td colspan="2">Director, Chairwoman of the Environment and Society Committee and Member of the Appointments and Governance Committee of L’Air Liquide SA (France)</td></tr>
<tr><td colspan="2">Non-listed companies:</td></tr>
<tr><td colspan="2">None</td></tr>
<tr><td colspan="2">Other legal entities:</td></tr>
<tr><td colspan="2">None</td></tr>
<tr><td>OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD</td><td>Term expired</td></tr>
<tr><td>Member of the Concil for Foreign Economic Affairs of the German Ministry for Economics (Germany)
Member of the Supervisory Board of Mercedes-Benz South Africa (South Africa)</td><td>2020

2019</td></tr>
<tr><td>Vice-President of Daimler AG (Germany)</td><td>2018</td></tr>
<tr><td>Chief Executive Officer of Smart (Germany)</td><td>2018</td></tr>
</table>

The business address of all directors in the context of their duties is that of the Company’s head office.

Changes in the composition of the Board of Directors in 2021

At its meeting on February 18, 2021, the Board of Directors, on the recommendation of the Governance and Compensation Committee, decided to submit the following resolutions on the composition of the Board to the Annual General Meeting of April 23, 2021:

- renewal of Ms. Miriem Bensalah-Chaqroun’s term of office as independent director. The Board of Directors, on the recommendation of the Governance and Compensation Committee, noted, among other things, her excellent understanding of the Group’s challenges and strategy, her contribution to the discussions of the Board of Directors and the Strategy Committee, of which she is a member, her international experience, her senior executive experience, her independence and lack of any conflict of interest;

- renewal of Ms. Marie-Annick Darmaillac’s term of office as independent director. The Board of Directors, on the recommendation of the Governance and Compensation Committee, noted, among other things, Ms. Marie-Annick Darmaillac’s involvement in the work of the Board of Directors and the Governance and Compensation Committee, of which she is a member, her major role in the creation and operations of the Ethics and CSR Committee, which she chairs, her experience with and extensive knowledge of Groupe Renault's specific environmental, social and strategic governance challenges, her independence and lack of any conflict of interest;
- renewal of Mr. Thomas Courbe's term of office as director appointed upon proposal of the French State. The Board of Directors, on the recommendation of the Governance and Compensation Committee, welcomed the French State's proposal to renew Mr. Thomas Courbe's term of office, given his excellent understanding of the Group's challenges and strategy and his contribution to the discussions of the Board of Directors and the Strategy Committee, of which he is a member;
- renewal of Ms. Yu Serizawa's s term of office as director appointed upon proposal of Nissan. The Board of Directors, on the recommendation of the Governance and Compensation Committee, welcomed Nissan's proposal to renew Ms. Yu Serizawa's term of office, given her experience, her extensive knowledge of the Japanese and French cultures, and her involvement in the work of the Board of Directors and the Ethics and CSR Committee, which she joined upon its creation;
- appointment of Mr. Bernard Delpit as independent director. The Board of Directors, on the recommendation of the Governance and Compensation Committee, sought to include among the independent directors a person with solid experience at the head of financial departments, while having a good knowledge of the automotive sector;
- appointment of Mr. Frédéric Mazzella as independent director. The Board of Directors, on the recommendation of the Governance and Compensation Committee, sought to strengthen the Board's expertise in digital, innovation, and mobility matters, in light of the current challenges in the automotive sector, and to assist Senior Management with the new strategic plan;

In addition, following the elections held within Groupe Renault from October 5 to 8, 2020, pursuant to the provisions of the articles of association, a single candidate was nominated for the position of director representing employee shareholders. The appointment of Mr. Noël Desgrippes (with Ms. Christine Giry as an alternate candidate) was proposed to the Annual General Meeting of April 23, 2021, for the office of director representing employee shareholders, replacing Mr. Benoît Ostertag.

Finally, Mr. Patrick Thomas announced his decision to make his position available to the Board as of the 2021 Annual General Meeting in order to support the evolution of the Board, which was accepted by the Board of Directors.

Following the Annual General Meeting on April 23, 2021, and subject to the approval of the resolutions submitted to a vote, the Board of Directors is composed of 17 members and has the following features:

	Composition following the 2020 General Meeting	Composition following the 2021 General Meeting
Independence rate	66.7%	69.2%
Feminization rate	50.0%	46.2%
Rate of non-French directors	33.3%	30.8%

Therefore:

- the independence rate of the Board of Directors will remain above that recommended by the AFEP-MEDEF Code; and
- the feminization rate will be above that required by law (namely a proportion of women of at least 40%).

It is reminded that, pursuant to the AFEP-MEDEF Code and legal provisions, the directors representing the employees and the directors representing employee shareholders are not taken into account when calculating the independence rate and the feminization rate.

For the sake of coherence, directors representing the employees and the director representing employee shareholders are not taken into account when calculating the percentage of non-French directors.

GOVERNANCE AND BOARD OF MANAGEMENT

As of March 1, 2021

Overview of the Board of Directors

Board of Directors

The composition of the Board aims to achieve a balance between professional experience, qualifications, independence and ethics, together all while ensuring a balanced representation of women/men and a diversity of recruitment consistent with the Group's international dimension.

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(1) Excluding the directors representing employees and the director representing employee shareholders, but including Mr. Jean Dominique Senard.
(2) Excluding the directors representing employees and the director representing employee shareholders

Mapping of Board members' skills

AUTO INDUSTRY 7
Ms. Winkler, Messrs. Barrat, Gentil, Ostertag, Personne, Senard, Tagawa

FINANCE 10
Ms. Sourisse, Ms. Winkler, Messrs. Courbe, Fleuriot, Ostertag, Personne, Senard, Tagawa, Thomas, Vial

DIGITAL AND INNOVATION 3
Ms. Barba, Ms. Sourisse, Mr. Senard

SENIOR EXECUTIVE EXPERIENCE 7
Ms. Bensalah-Chaqroun, Ms. Sourisse, Ms. Serizawa, Ms. Winkler, Messrs. Fleuriot, Senard, Thomas

INTERNATIONAL EXPERIENCE 7
Ms. Barba, Ms. Bensalah-Chaqroun, Ms. Serizawa, Ms. Sourisse, Ms. Winkler, Messrs. Senard, Tagawa

ENVIRONMENTAL, SOCIAL AND GOVERNANCE 6
Ms. Bensalah-Chaqroun, Ms. Darmaillac, Ms. Serizawa, Messrs. Ostertag, Senard, Tagawa

Work of the Board of Directors

- **STRATEGY**
- **GOVERNANCE**
- **COMPENSATION**
- **FINANCE**
- **ESG**

Group Executive Committee: Board of Management

as of March 1, 2021


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1. **Luca de Meo**, Chief Executive Officer of Renault S.A., Chairman of Renault SAS, CEO, Renault Brand
2. **Clotilde Delbos**, Deputy Chief Executive Officer, Chief Financial Officer, Chairman of the Board of Directors of RCI Banque, CEO, MobiliZe Brand
3. **Jose Vicente de los Mozos**, EVP, Group Industry
4. **Philippe Guérin-Boutaud**, EVP, Group Quality
5. **Ali Kassai**, EVP, Group Advanced Product & Planning
6. **Gilles Le Borgne**, EVP, Group Engineering
7. **Denis Le Vot**, EVP, CEO, Dacia & Lada Brands
8. **Nicolas Maure**, EVP, Chief Turnaround Officer
9. **François Roger**, EVP, Human Resources, Group Prevention and Protection, Real Estate, Facility Management, Health-Safety-Environment, Transformation and Organization, EVP, Renault Brand, HR
10. **Véronique Sarlat-Depotte**, EVP, Alliance Purchasing Organization (APO)
11. **Laurens van den Acker**, EVP, Group Design
12. **Frédéric Vincent**, EVP, Group IS IT/Digital, EVP, Renault Brand, IS/IT

12 MEMBERS

2 WOMEN

4 NATIONALITIES

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Additional information about the directors

Rights and obligations of the directors

The Board Charter specifies the rights and obligations of the Company directors with respect to:

- the rules governing the operation of the Board of Directors and its committees;
- the duty of confidentiality;
- the independence and the duty of expression;
- the management of conflicts of interest;
- ethical requirements with respect to financial market transactions; and
- holding shares in the Company. Pursuant to the AFEP-MEDEF Code, the Board of Directors' Charter recommends that the directors hold a significant number of shares in registered form in a personal capacity in relation to the compensation received, except for directors who do not personally receive compensation. In this respect, the directors representing the employees and employee shareholders do not personally receive compensation (which is passed on to their respective trade unions); they are therefore not required to hold a significant number of shares in the Company. Furthermore, legislation prohibits directors designated by the French State from personally owning shares.

For the retention obligation applicable to the Chief Executive Officer, see "(iii) REMUNERATION OF DIRECTORS AND OFFICERS" below.

No convictions

To the best of Groupe Renault's knowledge, none of the Company's current corporate officers has, over the last five years:

- been convicted of fraud;
- taken part as a corporate officer, general partner or founder in bankruptcy, receivership, or liquidation proceedings;
- been the subject of any charge and/or official public sanction pronounced by a statutory or regulatory authority; or
- been prevented by a court from acting as a member of an administrative, management, or supervisory body of an issuer, or from taking part in managing or conducting the business of an issuer.

No potential or actual conflicts of interest

To the best of the Company's knowledge, there is no potential or actual conflict of interest between any of the private interests of the Company directors and their duties towards the Company.

There are no family ties between the members of the Board of Directors.

The corporate officers are not bound to the Company or any of its subsidiaries by a service contract providing for any form of benefit to be granted.

(ii) MANAGEMENT BODIES

Management bodies as at March 1, 2021

The Board of Directors of Renault adopted a governance method in which the functions of Chairman of the Board of Directors and Chief Executive Officer have been separated since January 24, 2019 (A detailed explanation of the mode of governance is given in (1) - "Board organization, operation and missions" above.). In addition, the Renault Group has adapted its management bodies from January 1, 2021 following the evolution of its organization by brands and functions.

Board of Management (BoM)

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On January 1, 2021, the Board of Management (BoM) replaced the Group Executive Committee (GEC).

The BoM is responsible for defining and implementing Groupe Renault's mid-term strategy, within the scope of the guidelines set by the Board of Directors. It is responsible for ensuring the competitiveness of the functions, results and profitability of the brands' operations.

The BoM takes strategic, financial and operational decisions within the limits of the corporate purpose and subject to the powers expressly granted by law to Shareholders' Annual General Meetings and the Board of Directors. These decisions are reflected in the budget, product plan, brand positioning, major investments, strategic plans for sites and partnerships.

Members of the BoM may be invited to attend meetings of the Board of Directors or its specialized committees depending on the topics on the agenda.

The BoM meets weekly.

Members of the BoM as of March 1, 2021:

- the Chief Executive Officer of Renault S.A., Chairman of Renault SAS, CEO, Renault Brand;
- the Deputy Chief Executive Officer, Chief Financial Officer, Chairman of the Board of Directors of RCI Banque, CEO, MobiliZe Brand;
- the EVP, Group Industry;
- the EVP, Group Quality;
- the EVP, Group Advanced Product & Planning;
- the EVP, Group Engineering;
- the EVP, CEO, Dacia & Lada Brands;
- the EVP, Chief Turnaround Officer;
- the EVP, Human Resources, Group Prevention and Protection, Real Estate, Facility Management, Health-Safety-Environment, Transformation and Organization, EVP, Renault Brand, HR;
- the EVP, Alliance Purchasing Organization (APO);
- the EVP, Group Design;
- the EVP, Group IS IT/Digital, EVP, Renault Brand, IS/IT.

The Brand Management Committee (BMC)

On January 1, 2021, the brands were reorganized into separate Business Units, each with its own Management Committee, known as the Brand Management Committee (BMC), and responsible for managing the profitability and performance of its operations.

Representatives from the following functions are included in these committees: Human Resources, IT, sales, marketing, communication, manufacturing and logistics, quality, performance and control, product, engineering, and design.

(iii) REMUNERATION OF DIRECTORS AND OFFICERS

COMPENSATION OF DIRECTORS AND CORPORATE OFFICERS

General principles relating to the compensation of the corporate officers

Once a year, as recommended by the Governance and Compensation Committee, the Board of Directors sets the components of the compensation awarded to the corporate officers.

The Company's compensation policy is regularly reviewed at meetings of the Governance and Compensation Committee, which is composed mainly of Independent Directors and chaired by an Independent Director in accordance with the Board of Directors' charter. In its recommendations, the Governance and Compensation Committee takes into account the balance of the different components of the corporate officers' compensation.

The compensation policy for the non-executive corporate officer is based on a fixed compensation and does not include any variable or exceptional cash compensation, nor compensation for directorship.

The compensation policy for the executive corporate officer is based on six simple, stable, transparent practices:

1 Closely linked to the Company's strategy	▪ The compensation is closely linked to the implementation and results of the strategy.
2 Performance-oriented	▪ The variable component of the executive officer's compensation represents a fraction of the total compensation that is consistent with market practice and ensures the interests of the executive officer are aligned with the Company's performance. ▪ No variable compensation is granted in the event of under-performance.
3 Focus on long-term performance	▪ A significant part of the executive officers' compensation depends on multi-year targets being achieved.
4 Close alignment with shareholders	▪ The number of performance shares allocated to the executive officer is expressed as an absolute number, rather than a percentage of the salary, so that upward and downward fluctuations in the share price affect the corresponding total value. ▪ The executive officer must retain 25% of the shares vested pursuant to performance share plans until the end of his term of office.
5 Competitive compensation	▪ Competition between corporate officers in the automotive market is intense. It is therefore of prime importance to ensure that the overall compensation of the executive officer is competitive compared to the practices of the Company's peers, both CAC 40 companies and, more generally, comparable companies in the Automotive sector in Europe and worldwide.
6 Compensation which does not encourage excessive risk-taking	▪ The setting of performance targets, a sufficiently long evaluation period, and compensation capping allow excessive short-term risk-taking to be avoided.

These principles are established in compliance with the recommendations of the AFEP-MEDEF Code to which the Company refers pursuant to the provisions of Article L. 22-10-10 of the French Commercial Code.

More generally, the Governance and Compensation Committee regularly ensures that corporate officers' compensation complies with all applicable laws and recommendations in terms of corporate governance.

In addition, the committee takes into account market best practices regarding the compensation of executive corporate officers:

Best practices that we follow:	Practices we do not follow:
▪ Use appropriate peer groups (country based and sector based) to inform (but not dictate) compensation policy ▪ Only make modifications to performance criteria when there are material changes to our business	▪ Pay for failure: pay variable components in the event of poor performance of the Group ▪ Place a disproportionate weight on short-term variable compensation versus long-term variable compensation

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strategy and in order to maintain the alignment with shareholders' interests ▪ Clear mention of a cap for all variable elements ▪ Set demanding performance conditions ▪ Include CSR criteria that are significant for the Company's performance and aligned with the corporate strategy ▪ Have a long-term performance criterion linked to shareholder return ▪ Subject long-term compensation plans to minimum three-year vesting conditions ▪ Implement post-mandate vesting policy for long-term incentives ▪ Engage and meet regularly with our shareholders ▪ A Governance and Compensation Committee comprised of a majority of independent Board members	▪ Overly weight qualitative criteria in the annual variable compensation ▪ Reward excessive or inappropriate risk-taking ▪ Have extraordinary severance payments in addition to the two-year non-compete indemnity ▪ Provide excessive severance or sign-on arrangements to our executives

To evaluate the corporate officers' compensation in light of market practices with a view to ensure the competitiveness of the compensation, the Governance and Compensation Committee, assisted by a firm of specialized consultants, annually examines the components of compensation due or awarded by comparable companies to their corporate officers. This analysis is based, firstly, on a panel of CAC 40 companies, all of which are leading French companies, and secondly, on the practices of comparable multinational organizations in the Automotive sector (Stellantis, General Motors, Ford, Honda, Daimler, BMW, Volkswagen, Volvo and Toyota).

The Governance and Compensation Committee also takes into account the expectations voiced by Renault's main shareholders by way of regular meetings.

Compensation structure for the executive corporate officer

The compensation policy for the Chief Executive Officer consists of:

- **a fixed portion**, corresponding to a fixed compensation in cash determined in line with the role, level of responsibility, and experience of the executive corporate officer;
- **a portion subject to performance conditions**, comprising two distinct sub-components:
- **annual variable compensation**: this aims to ensure that part of the compensation of the executive corporate officer depends on the Company's main operational, financial, and managerial objectives being achieved during the year,
- **long-term compensation**: this consists of performance shares, designed to strengthen the alignment of the interests of the executive corporate officer with those of shareholders by making their vesting subject to the achievement of performance criteria assessed over a period of three years. In addition to the performance criteria, the vesting of shares is subject to a presence condition of three years following the allocation of the performance shares.

In addition to these compensation components, the Chief Executive Officer may benefit from top-up pension schemes, a termination benefit in the event of dismissal and a non-compete agreement.

Pursuant to the recommendations of the AFEP-MEDEF Code and the recommendations of the French Financial Market Authority (Autorité des Marchés Financiers, AMF), the Chief Executive Officer does not hold an employment contract with the Company.

Compensation of the directors and corporate officers in 2020

Compensation of Mr. Jean-Dominique Senard as Chairman of the Board of Directors in 2020

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On the recommendation of the Governance and Compensation Committee, the compensation policy of the Chairman of the Board of Directors for the 2020 financial year was set by the Board of Directors on February 13, 2020, then approved by the Annual General Meeting on June 19, 2020 (thirteenth resolution).

This compensation policy for the Chairman of the Board of Directors consists of a fixed compensation and benefits in kind, to the exclusion of any other variable or exceptional compensation, any allocation of stock-based compensation and compensation of the directorship.

For more details on the compensation policy for the Chairman of the Board of Directors for the 2020 financial year, see section “Compensation policy for the Chairman of the Board of Directors” of the 2019 Securities Report.

The compensation components of Mr. Jean-Dominique Senard for the 2020 financial year presented in this section are part of the information indicated in Article L.22-10-9 I of the French Commercial Code notably including the total compensation and benefits of any kind paid in respect of their corporate office during the 2020 financial year or awarded in respect of the same financial year to all directors and corporate officers. This information was submitted to a general vote in application of **I** of Article L.22-10-34 of the French Commercial Code and approved during the Annual General Meeting of April 23, 2021.

Moreover, in application of **II** of Article L.22-10-34 of the French Commercial Code, the Annual General Meeting of April 23, 2021 approved a specific draft resolution on the total compensation and benefits of any kind paid during the 2020 financial year or awarded in respect of the same financial year to Mr. Jean-Dominique Senard in respect of his office as Chairman of the Board of Directors.

The table below presents the information for the specific vote on Mr. Jean-Dominique Senard’s compensation components as Chairman of the Board of Directors:

Compensation components submitted for approval	Amounts paid during the past financial year	Amounts awarded in respect of the past financial year or book value	Presentation
Fixed compensation 2020	€365,625	€450,000	The Chairman of the Board of Directors receives annual fixed compensation of €450,000 payable in 12 monthly instalments (pro-rated from January 24, 2019). In a spirit of responsibility towards all of the Group's stakeholders who have made efforts or experienced the effects of the coronavirus crisis around the world, Jean-Dominique Senard has decided, in agreement with the Board of Directors, to reduce his remuneration by 25% from the second quarter of 2020 until the end of the 2020 financial year.
Annual variable compensation	N/A	N/A	The Chairman of the Board of Directors does not receive any annual variable compensation.
Multiyear variable compensation	N/A	N/A	The Chairman of the Board of Directors does not receive any multi-year variable compensation.
Exceptional compensation	N/A	N/A	The Chairman of the Board of Directors does not receive any exceptional compensation.

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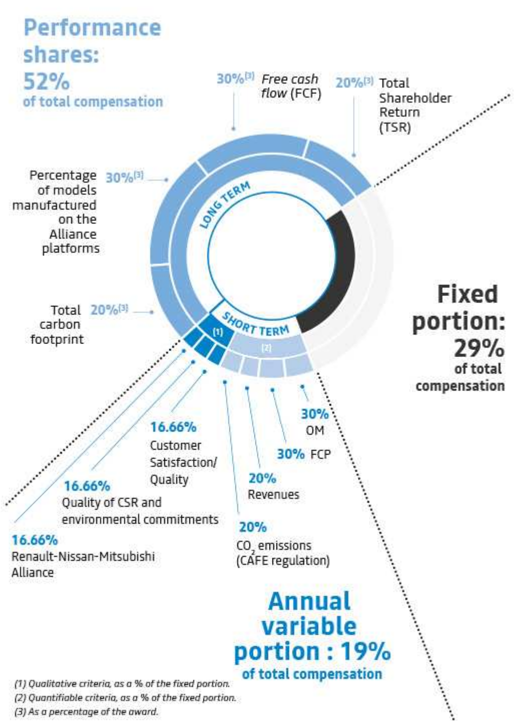
Stock options, performance shares or any other long-term benefit (stock warrants, *etc*.)		N/A	The Chairman of the Board of Directors does not benefit from any long-term compensation in the form of stock options or performance shares.
Compensation for directorship	N/A	N/A	The Chairman of the Board of Directors does not receive any compensation in respect of his office as director.
Benefits of any kind	€8,361	€8,361	The Chairman benefited from one company and one car with driver. He benefits from the same life insurance and supplementary healthcare schemes as for employees working in France.
Termination benefit	N/A	N/A	The Chairman of the Board of Directors does not benefit from any termination benefit clause.
Top-up pension scheme	N/A	N/A	▪ The Chairman of the Board of Directors does not benefit from any top-up pension scheme.

Compensation of Mr. Luca de Meo as Chief Executive Officer in 2020



On the recommendation of the Governance and Compensation Committee, the compensation policy of the Chief Executive Officer for the 2020 financial year was set by the Board of Directors on February 13, 2020, then approved by the Annual General Meeting on June 19, 2020 (fourteenth resolution).

For more details on the compensation policy of the Chief Executive Officer for the 2020 financial year, see section "Compensation policy for the Chief Executive Officer" of the 2019 Securities Report.

The compensation components of Mr. Luca de Meo for the 2020 financial year presented below are part of the information indicated in Article L. 22-10-9 I. of the French Commercial Code notably including the total compensation and benefits of any kind paid in respect of the their corporate offices during the 2020 financial year or awarded in respect of the same financial year to all directors and corporate

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officers. This information was submitted to a general vote in application of **I** of Article L. 22-10-34 of the French Commercial Code and approved during the Annual General Meeting of April 23, 2021.

Moreover, in application of **II** of Article L. 22-10-34 of the French Commercial Code, the Annual General Meeting of April 23, 2021 approved a specific draft resolution on the total compensation and benefits of any kind paid during the 2020 financial year or awarded in respect of the same financial year to Mr. Luca de Meo in respect of his office as Chief Executive Officer.

It is recalled that the payment of the variable compensation to the Chief Executive Officer for the 2020 financial year is subject to the approval by the Annual General Meeting of April 23, 2021 of the components of the overall compensation and of benefits of any kind paid or allocated to the Chief Executive Officer for the 2020 financial year.

The total compensation of the Chief Executive Officer for the 2020 financial year corresponds to the strict implementation of his compensation policy, which has not been adjusted despite the major disruptions caused by the Covid-19 crisis.

The table below presents the information for the specific vote on Mr. Luca de Meo's compensation components as Chief Executive Officer:

Compensation components submitted for approval	Amounts paid during the past financial year	Amounts awarded in respect of the past financial year or book value	Presentation
Fixed compensation 2020	**€650,000** (from July 1 to December 31, 2020)	**€650,000** (from July 1 to December 31, 2020)	The Chief Executive Officer receives an annual fixed compensation of €1,300,000, payable in twelve monthly instalments (prorated from July 1, 2020).
Annual variable compensation	**€0**	**€418,773** (amount awarded in respect of the 2020 financial year and payable in 2021)	The Chief Executive Officer's annual variable portion fully payable in cash corresponds to a percentage of the fixed portion that may reach 150% if all performance objectives are fully achieved. In a spirit of responsibility towards all of the Group's stakeholders who have made efforts or experienced the effects of the coronavirus crisis around the world, Luca de Meo decided, in agreement with the Board of Directors, on May 7, 2020, to waive the benefit of the minimum variable compensation which had initially been set, as part of the compensation policy for the Chief Executive Officer for the year 2020, at 100% of the fixed compensation to be paid in 2020. On February 18, 2021, on the recommendation of the Governance and Compensation Committee, the Board of Directors set the rate of achievement of the performance criteria that determine the amount of annual variable compensation for the Chief Executive Officer in respect of the 2020 financial year.
			Achievement rate of the criteria of the annual variable compensation for the 2020 financial year (expressed as a percentage of the annual fixed compensation):

	Maximum %	Awarded %
Quantifiable criteria	**100%**	**20%**
Group operating margin (Group OM)	*30%*	*0%*

			Free cash-flow (FCF)	*30%*	*0%*
			Group Revenues	*20%*	*0%*
			▪ *CO_2 emissions*	*20%*	*20%*
			Qualitative criteria	**50%**	**44.43%**
			Renault-Nissan-Mitsubishi Alliance	*16.66%*	16.66%
			Quality of CSR and environmental commitments	*16.66%*	16.66%
			▪ *Customer satisfaction / Quality*	*16.66%*	11.11%
			▪ **TOTAL**	**150%**	**64.43%**
			Assessment of the achievement of the performance criteria **1. Quantifiable criteria** related to financial performance 20% (out of a maximum of 100%) of the quantifiable criteria were met, according to the following breakdown: ▪ 0% (out of a maximum of 30%) for the Group operating margin criterion. ▪ Group operating margin was 3.7% in the 2020 budget and the actual Group operating margin for 2020 was -0.8%; ▪ 0% (out of a maximum of 30%) for the free cash flow (FCF) criterion. ▪ FCF (before restructuring costs) was €150 million in the 2020 budget and amounted to €-4,212 million as at December 31, 2020; ▪ 0% (out of a maximum of 20%) for the Group revenues criterion. ▪ Revenues were €55.5 billion in the 2020 budget and amounted to €43.5 billion for 2020; ▪ 20% (out of a maximum of 20%) for the CO_2 emissions criterion (CAFE regulation). ▪ The Group's CAFE performance in 2020 was 102.72g, (these results should be consolidated and formalized by the European Commission in the coming months), below the regulatory ceiling of 103.46g. **2. Qualitative criteria**		

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			The achievement rates of the qualitative criteria should be assessed in the context of the Covid-19 pandemic, which rendered this exercise very complicated. 44.43% (out of a maximum of 50%) of the qualitative criteria were met, according to the following breakdown: **a) Renault-Nissan-Mitsubishi Alliance:** 16.66% (out of a maximum of 16.66%) ▪ All indicators related to this criterion have been met or exceeded: ▪ *Meetings of the Alliance Operating Board:* despite an environment severely disrupted by the pandemic and the priority given by each company of the Alliance to optimise its own cost structure as quickly as possible, work meetings of the Alliance Operating Board have been maintained in order to make further progress on ongoing joint projects. The number of meetings scheduled has therefore been reached. Due to health restrictions, these meetings were held by videoconference, but they kept the momentum of the projects under consideration. In particular, the Board valued the presentation of the Alliance's new cooperation model by the management teams of the 3 companies to journalists and analysts on May 27, 2020 in Paris, Yokohama and Tokyo. ▪ On the recommendation of the Governance and Compensation Committee, the Board has considered that this indicator has been achieved; ▪ *Implementation of leader/follower projects:* the leader/follower concept, which leads to a rationalisation of the financial efforts allocated to developments, was announced in January 2020. The portfolio of joint projects was presented in May 2020 and since then this model has continued to be deployed. A certain number of technical developments (platforms, components, electronic architectures, *etc*.) have been reviewed in order to integrate them into this approach. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that the number of projects reviewed met the expectations and considered that this indicator had been achieved; ▪ *Formalization of the regional optimization plans:* the formalization of a geographical optimisation plan was carried out. The members of the Alliance

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			explored the rationalisation of regional structures in order to assess their potential advantages and disadvantages and determine which ones would be the most meaningful. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that the formalization process was consistent with the commitments;
			▪ *Number of new partnership projects*: the Alliance is constantly looking for opportunities for cooperation and partnerships in order to optimise the use of available resources. An agreement has been reached with Daimler to continue cooperation on the new generation of compact light commercial vehicles to be launched in 2021. Other projects are being studied with various partners. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved. b) **Quality of CSR and environmental commitments**: 16.66% (out of a maximum of 16.66%) ▪ All indicators related to this criterion have been met or exceeded: ▪ *Health and safety (accident frequency rate)*: workplace safety objectives are measured in particular by the FR1 rate (frequency rate of accidents at work for Renault employees requiring outside care); the FR1 rate decreased in 2020 and stands at 1.33%, i.e. beyond the target which was set at 1.5%. There was also a notable drop in the most serious accidents; ▪ *Gender pay-gap ratio:* specific actions in each country led to a reduction in the average wage gap between men and women. The target of an average gap of 4.1% has been exceeded to reach a rate of 2.8% by the end of 2020; ▪ *Car recycling rate*: the car recycling rate target has been achieved; ▪ *Maintaining good employee-employer relations worldwide and particularly in France (measured by the rate of commitment in the employee satisfaction survey)*: despite a very difficult context linked to the Covid-19 crisis, the rate of 76% was reached in 2020 (the same as in 2019). c) **Customer satisfaction / Quality***:* 11.11% (out of a maximum of 16.66%)

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			▪ ▪ Out of three indicators related to this criterion, two have been achieved: ▪ *Incident rate*: this indicator, called GMF 3MIS WORLD, is a measurement of the number of incidents on vehicles after three months on the road. The reduction of this rate has been achieved with, at the end of September 2020, a 16% reduction compared to the previous year for an annual reduction target of 15%. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved; ▪ *Number of complaints per vehicle:* this indicator was not available because the survey was stopped in the course of the year due to the Covid-19 crisis. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had not been achieved; ▪ *Customer satisfaction level*: this level is measured through satisfaction surveys conducted among customers who visited Groupe Renault's sales and after-sales dealerships. Each customer gives a score and the final result is the dealer's Net Promotor Score (NPS). This NPS is then consolidated by country by summing up all the dealers' NPS in the country. This KPI aims to significantly improve the NPS in at least 80% of Renault's 16 largest markets (France, Germany, Italy, Spain, United Kingdom, Poland, Belgium, Romania, Russia (excluding Lada in 2020), Turkey, Morocco, India, Argentina, Brazil, Colombia, South Korea). The result obtained on this scope was 81%, exceeding the target set. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved. Having noted that the overall achievement rate of the performance criteria was 64.43% for the 2020 financial year and recalling that Mr. Luca de Meo's gross annual fixed compensation was €650,000 for his term of office during the 2020 financial year (gross annual amount of €1,300,000 prorated over the period from July 1, to December 31, 2020), the Board of Directors decided to set Mr. Luca de Meo's gross variable compensation in respect of the 2020 financial year at €418,773.
Multiyear variable compensation	N/A	N/A	The Chief Executive Officer does not receive any multi-year variable compensation.

Exceptional compensation	N/A	N/A	The Chief Executive Officer does not receive any exceptional compensation.
Stock options, performance shares or any other long-term benefit (stock warrants, *etc*.)		75,000 performance shares = €1,165,827 (book value in respect of the 2020 financial year)	The Board of Directors of July 29, 2020 awarded 75,000 performance shares in respect of the 2020 financial year to the Chief Executive Officer, in accordance with the compensation policy approved by the General Meeting of June 19, 2020. This allocation of performance shares to the Chief Executive Officer represented 0.0254% of Renault SA's share capital. Out of these 75,000 performance shares, the number of shares definitively vested will depend on achievement of the following performance criteria: ▪ total shareholder return (TSR), for 20% maximum; ▪ free cash flow (FCF), for 30% maximum; ▪ percentage of models manufactured on the Alliance platforms, for 30% maximum; and ▪ global carbon footprint, for 20% maximum. These performance criteria will be measured over a cumulative three-year period (2020, 2021 and 2022).
Compensation for directorship	N/A	N/A	The Chief Executive Officer, as he is not a director, did not receive any compensation in this respect.
Benefits of any kind	€4,959	€4,959 (book value; pro-rated)	The Chief Executive Officer benefited from two company cars and one company car with driver. He also benefited from an international healthcare coverage, as well as the same life insurance and supplementary healthcare schemes as for employees working in France. In 2020, the Chief Executive Officer benefited from a relocation assistance service similar to the assistance provided for Groupe Renault's employees recruited abroad (tax and administrative procedures, removal costs, assistance in looking for accommodation, temporary housing, *etc*.).
Termination benefit	€0	€0	The Chief Executive Officer is entitled to a severance payment equal to the average of the last two years' gross fixed and variable annual compensation, payable in one instalment within six months of the departure, in the event of dismissal at the initiative of the Board of Directors and subject to the achievement of performance conditions set by the Board of Directors. This termination benefit will not be paid in the event of dismissal for serious or gross misconduct.

			The total termination benefit and non-compete indemnity, in the event of implementation of the non-compete agreement (see below), may not exceed two years of annual fixed and variable compensation. At its meeting held on February 13, 2020, the Board of Directors set the performance conditions for payment of the termination benefit. In order to receive this benefit, the following cumulative conditions should be met over the last two financial years preceding the departure (only one financial year in the event of departure during 2021): ▪ a minimum total achievement rate of 80% of the performance criteria for the annual variable compensation of the Chief Executive Officer; ▪ achievement of the Group's free cash flow target.
Non-compete indemnity	€0	€0	At its meeting held on February 13, 2020, the Board of Directors authorized the conclusion of a non-compete agreement with Mr. Luca de Meo. The Board of Directors considered that it is in Renault's interest to enter into this non-compete agreement which protects Groupe Renault's legitimate interests, given the particularly competitive nature of the automotive market, the importance of the functions and the recognized skills of Mr. Luca de Meo in this market, the means available to him, and the sensitive information he holds and to which he can have access. Under this agreement, Mr. Luca de Meo commits, as of the end of his term of office as Chief Executive Officer, not to engage, directly or indirectly, in an activity that competes with those of the Group, on his own behalf, on behalf of companies in the automotive design, construction and marketing sectors (mainly passenger cars and commercial vehicles), or on behalf of automotive suppliers. Application of this clause is limited to: ▪ a period of twelve (12) months following the date on which Mr. Luca de Meo effectively ceases to exercise his term of office; ▪ the countries of the European continent and Japan, as well as European and Japanese vehicle and equipment manufacturers.

			As consideration for his non-compete obligation, Mr. Luca de Meo will receive from the Company, during the period of application of the agreement (twelve months) and subject to there being no breach of this agreement, gross financial compensation corresponding to one year of gross annual compensation (fixed compensation and annual variable compensation paid in cash), payable in twelve monthly instalments. The gross annual compensation used for this calculation will be the one paid during the twelve months preceding the date of termination of the corporate office. In accordance with the recommendation of the AFEP-MEDEF Code at the time of Mr. Luca de Meo's departure, the Board of Directors of the Company will decide whether to apply this non-compete agreement and may unilaterally waive it. Furthermore, no compensation will be due in the event of retirement or if Mr. Luca de Meo has reached the age of 65.
Top-up pension scheme	€0	€0	During its meeting on February 13, 2020, the Board of Directors authorized a top-up pension scheme for Mr. Luca de Meo. The Board of Directors considered that implementing this scheme to the benefit of Mr. Luca de Meo allows the Company to retain and to promote the Chief Executive Officer's loyalty. The Chief Executive Officer's top-up pension scheme is identical to that arranged for the members of the Group Executive Committee (the so-called "Article 83" and "Article 82" plans). **a) Mandatory defined-contribution pension scheme (Article 83)** The contributions represent: ▪ 3.5% of the gross annual compensation between four and eight times the French Social Security cap (Band C), paid 2.5% by the Company and 1% by the Chief Executive Officer; ▪ then 8% of the gross annual compensation between eight and sixteen times the French Social Security cap (Band D), paid 5% by the Company and 3% by the Chief Executive Officer. The total amount of the contributions (both Company's and officer's share) is capped at a lump

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			sum equal to 8% of eight times the French Social Security Cap. For the 2020 financial year, the Company's contribution amounted to €8,484. **b) Optional defined-contribution pension scheme (Article 82)** The Chief Executive Officer benefits from the new defined-contribution pension scheme (Article 82) which was set up from July 1, 2020 for the benefit of the corporate officers and members of the Group's Executive Committee. This new scheme provides for the payment by the Company to a third-party entity (an insurer) of contributions equal to 12.5% of the gross annual compensation (fixed and variable) actually received. For the 2020 financial year, the Company's contribution to the insurer amounted to €81,250 for the benefit of the Chief Executive Officer. The contributions paid in this way do not benefit from any preferential tax or social security regime. For this reason, the Chief Executive Officer receives a lump-sum indemnity equal to the amount of the contribution paid on his behalf to the insurer. Payment of this indemnity to the Chief Executive Officer is concomitant to the payment of the contribution to the insurer and amounted to €81,250 for the 2020 financial year. The contributions and lump-sum indemnity amounts will be dependent on the Company's performance insofar as the calculation basis includes the variable portion of the compensation which is related to the Group's results.

Compensation of Ms Clotilde Delbos as interim Chief Executive Officer in 2020

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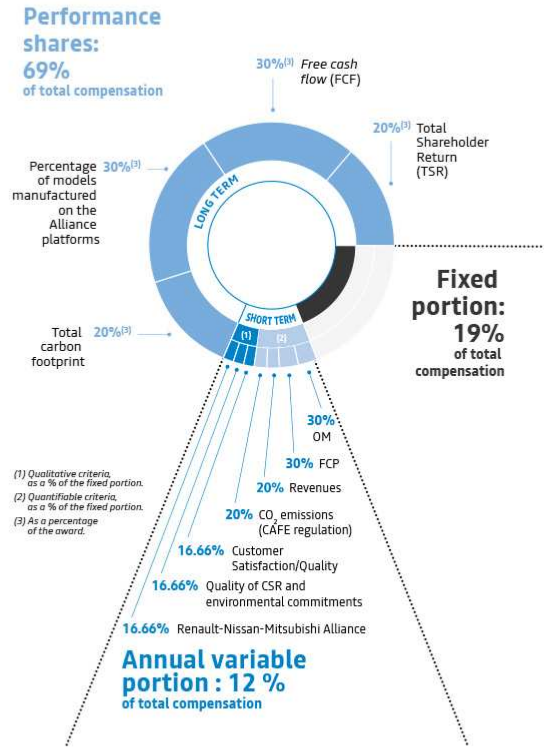

At its meeting of October 11, 2019, the Board of Directors decided to appoint, with immediate effect, Ms Clotilde Delbos as Chief Executive Officer of Renault SA, replacing Mr. Thierry Bolloré, for an interim period and until a new Chief Executive Officer is appointed.

Given the exceptional circumstances and transitory nature of the appointment of Ms Clotilde Delbos as interim Chief Executive Officer, the Board of Directors' meeting of November 8, 2019 decided, on the recommendation of the Governance and Compensation Committee, to maintain the employment contract between Ms Clotilde Delbos and Renault s.a.s for her functions as Group Chief Financial Officer, under the supervision of the Chairman of Renault s.a.s, Mr. Jean-Dominique Senard.

Consequently, the Board of Directors decided to maintain the compensation of Ms Clotilde Delbos in respect of her employment contract and to grant an additional compensation in respect of her new functions as interim Chief Executive Officer.

Ms Clotilde Delbos served as interim Chief Executive Officer until June 30, 2020.

Compensation components of Ms Clotilde Delbos as interim Chief Executive Officer

On the recommendation of the Governance and Compensation Committee, the compensation policy of the interim Chief Executive Officer for the 2020 financial year was set by the Board of Directors on February 13, 2020, then approved by the Annual General Meeting on June 19, 2020 (fifteenth resolution).

For more details on the compensation policy of the interim Chief Executive Officer for the 2020 financial year, see section "Compensation policy for the interim Chief Executive Officer (Ms Clotilde Delbos)" of the 2019 Securities Report.

The compensation components of Ms Clotilde Delbos for the 2020 financial year presented below are part of the information indicated in Article L. 22-10-9 I. of the French Commercial Code notably including the total compensation and benefits of any kind paid in respect of the their corporate offices during the 2020 financial year or awarded in respect of the same financial year to all directors and corporate officers. This information was submitted to a general vote in application of **I** of Article L. 22-

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10-34 of the French Commercial Code and approved during the Annual General Meeting of April 23, 2021.

Moreover, in application of **II** of Article L. 22-10-34 of the French Commercial Code, the Annual General Meeting of April 23, 2021 approved a specific draft resolution on the total compensation and benefits of any kind paid during the 2020 financial year or awarded in respect of the same financial year to Ms Clotilde Delbos in respect of her office as interim Chief Executive Officer.

It is recalled that the payment of the variable compensation to the interim Chief Executive Officer for the 2020 financial year is subject to the approval by the Annual General Meeting of April 23, 2021 of the components of the overall compensation and of benefits of any kind paid or allocated to the interim Chief Executive Officer for the 2020 financial year.

The total compensation of the interim Chief Executive Officer for the 2020 financial year corresponds to the strict implementation of her compensation policy, which has not been adjusted despite the major disruptions caused by the Covid-19 crisis.

The table below presents the information for the specific vote on the compensation components of Ms Clotilde Delbos, interim Chief Executive Officer:

Compensation components submitted for approval	Amounts paid during the past financial year	Amounts awarded in respect of the past financial year or book value	Presentation
Fixed compensation 2020	**€162,456** (from January 1 to June 30, 2020)	**€185,665** (from January 1 to June 30, 2020)	The annual fixed compensation of Ms Clotilde Delbos in respect of her office as interim Chief Executive Officer for 2020 was set at a gross amount of €371,329, payable in twelve monthly instalments (this amount was paid pro-rated from January 1, 2020 until the end of the corporate office on June 30, 2020). In a spirit of responsibility towards all of the Group's stakeholders who have made efforts or experienced the effects of the coronavirus crisis around the world, Ms Clotilde Delbos has decided, in agreement with the Board of Directors, to reduce her compensation by 25% for the second quarter of 2020. Ms Clotilde Delbos, who also benefits from annual fixed compensation of €528,671 in respect of her employment contract with Renault s.a.s (see paragraph "Compensation components of Ms Clotilde Delbos in respect of her employment contract with Renault s.a.s" below), benefits, therefore, from a total fixed compensation equal to €900,000 on an annual basis (amount paid on a pro rata basis from January 1, 2020 until the end of the corporate office on June 30, 2020).
Annual variable compensation	**€42,153** (amount awarded in respect of the 2019 financial year and paid in 2020)	**€104,665** (amount awarded in respect of the 2020 financial year and payable in 2021)	The interim Chief Executive Officer's annual variable portion fully payable in cash corresponds to a percentage of the fixed portion that may reach 150% if all performance objectives are fully achieved. On February 18, 2021, on the recommendation of the Governance and Compensation Committee, the Board of

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			Directors set the rate of achievement of the performance criteria that determine the amount of annual variable compensation for the interim Chief Executive Officer in respect of the 2020 financial year. **Achievement rate of the criteria of the annual variable compensation for the 2020 financial year (expressed as a percentage of the annual fixed compensation):**

	Maximum %	Awarded %
Quantifiable criteria	**100%**	**20%**
Group operating margin (Group OM)	*30%*	*0%*
Free cash-flow (FCF)	*30%*	*0%*
Group Revenues	*20%*	*0%*
▪ *CO_2 emissions*	*20%*	*20%*
Qualitative criteria	**50%**	**44.43%**
Renault-Nissan-Mitsubishi Alliance	*16.66%*	16.66%
Quality of CSR and environmental commitments	*16.66%*	16.66%
▪ *Customer satisfaction / Quality*	*16.66%*	11.11%
TOTAL	**150%**	**64.43%**

			Assessment of the achievement of the performance criteria **1. Quantifiable criteria** related to financial performance The achievement rates of the qualitative criteria should be assessed in the context of the Covid-19 pandemic, which rendered this exercise very complicated. 20% (out of a maximum of 100%) of the quantifiable criteria were met, according to the following breakdown: ▪ 0% (out of a maximum of 30%) for the Group operating margin criterion. ▪ Group operating margin was 3.7% in the 2020 budget and the actual Group operating margin for 2020 was -0.8%; ▪ 0% (out of a maximum of 30%) for the free cash flow (FCF) criterion. ▪ FCF (before restructuring costs) was €150 million in the 2020 budget and amounted to €-4,212 million at December 31, 2020;

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			▪ 0% (out of a maximum of 20%) for the Group revenues criterion. ▪ Revenues were €55.5 billion in the 2020 budget and amounted to €43.5 billion for 2020; ▪ 20% (out of a maximum of 20%) for the CO_2 emissions criterion (CAFE regulation). ▪ The Group's CAFE performance in 2020 was 102.72g, (these results should be consolidated and formalized by the European Commission in the coming months), below the regulatory ceiling of 103.46g.
			2. Qualitative criteria 44.43% (out of a maximum of 50%) of the qualitative criteria were met, according to the following breakdown: **a) Renault-Nissan-Mitsubishi Alliance:** 16.66% (out of a maximum of 16.66%) ▪ ▪ All indicators related to this criterion have been met or exceeded: ▪ *Meetings of the Alliance Operating Board*: despite an environment severely disrupted by the pandemic and the priority given by each company of the Alliance to optimise its own cost structure as quickly as possible, work meetings of the Alliance Operating Board have been maintained in order to make further progress on ongoing joint projects. The number of meetings scheduled has therefore been reached. Due to health restrictions, these meetings were held by videoconference, but they kept the momentum of the projects under consideration. In particular, the Board valued the presentation of the Alliance's new cooperation model by the management teams of the 3 companies to journalists and analysts on May 27, 2020 in Paris, Yokohama and Tokyo. ▪ On the recommendation of the Governance and Compensation Committee, the Board has considered that this indicator has been achieved; ▪ *Implementation of leader/follower projects*: the leader/follower concept, which leads to a rationalisation of the financial efforts allocated to developments, was announced in January 2020. The portfolio of joint projects was presented in May 2020 and since then this model has continued to be deployed. A certain number of technical developments (platforms, components, electronic architectures, *etc.*) have been reviewed in order to integrate them into this approach. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that

			the number of projects reviewed met the expectations and considered that this indicator had been achieved; ▪ *Formalization of the regional optimization plans*: the formalization of a geographical optimisation plan was carried out. The members of the Alliance explored the rationalisation of regional structures in order to assess their potential advantages and disadvantages and determine which ones would be the most meaningful. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that the formalization process was consistent with the commitments. ▪ *Number of new partnership projects*: the Alliance is constantly looking for opportunities for cooperation and partnerships in order to optimise the use of available resources. An agreement has been reached with Daimler to continue cooperation on the new generation of compact light commercial vehicles to be launched in 2021. Other projects are being studied with various partners. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved. **b) Quality of CSR and environmental commitments**: 16.66% (out of a maximum of 16.66%) ▪ All indicators related to this criterion have been met or exceeded: ▪ *Health and safety (accident frequency rate)*: workplace safety objectives are measured in particular by the FR1 rate (frequency rate of accidents at work for Renault employees requiring outside care); the FR1 rate decreased in 2020 and stands at 1.33%, i.e. beyond the target which was set at 1.5%. There was also a notable drop in the most serious accidents; ▪ *Gender pay-gap ratio*: specific actions in each country led to a reduction in the average wage gap between men and women. The target of an average gap of 4.1% has been exceeded to reach a rate of 2.8% by the end of 2020; ▪ *Car recycling rate*: the car recycling rate had been achieved; ▪ *Maintaining good employee-employer relations worldwide and particularly in France (measured by the rate of commitment in the employee satisfaction survey)*: despite a very difficult context linked to the Covid-19 crisis, the rate of 76% was reached in 2020 (the same as in 2019).

			c) Customer satisfaction / Quality: 11.11% (out of a maximum of 16.66%) ▪ Out of three indicators related to this criterion, two have been achieved: ▪ *Incident rate:* this indicator, called GMF 3MIS WORLD, is a measurement of the number of incidents on vehicles after three months on the road. The reduction of this rate has been achieved with, at the end of September 2020, a 16% reduction compared to the previous year for an annual reduction target of 15%. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved; ▪ *Number of complaints per vehicle:* this indicator was not available because the survey was stopped in the course of the year due to the Covid-19 crisis. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had not been achieved; ▪ *Customer satisfaction level:* this level is measured through satisfaction surveys conducted among customers who visited Groupe Renault's sales and after-sales dealerships. Each customer gives a score and the final result is the dealer's Net Promotor Score (NPS). This NPS is then consolidated by country by summing up all the dealers' NPS in the country. This KPI aims to significantly improve the NPS in at least 80% of Renault's 16 largest markets (France, Germany, Italy, Spain, United Kingdom, Poland, Belgium, Romania, Russia (excluding Lada in 2020), Turkey, Morocco, India, Argentina, Brazil, Colombia, South Korea). The result obtained on this scope was 81%, exceeding the target set. ▪ On the recommendation of the Governance and Compensation Committee, the Board considered that this indicator had been achieved. Having noted that the overall rate of achievement of the performance criteria was 64.43% for the 2020 financial year and recalling that Ms Clotilde Delbos' gross annual fixed compensation was €162,456 for her term of office during the 2020 financial year (the gross annual amount of €371,329 prorated over the period from January 1 to June 30, 2020, and reduced by 25% for the second quarter of 2020 in a spirit of responsibility towards all of the Group's stakeholders who have made efforts or experienced the effects of the Covid-19 crisis), the Board of Directors decided to set Ms Clotilde Delbos' gross variable compensation in respect of the 2020 financial year at €104,665.

			Ms Clotilde Delbos also benefits, pursuant to her employment contract with Renault s.a.s, from a variable compensation that may reach 150% of her base salary if all performance objectives are met (see paragraph "Compensation components of Ms Clotilde Delbos in respect of her employment contract with Renault s.a.s" below).
Multiyear variable compensation	N/A	N/A	The interim Chief Executive Officer does not receive any multi-year variable compensation.
Exceptional compensation	N/A	N/A	The interim Chief Executive Officer does not receive any exceptional compensation.
Stock options, performance shares or any other long-term benefit (stock warrants, *etc*.)		27,500 performance shares = €582,374 (book value in respect of the 2020 financial year)	The Board of Directors of February 13, 2020 awarded 27,500 performance shares in respect of the 2020 financial year to the interim Chief Executive Officer. This allocation of performance shares to the interim Chief Executive Officer represented 0.0092% of Renault SA's share capital. Out of these 27,500 performance shares, the number of shares definitively vested will depend on achievement of the following performance criteria: ▪ total shareholder return (TSR), for 20% maximum; ▪ free cash flow (FCF), for 30% maximum; ▪ percentage of models manufactured on the Alliance platforms, for 30% maximum; and ▪ global carbon footprint, for 20% maximum. These performance criteria will be measured over a cumulative three-year period (2020, 2021 and 2022). Ms Clotilde Delbos was also granted 20,000 performance shares under her employment contract for the 2020 financial year (see paragraph "Compensation components of Ms Clotilde Delbos in respect of her employment contract with Renault s.a.s" below).
Compensation for directorship	N/A	N/A	The interim Chief Executive Officer, as she is not a director, did not receive any compensation in this respect.
Benefits of any kind	N/A	N/A	The interim Chief Executive Officer does not receive benefits of any kind in respect of her corporate office. It should be noted that Ms Clotilde Delbos benefits from certain benefits in kind under her employment contract with Renault s.a.s (see paragraph "Compensation components of Ms Clotilde Delbos in respect of her employment contract with Renault s.a.s" below).

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Termination benefit	N/A	N/A	The interim Chief Executive Officer does not benefit from any termination benefit.
Non-compete indemnity	N/A	N/A	Renault SA has not signed a specific non-compete agreement with Ms Clotilde Delbos in respect of her corporate office. Ms Clotilde Delbos is bound by a non-compete agreement in respect of her employment contract with Renault s.a.s.
Top-up pension scheme		€0	The interim Chief Executive Officer benefits from a top-up pension scheme identical to that arranged for the members of the Group Executive Committee (the so-called "Article 83" and "Article 82" plans). a**) Mandatory defined-contribution pension scheme (Article 83)** The contributions represent: ▪ 3.5% of the gross annual compensation between four and eight times the French Social Security cap (Band C), paid 2.5% by the Company and 1% by the interim Chief Executive Officer; ▪ then 8% of the gross annual compensation between eight and sixteen times the French Social Security cap (Band D), paid 5% by the Company and 3% by the interim Chief Executive Officer. The total amount of the contributions (both Company's and officer's share) is capped at a lump sum equal to 8% of eight times the French Social Security Cap. For the 2020 financial year, the contribution ceiling having been reached as a result of the amounts contributed under Ms Clotilde Delbos' employment contract with Renault s.a.s, the Company's contribution for her corporate office as interim Chief Executive Officer amounted to €0. b**) Optional defined-contribution pension scheme (Article 82)** The interim Chief Executive Officer benefits from the new defined-contribution pension scheme (Article 82) which was set up from July 1, 2020 for the benefit of the corporate officers and members of the Group's Executive Committee.

			This new scheme provides for the payment by the Company to a third-party entity (an insurer) of contributions equal to 12.5% of the gross annual compensation (fixed and variable) actually received. For the 2020 financial year, these contributions to the insurer amounted to €20,307 for the benefit of the interim Chief Executive Officer. The contributions paid in this way do not benefit from any preferential tax or social security regime. For this reason, the interim Chief Executive Officer receives a lump-sum indemnity equal to the amount of the contribution paid on her behalf to the insurer. Payment of this indemnity to the interim Chief Executive Officer is concomitant to the payment of the contribution to the insurer and amounted to €20,307 for the 2020 financial year. The contributions and lump-sum indemnity amounts will be dependent on the Company's performance insofar as the calculation basis includes the variable portion of the compensation which is related to the Group's results.

Compensation components of Ms Clotilde Delbos in respect of her employment contract with Renault s.a.s

It is recalled that when Ms Clotilde Delbos was appointed as interim Chief Executive Officer, the Board of Directors decided to maintain her employment contract as Group Chief Financial Officer with Renault s.a.s and the associated compensation, given the exceptional circumstances and transitory nature of the situation.

Pursuant to her employment contract with Renault s.a.s, the compensation elements and benefits of any kind paid to Ms Delbos in respect of the 2020 financial year are as follows:

- annual fixed compensation in respect of the 2020 financial year of €556,293 paid in twelve monthly instalments;
- variable compensation of €476,232 allocated in respect of the 2019 financial year and paid in 2020; variable compensation in respect of the 2020 financial year will be determined, as for all Renault s.a.s employees, in April 2021, after taking into account the assessment of individual objectives;
- long-term compensation allocated in respect of the 2020 financial year in the form of 20,000 performance shares;
- a profit-sharing payment of €30,393 in respect of the 2019 financial year paid in 2020;
- other benefits (two company cars) valued at €8,637 in respect of the 2020 financial year;
- a non-compete agreement; and
- the benefit of a top-up collective pension scheme arranged for the members of the Groupe Renault's Executive Committee which includes a mandatory defined-contribution scheme (Article 83) and an optional defined-contribution scheme (Article 82).

These compensation components related to the employment contract and not the corporate office are not submitted for shareholders' appproval at the Annual General Meeting on April 23, 2021.

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Summary tables of the corporate officers' compensation

The following tables have been drawn up pursuant to the recommendations of the AFEP-MEDEF Code.

TABLE 1 – SUMMARY OF THE COMPENSATION, OPTIONS, AND SHARES ALLOCATED TO THE EXECUTIVE CORPORATE OFFICERS

(TABLE NO. 1 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

(in euros)	**2020**	2019	2018
Luca de Meo – Chief Executive Officer (from July 1st, 2020)			
Compensation allocated for the financial year (details provided in table 2)	1,073,732	N/A	N/A
Valuation of options allocated during the financial year (details provided in table 4)	None	N/A	N/A
Valuation of performance shares allocated during the financial year (details provided in table 6)	1,165,827	N/A	N/A
Valuation of other long-term compensation plans	None	N/A	N/A
TOTAL	**2,239,559**	**-**	**-**
Clotilde Delbos – Interim Chief Executive Officer (until June 30th, 2020)			
Compensation allocated for the financial year (details provided in table 2)	267,121	125,460	N/A
Valuation of options allocated during the financial year (details provided in table 4)	None	None	N/A
Valuation of performance shares allocated during the financial year (details provided in table 6)	582,374	None	N/A
Valuation of other long-term compensation plans	None	None	N/A
TOTAL	**849,495**	**125,460**	**-**

TABLE 2 – SUMMARY OF THE EXECUTIVE CORPORATE OFFICERS' COMPENSATION

(TABLE NO. 2 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

	2020 amounts		2019 amounts		2018 amounts	
(in euros)	Allocated	Paid	Allocated	Paid	Allocated	Paid
Luca de Meo – Chief Executive Officer (from July 1st, 2020)						
Fixed compensation	650,000	650,000	N/A	N/A	N/A	N/A
Annual variable compensation	418,773	0	N/A	N/A	N/A	N/A
Exceptional compensation	0	0	N/A	N/A	N/A	N/A
Compensation allocated for directorship	N/A	N/A	N/A	N/A	N/A	N/A
Benefits of any kind	4,959	4,959	N/A	N/A	N/A	N/A
TOTAL	**1,073,732**	**654,959**	**-**	**-**	**-**	**-**
Clotilde Delbos – Interim Chief Executive Officer (until June 30th, 2020)						
Fixed compensation	162,456	162,456	83,307	83,307	N/A	N/A
Annual variable compensation	104,665	42,153	42,153	0	N/A	N/A
Exceptional compensation	0	0	0	0	N/A	N/A
Compensation allocated for directorship	N/A	N/A	N/A	N/A	N/A	N/A
Benefits of any kind	0	0	0	0	N/A	N/A
TOTAL	**267,121**	**204,609**	**125,460**	**83,307**	**-**	**-**

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TABLE 3 – SUMMARY OF BENEFITS FOR EXECUTIVE CORPORATE OFFICERS

(TABLE NO. 11 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

Executive corporate officers	Employment contract	Top-up pension scheme	Payments and benefits due or liable to be due following cessation/change of office	Payments arising from a non-compete agreement	Other compensation
Luca de Meo Chief Executive Officer Start of term: July 2020 End of term: current	No	Yes	Yes	Yes	No
Clotilde Delbos Interim Chief Executive Officer Start of term: October 2019 End of term: June 2020	Yes	Yes	No*	No*	No

** On the recommendation of the Governance and Compensation Committee, the Board of Directors decided at its meeting on November 8, 2019 to maintain Ms Clotilde Delbos'compensation under her employment contract with Renault s.a.s. and to award her additional compensation for her new duties as interim Chief Executive Officer. Ms Clotilde Delbos is bound by a non-compete agreement under her employment contract with Renault s.a.s. and she might be entitled to severance pay under this employment contract in accordance with applicable regulations*

TABLE 4 – STOCK OPTIONS ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER

(TABLE NO. 4 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

No stock options were allocated to the executive corporate officers during the financial year.

TABLE 5 – STOCK OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

(TABLE NO. 5 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

Mr. Luca de Meo does not hold any stock options.

Ms Clotilde Delbos does not hold any stock options.

TABLE 6 – PERFORMANCE SHARES ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER

(TABLE NO. 6 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

	Number and date of the plan	Number of shares	Value of performance shares using the method adopted for consolidated accounts	Acquisition date	Availability date	Performance conditions
Luca de Meo	N° 27 2020/07/29	75,000	€1,165,827	2023/07/29	2023/07/29	Yes
Clotilde Delbos	N° 27 2020/02/13	27,500	€582,374	2023/02/13	2023/02/13	Yes

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TABLE 7 – PERFORMANCE SHARES ALLOCATED TO EACH EXECUTIVE CORPORATE OFFICER WHICH BECAME AVAILABLE DURING THE FINANCIAL YEAR

(TABLE NO. 7 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

	Number and date of the plan	Number of shares becoming available during the financial year	Vesting conditions
Luca de Meo	N/A	N/A	N/A
Clotilde Delbos*	N° 24 2016/04/29	20,000	Performance conditions and presence condition
** The 20,000 performance shares delivered to Ms Clotilde Delbos on June 12, 2019 under the 2016 plan were granted to her under her employment contract with Renault s.a.s as she was not a corporate officer at the date of the grant. They became available on June 12, 2020.*			

Compensation of directors in 2020

Pursuant to the provisions of Article L. 225-45 of the French Commercial Code, the Annual General Meeting may allocate compensation to the directors, the amount of which is maintained until a new decision. The Combined General Meeting on June 15, 2018 set the annual compensation amount to be divided among the directors for the 2018 financial year and subsequent financial years at €1,500,000, until the Annual General Meeting decides otherwise.

The policy for allocating directors' compensation adopted by the Board of Directors on October 18, 2019 sets a maximum annual amount of directors' compensation for participation in Board of Directors' meetings and meetings of each of the committees, which will include:

- a fixed portion;
- a variable portion which depends on the effective attendance of members at Board of Directors and/or committee meetings.

The variable portion relating to effective attendance at Board of Directors and committee meetings is predominant compared to the fixed portion, in compliance with the recommendation 21.1 of the AFEP-MEDEF Code.

This compensation policy for directors was approved by the General Meeting of June 19, 2020 (sixteenth resolution).

The table below sets out the rules for calculating directors' compensation in 2020:

	Annual fixed portion	Annual variable portion	Total individual amounts	Additional annual fixed portion for Chairmanship	Additional annual fixed portion for Lead Independent Director
Board of Directors	€18,000	€35,000	€53,000	€0	€20,000
CARC	€5,000	€15,000	€20,000	€20,000	-
Committees (excluding CARC)	€5,000	€10,000	€15,000	€10,000	-

It is reminded that the Chairman of the Board of Directors does not receive any compensation for his directorship.

Directors' compensation for the 2020 financial year will be paid in one instalment in 2021.

It is specified that the three directors representing employees and the director representing employee shareholders hold employment contracts within subsidiaries of the Company and receive in this respect remuneration that is not related to the exercise of their directorship. Therefore, such remuneration will not be disclosed.

In addition, directors are entitled to reimbursement of expenses incurred by them in the exercise of their office, in particular any travel and accommodation expenses in connection with meetings of the Board of Directors and of committees.

Pursuant to the rules of the compensation policy approved by the General Meeting of June 19, 2020, the theoretical total gross amount of compensation attributable to directors for the 2020 financial year amounts to €1,265,861.

However, given the coronavirus pandemic in the world, and in a spirit of responsibility towards all of the Group's stakeholders who have made efforts or experienced the effects of this unprecedented crisis, the directors unanimously decided on April 9, 2020, to reduce their compensation by 25% for the 2020 financial year. Consequently, the total gross compensation allocated to directors for the 2020 financial year amounts to €949,396.

The individual amounts of directors' compensation, accordingly reduced by 25%, are shown in the table below and will be paid in one lump sum in 2021.

Directors currently in office did not receive any compensation or benefit of any kind from Renault SA or the companies it controls in 2021 other than what is indicated in the table below.

TABLE ON THE COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

(TABLE NO. 3 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

The gross amounts are calculated using the calculation and distribution methods for directors' compensation adopted by the Board of Directors and approved by the General Meeting of June 19, 2020.

	2020 financial year		2019 financial year	
Directors	Amounts allocated for the 2020 financial year ** *(in euros)*	Amounts paid during the 2020 financial year * *(in euros)*	Amounts allocated for the 2019 financial year * *(in euros)*	Amounts paid during the 2019 financial year *(in euros)*
Mr. Senard	0	0	0	-
Ms Barba	62,250	77,514	77,514	77,499
Mr. Barrat (1)	51,000	62,980	62,980	58,374
Ms Bensalah-Chaqroun	45,063	59,105	59,105	48,396
Ms Blair (2)	-	45,055	45,055	66,708
Mr. Courbe (3)	42,563	53,130	53,130	4,500
Ms Darmaillac	69,750	96,893	96,893	75,600
Mr. Desmarest (4)	-	-	-	11,550
Mr. Derez (5)	49,667	84,781	84,781	41,213
Mr. Faure (3) (6)	-	-	-	32,625
Mr. Fleuriot	69,750	104,806	104,806	28,613
Mr. Gentil (1)	48,813	68,794	68,794	58,374
Mr. Ghosn (2)	-	0	0	48,000
Mr. Ladreit de Lacharrière (7)	-	-	-	24,150
Mr. Lagayette (2)	-	119,278	119,278	76,650
Mr. Ostertag (1)	64,125	94,955	94,955	74,520
Mr. Personne (1)	62,250	102,706	102,706	77,004

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Ms Qiu [5]	34,667	78,968	78,968	72,594
Ms Serizawa	51,000	68,309	68,309	47,088
Ms Sourisse	69,750	88,657	88,657	49,350
Mr. Tagawa [8]	0	-	-	-
Mr. Thomas	73,500	91,079	91,079	86,975
Mr. Vial [3]	61,625	102,706	102,706	105,000
Ms Winkler [9]	57,875	29,552	29,552	-
Mr. Yamauchi [10]	35,750	70,732	70,732	56,244

** The amounts of compensation allocated to Directors for the 2019 financial year and paid in 2020 have been reduced compared with the strict application of the rules for allocating the overall budget approved by the General Meeting of June 15, 2018. Indeed, the total gross amount of directors' compensation (€2,294,750) being greater than the overall budget of €1,500,000, a reduction coefficient of approximately 35.4% was applied to the individual compensation of each Director.*

*** The amounts disclosed in the table correspond to the actual amounts allocated to Directors after taking into account the 25% reduction decided by the Board of Directors.*

(1) The compensation payable to the Directors representing the employees and the Director representing the employee shareholders for their corporate office is paid to their respective trade unions.

(2) Director whose term of office ended on June 12, 2019.

(3) Director representing the French State. The compensation allocated to Mr. Courbe and Mr. Vial is paid to the State budget pursuant to Order no. 2014-948 of August 20, 2014.

(4) Director whose term of office ended on February 15, 2018.

(5) Director whose term of office ended on June 19, 2020.

(6) Director whose term of office ended on October 5, 2018.

(7) Director whose term of office ended on June 15, 2018.

(8) Director co-opted on April 29, 2020. This cooptation was ratified by the General Meeting of June 19, 2020. In accordance with Nissan's internal policy, which provides that its employees serving on Renault's Board of Directors shall waive all compensation for such office, Mr. Joji Tagawa will not receive any compensation for his office as a Director of Renault.

(9) Director whose term of office ended on June 12, 2019.

(10) Director whose term of office ended on April 23, 2020.

Comparison of compensation levels between corporate officers and employees

In accordance with the provisions of Article L. 22-10-9 of the French Commercial Code, the ratios for measuring the differences between the compensation for the Company's corporate officers and employees are presented in the table below.

These elements are part of the information mentioned in Article L. 22-10-9 I. of the French Commercial Code and will be subject to a general vote pursuant to Article L.22-10-34 of the French Commercial Code at the Shareholders' Meeting of April 23, 2021.

Methodology for calculating the ratios

Under the terms of Article L. 22-10-9, the scope to be considered for calculating the indicators is that of the listed company issuing the corporate governance report. However, as Renault SA does not have any employees, the indicators were calculated based on the compensation of the France-based employees of Renault s.a.s, Société de Transmissions Automatiques (STA) and Sofrastock, all wholly-owned subsidiaries of Renault SA, i.e. 31,600 people who were employed in 2020. The scope of these three companies represents 84% of the employees of the Groupe Renault's French automotive subsidiaries as at December 31, 2020.

Compensation presented in the table includes the following components:

- fixed compensation paid during the indicated financial year;
- variable compensation paid during the indicated financial year;
- compensation for directorship, if applicable, paid during the indicated financial year;
- book value of the benefits in kind paid during the indicated financial year;
- performance shares allocated during the indicated financial year (at IFRS value);
- profit-sharing and incentive bonuses paid during the indicated financial year.

Compensation for both employees and corporate officers of Renault s.a.s, Société de Transmissions Automatiques and Sofrastock has been annualized.

The relevant corporate officers for this comparison are the Chairman of the Board of Directors, the Chief Executive Officer and the Chairman and Chief Executive Officer, the latter function having existed within the Group up to January 24, 2019.

The compensation presented is related to the function and not to the person, so that a change in executive corporate officer for a same function does not impact the presentation of the information over the five-year period. For the 2020 financial year, the Chief Executive Officer's compensation was thus annualized on the basis of the compensation paid to Ms Clotilde Delbos in respect of her office for the period from January 1 to June 30, 2020 and the compensation paid to Mr. Luca de Meo for the period from July 1 to December 31, 2020.

PRESENTATION OF THE RATIOS

		2020	**2019**	**2018**	**2017**	**2016**
CHAIRMAN AND CHIEF EXECUTIVE OFFICER	Annual compensation	-	-	€5,521,258	€7,292,183	€7,380,125
	Variation (N/N-1) in %			*-24%*	*-1%*	*2%*
	Ratio / average compensation of employees			92	121	125
	Variation (N/N-1) in %			*-25%*	*-3%*	*-1%*
	Ratio / median compensation of employees			115	152	158
	Variation (N/N-1) in %			*-24%*	*-4%*	*0%*
CHAIRMAN OF THE BOARD OF DIRECTORS	Annual compensation	€378,975	€453,499	-	-	-
	Variation (N/N-1) in %	*-16%*				
	Ratio / average compensation of employees	*7*	*7*	-	-	-
	Variation (N/N-1) in %	*-8%*				
	Ratio / median compensation of employees	8	9	-	-	-
	Variation (N/N-1) in %	*-9%*				
	Annual compensation	€2,606,926	€3,401,812	-	-	-
	Variation (N/N-1) in %	*-23%*				

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CHIEF EXECUTIVE OFFICER	*Ratio / average compensation of employees*	47	56	-	-	-
	Variation (N/N-1) in %	*-15%*				
	Ratio / median compensation of employees	58	70	-	-	-
	Variation (N/N-1) in %	*-17%*				
EMPLOYEES	Average compensation	€55,124	€60,823	€60,324	€60,107	€58,843
	Variation (N/N-1) in %	*-9%*	*1%*	*0%*	*2%*	*3%*
	Median compensation	*€44,851*	*€48,824*	*€48,018*	*€47,969*	*€46,591*
	Variation (N/N-1) in %	*-8%*	*2%*	*0%*	*3%*	*2%*
GROUP PERFORMANCE	Group operating margin, in %	-0.8%	4.8%	6.3%	6.4%	6.4%
	Variation (N/N-1) in %	*-113%*	*-24%*	*-2%*	*0%*	*23%*

The decrease in the Chief Executive Officer's compensation in 2020 is mainly explained by the absence of variable compensation payments to Mr. Luca de Meo in 2020 (given his arrival on July 1, 2020) and by a lower valuation of the performance share plan (given the decline in the share price).

The decrease in average and median compensation of employees in 2020 is mainly explained by the decrease in variable compensation (bonuses and profit-sharing) and by the impact of partial activity (which reduces the gross compensation taken into account for this ratio, even though net compensation of employees has been maintained pursuant to the agreements implemented to protect employees against the consequences of the health crisis).

Compensation policies for the directors and corporate officers for the 2021 financial year

At its meeting on February 18, 2021, on the recommendation of the Governance and Compensation Committee, the Board of Directors set the compensation policies for the Chairman of the Board of Directors (section “Compensation policy for the Chairman of the Board of Directors” below), the Chief Executive Officer (section “Compensation policy for the Chief Executive Officer” below) and the directors (section “Compensation policy for directors for the 2021 financial year” below) for the 2021 financial year.

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the compensation policies for directors and corporate officers for the 2021 financial year was submitted to and approved by the Company’s Annual General Meeting held on April 23, 2021.

It should be noted that payment of potential variable compensation component for the 2021 financial year is subject to the subsequent approval, by an Ordinary General Meeting of the Company, of the components of the overall compensation and the benefits of any kind paid or allocated for the 2021 financial year.

Compensation policy for the Chairman of the Board of Directors

Draft resolution submitted to the Annual General Meeting of April 23, 2021 pursuant to Article L. 22-10-8 of the French Commercial Code

Seventeenth resolution – Approval of the compensation policy for the Chairman of the Board of Directors for the 2021 financial year

The Annual General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code describing the elements of the compensation policy for corporate officers set by the Board of Directors, approves, pursuant to Article L. 22-10-

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8 of the French Commercial Code, the compensation policy for the Chairman of the Board of Directors, as set out in chapter 3.2.4.1 of the Company's 2020 Universal registration document.

Annual fixed compensation

The fixed annual compensation of the Chairman of the Board of Directors reflects the responsibilities and duties assumed and attached to this corporate office, as well as the level of skills, experience and career path of the person holding this position.

The annual fixed compensation for 2021 remains at a gross amount of €450,000 payable in twelve monthly instalments.

In line with his non-executive role and in accordance with best market practice in France, the Chairman of the Board of Directors does not receive any short-term or long-term variable compensation in cash or in the form of performance shares.

Annual variable compensation

The Chairman of the Board of Directors will not receive any annual variable compensation.

Multiyear variable compensation

The Chairman of the Board of Directors will not receive any multiyear variable compensation.

Exceptional compensation

The Chairman of the Board of Directors will not receive any exceptional compensation in respect of the 2021 financial year.

Long-term compensation

The Chairman of the Board of Directors will not receive any long-term compensation.

Compensation for directorship

The Chairman of the Board of Directors will not receive any compensation in respect of his office as director.

Benefits of any kind

The Chairman of the Board of Directors benefits from two company cars, including one with driver. He also benefits from the same life insurance and supplementary healthcare schemes as employees working in France.

Service provision agreements

No service provision agreement will be entered into between the Company and the Chairman of the Board of Directors.

Sign-on bonus

The Chairman of the Board of Directors does not receive any sign-on bonus.

Termination benefits

The Chairman of the Board of Directors does not benefit from any termination benefit, non-compete indemnity or top-up pension scheme.

Compensation policy for the Chief Executive Officer

During its meeting on February 18, 2021, the Board of Directors, on the recommendation of the Governance and Compensation Committee, set the compensation policy for the Chief Executive Officer for the 2021 financial year.

Draft resolution submitted to the Annual General Meeting of April 23, 2021 pursuant to Article L. 22-10-8 of the French Commercial Code

Eighteenth resolution – Approval of the compensation policy for the Chief Executive Officer for the 2021 financial year

The Annual General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code describing the elements of the compensation policy for corporate officers set by the Board of Directors, approves, pursuant to Article L. 22-10-8 of the French Commercial Code, the compensation policy for the Chief Executive Officer, as set out in chapter 3.2.4.2 of the Company's 2020 Universal registration document.

The compensation of the Chief Executive Officer takes into account the responsibilities and duties assumed and that are inherent to this corporate office, as well as the level of skills, experience, and the career path of the person holding this position.

It is based on an analysis done by the Governance and Compensation Committee on the levels of fixed compensation for Chief Executive Officers within CAC 40 companies and international automotive groups (Stellantis, General Motors, Ford, Honda, Daimler, BMW, Volkswagen, Volvo, and Toyota).

Pursuant to the principles of the compensation policy, the Chief Executive Officer's compensation for 2021 consists of:

- a fixed portion, corresponding to a fixed compensation in cash determined in line with the role, level of responsibility, and experience of the executive corporate officer;
- a portion subject to performance conditions, comprising two distinct sub-components:
- annual variable compensation: this aims to ensure that part of the compensation of the executive corporate officer depends on the Company's main operational, financial, and managerial objectives being achieved during the year,
- long-term compensation: this consists of performance shares, designed to strengthen the alignment of the interests of the executive corporate officer with those of shareholders by making their vesting subject to the achievement of performance criteria assessed over a period of three years. In addition to the performance criteria, the vesting of shares is subject to a presence condition of three years following the allocation of the performance shares.

In addition to these compensation components, the Chief Executive Officer may benefit from top-up pension schemes, a termination benefit in the event of dismissal and a non-compete agreement.

Annual fixed compensation

The annual fixed compensation of the Chief Executive Officer remains unchanged compared to that of 2020 and is set at a gross amount of €1,300,000, payable in twelve monthly instalments.

Annual variable compensation

The amount of annual variable compensation may reach 150% of the fixed compensation paid if all performance criteria are fully achieved. The annual variable compensation will be fully paid in cash.

For the 2021 financial year, the performance criteria set by the Board of Directors include five quantifiable criteria and three qualitative criteria. The Board of Directors has deemed these to be key indicators of Groupe Renault's performance and in particular in the implementation of the new "Renaulution" strategic plan.

Quantifiable criteria for the 2021 financial year (0% to 100% of fixed compensation)

The new strategic plan "Renaulution" was presented in January 2021, aiming to shift Groupe Renault's strategy from the search for volumes to value creation. The first phase of this "Renaulution" strategic plan will run until 2023 and will focus on improving margins and cash generation. In order to ensure a close link between the Group's strategy and the compensation policy, it is therefore proposed, as compared to the compensation policy for 2020, to remove one criterion and to add two new criteria:

- the "Return on Capital Employed (ROCE)" criterion replaces the "Turnover" criterion in order to give priority to profitability objectives based on capital employed, in line with the new value creation strategy; and;

- the "Fixed Costs (FC)" criterion has been added since the reduction of fixed costs is key for the first phase "Resurrection" of the strategic plan in order to ensure the success of the second phase "Renovation" of the plan.

In addition, the other criteria of the 2020 compensation policy are maintained because of their importance for the Group. These criteria are:

- Group operating margin (Group OM);
- Cash generation - Free cash flow (FCF); and
- CO_2 emissions (CAFE regulation).

An equal weighting of 20% has been assigned to each of them.

	Group operating margin (Group OM)	Free cash flow (FCF)*	Return on capital employed (ROCE)	CO_2 emissions - CAFE regulation **	Fixed costs (FC)
Targets	▪ The operating margin is the key indicator of the Company's profitability.	▪ A high level of free cash flow demonstrates the use of strict financial discipline within the Company, allowing growth to be funded and the possibility of dividend payments.	▪ ROCE measures the profitability of capital invested. It reflects value creation.	▪ This criterion, which is a major stake for carmakers, measures the average emissions of passenger cars registered in Europe, based on CAFE regulations (see II-3-(3)-"C. Environmental impacts: actions and indicators").	▪ This criterion measures the reduction of the Group's fixed costs. It ensures that the Group's "break-even" point is reduced.
Weighting *(as a percentage of fixed compensation)*	▪ 20% maximum.	▪ 20% maximum.	▪ 20% maximum.	▪ 20% if on target and maximum.	▪ 20% maximum.
Payout rate	▪ 0% if the operating margin is strictly lower than the budget. ▪ 16% if the operating margin is equal to the budget. ▪ 20% if the operating margin is equal to or higher than budget +0.2 points. ▪ Linear interpolation if the operating	▪ 0% if free cash flow is strictly lower than the budget. ▪ 24% if free cash flow is equal to the budget. ▪ 30% if free cash flow is equal to or higher than budget +50%. ▪ Linear interpolation if free cash flow is between budget and budget +50%.	▪ 0% if ROCE is strictly lower than the budget. ▪ 16% if ROCE is equal to the budget. ▪ 20% if ROCE is equal to or higher than the budget +2.5%. ▪ Linear interpolation if ROCE is between budget and budget +2.5%.	▪ 0% if the level of CO_2 emissions is strictly above the regulatory target. ▪ 20% if the level of CO_2 emissions is equal to or lower than the regulatory target.	▪ 0% if the amount of fixed costs is strictly higher than the budget ▪ 16% if the amount of fixed costs is equal to the budget. ▪ 20% if the amount of fixed costs is equal to or lower than the budget -3%. ▪ Linear interpolation if the amount of fixed costs is

	margin is between budget and budget +0.2 points.				between budget -3% and budget.
For reasons of commercial confidentiality, the Company does not disclose ex-ante target figures for these performance criteria. However, it will publish ex-post the rate of achievement of these criteria.					
** The FCF in the 2021 budget includes €1 billion dividend from RCI Banque.* *** Based on the CAFE regulation for passenger vehicles registered in Europe. CAFE = Corporate Average Fuel Economy.*					

Qualitative criteria for the 2021 financial year (0% to 50% of fixed compensation)

The qualitative criteria are evolving compared to the 2020 compensation policy in order to take into account the stakes of the new strategic plan "Renaulution" which was presented in January 2021. The criterion of CSR commitments and that of customer satisfaction/quality are maintained. Achievement of these three qualitative criteria contributes directly to the Group's performance

	"Renaulution" new strategic plan	Quality of CSR commitments	Customer Satisfaction / Quality
Target	▪ The success of the new strategic plan is a priority for the Group's sustainability.	▪ This criterion is confirmed. It aims to strengthen the consideration of stakeholders' interests, thus contributing to the Company's sustained performance	▪ Product quality and customer satisfaction directly contribute to the Group's performance.
Weighting *(as a percentage of fixed compensation)*	▪ **20%** if on target and maximum	▪ **15%** if on target and maximum	▪ **15%** if on target and maximum
Indicators	▪ Implementation of the new organization by Brand ▪ Development of the 8 key models of the "Renaulution" plan ▪ Level of invoicing within the Alliance between Renault, Nissan and Mitsubishi	▪ Health and safety (accident frequency rate) ▪ Gender pay-gap ratio ▪ Defining the Climate plan (strategy, timetable and indicators)	▪ Reduction of incident rate ▪ Customer satisfaction level

It should be noted that pursuant to Article L. 22-10-34 of the French Commercial Code, payment of the annual variable compensation to the Chief Executive Officer for the 2021 financial year is subject to its approval by the Annual General Meeting to be held in 2022 to approve the financial statements for the financial year ending December 31, 2021.

Multiyear variable compensation

The Chief Executive Officer will not receive any multiyear variable compensation.

Exceptional compensation

The Chief Executive Officer will not receive any exceptional compensation in 2021.

Long-term compensation

Pursuant to the Company's compensation principles, a significant proportion of the Chief Executive Officer's compensation consists of long-term compensation, the vesting of which is subject to

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performance criteria, to ensure alignment of the Chief Executive Officer's compensation with shareholder interests.

Long-term compensation takes the form of performance shares, allocated annually. The number of performance shares allocated to the Chief Executive Officer is expressed as an absolute number, rather than as a percentage of the salary, so that upward and downward fluctuations in the share price will affect the total value of such long-term compensation.

The Chief Executive Officer receives performance shares under the same criteria as the other executives in the Group (see "Compensation of senior executives: performance shares" below), subject to an additional performance criterion (total shareholder return – TSR) applied to him in his capacity as executive corporate officer.

On the recommendation of the Governance and Compensation Committee, the Board of Directors of February 18, 2021 decided that 75,000 performance shares would be allocated to the Chief Executive Officer, representing the maximum number of performance shares that may be awarded in respect of the 2021 financial year. This allocation would represent 0.0253% of Renault SA's share capital.

Performance criteria will be measured over a cumulative three-year period (2021, 2022 and 2023).

Vesting of performance shares is also subject to a three-year presence condition starting from the date of the allocation by the Board of Directors.

The number of shares fully vested by the Chief Executive Officer out of the performance shares allocated to him will depend on the achievement of the following performance criteria:

LONG-TERM PERFORMANCE CRITERIA

	Total shareholder return (TSR)	Free cash flow (FCF)*	Annual increase in the net revenue per vehicle	CO_2 emissions - Carbon footprint **
Target	▪ TSR is the market criterion which reflects variations in share prices, and dividends paid. Relative TSR reflects the value delivered to shareholders, compared to the value created by alternative investments to which they have access. ▪ TSR is calculated by reference to a benchmark, which corresponds to the sum of the average TSR Euro Stoxx Auto & Parts index results and the average Euro Stoxx ex Financials index results (both weighted equally).	▪ Free cash flow (FCF) is a key component of the Company's growth capacity, as it underlies its capacity for financing the investments necessary for long-term growth and allows dividend payments.	▪ This criterion is a key indicator of the Group's ability to improve its profitability.	▪ This criterion corresponds to the target of reducing the average carbon footprint of passenger cars and light commercial vehicles registered worldwide. ▪ It covers greenhouse gases emitted as a result of the energy consumed by the Company to produce vehicles, as well as most other indirect emissions related to their design, manufacture, marketing, use and end-of-life treatment (see II-3-(3)-"C. Environmental impacts: actions and indicators").

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Weighting *(as a percentage of allocation)*	▪ **25%**	▪ **25%**	▪ **25%**	▪ **25%**
Payout rate	▪ 0% if the TSR is strictly lower than the benchmark. ▪ 11.25% if the TSR is equal to the benchmark. ▪ 25% if the TSR is equal to or higher than the benchmark +10% ▪ Linear interpolation if TSR is between the benchmark and the benchmark +10%.	▪ 0% if FCF is strictly lower than the budget. ▪ 17.5% if FCF is equal to the budget ▪ 25% if FCF is higher than or equal to the budget +20%. ▪ Linear interpolation if FCF is between the budget and the budget +20%	▪ 0% if the annual increase percentage is strictly lower than 3% ▪ 17.5% if the annual increase percentage is equal to 3% ▪ 25% if the annual increase percentage is equal to or higher than 4% ▪ Linear interpolation if the annual increase percentage is between 3% and 4%.	▪ 0% if the average carbon footprint emissions is strictly higher than the target ▪ 17.5% if the average carbon footprint emissions is equal to the target ▪ 25% if the average carbon footprint emissions is equal to or lower than the Group target - 2.5 points. ▪ Linear interpolation if average carbon footprint is between the Group target - 2.5 points and the Group target.
	▪ As this is a relative criterion, the amount of the target is not yet known. The Company will disclose the average figure and the relevant level of achievement at the end of the performance period.	▪ For reasons of commercial confidentiality, the Company does not disclose ex-ante the target figures for these criteria. However, it will publish the level of achievement for these criteria at the end of the performance cycle.		▪ The 2023 carbon footprint reduction target is aligned with the 2017-2022 trajectory and the Group's greenhouse gas reduction targets for 2030: i.e. -27% in 2023 compared with 2010.
** The FCF in the 2021 budget includes €1 billion dividend from RCI Banque.* *** Objective by 2023 to reduce the carbon footprint (CO_2 emissions) of Groupe Renault's passenger and commercial vehicles registered worldwide, excluding AVTOVAZ (the integration of AVTOVAZ into the Group's objectives is planned from 2024).*				

Obligation of the Chief Executive Officer to hold and retain shares vested as a result of performance share plans

The Chief Executive Officer is subject to an obligation to retain 25% of the vested performance shares in his capacity as executive corporate officer, until the end of his term of office. The aim of this requirement is to ensure that the Chief Executive Officer's interests are sufficiently aligned with those of shareholders.

Commitment by the Chief Executive Officer not to engage in risk hedging

Pursuant to the AFEP-MEDEF Code recommendations, the Chief Executive Officer will commit, for each performance shares allocation, not to engage in performance share risk hedging.

Consequences of the departure of the Chief Executive Officer on the vesting of performance shares

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In the event of departure from Groupe Renault before the end of the vesting period, the loss or retention of the performance shares allocated to the Chief Executive Officer will depend on the reason for the departure.

Departure reason	Status of the performance shares not yet vested
Dismissal (occuring prior to the last day of the vesting period)	Total loss of the rights to performance shares, in case of a dismissal for serious or gross misconduct. Retention, in all other cases of dismissal, prorated to the vesting period.
Resignation (occuring prior to the last day of the vesting period)	Total loss of the rights to performance shares.
Expiry of the term of office	Retention of the rights to performance shares, pro-rated to the vesting period. Retention of all rights if the Chief Executive Officer becomes an employee of a Groupe Renault company until the vesting date of the shares.
Compulsory or voluntary retirement	Retention, without acceleration of the vesting period. The conditions of the plans, including the performance conditions, will continue to apply.
Disability/Long-term illness	Retention of the rights. The performance criteria are deemed to be fully met.
Death	Retention of the rights to performance shares for the benefit of heirs or beneficiaries. The performance criteria are deemed to be fully met.
Exceptional circumstances	The Board of Directors, on the recommendation of the Governance and Compensation Committee, may decide to exceptionally maintain the rights. The allocation rate would be pro-rated in order to take into account the actual presence of the Chief Executive Officer within the Group during the vesting period. There will be no acceleration of the vesting period and the conditions of the plans, including the performance criteria, will continue to apply.

Furthermore, there is no acceleration clause on the vesting period of the performance shares in the case of change of control.

Compensation for directorship

The Chief Executive Officer is not a Director. Therefore, he will not receive any compensation in this respect.

Benefits of any kind

The Chief Executive Officer benefits from two company cars and one company car with driver. He also benefits from an international healthcare cover and from the same life insurance and supplementary healthcare schemes as for the employees working in France.

Service provision agreement

No service provision agreement will be entered into between the Company and the Chief Executive Officer.

Sign-on bonus

The Chief Executive Officer does not receive any sign-on bonus.

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Termination benefit

The Chief Executive Officer is entitled to a severance payment equal to the average of the last two years' gross fixed and variable annual compensation, payable in one instalment within six months of the departure, in the event of dismissal at the initiative of the Board of Directors and subject to the achievement of performance conditions set by the Board of Directors.

This termination benefit will not be paid in the event of dismissal for serious or gross misconduct.

The total termination benefit and non-compete indemnity, in the event of the implementation of the non-compete agreement (see below), may not exceed two years of annual fixed and variable compensation.

At its meeting held on February 13, 2020, the Board of Directors set the performance conditions for payment of the termination benefit. In order to receive this benefit, the following cumulative conditions should be met over the last two financial years preceding the departure (only one financial year in the event of departure in 2021):

- a minimum total achievement rate of 80% of the performance criteria for the annual variable compensation of the Chief Executive Officer;
- achievement of the Group's free cash flow target.

Non-compete indemnity

At its meeting held on February 13, 2020, the Board of Directors authorized the conclusion of a non-compete agreement with Mr. Luca de Meo.

The Board of Directors considered that it is in Renault's interest to enter into this non-compete agreement which protects Groupe Renault's legitimate interests, given the particularly competitive nature of the automotive market, the importance of the functions and the recognized skills of Mr. Luca de Meo in this market, the means available to him, and the sensitive information he holds and to which he can have access.

Under this agreement, Mr. Luca de Meo commits, as of the end of his term of office as Chief Executive Officer, not to engage, directly or indirectly, in an activity that competes with those of the Group, on his own behalf, on behalf of companies in the automotive design, construction and marketing sectors (mainly passenger cars and light commercial vehicles), or on behalf of automotive suppliers.

Application of this clause is limited to:

- a period of twelve (12) months following the date on which Mr. Luca de Meo effectively ceases to exercise his term of office;
- the countries of the European continent and in Japan, as well as European and Japanese car and equipment manufacturers.

As consideration for his non-compete obligation, Mr. Luca de Meo will receive from the Company, during the period of application of the agreement (twelve months) and subject to there being no breach of this agreement, gross financial compensation corresponding to one year of gross annual compensation (fixed compensation and annual variable compensation paid in cash), payable in twelve monthly instalments. The gross annual compensation used for this calculation will be the one paid during the twelve months preceding the date of termination of the corporate office.

In accordance with the recommendation of the AFEP-MEDEF Code at the time of Mr. Luca de Meo's departure, the Board of Directors of the Company will decide whether to apply this non-compete agreement, and may unilaterally waive it. Furthermore, no compensation will be due in the event of retirement or if Mr. Luca de Meo has reached the age of 65.

Top-up pension scheme

During its meeting on February 13, 2020, the Board of Directors authorized a top-up pension scheme for Mr. Luca de Meo.

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The Board of Directors considered that implementing this scheme to the benefit of Mr. Luca de Meo allows the Company to retain and to promote the Chief Executive Officer's loyalty.

The Chief Executive Officer's top-up pension scheme is identical to that available to members of the Group Executive Committee (the so-called "Article 83" plan and "Article 82" plan).

a) Mandatory defined-contribution pension scheme (Article 83)

The contributions represent:

- 3.5% of the gross annual compensation between four and eight times the social security cap (Band C), paid 2.5% by the Company and 1% by the Chief Executive Officer;
- then 8% of the gross annual compensation between eight and sixteen times the annual French Social Security cap (Band D), paid 5% by the Company and 3% by the Chief Executive Officer.

The total amount of the contributions (both Company's and CEO's share) is capped at a lump sum equal to 8% of eight times the French Social Security cap.

b) Optional defined-contribution pension scheme (Article 82)

The Chief Executive Officer benefits from the new optional defined-contribution pension scheme (Article 82) set up as from May 1, 2020 for the benefit of the corporate officers and members of the Group's Executive Committee.

This new scheme provides for the payment by the Company to a third-party entity (an insurer) of contributions equal to 12.5% of the gross annual compensation (fixed and variable) actually received.

The contributions paid in this way do not benefit from any preferential tax and social security regime. For this reason, the Chief Executive Officer will receive a lump-sum indemnity equal to the amount of the contribution paid on his behalf to the insurer. Payment of this indemnity will be concomitant to the payment of the contribution to the insurer.

The contributions and lump-sum indemnity amounts will be dependent on the Company's performance insofar as the calculation basis includes the variable portion of the compensation which is related to the Group's results.

Compensation policy for directors for the 2021 financial year

At its meeting held on February 18, 2021, the Board of Directors, on the recommendation of the Governance and Compensation Committee, set the compensation policy for directors for the 2021 financial year.

Draft resolution submitted to the Annual General Meeting of April 23, 2021 pursuant to Article L. 22-10-8 of the French Commercial Code

> **Nineteenth resolution – Approval of the compensation policy for directors for the 2021 financial year**
>
> The Annual General Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code describing the elements of the compensation policy for corporate officers set by the Board of Directors, approves, pursuant to L.22-10-8 of the French Commercial Code, the compensation policy for directors, as set out in chapter 3.2.4.3 of the Company's 2020 Universal registration document.

Overall budget for directors' compensation

The Annual General Meeting of June 15, 2018 set at €1,500,000 the maximum amount of compensation to be allocated among the directors (seventeenth resolution).

Allocation policy

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The new policy for allocating directors' compensation adopted by the Board of Directors for the 2021 financial year consists of setting a maximum annual amount of directors' compensation for participation in Board of Directors' meetings and meetings of each of the committees, which will include:

- a fixed portion, pro-rated according to the duration of the office over the year; and
- a variable portion, pro-rated according to the attendance rate over the total number of meetings for the year.

The variable portion related to attendance at the meetings of the Board of Directors and of committees is preponderant compared to the fixed portion.

The advantages of this new allocation policy are that it will prevent the annual maximum amount for directors' compensation from being exceeded, and there will be a strong correlation between compensation and attendance.

The following table sets out the rules for calculating directors' compensation:

	Annual fixed portion	Annual variable portion	Total individual amounts	Additional annual fixed portion for Chairmanship	Additional annual fixed portion for Lead Independent Director
Board of Directors	€18,000	€35,000	€53,000	€0	€20,000
CARC	€5,000	€15,000	€20,000	€20,000	-
Committees (excluding CARC)	€5,000	€10,000	€15,000	€10,000	-

It is reminded that the Chairman of the Board of Directors does not receive any compensation for his directorship.

The amount of compensation for each director will be set by the Board of Directors called to approve the financial statements for the 2021 financial year.

Directors' compensation for the 2021 financial year will be paid in one instalment in 2022.

It is specified that the three directors representing employees and the director representing employee shareholders hold employment contracts within subsidiaries of the Company and receive in this respect remuneration that is not related to the exercise of their directorship. Therefore, such remuneration will not be disclosed.

In addition, directors are entitled to reimbursement of expenses incurred by them in the exercise of their office, in particular any travel and accommodation expenses in connection with meetings of the Board of Directors and of committees.

Compensation of senior executives: performance shares

Legal framework

In its eighteenth resolution, the Combined General Meeting on June 12, 2019 authorized the Board of Directors to proceed, on one or more occasions, with free allocations of existing Company shares and/or Company shares to be issued (so-called performance shares) for the benefit of salaried members of staff and/or corporate officers and/or French or non-French companies or groups directly or indirectly related to it, or certain categories thereof, pursuant to the terms of Article L. 225-197-2 of the French Commercial Code.

Performance share plans are decided annually by the Board of Directors on the recommendation of the Governance and Compensation Committee.

In accordance with best market practices, the vesting of performance shares is subject to (i) performance conditions set by the Board of Directors assessed over a minimum period of three years and (ii) a minimum vesting period of three years.

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The beneficiary of performance shares must be an employee or corporate officer within Groupe Renault at the vesting date of the shares. In case of departure from Groupe Renault before the vesting date, the beneficiary loses his/her entitlement to the performance shares granted to him/her, except in the case of compulsory or voluntary early retirement.

In the event of the death, total or partial invalidity, or extended sick leave of the beneficiary, they retain the benefit of the performance shares, and the performance conditions do not apply.

Performance share allocations granted pursuant to the aforementioned authorization are subject to the following caps being observed:

- the total number of performance shares allocated may not exceed 2% of the share capital over three years, with a sub-limit of 0.67% of the share capital each year;
- the total number of performance shares allocated may not exceed 10% of the share capital on the date on which the Board of Directors decides on their allocation;
- the number of performance shares allocated to senior executive officers may not exceed 15% of the total number of shares allocated;
- the number of performance shares allocated to members of the Executive Committee may not exceed 30% of the total number of shares allocated, including performance shares allocated to the Chief Executive Officer.

Pursuant to the eighteenth resolution of the Combined General Meeting on June 12, 2019, performance share allocations do not result in any dilution for the shareholders, as the performance shares allocated are shares held by the Company itself.

The authorization granted at the Annual General Meeting of June 12, 2019 to the Board of Directors to allocate performance shares will expire in 2022.

Allocation policy for the performance share plans

The Board of Directors approves the performance share plans based on the work and recommendations of the Governance and Compensation Committee. The committee examines the allocation proposals for certain Groupe Renault employees presented by the Chief Executive Officer, pursuant to the general scheme set by the Annual General Meeting.

The purpose of share allocations

The aim of performance share allocations is primarily to personally associate the worldwide management of Groupe Renault, in particular the members of management bodies, with the development of the Group's value by allowing them to share ownership of the Company.

It also provides recognition of executives whose outstandingly positive action has contributed to Groupe Renault's results.

Lastly, it helps to promote loyalty in executives who are of particular value to the Company, notably executives with a high potential for career development. The allocation of shares increases their commitment and motivation to implement progress and growth in the Company.

This scheme has proved to be a factor in strengthening the role of responsibility centres throughout Groupe Renault worldwide, more particularly in the Automotive sector, sales subsidiaries, vehicle and mechanical engineering, bodywork and power train plant managers, industrial subsidiaries, as well as for all program managers and vehicles or components project managers. It is also applied in sales financing, as well as for the managers of large support functions in Groupe Renault.

Share allocation policy

Allocation is differentiated according to beneficiaries' level of responsibility and contribution, on the basis of the appraisal of their performance and results, and according to the assessment of their development potential.

Beneficiaries are divided into three categories.

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Top management

As of April 15, 2021, the senior executive team comprises 30 members of Renault's Corporate Management Committee (CDR), including the 11 members of the Board of Management (BOM).

The proportion of performance share allocated to the Chief Executive Officer and members of the Group Executive Committee (including the Chief Executive Officer) does not exceed 15% and 30% respectively of the total number of performance shares allocated.

Senior executives

Senior executives are beneficiaries and the number of performance shares allocated vary, according to their level of responsibility, performance, and results. Certain senior executives may not be beneficiaries.

Other beneficiary executives

The other beneficiaries are usually senior managers and managers with high professional or managerial development potential or with a high level of expertise. There are numerous complementary systems for assessing and selecting these beneficiaries (level of responsibility, annual appraisal interview, career committees, specific monitoring for high potential executives, *etc.*); these systems allow various observations which help us to find the most deserving candidates.

The total number of beneficiaries was 1,060 under the 2017 plan, 1,123 under the 2018 plan, 1,322 under the 2019 plan and 1,421 under the 2020 plan.

Summary tables

Past allocations of stock options and performance shares

Plan no. 20 is performance share allocation.

Plans nos. 22 to nos. 27 are performance share allocation plans in which some of the shares were allocated to the Chief Executive Officer and subject to an additional performance criterion compared to the shares in the plan allocated to other beneficiaries.

The size of the plans outstanding as of December 31, 2020 corresponds to 1.49% of the Company's share capital.

STOCK OPTION PLANS

(TABLE NO. 8 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

Allocation date/ Board of Directors' meeting date		Total number of shares available for purchase	– to the former Chairman and Chief Executive Officer Carlos Ghosn	Start date of the exercise period	Expiry date	Purchase Price [1]	Number of options exercised as of 12/31/2020	Total number of cancelled or lapsed options as of 12/31/2020	Outstanding options as of 12/31/2020
Authorization by the Shareholders' Annual General Meeting on April 29, 2011									
Plan n° 20 [2]	12/13/2012	447,800	150,000	12/13/2016	12/12/2020	€37.43	471	102,516	0

(1) The purchase price is equal to the average stock market price over the 20 sessions prior to the date of the Board of Directors' meeting.

(2) On February 12, 2014, the Board of Directors determined that the performance criteria had been 88.48% achieved. Consequently, 11.52% of the Plan no. 20 options were cancelled.

PERFORMANCE SHARE PLANS

(TABLE NO. 9 AS PER AFEP-MEDEF CODE RECOMMENDATIONS)

Plan n°	Date of the allocation by the Board of Directors	Total number of shares awarded	Vesting date	Availabiity date	Shares cancelled as of 12/31/2020	Outstanding shares as of 12/31/2020
Authorization by the Shareholders' Annual General Meeting on April 30, 2013						
Plan n° 22 bis (1)	02/11/2015	1,053,650	06/15/2018	06/15/2020	96,601	0
Authorization by the Shareholders' Annual General Meeting on April 29, 2016						
Plan n° 23 (4)	04/29/2016	361,605 (2)	04/29/2020	04/29/2020	57,595	0
Plan n° 23 (4)	04/29/2016	977,200 (2)	06/12/2019	06/12/2020	8,450	0
Plan n° 23 bis CEO	07/27/2016	100,000	07/27/2020	07/27/2020	100,000	0
Plan n° 24 (5)	02/09/2017	329,300 (2)	02/09/2021	02/09/2021	58,000	271,300
Plan n° 24 (5)	02/09/2017	989,910 (2)	02/09/2020	02/09/2021	8,654	0
Plan n° 24 bis CEO	02/09/2017	100,000	02/09/2021	02/09/2021	100,000	0
Plan n° 25	02/15/2018	311,750	02/15/2022	02/15/2022	48,800	262,950
Plan n° 25	02/15/2018	1,082,200	02/15/2021	02/15/2022	22,841	1,054,009
Plan n° 25 bis CEO	02/15/2018	80,000	02/15/2022	02/15/2022	80,000	0
Authorization by the Shareholders' Annual General Meeting on June 12, 2019						
Plan n° 26	06/12/2019	1,412,030	06/12/2022	06/12/2022	24,300	1,387,180
Plan n° 26 CEO	06/12/2019	50,000 (3)	06/12/2022	06/12/2022	44,480	5,520
Plan n° 27	02/13/2020	1,341,115	02/13/2023	02/13/2023	10,300	1,330,815
Plan n° 27 interim CEO	02/13/2020	27,500	02/13/2023	02/13/2023	0	27,500
Plan n° 27 CEO	07/29/2020	75,000	07/29/2023	07/29/2023	0	75,000

(1) The Board of Directors' meeting of June 15, 2018 noted that the performance criteria had been 95% achieved (96.66% for the Chairman and CEO). Consequently, 5% of theshares in Plan no. 22 bis were cancelled.

(2) Modification of the allocation of the number of performance shares initially granted, due to international mobilities during the vesting period.

(3) On the recommendation of the Governance and Compensation Committee, on October 11, 2019 and November 8, 2019 the Board of Directors decided to end the term of office of ChiefExecutive Officer Thierry Bolloré and acknowledged that his rights to the performance shares allocated in 2019 and not yet definitively vested were maintained in respect of his office as Chief Executive Officer of Renault SA, it being specified that (i) the allocation rate of these performance shares shall be pro-rated to take into account theeffective presence of Mr. Thierry Bolloré within Renault SA during the vesting period, (ii) the vesting period shall not be accelerated and (iii) the plans rules of the saidperformance shares, including the performance conditions, shall continue to apply, in accordance with the compensation policy approved by the Annual General Meeting of June 12, 2019. The number of performance shares in respect of the 2019 financial year may amount to 5,520 performance shares if all performance criteria are achieved attheir maximum level.

(4) On June 12, 2019, the Board of Directors determined that the performance criteria had been 100% achieved.

(5) On June 19, 2020, the Board of Directors determined that the performance criteria had been 100% achieved.

INFORMATION RELATING TO THE 10 NON-OFFICER EMPLOYEES

(PURSUANT TO THE PROVISIONS OF ARTICLE L. 225-184 OF THE FRENCH COMMERCIAL CODE)

Overview of stock options allocated and exercised by the 10 employees (other than corporate officers) who received the largest number of options	Total number of options allocated/ acquired shares	Exercise price	Plan n° 20*
Options granted by the issuer and any company within the scope of allocation ofoptions, to the 10 employees of the issuer and any company within this scope, for whom the number of options thus granted is the highest (overall information)	478,800	€37.43	176,800
Options held for the issuer and companies referred to above, exercised by the 10 employees of the issuer and these companies, for whom the number of options thus purchased or subscribed is the highest (overall information)	332,202		471
** On February 12, 2014, the Board of Directors determined that the performance criteria had been 88.48% achieved. Consequently, 11.52% of the Plan no. 20 options were cancelled.*			

(PURSUANT TO THE PROVISIONS OF ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE)

Overview of performance shares granted to the 10 employees (other than corporate officers) receiving the largest number of shares, and the shares vested by them	Total number of shares allocated	Plan n° 22 (1)	Plan n° 23 (2)	Plan n° 24 (3)	Plan n° 25	Plan n° 26	Plan n° 27
Shares allocated by the issuer and any company within the scope of allocation to the 10 employees of the issuer and any company within this scope, for whom the number of shares thus allocated is the highest (overall information)	1,085,000	185,000	185,000	190,000	205,000	160,000	160,000
Shares held for the issuer and companies referred to above,vested by the 10 employees of the issuer and thesecompanies, for whom the number of shares thus vested isthe highest (overall information)	540,750	175,750	185,000	180,000	0	0	0
(1) On June 15, 2018, the Board of Directors determined that the performance criteria had been 95% achieved. Consequently, 5% of the Plan no. 22 shares were cancelled. *(2) On June 12, 2019, the Board of Directors determined that the performance criteria had been 100% achieved.* *(3) On June 19, 2020, the Board of Directors determined that the performance criteria had been 100% achieved.*							

(3) STATE OF AUDIT

(i) Status of Corporate Audits

Please refer to "(1) Summary of Corporate Governance" above.

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(ii) Status of Internal Audits

Please refer to "(1) Summary of Corporate Governance" above.

(iii) Status of Accounting Audits

(a) Auditors

STATUTORY AUDITORS

KPMG S.A.

represented by Bertrand Pruvost

Tour Eqho 2, avenue Gambetta 92066 Paris-La Défense

KPMG was appointed by the Combined General Meeting of April 30, 2014 for a period of six years. Its term was renewed at the Combined General Meeting of June 19, 2020 for a further period of six years and will expire after the Annual General Meeting called to approve the 2025 financial statements.

Composition of assistants involved in auditing services: one CPA and several other professionals participated in the Company's 2020 audit.

MAZARS

represented by Loïc Wallaert

61, rue Henri Regnault 92075 Paris La Défense

MAZARS was appointed by the Combined General Meeting of June 19, 2020, for a period of six years. Its mandate will expire after the Annual General Meeting called to approve the 2025 financial statements.

Composition of assistants involved in auditing services: one CPA and several other professionals participated in the Company's 2020 audit.

(b) Reasons for and Policies on Selecting the Auditors, and Evaluation thereof

Please refer to "(1) Summary of Corporate Governance" above.

(c) Change of the Auditors

The Auditors have been changed as follows:
For the fiscal year of 2019 (Consolidated and Non-consolidated): Ernst & Young Audit
For the fiscal year of 2020 (Consolidated and Non-consolidated): Mazars

The matters stated in the Extraordinary Report were as follows:

(1) Name of the statutory auditor to be changed

(i) Name of the retired statutory auditor

Ernst & Young Audit

(ii) Name of the newly appointed statutory auditor

Mazars

(2) Date of change

June 19, 2020

(3) Date of the appointment of the retired statutory auditor

March 27, 1979

(4) Matters concerning the opinions in the audit reports prepared by the retired statutory auditor in the recent three years

N/A

(5) Reason and process for the change

The Audit Committee selected Mazars upon a tender offer. On 19th June 2020, the Annual General Meeting, having reviewed the Board of Directors' report, has resolved to appoint Mazars as Statutory Auditor, replacing Ernst & Young Audit, whose term of office has expired and without possibility to be reappointed due to a new European regulation limiting the mandate numbers of auditors, for a term of six financial years, i.e. until the close of the Ordinary General Meeting called to approve the financial statements for the 2025 financial year.

(6) Opinions against the reason and process set forth in (5) above

(i) Opinion of retired statutory auditor

N/A

(ii) Opinion of Audit Committee

N/A

(7) Matters concerning the case where the retired statutory auditor does not express the opinion against the reason and process set forth in (5) above

Since the change of the Statutory Auditor was compulsory due to a new European regulation limiting the mandate numbers of auditors and the reappointment of Ernst & Young Audit was impossible and forbidden, (i) Renault did not request Ernst & Young Audit to express its opinion against the reason and process set forth in (5) above, and Ernst & Young Audit did not express any opinion against the reason and process set forth in (5) above.

(d) Contents, Etc. of Audit Fee

<u>Contents of Fees for Foreign Certified Public Accountant, Etc. Certifying Audit</u>

TABLE OF FEES OF THE STATUTORY AUDITORS AND THEIR NETWORKS (2019)

	EY Audit			EY Network			Total 2019	
	Amount		%	Amount		%		
	Euro in million	Yen in million		Euro in million	Yen in million		Euro in million	Yen in million
Certification of parent company and consolidated financial statements and half-yearly limited review								
▪ Renault SA and Renault s.a.s.	2.67	347.501	77%	0.00	0.000	0%	2.67	347.501
▪ Fully consolidated subsidiaries	0.76	98.914	22%	3.39	441.209	89%	4.15	540.123

SUB-TOTAL A	**3.43**	**446.415**	**99%**	**3.39**	**441.209**	**89%**	**6.82**	**887.623**
Services other than certification of financial statements required by law and additional services								
▪ Renault SA and Renault s.a.s.	0.03	3.905	1%	0.00	0.000	0%	0.03	3.905
▪ Fully consolidated subsidiaries	0.00	0.000	0%	0.09	11.714	2%	0.09	11.714
SUB-TOTAL B	**0.03**	**3.905**	**1%**	**0.09**	**11.714**	**2%**	**0.12**	**15.618**
Services other than the certification of financial statements provided at the request of the entity								
▪ Renault SA and Renault s.a.s.	0	0.000		0.00	0.000	0%	0	0.000
▪ Fully consolidated subsidiaries	0	0.000		0.34	44.251	9%	0.34	44.251
SUB-TOTAL C	**0**	**0.000**	**0 %**	**0.34**	**44.251**	**9%**	**0.34**	**44.251**
Services other than the certification of financial statements								
SUB-TOTAL D = B+C	**0.03**	**3.905**	**1%**	**0.43**	**55.965**	**11%**	**0.46**	**59.869**
TOTAL E = A+D	**3.46**	**450.319**	**100%**	**3.82**	**497.173**	**100%**	**7.28**	**947.492**

Services other than the certification of financial statements provided by Ernst & Young Audit during the year to the Company and the entities that it controls involve:

(i) comfort letters for bond issues;

(ii) certifications for the purpose of obtaining subsidies; and

(iii) agreed procedures.

	KPMG SA			KPMG Network			Total 2019	
	Amount		%	Amount		%		
	Euro in million	Yen in million		Euro in million	Yen in million		Euro in million	Yen in million
Certification of parent company and consolidated financial statements and half-yearly limited review								
▪ Renault SA and Renault s.a.s.	2.46	320.169					2.46	320.169
▪ Fully consolidated subsidiaries	1.06	137.959		3.12	406.068		4.18	544.027
SUB-TOTAL A	**3.52**	**458.128**	**90%**	**3.12**	**406.068**	**91%**	**6.64**	**864.196**
Services other than certification of financial statements required by law and additional services								
▪ Renault SA and Renault s.a.s.	0.106	13.796					0.106	13.796
▪ Fully consolidated subsidiaries	0.036	4.685		0.05	6.508		0.091	11.844
SUB-TOTAL B	**0.142**	**18.481**	**4%**	**0.05**	**6.508**	**2%**	**0.197**	**25.640**
Services other than the certification of financial statements provided at the request of the entity								
▪ Renault SA and Renault s.a.s.	0.218	28.373					0.218	28.373
▪ Fully consolidated subsidiaries	0.052	6.768		0.27	35.141		0.323	42.038
SUB-TOTAL C	**0.270**	**35.141**	**7%**	**0.27**	**35.141**	**8%**	**0.541**	**70.411**
Services other than the certification of financial statements								
SUB-TOTAL D = B+C	**0.41**	**53.362**		**0.32**	**41.648**		**0.73**	**95.010**
TOTAL E = A+D	**3.93**	**511.490**	**100 %**	**3.45**	**449.018**	**100 %**	**7.38**	**960.507**

Services other than the certification of financial statements provided by KPMG Audit during the financial year to the Company and the entities that it controls involve:

(i) comfort letters for bond issues;

(ii) certifications as part of the EFPD and for the purpose of obtaining subsidies;

(iii) agreed procedures.

TABLE OF FEES OF THE STATUTORY AUDITORS AND THEIR NETWORKS (2020)

	Mazars			Mazars Network			Total 2020	
	Amount		%	Amount		%		
	Euro in million	Yen in million		Euro in million	Yen in million		Euro in million	Yen in million
Certification of parent company and consolidated financial statements and half-yearly limited review								
▪ Renault SA and Renault s.a.s	2.16	281.124	76%				2.16	281.124
▪ Fully consolidated subsidiaries	0.66	85.899	23%	3.09	402.164	99%	3.75	488.063
SUB-TOTAL A	**2.83**	**368.325**	**99%**	**3.09**	**402.164**	**99%**	**5.91**	**769.187**
Services other than certification of financial statements required by law and additional services								
▪ Renault SA and Renault s.a.s	0.02	2.603	1%				0.02	2.603
▪ Fully consolidated subsidiaries								
SUB-TOTAL B	**0.02**	**2.603**	**1%**	**0.00**	**0.000**	**0%**	**0.02**	**2.603**

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Services other than the certification of financial statements provided at the request of the entity								
▪ Renault SA and Renault s.a.s								
▪ Fully consolidated subsidiaries				0.02	2.603	1%	0.02	2.603
SUB-TOTAL C	**0.00**	**0.000**	**0%**	**0.02**	**2.603**	**1%**	**0.02**	**2.603**
Services other than the certification of financial statements								
SUB-TOTAL D = B+C	**0.02**	**2.603**	**1%**	**0.02**	**2.603**	**1%**	**0.04**	**5.206**
TOTAL E = A+D	**2.84**	**369.626**	**100%**	**3.11**	**404.767**	**100%**	**5.95**	**774.393**

Services other than the certification of financial statements provided by Mazars during the year to your Company and the entities that it controls involve:

(i) a comfort letter for bond issues;

(ii) tax services consistent with our audit engagement.

	KPMG SA			KPMG Network			Total 2020	
	Amount		%	Amount		%		
	Euro in million	Yen in million		Euro in million	Yen in million		Euro in million	Yen in million
Certification of parent company and consolidated financial statements and half-yearly limited review								
▪ Renault SA and Renault s.a.s	2.16	281.124	62%				2.16	281.124
▪ Fully consolidated subsidiaries	0.92	119.738	27%	3.02	393.053	90%	3.94	512.791
SUB-TOTAL A	**3.08**	**400.862**	**89%**	**3.02**	**393.053**	**90%**	**6.10**	**793.915**
Services other than certification of financial statements required by law and additional services								
▪ Renault SA and Renault s.a.s	0.10	13.015	3%				0.10	13.015
▪ Fully consolidated subsidiaries	0.05	6.508	1%	0.01	1.302	0%	0.06	7.809
SUB-TOTAL B	**0.15**	**19.523**	**4%**	**0.01**	**1.302**	**0%**	**0.16**	**20.824**
Services other than the certification of financial statements provided at the request of the entity								
▪ Renault SA and Renault s.a.s	0.20	26.030	6%				0.20	26.030
▪ Fully consolidated subsidiaries	0.03	3.905	1%	0.34	44.251	10%	0.36	46.854
SUB-TOTAL C	**0.23**	**29.935**	**7%**	**0.34**	**44.251**	**10%**	**0.56**	**72.884**
Services other than the certification of financial statements								
SUB-TOTAL D = B+C	**0.38**	**49.457**	**11%**	**0.34**	**44.251**	**10%**	**0.73**	**95.010**
TOTAL E = A+D	**3.47**	**451.621**	**100%**	**3.36**	**437.304**	**100%**	**6.83**	**888.925**

Services other than the certification of financial statements provided by KPMG Audit during the financial year to the Company and the entities that it controls involve:

(i) comfort letters for bond issues;

(ii) assignments to certify information relating in particular to CSR;

(iii) agreed procedures.

Contents of Non-Audit Services for Filing Company by Foreign Certified Public Accountant, Etc. Certifying Audit

The non-audit services include legal, tax, labor-related services.

Contents of Other Fees Which Are Material

Not applicable

Policies on Determining Audit Fee

Renaut has no specific policies for the determination of the amount for audit fees.

(iv) Others

Statutory auditors' special report on related-party agreements

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended December 31, 2020

To the Annual General Meeting of Renault,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related-party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended December 31, 2020, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized during the year ended December 31, 2020 to be submitted to the Annual General Meeting for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements previously approved by the Annual General Meeting

In accordance with Article R. 225-30 of the French Commercial Code (*Code de commerce*), we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended December 31, 2020.

With the French State, shareholder of your company

Persons concerned

Mr Thomas Courbe and Mr Martin Vial, Board members of your company representing the French State.

Governance Agreement

Nature and purpose

On December 11, 2015, your Board of Directors authorized the conclusion of a "Governance Agreement" between Renault and the French State which aims to regulate the exercise of voting rights attached to the Renault shares held by the French State.

Conditions

Pursuant to the authorization granted by your Board of Directors on February 4, 2016, your company has signed with the French State a Governance Agreement under which the voting rights attached to the French State's shares exceeding a certain percentage of Renault's total exercisable rights (set at 17.9% in the event of a "usual" quorum, or at 20% in the event of a particularly high quorum) are, in certain cases, exercised in a neutral manner, that is to say in such a way that they do not affect the adoption or rejection of the resolutions concerned by the limitation. The written agreement also describes the conditions for implementing these restrictions with the registrar of your company's Annual General Meeting.

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The restriction to the free exercise of voting rights of the French State notably applies to all decisions which fall within the authority of the Ordinary General Meeting, except for decisions concerning (i) dividend distributions, (ii) the appointment, renewal or removal from office of Board members representing the French State, (iii) the disposal of significant Company's assets, (iv) related-party agreements that are not approved by the representatives of the French State and (v) buybacks of shares from identified shareholders.

However, the French State retains all of its voting rights for decisions which fall within the authority of the Extraordinary General Meeting, except for the most day-to-day decision-making, such as (i) the granting or renewal of ongoing delegations to the management bodies of your company when their conditions comply with the latter's existing practices, (ii) the granting of stock options, performance shares or shares that give access to the share capital to the benefit of employees and corporate officers of Group Renault, (iii) an amendment to the age limit for the exercise of duties or to the term of office of Board members and executive corporate officers, and (iv) a transfer of registered office (unless abroad).

The restrictions to the free exercise of voting rights would cease to apply in exceptional situations, such as the amendment or termination of the "Restated Alliance Master Agreement", the exercise by Nissan Motor Co. Ltd of voting rights in your company, the announcement of a public offering on your company's shares, or a shareholder exceeding the threshold of 15% in your company's capital or voting rights, including Nissan Motor Co. Ltd.

The Governance Agreement was concluded on April 4, 2016, renewable by tacit agreement for successive periods of 10 years unless it is terminated at least two years before the expiry of the term.

With Nissan Motor Co. Ltd ("Nissan")

Persons concerned

Ms. Yu Serizawa and Mr Joji Tagawa, members of your company's Board appointed upon the proposal of Nissan.

"Restated Alliance Master Agreement"

On March 28, 2002, your company and Nissan Motor Co. Ltd ("Nissan") entered into the "Restated Alliance Master Agreement", which governs the share capital relationship between your company and Nissan and regulates the Alliance's governance. This agreement specifies the operational terms and conditions of Renault-Nissan B.V. ("RNBV") as the corporate entity involved in defining the Alliance's strategy.

An initial amendment to the Restated Alliance Master Agreement was signed on April 29, 2005 and submitted for the approval of the Annual General Meeting of May 4, 2006.

In its meeting of October 3, 2012, your Board of Directors authorized the signature, on November 7, 2012, of a second amendment to the Restated Alliance Master Agreement, which modifies the composition of the RNBV Executive Board and as a result, the voting arrangements within the Executive Board. This amendment was submitted to the approval of your Annual General Meeting of April 30, 2013.

In its meeting of December 11, 2015, your Board of Directors authorized the signature of a governance agreement between your company and Nissan Motor Co. Ltd. concerning the latter's governance of Nissan Motor Co., which constitutes a third amendment to the Restated Alliance Master Agreement. The conditions of this third amendment concern your company's undertaking (i) to vote in favor of the resolutions proposed by the Board of Directors of Nissan to the Annual General Meeting of Nissan for the appointment, dismissal and compensation of the members of the Board of Directors of Nissan (other than the members appointed upon proposal of your company, (ii) not to submit a resolution to the Annual General Meeting of Nissan that would not have been approved by the Board of Directors of Nissan, and (iii) not to vote in favor of a resolution that has not been supported by the Board of Directors of Nissan. For these resolutions, your company remains free to vote as it sees fit, however, in the event that your company does not comply with its commitment, Nissan may acquire Renault's shares without the prior approval of your Board of Directors, notwithstanding the provisions of the Restated Alliance

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Master Agreement, which prevent the parties from increasing, without prior agreement, their respective holdings. The amendment modifies the Restated Alliance Master Agreement without altering its term, which remains indefinite. It has been applicable since it was entered into. This agreement has been approved by the Annual General Meeting of April 29, 2016.

With Nissan Motor Co. Ltd ("Nissan"), Daimler AG and Renault-Nissan B.V ("RNBV")

Persons concerned

Ms. Yu Serizawa and Mr Joji Tagawa, members of your company's Board appointed upon proposal of Nissan.

"Master Cooperation Agreement"

On April 6, 2010, your company, Nissan Motor Co. Ltd., Daimler AG and Renault-Nissan B.V. entered into the "Master Cooperation Agreement", which specifies the terms and conditions of the strategic cooperation between these companies.

On December 13, 2013, your Board of Directors authorized the signature of an amendment to the Master Cooperation Agreement, in order to extend the scope of this cooperation. This amendment has been concluded on December 19, 2013 and has been approved by the Annual General Meeting of April 30, 2014.

In October 2016, Nissan Motor Co. Ltd. acquired 34% of the capital of Mitsubishi Motors Corporation.

At its meeting of June 15, 2018, your Board of Directors authorized the conclusion of a second amendment to the Master Cooperation Agreement, the subject of which is the accession of Mitsubishi Motors Corporation to the cooperation. The signing of this second amendment on October 3, 2018 was approved by your General Meeting of June 12, 2019.

The Master Cooperation Agreement and its endorsements continue to produce effect between the parties.

Paris La Défense, February 24, 2021

The statutory auditors *French original signed by*

KPMG Audit *A division of KPMG S.A.*

Bertrand Pruvost

MAZARS

Loïc Wallaert

(4) REMUNERATION OF DIRECTORS AND OFFICERS, ETC.

Please refer to (2)- "(iii) REMUNERATION OF DIRECTORS AND OFFICERS" above.

(5) STATUS OF SHAREHOLDING

Not applicable.

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VI. FINANCIAL CONDITION:

a. The accompanying original consolidated financial statements of Renault SA ("Renault" or the "Company") and its consolidated subsidiaries (hereinafter Renault and its consolidated subsidiaries shall be collectively called "the Group") have been prepared in conformity with the International Financial Reporting Standards ("IFRS") which was adopted by the European Union. In addition, the accompanying original non-consolidated financial statements of Renault have been prepared in conformity with French accounting regulations and generally accepted accounting principles. In application of regulation 1606/2002 passed on July 19, 2002 by the European Parliament and the Council of Europe, Renault's consolidated financial statements for 2020 are prepared under IFRS (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board) at December 31, 2020 and adopted by the European Union at the year-end. Renault SA draws up its annual financial statements in accordance with French law and accounting regulations as defined by the French chart of accounts 99-03 of April 29, 1999, amended by CRC (*Comité de la Règlementation Comptable*) and ANC (*Autorité des Normes Comptables*) regulations. The provision of Article 131, paragraph 1 of the Regulations Regarding Terminology, Format and Method of Preparation of Financial Statements, etc. (Ministry of Finance Ordinance No. 59 of 1963) is applied to the financial statements of Renault described below. The consolidated financial statements and non-consolidated financial statements in Japanese (hereinafter collectively called the "financial statements in Japanese") are the translations of the original consolidated financial statements and the non-consolidated financial statements (hereinafter collectively called the "original financial statements").

   The major differences in generally accepted accounting and reporting principles between IFRS and Japanese GAAP are described in "4. Differences between IFRS and Japanese GAAP."

b. The original financial statements have been audited by KPMG S.A. and Mazars, the independent auditors in France.

   The financial statements of Renault and of the Group are not subject to audits by Japanese CPAs or audit corporations based on the provision of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act**.** in conformity with the provision of Article 1-2 of the Cabinet Office Ordinance Concerning Audit Certification of Financial Statements (MOF Ordinance No.12, 1957).

c. Japanese yen amounts included in the financial statements in Japanese are the translations for the major Euro amounts stated in the original financial statements. Japanese yen amounts are translated from Euro amounts at the exchange rate of EUR1 = ¥130.15. This exchange rate is the Telegraphic Transfer Spot Selling Exchange Rates vis-a-vis Customers byMUFG Bank, Ltd. at March 25, 2021.

d. The Japanese yen amounts and items 3. "Other" and 4. "Differences between IFRS and Japanese GAAP" are not included in the original financial statements and, except for the references to the original financial statements, were not subject to the audit mentioned in b. above.

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1. FINANCIAL STATEMENTS

(1) Comptes consolidés (Consolidated Financial Statements)

Comptes de résultats consolidés
Bilans consolidés au 31 décembre
Variation des capitaux propres consolidés
Tableaux de flux de trésorerie consolidés
Informations sectorielles
Annexe aux comptes consolidés

(2) Comptes annuels (Parent Company Financial Statements)

Comptes de résultat simplifies de Renault S.A.
Bilan simplifié
Tableau de flux de trésorerie
Annexe aux comptes sociaux

[Japanese translation and French original of the above are included in this section of the Securities Report in Japanese.]

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<English translation of the Consolidated Financial Statements and Parent Company Financial Statements>

(1) CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(€ million)	Notes	2020	2019
Revenues	**4**	**43,474**	**55,537**
Cost of goods and services sold		(36,257)	(44,665)
Research and development expenses	10-A	(2,569)	(2,658)
Selling, general and administrative expenses		(4,985)	(5,552)
Other operating income and expenses	6	(1,662)	(557)
Other operating income	6	*181*	*80*
Other operating expenses	6	*(1,843)*	*(637)*
Operating income (loss)		**(1,999)**	**2,105**
Cost of net financial indebtedness	7	(337)	(311)
Cost of gross financial indebtedness	7	*(355)*	*(386)*
Income on cash and financial assets	7	*18*	*75*
Other financial income and expenses	7	(145)	(131)
Financial income (expenses)	**7**	**(482)**	**(442)**
Share in net income (loss) of associates and joint ventures		**(5,145)**	**(190)**
Nissan	12	*(4,970)*	*242*
Other associates and joint ventures	13	*(175)*	*(432)*
Pre-tax income		**(7,626)**	**1,473**
Current and deferred taxes	8	(420)	(1,454)
NET INCOME		**(8,046)**	**19**
Net income – parent company shareholders' share		(8,008)	(141)
Net income – non-controlling interests' share		(38)	160
Basic earnings per share* *(€)*		(29.51)	(0.52)
Diluted earnings per share* *(€)*		(29.51)	(0.52)
Number of shares outstanding *(thousands)*			
for basic earnings per share	9	*271,349*	*271,639*
for diluted earnings per share	9	*271,349*	*271,639*

** Net income – parent company shareholders' share divided by the number of shares stated.*

Consolidated comprehensive income

	2020			2019		
(€ million)	Gross	Tax effect	Net	Gross	Tax effect	Net
Net income	**(7,626)**	**(420)**	**(8,046)**	**1,473**	**(1,454)**	**19**
Other components of comprehensive income from parent company and subsidiaries						
Items that will not be reclassified subsequently to profit or loss	76	(66)	10	(137)	49	(88)
Actuarial gains and losses on defined-benefit pension plans	*(62)*	*(62)*	*(124)*	*(194)*	*50*	*(144)*
Equity instruments at fair value through equity	*138*	*(4)*	*134*	*57*	*(1)*	*56*
Items that have been or will be reclassified to profit or loss in subsequent periods	(665)	(1)	(666)	(8)	(81)	(89)
Translation adjustments on foreign activities	*(652)*	-	*(652)*	*119*	-	*119*
Translation adjustments on foreign activities in hyperinflationary economies	*(21)*	-	*(21)*	*(40)*	-	*(40)*
Partial hedge of the investment in Nissan	-	-	-	*(70)*	*(87)*	*(157)*
*Fair value adjustments on cash flow hedging instruments**	*8*	*(1)*	*7*	*(17)*	*6*	*(11)*
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	**(589)**	**(67)**	**(656)**	**(145)**	**(32)**	**(177)**
Share of associates and joint ventures in other components of comprehensive income						
Items that will not be reclassified to profit or loss in subsequent periods	146	-	146	24	-	24
Actuarial gains and losses on defined-benefit pension plans	*94*	-	*94*	*23*	-	*23*
Other	*52*	-	*52*	*1*	-	*1*

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Items that have been or will be reclassified to profit or loss in subsequent periods	(1,268)	-	(1,268)	327	-	327
Translation adjustments on foreign activities	*(1,228)*	-	*(1,228)*	*382*	-	*382*
Other	*(40)*	-	*(40)*	*(55)*	-	*(55)*
TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	**(1,122)**	**-**	**(1,122)**	**351**	**-**	**351**
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	**(1,711)**	**(67)**	**(1,778)**	**206**	**(32)**	**174**
COMPREHENSIVE INCOME	**(9,337)**	**(487)**	**(9,824)**	**1,679**	**(1,486)**	**193**
Parent company shareholders' share			(9,760)			35
Non-controlling interests' share			(64)			158

* *Including €7 million reclassified to profit and loss in 2020 (€10 million in 2019).*

Consolidated financial position

(€ million)	*Notes*	**December 31, 2020**	December 31, 2019
ASSETS			
Non-current assets			
Intangible assets and goodwill	*10-A*	6,347	6,949
Property, plant and equipment	*10-B*	17,135	16,900
Investments in associates and joint ventures		15,120	21,232
Nissan	*12*	*14,618*	*20,622*
Other associates and joint ventures	*13*	*502*	*610*
Non-current financial assets	*22*	1,253	1,072
Deferred tax assets	*8*	651	1,016
Other non-current assets	*17*	956	1,224
TOTAL NON-CURRENT ASSETS		**41,462**	**48,393**
Current assets			
Inventories	*14*	5,640	5,780
Sales Financing receivables	*15*	40,820	45,374
Automotive receivables	*16*	910	1,258
Current financial assets	*22*	1,181	2,216
Current tax assets	*17*	153	86
Other current assets	*17*	3,874	4,082
Cash and cash equivalents	*22*	21,697	14,982
TOTAL CURRENT ASSETS		**74,275**	**73,778**
TOTAL ASSETS		**115,737**	**122,171**

(€ million)	*Notes*	**December 31, 2020**	December 31, 2019*
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(284)	(344)
Revaluation of financial instruments		384	232
Translation adjustment		(4,108)	(2,235)
Reserves		31,876	32,140
Net income – parent company shareholders' share		(8,008)	(141)
Shareholders' equity – parent company shareholders' share		**24,772**	**34,564**
Shareholders' equity – non-controlling interests' share		566	767
TOTAL SHAREHOLDERS' EQUITY	*18*	**25,338**	**35,331**
Non-current liabilities			
Deferred tax liabilities	*8*	922	1,044
Provisions for pension and other long-term employee benefit obligations – long-term	*19*	1,544	1,636
Other provisions – long-term	*20*	1,356	1,458
Non-current financial liabilities	*23*	13,423	8,794
Provisions for uncertain tax liabilities – long-term	*21*	179	187
Other non-current liabilities	*21*	1,685	1,734
TOTAL NON-CURRENT LIABILITIES		**19,109**	**14,853**
Current liabilities			

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Provisions for pension and other long-term employee benefit obligations – short-term	*19*	103	64
Other provisions – short-term	*20*	1,570	1,064
Current financial liabilities	*23*	3,924	2,780
Sales Financing debts	*23*	47,547	47,465
Trade payables		8,277	9,582
Current tax liabilities	*21*	221	223
Provisions for uncertain tax liabilities – short-term	*21*	6	8
Other current liabilities	*21*	9,642	10,801
TOTAL CURRENT LIABILITIES		**71,290**	**71,987**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**115,737**	**122,171**

** The figures at December 31, 2019 have been restated to reflect index-based restatements of equity items in hyperinflationary economies, in accordance with the IFRS IC agenda decision issued in March 2020 (see note 2-A 2).*

Changes in consolidated shareholders' equity

(€ million)	Number of shares *(thousands)*	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves (1)	Net income (parent company shareholders' share)	Shareholders' equity (parent company shareholders' share)	Shareholders' equity (non-controlling interests' share)	Total shareholders' equity
BALANCE AT DECEMBER 31, 2018	**295,722**	**1,127**	**3,785**	**(400)**	**236**	**(2,536)**	**29,975**	**3,302**	**35,489**	**599**	**36,088**
2019 net income								(141)	(141)	160	19
Other components of comprehensive income (2)					(4)	301	(121)		176	(2)	174
2019 COMPREHENSIVE INCOME					**(4)**	**301**	**(121)**	**(141)**	**35**	**158**	**193**
Allocation of 2018 net income							3,302	(3,302)			
Dividends							(966)		(966)	(96)	(1,062)
(Acquisitions)/disposals of treasury shares and impact of capital increases				56					56		56
Changes in ownership interests							(5)		(5)	106	101
Cost of share-based payments and other							(45)		(45)		(45)
BALANCE AT DECEMBER 31, 2019	**295,722**	**1,127**	**3,785**	**(344)**	**232**	**(2,235)**	**32,140**	**(141)**	**34,564**	**767**	**35,331**
2020 net income								(8,008)	(8,008)	(38)	(8,046)
Other components of comprehensive income (2)					152	(1,873)	(31)		(1,752)	(26)	(1,778)
2020 COMPREHENSIVE INCOME					**152**	**(1,873)**	**(31)**	**(8,008)**	**(9,760)**	**(64)**	**(9,824)**
Allocation of 2019 net income							(141)	141			
Dividends										(21)	(21)
(Acquisitions)/disposals of treasury shares and impact of capital increases				60					60		60
Changes in ownership interests							(23)		(23)	(119)	(142)
Cost of share-based payments and other							(69)		(69)	3	(66)
BALANCE AT DECEMBER 31, 2020	**295,722**	**1,127**	**3,785**	**(284)**	**384**	**(4,108)**	**31,876**	**(8,008)**	**24,772**	**566**	**25,338**

(1) Reserves no longer include index-based restatements of equity items in hyperinflationary economies, in accordance with the IFRS IC agenda decision issued in March 2020 (see note 2-A). The comprehensive income has also been adjusted.

(2) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension plans recognized during the period.

Details of changes in consolidated shareholders' equity in 2020 are given in note 18.

Consolidated cash flows

(€ million)	*Notes*	2020	2019
Net income		**(8,046)**	**19**
Cancellation of dividends received from unconsolidated listed investments		(11)	(46)
Cancellation of income and expenses with no impact on cash			
Depreciation, amortization and impairment		4,750	3,809
Share in net (income) loss of associates and joint ventures		5,145	190

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Other income and expenses with no impact on cash before interest and tax	*26-A*	1,513	1,937
Dividends received from unlisted associates and joint ventures		5	4
Cash flows before interest and tax (1)		**3,356**	**5,913**
Dividends received from listed companies (2)		**11**	**625**
Net change in financing for final customers		287	(2,612)
Net change in renewable dealer financing		2,820	(659)
Decrease (increase) in Sales Financing receivables		**3,107**	**(3,271)**
Bond issuance by the Sales Financing segment	*23-C*	1,598	3,869
Bond redemption by the Sales Financing segment	*23-C*	(2,621)	(4,034)
Net change in other debts of the Sales Financing segment		2,195	3,696
Net change in other securities and loans of the Sales Financing segment		884	(428)
Net change in financial assets and debts of the Sales Financing segment		**2,056**	**3,103**
Change in capitalized leased assets		**(929)**	**(1,059)**
Change in working capital before tax	***26-B***	**(1,192)**	**1,214**
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX		**6,409**	**6,525**
Interest received		71	78
Interest paid		(352)	(368)
Current taxes (paid)/received		(375)	(636)
CASH FLOWS FROM OPERATING ACTIVITIES		**5,753**	**5,599**
Property, plant and equipment and intangible investments	*26-C*	(4,208)	(5,022)
Disposals of property, plant and equipment and intangible assets		187	31
Acquisitions of investments involving gain of control, net of cash acquired		-	5
Acquisitions of other investments		(129)	(157)
Disposals of investments involving loss of control, net of cash transferred		-	2
Disposals of other investments		(146)	36
Net decrease (increase) in other securities and loans of the Automotive segments		57	(2)
CASH FLOWS FROM INVESTING ACTIVITIES		**(4,239)**	**(5,107)**
Dividends paid to parent company shareholders	*18-D*	-	(1,035)
Transactions with non-controlling interests		10	(10)
Dividends paid to non-controlling interests	*18-H*	(21)	(96)
(Acquisitions) sales of treasury shares		(44)	(36)
Cash flows with shareholders		**(55)**	**(1,177)**
Bond issuance by the Automotive segments	*23-C*	1,000	1,557
Bond redemption by the Automotive segments	*23-C*	(590)	(574)
Net increase (decrease) in other financial liabilities of the Automotive segments		5,250	(59)
Net change in financial liabilities of the Automotive segments	***23-B***	**5,660**	**924**
CASH FLOWS FROM FINANCING ACTIVITIES		**5,605**	**(253)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**7,119**	**239**

(1) Cash flows before interest and tax do not include dividends received from listed companies.

(2) Dividends received from Daimler (€11 million in 2020 and €46 million in 2019) and Nissan (€579 million in 2019).

(€ million)	**2020**	2019
Cash and cash equivalents: opening balance	**14,982**	**14,777**
Increase (decrease) in cash and cash equivalents	7,119	239
Effect of changes in exchange rate and other changes	(404)	(34)
Cash and cash equivalents: closing balance*	**21,697**	**14,982**

** Cash subject to restrictions on use is described in note 22-D.*

Notes to the consolidated financial statements

I. Information on operating segments and Regions

The operating segments defined by Renault are the following:

- the **“Automotive”** segments, which in practice consist of two segments:
- the “Automotive excluding AVTOVAZ” segment, consisting of the Group’s automotive activities as they existed before Renault acquired control of the AVTOVAZ group under IFRS 10. This segment comprises the production, sales, and distribution subsidiaries for passenger cars and light commercial vehicles, automotive service subsidiaries for the Renault, Dacia and Samsung brands, and the subsidiaries in charge of the segment’s cash management. It also includes investments in automotive-sector associates and joint ventures, principally Nissan,

- the “AVTOVAZ” segment, consisting of the Russian automotive group AVTOVAZ and its parent company Alliance Rostec Auto B.V., which was formed at the end of 2016, after Renault acquired control over them, as defined by IFRS 10, in December 2016;
- the **“Sales Financing”** segment, which the Group considers as an operating activity in its own right, carried out for the distribution network and final customers by RCI Banque, its subsidiaries and its investments in associates and joint ventures;
- the **“Mobility Services”** segment, created on January 1, 2020, consisting of services for new mobilities brought together in the holding company Renault MAI (Mobility As an Industry). This segment includes Flit Technologies Ltd. and its subsidiaries (a taxi reservation platform), Coolnagour Ltd. and its subsidiaries (software development for taxis under the iCabbi brand), Glide.io (car-share services) and the joint venture Car Sharing Mobility (car-share services under the Zity brand). The 2019 figures have not been restated due to the non-significant nature of these operations, which are included in the Sales Financing in 2019.

The segment result regularly reviewed by the Group Executive Committee, identified as the “Chief Operating Decision-Maker”, is the **operating margin**. The definition of this indicator is unchanged from previous years and is detailed in the note 2-D "Presentation of the consolidated financial statements". This interim result is no longer presented in the consolidated income statement. It is only reported in the consolidated income statements by operating segment below.

The operating margin excludes restructuring costs. The definition of these costs has been reviewed to bring it into line with IAS 37 “Provisions, Contingent liabilities and Contingent assets”, which defines “a restructuring” as “a program that is planned and controlled by management, and materially changes either: a) the scope of a business undertaken by an entity; or b) the manner in which that business is conducted.” The impact of this change on previous periods is considered non-significant and its determination is not practicable. Consequently, no adjustments have been made to the amounts of the operating margin for those periods.

The new brand-based organization announced by Luca de Meo, effective from 2021, will not affect the operating segments defined above. The presentation of business results to the Board of Management (which replaces the Group Executive Committee from January 1, 2021), identified as the “Chief Operating Decision-Maker”, will continue to use the same segments as at December 31, 2020.

A - Information by operating segment

A1 Consolidated income statement by operating segment

(€ million)	Automotive (excluding AVTOVAZ) (1)	AVTOVAZ (1)	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2020								
External sales	**37,736**	**2,581**	**-**	**40,317**	**3,138**	**19**	**-**	**43,474**
Intersegment sales	95	651	(651)	95	21	1	(117)	-
Sales by segment	**37,831**	**3,232**	**(651)**	**40,412**	**3,159**	**20**	**(117)**	**43,474**
Operating margin (2) (3)	**(1,452)**	**140**	**1**	**(1,311)**	**1,007**	**(35)**	**2**	**(337)**
Operating income	**(3,061)**	**129**	**1**	**(2,931)**	**990**	**(60)**	**2**	**(1,999)**
Financial income (expenses) (4)	**(414)**	**(52)**	**-**	**(466)**	**(15)**	**(1)**	**-**	**(482)**
Share in net income (loss) of associates and joint-ventures	**(5,161)**	**-**	**-**	**(5,161)**	**19**	**(3)**	**-**	**(5,145)**
Pre-tax income	**(8,636)**	**77**	**1**	**(8,558)**	**994**	**(64)**	**2**	**(7,626)**
Current and deferred taxes	55	(273)	-	(218)	(205)	1	2	(420)
NET INCOME	**(8,581)**	**(196)**	**1**	**(8,776)**	**789**	**(63)**	**4**	**(8,046)**

(1) External sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €218 million in 2020, and these sales are thus included in the AVTOVAZ segment’s intersegment transactions.

(2) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

(3) The Automotive (excluding AVTOVAZ) segment’s contribution to the operating margin after elimination of intersegment transactions amounts to -€1,450 million in 2020.

(4) Dividends paid by the Sales Financing segment to the Automotive segments are included in the Automotive segments’ financial income and eliminated in the intersegment transactions. No dividend was paid in 2020.

(€ million)	Automotive (excluding AVTOVAZ) (1)	AVTOVAZ (1)	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2019								
External sales	**49,002**	**3,130**	**-**	**52,132**	**3,405**	**-**	**-**	**55,537**
Intersegment sales	105	774	(774)	105	18	-	(123)	-
Sales by segment	**49,107**	**3,904**	**(774)**	**52,237**	**3,423**	**-**	**(123)**	**55,537**
Operating margin (2)	**1,289**	**156**	**(1)**	**1,444**	**1,223**	**-**	**(5)**	**2,662**
Operating income	**762**	**130**	**(1)**	**891**	**1,294**	**-**	**(80)**	**2,105**
Financial income (expenses) (3)	**179**	**(111)**	**-**	**68**	**(10)**	**-**	**(500)**	**(442)**
Share in net income (loss) of	**(213)**	**2**	**-**	**(211)**	**21**	**-**	**-**	**(190)**

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associates and joint ventures								
Pre-tax income	**728**	**21**	**(1)**	**748**	**1,305**	**-**	**(580)**	**1,473**
Current and deferred taxes	(1,122)	51	-	(1,071)	(383)	-	-	(1,454)
NET INCOME	**(394)**	**72**	**(1)**	**(323)**	**922**	**-**	**(580)**	**19**

(1) External sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €246 million in 2019, and these sales are thus included in the AVTOVAZ segment's intersegment transactions.

(2) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

(3) Dividends paid by the Sales Financing segment to the Automotive segments are included in the Automotive segments' financial income and eliminated in the intersegment transactions. They amounted to €500 million in 2019.

A2 Consolidated financial position by operating segment

DECEMBER 31, 2020

(€ million)	**Automotive (excluding AVTOVAZ)**	**AVTOVAZ**	**Intra-Automotive Transactions**	**TOTAL AUTOMOTIVE**	**Sales Financing**	**Mobility Services**	**Intersegment transactions**	**CONSOLIDATED TOTAL**
ASSETS								
Non-current assets								
Property, plant and equipment and intangible assets	21,432	1,569	-	23,001	415	66	-	23,482
Investments in associates and joint ventures	14,981	2	-	14,983	129	7	1	15,120
Non-current financial assets – equity investments	7,908	-	(670)	7,238	3	-	(6,244)	997
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	257	-	-	257	-	-	(1)	256
Deferred tax assets	416	21	-	437	214	-	-	651
Other non-current assets	795	5	(32)	768	188	-	-	956
TOTAL NON-CURRENT ASSETS	**45,789**	**1,597**	**(702)**	**46,684**	**949**	**73**	**(6,244)**	**41,462**
Current assets								
Inventories	5,337	262	-	5,599	41	-	-	5,640
Customer receivables	1,053	130	(113)	1,070	41,983	2	(1,325)	41,730
Current financial assets	1,065	-	(4)	1,061	943	-	(823)	1,181
Current tax assets and other current assets	2,667	274	(2)	2,939	6,122	5	(5,039)	4,027
Cash and cash equivalents	12,524	558	(133)	12,949	8,738	15	(5)	21,697
TOTAL CURRENT ASSETS	**22,646**	**1,224**	**(252)**	**23,618**	**57,827**	**22**	**(7,192)**	**74,275**
TOTAL ASSETS	**68,435**	**2,821**	**(954)**	**70,302**	**58,776**	**95**	**(13,436)**	**115,737**
SHAREHOLDERS' EQUITY AND LIABILITIES								
Shareholders' equity	**25,346**	**678**	**(671)**	**25,353**	**6,195**	**48**	**(6,258)**	**25,338**
Non-current liabilities								
Long-term provisions	2,454	21	-	2,475	604	-	-	3,079
Non-current financial liabilities	11,489	1,030	-	12,519	890	15	(1)	13,423
Deferred tax liabilities	314	34	(1)	347	573	2	-	922
Other non-current liabilities	1,408	37	(32)	1,413	270	2	-	1,685
TOTAL NON-CURRENT LIABILITIES	**15,665**	**1,122**	**(33)**	**16,754**	**2,337**	**19**	**(1)**	**19,109**
Current liabilities								
Short-term provisions	1,575	56	-	1,631	49	-	(1)	1,679
Current financial liabilities	5,145	139	(137)	5,147	(1)	18	(1,240)	3,924
Trade payables and Sales Financing debts	8,025	452	(108)	8,369	48,298	2	(845)	55,824
Current tax liabilities and other current liabilities	12,679	374	(5)	13,048	1,898	8	(5,091)	9,863
TOTAL CURRENT LIABILITIES	**27,424**	**1,021**	**(250)**	**28,195**	**50,244**	**28**	**(7,177)**	**71,290**
TOTAL SHAREHOLDERS'	**68,435**	**2,821**	**(954)**	**70,302**	**58,776**	**95**	**(13,436)**	**115,737**

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EQUITY AND LIABILITIES								

DECEMBER 31, 2019

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
ASSETS								
Non-current assets								
Property, plant and equipment and intangible assets	21,701	1,740	-	23,441	408	-	-	23,849
Investments in associates and joint ventures	21,087	3	-	21,090	142	-	-	21,232
Non-current financial assets – equity investments	7,478	-	(1,025)	6,453	2	-	(5,577)	878
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	194	-	-	194	-	-	-	194
Deferred tax assets	475	341	-	816	200	-	-	1,016
Other non-current assets	971	128	(108)	991	233	-	-	1,224
TOTAL NON-CURRENT ASSETS	**51,906**	**2,212**	**(1,133)**	**52,985**	**985**	**-**	**(5,577)**	**48,393**
Current assets								
Inventories	5,379	352	-	5,731	49	-	-	5,780
Customer receivables	1,175	183	(87)	1,271	46,252	-	(891)	46,632
Current financial assets	1,197	5	(7)	1,195	1,948	-	(927)	2,216
Current tax assets and other current assets	3,003	66	(3)	3,066	5,984	-	(4,882)	4,168
Cash and cash equivalents	12,231	70	(3)	12,298	2,762	-	(78)	14,982
TOTAL CURRENT ASSETS	**22,985**	**676**	**(100)**	**23,561**	**56,995**	**-**	**(6,778)**	**73,778**
TOTAL ASSETS	**74,891**	**2,888**	**(1,233)**	**76,546**	**57,980**	**-**	**(12,355)**	**122,171**
SHAREHOLDERS’ EQUITY AND LIABILITIES								
Shareholders’ equity	**35,214**	**1,108**	**(1,028)**	**35,294**	**5,632**	**-**	**(5,595)**	**35,331**
Non-current liabilities								
Long-term provisions	2,604	37	-	2,641	640	-	-	3,281
Non-current financial liabilities	7,106	821	-	7,927	867	-	-	8,794
Deferred tax liabilities	428	40	-	468	576	-	-	1,044
Other non-current liabilities	1,554	20	(108)	1,466	268	-	-	1,734
TOTAL NON-CURRENT LIABILITIES	**11,692**	**918**	**(108)**	**12,502**	**2,351**	**-**	**-**	**14,853**
Current liabilities								
Short-term provisions	1,034	66	-	1,100	36	-	-	1,136
Current financial liabilities	3,785	100	(10)	3,875	-	-	(1,095)	2,780
Trade payables and Sales Financing debts	9,520	487	(84)	9,923	48,253	-	(1,129)	57,047
Current tax liabilities and other current liabilities	13,646	209	(3)	13,852	1,708	-	(4,536)	11,024
TOTAL CURRENT LIABILITIES	**27,985**	**862**	**(97)**	**28,750**	**49,997**	**-**	**(6,760)**	**71,987**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	**74,891**	**2,888**	**(1,233)**	**76,546**	**57,980**	**-**	**(12,355)**	**122,171**

A3 Consolidated cash flows by operating segment

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2020								
Net income (1)	**(8,581)**	**(196)**	**1**	**(8,776)**	**789**	**(63)**	**4**	**(8,046)**

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Cancellation of dividends received from unconsolidated listed investments	(11)	-	-	(11)	-	-	-	(11)
Cancellation of income and expenses with no impact on cash								
Depreciation, amortization and impairment	4,571	80	-	4,651	83	16	-	4,750
Share in net (income) loss of associates and joint ventures	5,160	-	-	5,160	(19)	4	-	5,145
Other income and expenses with no impact on cash, before interest and tax	754	317	-	1,071	452	14	(24)	1,513
Dividends received from unlisted associates and joint ventures	3	2	-	5	-	-	-	5
Cash flows before interest and tax (2)	**1,896**	**203**	**1**	**2,100**	**1,305**	**(29)**	**(20)**	**3,356**
Dividends received from listed companies (3)	**11**	**-**	**-**	**11**	**-**	**-**	**-**	**11**
Decrease (increase) in Sales Financing receivables	-	-	-	-	2,837	-	270	3,107
Net change in financial assets and Sales Financing debts	-	-	-	-	2,154	-	(98)	2,056
Change in capitalized leased assets	(839)	-	-	(839)	(90)	-	-	(929)
Change in working capital before tax	(1,527)	233	(78)	(1,372)	180	2	(2)	(1,192)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX	**(459)**	**436**	**(77)**	**(100)**	**6,386**	**(27)**	**150**	**6,409**
Interest received	51	22	(4)	69	-	2	-	71
Interest paid	(297)	(81)	4	(374)	-	-	22	(352)
Current taxes (paid)/received	(127)	(8)	-	(135)	(240)	-	-	(375)
CASH FLOWS FROM OPERATING ACTIVITIES	**(832)**	**369**	**(77)**	**(540)**	**6,146**	**(25)**	**172**	**5,753**

(1) Dividends paid by the Sales Financing segment to the Automotive segments are included in the net income of the Automotive (excluding AVTOVAZ) segment. No dividend was paid in 2020.

(2) Cash flows before interest and tax do not include dividends received from listed companies.

(3) Dividends received from Daimler (€11 million).

(€ million)	**Automotive (excluding AVTOVAZ)**	**AVTOVAZ**	**Intra-Automotive Transactions**	**TOTAL AUTOMOTIVE**	**Sales Financing**	**Mobility Services**	**Intersegment transactions**	**CONSOLIDATED TOTAL**
2020								
CASH FLOWS FROM OPERATING ACTIVITIES	**(832)**	**369**	**(77)**	**(540)**	**6,146**	**(25)**	**172**	**5,753**
Purchases of intangible assets	(1,412)	(74)	-	(1,486)	(3)	(11)	-	(1,500)
Purchases of property, plant and equipment	(2,602)	(182)	83	(2,701)	(7)	-	-	(2,708)
Disposals of property, plant and equipment and intangibles	187	6	(6)	187	-	-	-	187
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	-	-	-	-	-	-	-	-
Acquisitions and disposals of other investments and other	(281)	-	-	(281)	-	(23)	29	(275)
Net decrease (increase) in other securities and loans of the Automotive segments	42	2	(2)	42	-	(2)	17	57
CASH FLOWS FROM INVESTING ACTIVITIES	**(4,066)**	**(248)**	**75**	**(4,239)**	**(10)**	**(36)**	**46**	**(4,239)**
Cash flows with shareholders	(44)	-	-	(44)	(11)	29	(29)	(55)
Net change in financial liabilities of the Automotive segments	5,476	437	(143)	5,770	-	23	(133)	5,660
CASH FLOWS FROM FINANCING ACTIVITIES	**5,432**	**437**	**(143)**	**5,726**	**(11)**	**52**	**(162)**	**5,605**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**534**	**558**	**(145)**	**947**	**6,125**	**(9)**	**56**	**7,119**

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(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Mobility services	Intersegment transactions	CONSOLIDATED TOTAL
2020								
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**12,231**	**70**	**(3)**	**12,298**	**2,762**	**-**	**(78)**	**14,982**
Increase (decrease) in cash and cash equivalents	534	558	(145)	947	6,125	(9)	56	7,119
Effect of changes in exchange rate and other changes	(241)	(70)	15	(296)	(149)	24	17	(404)
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**12,524**	**558**	**(133)**	**12,949**	**8,738**	**15**	**(5)**	**21,697**

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Intersegment transactions	CONSOLIDATED TOTAL
2019							
Net income (1)	**(394)**	**72**	**(1)**	**(323)**	**922**	**(580)**	**19**
Cancellation of dividends received from unconsolidated listed investments	(46)	-	-	(46)	-	-	(46)
Cancellation of income and expenses with no impact on cash							
Depreciation, amortization and impairment	3,607	120	-	3,727	82	-	3,809
Share in net (income) loss of associates and joint ventures	213	(2)	-	211	(21)	-	190
Other income and expenses with no impact on cash, before interest and tax	1,355	50	-	1,405	475	57	1,937
Dividends received from unlisted associates and joint ventures	4	-	-	4	-	-	4
Cash flows before interest and tax (2)	**4,739**	**240**	**(1)**	**4,978**	**1,458**	**(523)**	**5,913**
Dividends received from listed companies (3)	**625**	**-**	**-**	**625**	**-**	**-**	**625**
Decrease (increase) in Sales Financing receivables	-	-	-	-	(3,353)	82	(3,271)
Net change in financial assets and Sales Financing debts	-	-	-	-	2,968	135	3,103
Change in capitalized leased assets	(1,002)	-	-	(1,002)	(57)	-	(1,059)
Change in working capital before tax	**1,829**	**15**	**-**	**1,844**	**(635)**	**5**	**1,214**
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX	**6,191**	**255**	**(1)**	**6,445**	**381**	**(301)**	**6,525**
Interest received	73	5	-	78	-	-	78
Interest paid	(301)	(87)	1	(387)	-	19	(368)
Current taxes (paid)/received	(367)	(11)	-	(378)	(258)	-	(636)
CASH FLOWS FROM OPERATING ACTIVITIES	**5,596**	**162**	**-**	**5,758**	**123**	**(282)**	**5,599**

(1) Dividends paid by the Sales Financing segment to the Automotive segments are included in the net income of the Automotive (excluding AVTOVAZ) segment. They amounted to €500 million in 2019.

(2) Cash flows before interest and tax do not include dividends received from listed companies.

(3) Dividends received from Daimler (€46 million) and Nissan (€579 million).

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Intersegment transactions	CONSOLIDATED TOTAL
2019							
CASH FLOWS FROM OPERATING ACTIVITIES	**5,596**	**162**	**-**	**5,758**	**123**	**(282)**	**5,599**
Purchases of intangible assets	(2,016)	(67)	-	(2,083)	(3)	-	(2,086)
Purchases of property, plant and equipment	(2,846)	(95)	15	(2,926)	(10)	-	(2,936)
Disposals of property, plant and equipment and intangibles	16	27	(14)	29	2	-	31
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(55)	(9)	-	(64)	71	-	7
Acquisitions and disposals of other investments and other	(120)	-	-	(120)	(1)	-	(121)
Net decrease (increase) in other securities and loans of the Automotive segments	(3)	1	-	(2)	-	-	(2)

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CASH FLOWS FROM INVESTING ACTIVITIES	**(5,024)**	**(143)**	**1**	**(5,166)**	**59**	**-**	**(5,107)**
Cash flows with shareholders	(1,165)	(1)	-	(1,166)	(511)	500	(1,177)
Net change in financial liabilities of the Automotive segments	1,180	(49)	-	1,131	-	(207)	924
CASH FLOWS FROM FINANCING ACTIVITIES	**15**	**(50)**	**-**	**(35)**	**(511)**	**293**	**(253)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**587**	**(31)**	**1**	**557**	**(329)**	**11**	**239**

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	TOTAL AUTOMOTIVE	Sales Financing	Intersegment transactions	CONSOLIDATED TOTAL
2019							
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**11,691**	**89**	**(3)**	**11,777**	**3,094**	**(94)**	**14,777**
Increase (decrease) in cash and cash equivalents	587	(31)	1	557	(329)	11	239
Effect of changes in exchange rate and other changes	(47)	12	(1)	(36)	(3)	5	(34)
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**12,231**	**70**	**(3)**	**12,298**	**2,762**	**(78)**	**14,982**

A4 Other information for the Automotive segments: net cash position (net financial indebtedness), operational free cash flow and ROCE

The net cash position or net financial indebtedness, operational free cash flow and ROCE are only presented for the Automotive segments.

The net cash position or net financial indebtedness includes all non-operating interest-bearing financial liabilities and commitments less cash and cash equivalents and other non-operating financial assets such as marketable securities or the segment's loans.

NET CASH POSITION (NET FINANCIAL INDEBTEDNESS)

	December 31, 2020			
(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE
Non-current financial liabilities	(11,489)	(1,030)	-	(12,519)
Current financial liabilities	(5,145)	(139)	137	(5,147)
Non-current financial assets – other securities, loans and derivatives on financing operations	118	-	-	118
Current financial assets	1,024	-	(4)	1,020
Cash and cash equivalents	12,524	558	(133)	12,949
NET CASH POSITION (NET FINANCIAL INDEBTEDNESS) OF THE AUTOMOTIVE SEGMENTS	**(2,968)**	**(611)**	**-**	**(3,579)**

	December 31, 2019			
(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE
Non-current financial liabilities	(7,106)	(821)	-	(7,927)
Current financial liabilities	(3,785)	(100)	10	(3,875)
Non-current financial assets – other securities, loans and derivatives on financing operations	64	-	-	64
Current financial assets	1,180	1	(7)	1,174
Cash and cash equivalents	12,231	70	(3)	12,298
NET CASH POSITION (NET FINANCIAL INDEBTEDNESS) OF THE AUTOMOTIVE SEGMENTS	**2,584**	**(850)**	**-**	**1,734**

OPERATIONAL FREE CASH FLOW

(€ million)	**2020**

	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE
Cash flows (excluding dividends from listed companies) before interest and tax	1,896	203	1	2,100
Changes in working capital before tax (1)	(1,527)	233	(78)	(1,372)
Interest received by the Automotive segments	51	22	(4)	69
Interest paid by the Automotive segments	(297)	(81)	4	(374)
Current taxes (paid)/received	(127)	(8)	-	(135)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(3,827)	(250)	77	(4,000)
Capitalized leased vehicles and batteries	(839)	-	-	(839)
Operational free cash flow of the Automotive segments	**(4,670)**	**119**	**-**	**(4,551)**
Payments for restructuring expenses	*(325)*	*(14)*	-	*(339)*
Operational free cash flow of the Automotive segments excluding restructuring (2)	**(4,345)**	**133**	**-**	**(4,212)**

(1) Settlements of supplier payables covered by a reverse factoring program that are analyzed as financing operations are not included in the change in working capital, but in cash flows from financing activities (see notes 2-A2 and 2-P). In 2020, such payments gave rise to an amount of €173 million (€127 million in 2019, classified under change in working capital).

(2) The definition of restructuring is presented in the introduction to the introduction in "I. Information on operating segments and Regions" and the amounts included in profit and loss for the period are presented in note 6-A. The operational free cash flow excluding restructuring is presented due to the existence of a 2020 target for that performance indicator, initially announced in February 2020. In view of the COVID-19 pandemic, that target was suspended when the Universal registration document was filed in March 2020.

	2019			
(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	TOTAL AUTOMOTIVE
Cash flows (excluding dividends from listed companies) before interest and tax	4,739	240	(1)	4,978
Changes in working capital before tax	1,829	15	-	1,844
Interest received by the Automotive segments	73	5	-	78
Interest paid by the Automotive segments	(301)	(87)	1	(387)
Current taxes (paid)/received	(367)	(11)	-	(378)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(4,846)	(135)	1	(4,980)
Capitalized leased vehicles and batteries	(1,002)	-	-	(1,002)
Operational free cash flow of the Automotive segments*	**125**	**27**	**1**	**153**

** The definition of Operational free cash flow is unchanged from 2019 and does not incorporate normative changes that occurred in 2020.*

ROCE

ROCE (return on capital employed) is an indicator that measures the profitability of capital invested. It is reported for the Automotive segments. The shares of entities in the Sales Financing segment, the Mobility Services segment, Nissan and Daimler are not included in the definition of capital employed by the Automotive segments.

(€ million)	**December 31, 2020**	December 31, 2019
Operating margin	(1,311)	1,444
Normative tax rate	28%	28%
Operating margin after tax (A)*	**(944)**	**1,040**
Property, plant and equipment, intangible assets and goodwill	23,001	23,441
Investments in associates and joint ventures excluding Nissan	365	468
Non-current financial assets – equity investments excluding RCI Banque SA, Renault MAI and Daimler	43	64
Working capital	(12,454)	(14,182)
Capital employed (B)	**10,955**	**9,791**
Return on capital employed (ROCE = A/B)	**(8.6)%**	**10.6%**

** The approach used to determine ROCE includes a theoretical tax effect based on a normative tax rate of 28%.*

Working capital is determined from the following segment reporting items:

(€ million)	**December 31, 2020**	December 31, 2019
Other non-current assets	768	991
Inventories	5,599	5,731
Customer receivables	1,070	1,271
Current tax assets and other current assets	2,939	3,066
Other non-current liabilities	(1,413)	(1,466)
Trade payables	(8,369)	(9,923)
Current tax liabilities and other current liabilities	(13,048)	(13,852)
Working capital	**(12,454)**	**(14,182)**

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B - Information by Region

The Regions presented correspond to the geographic divisions used for Group management. The Regions are defined in III-3-(1)-"Geographical organization of Groupe Renault by Region – countries in each Region".

Consolidated revenues are presented by location of customers.

Property, plant and equipment and intangibles are presented by location of subsidiaries and joint operations.

(€ million)	Europe*	Americas	China	Africa – Middle–East – India – Asia-Pacific	Eurasia	Consolidated total
2020						
Revenues	29,335	2,488	124	4,603	6,924	43,474
AVTOVAZ	*2*	*2*	-	*11*	*2,784*	*2,799*
Property, plant and equipment and intangible assets	17,588	600	172	1,354	3,768	23,482
AVTOVAZ	-	-	-	-	*1,569*	*1,569*

2019						
Revenues	36,516	4,435	127	7,038	7,421	55,537
AVTOVAZ	*42*	*3*	-	*14*	*3,317*	*3,376*
Property, plant and equipment and intangible assets	17,392	852	179	1,307	4,119	23,849
AVTOVAZ	-	-	-	-	*1,740*	*1,740*

* Including France:		
(€ million)	2020	2019
Revenues	**12,019**	**13,581**
Property, plant and equipment and intangible assets	**13,869**	**13,773**

II. Accounting policies and scope of consolidation

NOTE 1 APPROVAL OF THE FINANCIAL STATEMENTS

The Groupe Renault's consolidated financial statements for 2020 were examined at the Board of Directors' meeting of February 18, 2021 and will be submitted for approval by the shareholders at the General Shareholders' Meeting.

NOTE 2 ACCOUNTING POLICIES

In application of European regulations, the Groupe Renault's consolidated financial statements for 2020 are prepared under IFRS (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board) at December 31, 2020 and adopted by the European Union at the year-end.

2 - A - Changes in accounting policies

A1 Changes in accounting policies in 2020

The Groupe Renault applies the accounting standards and amendments that have been published in the Official Journal of the European Union and are mandatory from January 1, 2020.

NEW AMENDMENTS THAT BECAME MANDATORY ON JANUARY 1, 2020	
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest rate benchmark reform – Phase 1
Amendments to IAS 1 and IAS 8	Definition of Material
Amendment to IFRS 3	Definition of a Business
Conceptual Framework	Amendments to References to the Conceptual Framework in IFRS Standards

The standards and amendments that became mandatory on January 1, 2020 have no significant impact on the Group's financial statements.

The amendments to IFRS 9, IAS 39 and IFRS 7 (financial instruments) related to the interest rate benchmark reform Phase 1 were applied early by the Groupe Renault in its financial Statements at December 31, 2019.

NEW AMENDMENT EFFECTIVE FROM JUNE 1, 2020

On May 28, 2020 the IASB published an amendment to IFRS 16 entitled "COVID-19-Related rent concessions", with an effective date of June 1, 2020, which was approved by the European Union on October 12, 2020. This amendment offers an optional exemption for lessees, allowing them to recognize lease payment reductions granted by agreement with lessors in profit and loss. This applies to lease payments initially due up to June 30, 2021. Lessees can choose to apply IFRS 16 unamended, *i.e.* carry out a detailed analysis of rent concession agreements and treat them as modifications to the lease if necessary. The Groupe

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Renault has not applied this IFRS 16 amendment in the financial statements at December 31, 2020. The concessions from which the Group has benefited have no significant impact.

OTHER STANDARDS APPLIED BY THE GROUP FROM JANUARY 1, 2020

From January 1, 2020 the Group applies phase 3 of IFRS 9 concerning hedge accounting. This has no material impact on the Group's financial statements, but allows an aggregated position consisting of an exposure and a derivative to be designated as hedged item in the Sales Financing segment.

The Groupe Renault has opted for early application, at December 31, 2020, of the amendments to IAS 39, IFRS 9 and IFRS 7 concerning phase 2 of the interest rate benchmark reform. From July 2020, interest on the Sales Financing segment's margin call account with France's clearing house switched from the Euro overnight index average (EONIA) to the Euro short-term rate (ESTER). Application of these amendments allows the Group to modify the effective rate for this financial instrument prospectively. This has no immediate impact on the income statement.

At December 31, 2020, no other financial instrument negotiated with a non-Group counterparty had been renegotiated as a result of the interest rate benchmark reform. The Automotive segments (through the intermediary of Renault Finance) adhered to the *ISDA 2018 Benchmarks Supplement Protocol*, and the Sales Financing segment adhered to the *ISDA 2020 Fallbacks protocol* governing fallback clauses.

The Groupe Renault has identified the interest rate benchmarks used in interest rate hedging relationships that are concerned by the reform: Libor Euro, Libor GBP and Libor CHF. The Group considers there is no uncertainty regarding the future of the Euribor index since it was validated as benchmark regulation-compliant by the European Banking Authority. At December 31, 2020, the Sales Financing segment had interest rate swaps designated as fair value hedges amounting to CHF300 million (floating rate indexed on LIBOR CHF) and £100 million (floating rate indexed on Libor GBP). The risk hedging strategies have so far not been modified by the transition to the new benchmark rates

Early application of these amendments has no impact on the Group's financial statements at December 31, 2020.

OTHER STANDARDS AND AMENDMENTS NOT YET ADOPTED BY THE EUROPEAN UNION

The IASB has also published the following new standards and amendments that have not yet been adopted by the European Union.

New IFRS standards and amendments not yet adopted by the European Union		Application date set by the IASB
Amendment to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023
Amendments to IAS 16	Proceeds before Intended Use	January 1, 2022
Amendments to IFRS 3	Updating a Reference to the Conceptual Framework	January 1, 2022
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022
Annual improvements (2018-2020 cycle)	Annual improvements process	January 1, 2022
IFRS 17 and amendments/Amendments to IFRS 4	Insurance contracts	January 1, 2023

The Group is currently analyzing the potential impacts, but does not at this stage anticipate that application of these amendments will have any significant impact on the consolidated financial statements.

A2 IFRIC agenda decision concerning classification of the effects of index-based restatement and translation of the financial statements of subsidiaries in hyperinflationary economies

In view of the IFRIC's agenda decision of March 2020 concerning classification of the effects of index-based restatement and translation of the financial statements of subsidiaries in hyperinflationary economies, the Group has concluded that the combined effect of index-based restatement and translation qualifies as an exchange difference under IAS 21 "The Effects of Changes in Foreign Exchange Rates", as restatement based on price indexes is correlated with movements in the exchange rate between the Argentinian peso and the euro, and mitigates the effect of the peso's devaluation. Consequently, the effects of restatement and translation of the equity of subsidiaries located in Argentina are now reported in the translation adjustment in other components of comprehensive income, whereas the effects of index-based restatement were included in reserves in the 2018 and 2019 financial statements. The change led to reclassification of €349 million to the translation adjustment reserve at January 1, 2020.

A3 Application of the IFRIC agenda decision concerning recognition of the impacts of reverse factoring programs in the statement of financial position and cash flow statement

In December 2020 the IFRIC published an agenda decision concerning reverse factoring programs, concluding that the existing standards are sufficient for appropriate treatment of such programs in the financial position and cash flow statement. This decision notably clarifies that supplier payables covered by reverse factoring programs should be classified in the statement of financial position as trade payables or financial liabilities, or presented in a separate line. The treatment applied by the Group to these programs is consistent with this decision (see note 2-P).

The IFRIC's decision also clarifies that the presentation in the cash flow statement depends on the analysis of the transaction, particularly because a repayment considered to concern a non-operating finance arrangement must be classified as a cash flow from financing activities. To date, the Group has presented repayments of liabilities covered by reverse factoring programs as cash flows from operating activities, even when the transaction was considered a financing operation. The amounts concerned in 2020 have been reclassified in accordance with the IFRIC decision (see "I. Information on operating segments and Regions" – A4). The amounts concerned in previous years have not been reclassified since they are not significant.

2 - B - Estimates and judgments

Specific context of 2020

In the context of the COVID-19 pandemic that appeared in the first quarter of 2020 and continued throughout the year, the global automotive market suffered a downturn of 14.4% compared to 2019. To protect its employees, and in compliance with the measures introduced by national governments, the Groupe Renault suspended its commercial and production activities in most countries during March. During the lockdown periods, practically all employees not working in production and sales worked from home, and furlough measures were put in place. Production and sales resumed mainly from May 2020, respecting the end-of-lockdown measures imposed by the governments of the countries where the Groupe Renault has operations. A second lockdown and curfews were imposed in several countries, including France, during the second half of the year, and these also had negative effects on the Group's business activity. Total sales volumes for 2020 were thus 21.3% lower than in 2019, at 2,951,971 vehicles.

To maintain a sufficient level of liquidity for operations, the Groupe Renault arranged a €5 billion credit line guaranteed by the French government, on which it made three drawings totalling €4 billion (note 23). At December 31, 2020, the undrawn amount of €1 billion is no longer available. The Group also issued a new bond in November 2020 with a nominal value of €1 billion (note 23-C). At the date of publication of these consolidated financial statements, the Group has sufficient cash and sources of financing to ensure continuity of operations for the next twelve months (note 25-B) and demonstrated its capacity to issue debt in the second half of the year (note 23-C).

Expenses and income recognized that are identified as resulting wholly or partly from the COVID-19 pandemic are not considered as "Other operating income and expenses", except for expenses which due to their nature are always included in that category, such as impairment of tangible and intangible assets.

Payroll costs net of state aid received by Renault, additional logistics costs, the costs of introducing new health protocols, and depreciation on assets unused or only partially-used during the period because of the lockdown rules are allocated to the relevant functions (cost of goods and services sold, research and development expenses, and selling, general and administrative expenses). The amounts concerned are not reported because it is impossible to reliably identify the amounts solely attributable to the COVID-19 pandemic.

The consolidated financial statements for 2020 include restatements of some assets and liabilities undertaken in the context of this pandemic, and the update of the "Renaulution" medium-term business plan (2021-2025). The principal impacts are €762 million of impairment in respect of certain tangible and intangible assets (see note 6), €248 million resulting from discontinuation of recognition of deferred tax assets (see note 8-A), and a €216 million increase in impairment for expected credit losses on sales financing receivables (see note 15). Estimation of the impacts of the COVID-19 pandemic described in this chapter on the financial statements is particularly complex and involves the use of judgments that are explained in the notes, where relevant.

On April 14, 2020 the Groupe Renault announced its new business strategy in China, and the signature of a preliminary agreement with Dongfeng Motor Corporation under which Renault transferred its shares in the joint-venture Dongfeng Renault Automotive Company Ltd. (DRAC) to Dongfeng. DRAC ceased operations concerning the Renault brand on April 1, 2020 (see notes 3 and 6-B). The Groupe Renault is refocusing its business activities in China on light commercial vehicles (through Renault Brilliance Jinbei Automotive Co. Ltd. (RBJAC) – see note 13) and on electric vehicles (through New Energy Automotive Co. Ltd. (eGT) and Jiangxi Jiangling Group Electric Vehicle Co. Ltd. (JMEV) – see note 3).

On November 20, 2020 the Groupe Renault signed an agreement in France with its social partners to transform technical and service skills in preparation for future developments in the automotive world. This agreement lays down the conditions for a new outplacement policy, and includes a voluntary work-exemption plan for relevant personnel in 2021, and a Collective Contractual Separation plan for a maximum 1,900 employee departures. In the foreign subsidiaries, the Group is rolling out restructuring actions in line with the 2022 cost reduction plan. Restructuring and workforce adjustments have been recognized for these plans (notes 6-A and 20).

In the context of the COVID-19 pandemic, the new strategy in China, new workforce reduction plans and the new medium-term business plan Renaulution (2021-2025), the main items in the Group's consolidated financial statements that are dependent on estimates and judgments and have been paid particular attention are the following:

- potential impairment of fixed assets, particularly impairment on specific assets linked to vehicles (see note 6-C), the goodwill of AVTOVAZ and the LADA brand (see note 11);
- the recoverable value of leased vehicles classified as property, plant and equipment or inventories (notes 2-G, 11 and 14);
- investments in associates, notably Nissan and RBJAC (see notes 12 and 13);
- impairment for expected credit losses concerning Sales Financing receivables (notes 2-G and 15);
- determination of expenses to be paid under sales incentive programs recorded in other liabilities, in a context of sales price pressure (notes 2-G and 21);
- determination of restructuring provisions (see note 6-A and 20);
- determination of risks associated with distressed suppliers;
- the potential impact of the European CAFE (Corporate Average Fuel Economy) regulation from 2020: under this regulation, carmakers will be fined if the average CO_2 emissions target for all vehicles registered in Europe each calendar year is exceeded (see note 28-A2).

This list is not exhaustive due to the constantly evolving COVID-19 situation and its effects on the financial health of the world's economies, and it remains very difficult to predict the magnitude and duration of the pandemic's economic impacts on our business.

Other important estimates and judgments

Renault often has to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expenses, and disclosures made in certain notes to the financial statements. In preparing its financial statements, Renault regularly revises its estimates and assessments to take account of past experience and other factors deemed relevant in view of the economic circumstances. If changes in these assumptions or circumstances are not as anticipated, the figures reported in Renault's future consolidated financial statements could differ from the estimates established at the time these financial statements were finalized. The main items in the Group's consolidated financial statements at December 31, 2020 that are dependent on estimates and judgments are the following:

- capitalization of research and development expenses and their amortization period (notes 2-K and 10-A);
- the depreciation and amortization periods for fixed assets other than capitalized development expenses (notes 2-K, 2-L and 10);
- recognition of deferred tax assets on tax loss carryforwards (notes 2-I and 8);
- provisions, particularly warranty provisions on vehicles and batteries sold (note 2-G), provisions for pensions and other long-term employee benefit obligations (notes 2-S and 19), provisions for workforce adjustment measures (notes 2-T and 6-A), provisions for legal risks and tax risks (other than income tax risks) (note 20) and provisions for uncertain tax liabilities (note 21);
- valuation of lease liabilities, particularly the incremental borrowing rates and the value of renewal options that are reasonably certain to be exercised (note 23).

2 - C - Consolidation principles

The consolidated financial statements include the financial statements of all companies controlled exclusively by the Group either directly or indirectly (subsidiaries). Jointly controlled companies are accounted for under the equity method when they are classified as joint ventures and consolidated on the basis of the percentage share specific to each balance sheet and income statement item when they are classified as joint operations.

Companies in which the Group exercises significant influence (associates) are included in the financial statements on an equity basis.

Significant intercompany transactions and unrealized internal profits are eliminated.

Investments in non-significant companies that are controlled exclusively by the Group but not consolidated, even though they fulfil the above criteria, are recorded as other non-current assets.

Their consolidation would have a negligible impact on the consolidated financial statements, since they are Group-financed entities whose losses, if any, are recognized via impairment losses, and which:

- acquire almost all their purchases from Group companies; or
- carry out almost all their sales transactions with Group companies.

Put options on non-controlling interests are carried in the consolidated financial position at fair value, and classified in other financial liabilities in the Automotive segments and in other non-current liabilities in the Sales Financing segment, with a corresponding adjustment to equity.

2 - D - Presentation of the consolidated financial statements

Valuation basis

The consolidated financial statements are established under the historical cost convention, except for certain categories of assets and liabilities, in compliance with IFRS rules. The categories concerned are detailed in the following notes.

Operating income and operating margin

Operating income includes all revenues and costs directly related to the Group's activities, whether recurrent or resulting from non-recurring decisions or operations, such as restructuring costs.

The operating margin, which corresponds to the operating income of an individual segment as defined in IFRS 8 "Operating Segments", corresponds to the operating income before other operating income and expenses that are by nature unusual or significant and could affect comparability of the margin. Other operating income and expenses mainly include:

- restructuring and workforce adjustment costs, and significant costs relating to discontinued activities. Restructuring costs are defined as follows in the definition given in IAS 37 "Provisions, Contingent liabilities and Contingent assets": "A restructuring is a program that is planned and controlled by management, and materially changes either: a) the scope of a business undertaken by the entity; or b) the manner in which that business is conducted";
- gains or losses on partial or total disposal of businesses or operating entities, gains or losses on total or partial disposals of investments in associates and joint ventures, other gains and losses relating to changes in the scope of consolidation such as acquisitions of control, as defined by IFRS 10, over entities previously accounted for under the equity method, and direct acquisition costs for entities that are fully consolidated or consolidated on a line-by-line percentage of interest basis;
- gains or losses on disposal of property, plant and equipment or intangible assets (except leased assets sales);
- impairment on property, plant and equipment or intangible assets and goodwill (excluding goodwill of associates or joint ventures);
- unusual items, *i.e.* income and charges that are unusual in their frequency, nature or amount, relating to significant litigation or impairment of operating receivables.

Equity method consolidation of associates and joint ventures

The share in net income of associates and joint ventures reported in the Group's consolidated income statement comprises the share in these entities' profits or losses, impairment and recoveries of impairment relating to these entities (note 2-M). The impairment booked is limited to the net book value of the investment, unless an additional commitment has been made.

The gain or loss resulting from the sale or loss of significant influence or joint control over associates and joint ventures accounted for by the equity method, and the gain or loss on acquisition of control, as defined by IFRS 10, over companies that were already consolidated but not controlled, is reported in other operating income and expenses in the Group's consolidated income statement.

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This includes transfers of accumulated translation adjustments during the period the entity was accounted for by the equity method.

The Group recognizes a deferred tax liability on dividend distributions for all differences between the book and tax values of its investments in associates and joint ventures (note 2-I). This tax is included in current and deferred taxes in the Group's income statement.

Goodwill relating to associates and joint ventures is included in the value of the relevant entities as stated in the assets in the consolidated statement of financial position. In the event of impairment, an impairment loss is booked and included in the consolidated income statement via the share in net income (loss) of associates and joint ventures (note 2-J).

Acquisition expenses related to investments in associates and joint ventures are included in the initial acquisition cost for these investments.

Cross-investments between a consolidated entity and an associate are neutralized in measuring the investment in the associate as stated in the assets of the statement of financial position. Nissan's 15% stake in Renault is therefore neutralized in valuing the investment in Nissan shown in the assets of the consolidated statement of financial position (note 12).

Dividends received from unlisted associates and joint ventures are included in the Automotive segments' operational free cash flow, while dividends received from listed associates and joint ventures, *i.e.* Nissan, are excluded from the operational free cash flow of the Automotive (excluding AVTOVAZ) segment.

Reporting by operating segment

The information by operating segment is based on internal reporting to the Group Executive Committee, identified as the "Chief Operating Decision-Maker". This information is prepared under the IFRSs applicable to the consolidated financial statements. All Group financial data are assigned to the operating segments. The "Intersegment transactions" and "Intra-Automotive" columns are reserved for transactions between the segments, which are carried out on near-market terms. Dividends paid by the Sales Financing segment to the Automotive (excluding AVTOVAZ) segment are included in the Automotive (excluding AVTOVAZ) segment's financial income.

The indicator used to evaluate segment performance is the operating margin.

Apart from taxes and the associates' share in net income, income and expenses relating to Sales Financing are recorded as operating items. The tax effect inherent to the French consolidated taxation system is included in the tax expense of the Automotive (excluding AVTOVAZ) segment.

Assets and liabilities are specific to each segment. Receivables assigned by the Automotive segments to the Sales Financing companies are treated as operating assets by the assignee when the risks and benefits are substantially transferred. These receivables are mostly receivables on the dealership network.

Vehicles and batteries for which the Automotive (excluding AVTOVAZ) segment has a repurchase commitment are included in the segment's assets. When these assets are financed by the Sales Financing segment, the Sales Financing segment recognizes a receivable on the Automotive (excluding AVTOVAZ) segment.

Current and non-current assets and liabilities

Sales Financing receivables, other securities, derivatives, loans and financial liabilities of the Sales Financing segment (other than redeemable shares and subordinated loans) are considered as current assets and liabilities, because they are used in this operating segment's normal business cycle.

For the Automotive segments, in addition to items directly related to the business cycle, all assets and liabilities maturing within one year are classified as current.

2 - E - Translation of the financial statements of foreign companies

The Group's presentation currency is the euro.

For foreign companies, the functional currency is generally the local currency. In cases where most transactions are carried out in a different currency, that is adopted as the functional currency.

Foreign companies' accounts are established in their functional currency, and subsequently translated into the Group's presentation currency as follows:

- financial position items other than components of shareholders' equity, which are stated at historical value, are translated at the closing exchange rate;
- income statement items are translated at the average exchange rate for the period;
- the translation adjustment is one of the other components of comprehensive income, and therefore has no impact on net income.

Goodwill generated by a business combination with a foreign company is treated as an asset or liability of the entity acquired, as appropriate. It is therefore expressed in the relevant entity's functional currency, and translated into euros at the closing rate.

When a foreign company is sold, the accumulated translation adjustments on its assets and liabilities are transferred to other operating income and expenses in the income statement.

In an exception to the above principles, the financial statements of entities in hyperinflationary economies are translated in accordance with IAS 29 "Financial reporting in hyperinflationary economies". Non-monetary balance sheet items, income statement items, comprehensive income items and cash flow statement items are adjusted for inflation in their original local currency, then all the financial statements are translated at the closing exchange rate for the period. This hyperinflationary

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accounting leads to recognition of a gain or loss resulting from exposure to hyperinflation, which is classified as other financial income and expenses and thus included in reserves the following year.

The effects of index-based restatement and translation of the equity of subsidiaries in Argentina are all included in the translation adjustment in other components of comprehensive income, since restatement based on price indexes is correlated with movements in the exchange rate between the Argentinian peso and the euro, and mitigates the effect of the peso's devaluation.

To determine whether a country is in hyperinflation, the Group refers to the list published by the International Practices Task Force (IPTF) of the Center for Audit Quality. The financial statements of the Group's subsidiaries in Argentina are consolidated in accordance with the principles of IAS 29, which are applied from January 1, 2018. As operations in Iran are no longer consolidated, the Group has no other subsidiary in countries on the IPTF list.

2 - F - Translation of foreign currency transactions

Transactions undertaken in a currency other than the functional currency of the entity concerned are initially translated to and recorded in the functional currency, using the rate applicable at the transaction date.

For financial reporting purposes, monetary assets and liabilities in currencies other than the functional currency are translated at the closing rate. All resulting foreign exchange differences are recognized in the income statement, except for foreign exchange gains and losses on financial instruments designated as hedges of a net investment in a foreign entity (note 2-X). The following impacts are therefore recorded in net income:

- translation adjustments related to financial operations by the Automotive segments are included in the net financial income;
- other translation adjustments are included in the operating income (operating margin in the information by operating segment).

Derivatives are measured and recorded as described in note 2-X.

2 - G - Revenues and margin

Revenues comprise all proceeds from sales of the Group's automotive goods, services related to these sales, and the various Sales Financing products marketed by the Group's companies to their customers.

Sales of goods and services

SALES AND MARGIN RECOGNITION

Sales of automotive goods are recognized at the date control is transferred. The transfer of control over automotive goods takes place when the goods are made available to the distribution network in the case of non-Group dealers (at the time they are added to or removed from stock, depending on the contractual arrangements) or upon delivery to the end-user in the case of direct sales.

However, there is no transfer of control in the case of goods sold under an operating lease by a Group finance company, or in the case of goods sold with a buyback commitment if it is highly likely that they will be returned. In such transactions, the revenues are recognized progressively over the lease period, and a used vehicle sale is recorded when control of the used vehicle is transferred. The difference between the price paid by the customer and the buyback price is treated as rental income and spread over the period the automotive item is at the customer's disposal. The production cost for the new automotive item concerned is recorded in inventories for contracts of less than one year, or included in property, plant and equipment under fixed assets leased to customers when the contracts exceed one year. The forecast resale value takes account of recent known developments on the second-hand automotive market but also future anticipated developments over the period in which the automotive goods will be sold, which may be influenced by factors both external (economic situation, taxation) and internal (changes in the range or the manufacturer's pricing strategy). As soon as a loss is expected on the resale, a provision (if the automotive item is in inventories) or additional depreciation (if the automotive item is included in property, plant and equipment) is recognized to cover the loss.

SALES INCENTIVE PROGRAMS

Sales incentive programs based on the volumes or prices of products sold are deducted from sales when the sales operations concerned are recorded. Any provisions are based on estimates of the most probable amount.

The Group undertakes certain promotional campaigns offering reduced-interest customer credit or discounts on services. Because these are sales incentives, the cost of these operations is recognized as a reduction in sales by the Automotive segments when the vehicle sale takes place and is not spread over the duration of the financing or the services concerned.

WARRANTY

The Group makes a distinction between insurance-type warranties and service-type warranties. Provisions are established for insurance-type warranties, while service-type warranties give rise to revenue that is spread over the duration of the warranty extension.

The estimated or incurred costs relating to manufacturer's product or part warranties classified as insurance-type warranties are charged to expenses when the sales are recorded. Provisions for costs to be borne by Renault are valued on the basis of observed data by model and engine, *i.e.* the level of costs, and their distribution over the periods covered by the manufacturer's warranty. In the event of product recalls following incidents that come to light after the vehicle has been put on the market, provisions are established to cover the costs involved as soon as the decision to undertake the recall campaign has been made. Amounts claimed from suppliers are deducted from the warranty expense when it is considered practically certain they will be recovered.

SERVICES RELATED TO SALES OF AUTOMOTIVE PRODUCTS

Revenues from service contracts sold by the Group are recognized on a percentage-of-completion basis. These contracts may be for warranty extensions, maintenance or insurance.

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Such service contracts may be sold separately to the final customer or included free of charge in a sale package covering a vehicle and related services. In either case, the Group considers service contracts as a separate service obligation from delivery of the vehicle and allocates a portion of revenues to the service contract.

When the customer makes regular payments for the service contract, the revenues are recognized on a straight-line basis. When the contract is prepaid (for example, when it is paid for by the customer at the time of the vehicle purchase), the amounts received are recorded as deferred income, and spread over the duration of the contract, on a straight-line basis for warranty extensions and following an experience curve for maintenance contracts.

IMPAIRMENT OF CUSTOMER RECEIVABLES

Impairment is booked in respect of the Automotive segment's customer receivables to reflect the prospective assessment of the credit risk at the inception of the receivable and any deterioration of that risk over time. When there is an incurred credit loss, impairment is recorded individually for each receivable.

Sales Financing revenues

SALES FINANCING REVENUES

Sales Financing revenues are generated by financing operations for sales of vehicles to dealers and end-users. These financing operations take the form of loans from the Sales Financing segment companies and are carried in the balance sheet at amortized cost under the effective interest rate method, less any impairment. Income on these contracts is calculated so as to give a constant interest rate over the period and is included in sales revenues.

SALES FINANCING COSTS

Sales financing costs are considered as operating expenses and included in the operating income (operating margin in the information by operating segment). They mainly comprise interest incurred by sales financing companies to refinance their customer loan transactions, other costs and revenues directly related to administration of this type of refinancing (temporary investments, hedging and management of exchange and interest rate risks), and the cost of risks related to receivables. Refinancing comes from diversified sources: public and private bond issues, public and private securitization backed by Automotive segments loans, negotiable debt instruments, savings collected and financing from credit institutions and assimilates.

COMMISSIONS PAYABLE TO BUSINESS INTERMEDIARIES

Commissions are treated as external distribution costs, and therefore deferred as contract acquisition costs, so as to give a constant interest rate over the term of the financing contracts.

CLASSIFICATION AND IMPAIRMENT OF RECEIVABLES

The impairment method for financial receivables depends on the category concerned. For healthy receivables (stage 1), impairment is equivalent to the 12-month expected credit loss; for receivables on which the credit risk has significantly deteriorated since initial recognition or which received extensions during the lockdown (stage 2), impairment is equivalent to the lifetime expected losses; and for receivables in default (stage 3), impairment is equivalent to the incurred credit loss.

The Sales Financing segment uses an internal scoring system or external ratings to identify any significant deterioration in the credit risk. In addition, this segment has decided to use the assumptions set out in the standard and thus downgrades any receivable outstanding after 30 days to stage 2, and any receivable still outstanding after 90 days to stage 3.

The Sales Financing segment refers to the current recommendations of the Basel Committee to generate the parameters needed to calculate the probability of default and the loss rates in the event of default on loans and financing, finance lease receivables, irrevocable financing commitments, and financial guarantees given to customers and dealers in its principal countries of business (Germany, Brazil, Spain, France, Italy and the United Kingdom for customer and dealer financing, Korea for customer financing only). These assets account for more than 85% of financial assets. For other assets, a standard approach based on a simplified methodology is applied.

As the assumptions used are essentially based on observable market data, the calculation of impairment for expected credit losses in the Sales Financing segment also incorporates forward-looking macro-economic data (GDP, long-term rates, *etc.*) to reflect changes in indicators and sector-specific information.

WRITE-OFF RULES

The gross book value of a financial asset is written off when there are no reasonable expectations of recovery. The asset is derecognized via a loss account, and the associated impairment is reversed when the non-recoverability of receivables is confirmed, or at the latest when the Sales Financing segment's rights as creditor are extinguished. Examples of receivables that become non-recoverable and are derecognized are waivers negotiated with customers (notably as part of a recovery plan), time-barred receivables, receivables concerned by an unfavorable legal judgment (when the outcome of a lawsuit or litigation is negative), and receivables owed by a customer that no longer exists.

2 - H - Financial income (expenses)

The cost of net financial indebtedness comprises the cost of gross financial indebtedness less income associated with cash, cash equivalents and financial assets of the Automotive segments. The cost of gross financial indebtedness consists of income and expenses generated by the Automotive segments' financial indebtedness during the period, including the impact of the effective portion of the related interest rate hedges.

Other financial income and expenses mainly include foreign exchange gains and losses on financial items and related hedges, the gain or loss caused by exposure to hyperinflation (note 2-E), the net interest on provisions for pensions, and dividends and impairment of companies that are neither controlled nor under significant influence by the Group.

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2 - I - Income tax

The Group recognizes deferred taxes for all temporary differences between the tax and book values of assets and liabilities in the consolidated statement of financial position. Deferred taxes are calculated at the latest tax rate enacted at the closing date applicable to the period when temporary differences are reversed. Each individual fiscal entity (legal entity, establishment or group of entities that pays tax to the tax administration) that is authorized to offset its current tax assets and liabilities reports deferred tax assets and liabilities net. Recognition of deferred tax assets depends on the probability of future recovery.

For associates and joint ventures, a deferred tax liability on dividend distributions is booked for all differences between the book value and tax value of shares held.

Tax credits that can only be used against a taxable profit are recorded as a deduction from the income tax payable. Tax credits that are recoverable regardless of whether the Company makes a taxable profit are set against the relevant nature of expense.

To determine the provisions for uncertain tax liabilities, the Group uses a case-by-case method based on the most probable value. In view of their qualitative characteristics these provisions are reported on specific lines in the consolidated financial position.

2 - J - Goodwill

Non-controlling interests (formerly called “minority interests”) are carried at fair value (the full goodwill method) or at their share in the fair value of assets acquired and liabilities transferred (the partial goodwill method). To date, Renault has only recognized goodwill valued under the partial goodwill method. The choice of which method to use is made for each individual case.

Goodwill is not amortized, but impairment tests are carried out at least annually or whenever there is evidence of loss of value. After initial recognition, goodwill is stated at cost less any accumulated impairment.

Goodwill relating to associates and joint ventures is included in the value of the entities concerned as reported in the assets in the statement of financial position. In the event of impairment, an impairment loss is booked and included in the consolidated income statement via the share in net income (loss) of associates and joint ventures.

Acquisitions of additional investments concerning non-controlling interests in companies controlled by the Group are treated as equity transactions. The positive or negative difference between the cost of acquiring shares and the book value of the non-controlling interests acquired is recorded in shareholders’ equity.

2 - K - Research and development expenses and other intangible assets

RESEARCH AND DEVELOPMENT EXPENSES

Development expenses incurred between the decision to begin development and implement production facilities for a new vehicle or component (*e.g.* engine or gearbox) and the subsequent approval of the design for mass production are capitalized as intangible assets. They are amortized on a straight-line basis from the date of approval for production, over the expected market life of the vehicle or part, which is initially no longer than seven years. Market lives are regularly reviewed and subsequently adjusted if there is a significant difference from the initial estimate. Capitalized development expenses mainly comprise the cost of prototypes, the cost of studies invoiced by external firms, the cost of personnel assigned to the project and a share of overheads dedicated exclusively to development activities.

Borrowing costs directly attributable to the development of a project requiring at least 12 months of preparation before commissioning are included in the gross value of the asset, which is a “qualifying asset”. The capitalization rate for borrowing costs is limited such that capitalized borrowing costs do not exceed the total borrowing costs borne during the year. When a project is financed through a specific borrowing, the capitalization rate is equal to the interest rate on the borrowing.

Expenses incurred before the decision to begin product development are recorded as costs in the period they are incurred, in the same way as research expenses. Expenses incurred after the start of mass production are treated as production costs.

OTHER INTANGIBLE ASSETS

Other intangible assets comprise patents, leasehold rights, intangible business assets, licenses, software, brands and similar rights purchased by the Group. When they have a finite useful life, patents, leasehold rights, licenses, brands and similar rights purchased are amortized on a straight-line basis over the period of protection stipulated by the contract or the law, or over the useful life if shorter. Intangible business assets and software are amortized over their useful life. The useful life of intangible assets is generally between three and five years. Intangible assets with an indefinite useful life, such as the LADA brand (note 11-C), are subjected to an impairment test at least once a year and when there is any indication of impairment.

2 - L - Property, plant and equipment and right-of-use assets

The gross value of property, plant and equipment corresponds to historical acquisition or production cost.

Design and preparation expenses are included in the asset’s production cost.

The production cost for property, plant and equipment also includes financing costs borne during the construction phase, under the same method as for intangible assets. When a project is financed through a specific borrowing, the capitalization rate is equal to the interest rate on the borrowing.

Investment subsidies received are deducted from the gross value of the assets concerned.

Subsequent expenses for property, plant and equipment, except those incurred to increase productivity or prolong the life of an asset, are charged to expenses as incurred.

Assets leased to customers include vehicles leased for more than one year from a Group finance company with a buyback commitment by the Group, and vehicles sold under an agreement including a clause for buyback after a minimum one year of use. Assets leased to customers also include batteries leased to electric vehicle users by Group finance companies (note 2-G).

Right-of-use assets

The Group is a party to leases of real estate property (land, concessions, warehouses, offices, *etc.*) and movable property (IT and operating equipment, transport equipment).

A contract contains a lease if it gives the lessee the right to use an identified asset for a specified period of time in exchange for payment.

At the contract's commencement date, a lessee recognizes an asset related to the right of use, and a financial liability that represents the lease obligation. The right-of-use asset is amortized over the term of the lease. The lease liability is initially recognized at the present value of lease payments over the expected term of the lease. The discount is unwound using the implicit interest rate of the lease agreement if it can be readily determined, or at the incremental borrowing rate otherwise. As lessee, the Group uses the incremental borrowing rate, calculated for each monetary zone as the risk-free rate applicable in the zone, plus the Group's risk premium for the local currency. In the income statement, amortization of the right-of-use asset is recorded in the operating income (operating margin in the information by operating segment) and a financial expense corresponding to the interest on the lease liability is recorded in financial income and expenses, replacing the lease payments previously charged to the operating margin. The tax impact of this consolidation adjustment is recognized via deferred taxes. In the cash flow statement, cash flows from operating activities are impacted by interest expenses paid, and cash flows from financing activities are impacted by the reimbursed lease liability.

Lease payments on short-term leases (12 months or less) and leases of low-value assets are treated as operating expenses and amortized on a straight-line basis.

The term of the lease is the non-cancellable period of a lease contract during which the lessee has the right to use the leased asset, extended by any renewal options the Group is reasonably certain to exercise. For French commercial leases, the lease term is generally nine years. Last term estimation and consideration of extension and termination options is conducted with the help of the Real Estate department, considering the types of site and their development plans.

Improvements to leased buildings are depreciated over a duration that is equal to or shorter than the lease term used to estimate the lease liability (if the lessee has neither the intention nor the ability to use them for a longer period).

When a lease contract contains a purchase option the Group is reasonably certain to exercise, it is in substance a purchase rather than a lease. The corresponding liability is considered as a financial liability under IFRS 9, and the asset as a tangible asset in compliance with IAS 16.

Provisions for repairs required contractually by lessors are recognized at the start of the lease, with a corresponding tangible asset.

Depreciation

In the Automotive (excluding AVTOVAZ) segment and the Sales Financing segment, depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings (1)	15 to 30 years
Specific tools	2 to 7 years
Machinery and other tools (other than press lines)	5 to 15 years
Press lines and stamping installations	20 to 30 years
Other tangible assets (2)	4 to 6 years
(1) Buildings in use before 1987 are depreciated over a period of up to 40 years. *(2) Except for leased batteries, which are depreciated over periods of 8 to 10 years depending on the models.*	

Useful lives are regularly reviewed, and accelerated depreciation is recorded when an asset's useful life becomes shorter than the initially expected period of use, particularly when it is decided to withdraw a vehicle or component from the market.

Depreciation for the AVTOVAZ segment is calculated on a straight-line basis over useful lives that may be longer than those used in other Groupe Renault companies.

2 - M - Impairment

Impairment of fixed assets (other than leased assets)

Fixed assets are subjected to impairment tests as soon as there is any indication of a loss of value, such as significant adverse changes in the market in which the Company operates, or changes affecting the circumstances and manner of use of the assets.

For the **Automotive (excluding AVTOVAZ) segment**, impairment tests are carried out at two levels:

AT THE LEVEL OF VEHICLE-SPECIFIC ASSETS (INCLUDING COMPONENTS)

Vehicle-specific assets (including components) consist of capitalized development expenses and tools. Impairment tests are carried out by comparing the net book value of the assets with the recoverable value, calculated based on discounted future cash flows related to the vehicle and its components. These assets may be specific to the model and/or the country of destination.

AT THE LEVEL OF CASH-GENERATING UNITS

A cash-generating unit is defined as a coherent subset that generates largely independent cash flows. Other cash-generating units may represent an economic entity (plant or subsidiary) or the whole Automotive (excluding AVTOVAZ) segment. Net fixed assets related to cash-generating units notably include goodwill, specific assets and capacity assets, and components of working capital.

For each of the two levels, impairment tests are carried out by comparing the net book value with the recoverable value. Recoverable value is defined as the higher of value in use or fair value less selling costs.

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Value in use is the present value of estimated future cash flows expected to arise from the use of an asset. Future cash flows derive from the business plan drawn up and validated by the Management, plus a terminal value based on discounted normative cash flows after application of a growth rate to infinity. They also include a bonus ("excess earnings") paid to the Automotive segments for business referrals to the Sales Financing segment. The assumptions underlying the business plan include estimates of market developments in countries in which the Group operates and its share of those markets, changes in the sale price of products and the prices of purchased components and commodities. The pre-tax discount rate used is the weighted average cost of capital as determined by the Company.

When the recoverable value is lower than the net book value, impairment equivalent to the difference is recorded against the assets concerned.

For the **Sales Financing segment**, an impairment test is carried out at least once a year or whenever there is an indication of loss of value, by comparing the book value and recoverable value of assets. Recoverable value is defined as the higher of fair value (less selling costs) and value in use. The value in use is based on a market approach, determined by using multiples for each group of cash-generating units made up of legal entities or groups of legal entities in the same country. The same discount rate is used for all cash-generating units tested: a risk-free 10-year rate increased by the average risk premium for the sector in which the cash-generating units operate. The forecast horizon for income and losses is one year.

For **AVTOVAZ**, impairment tests are also carried out at different levels (on specific assets, on the Lada brand, and on the whole Group). The AVTOVAZ Group as a whole is considered as one cash-generating unit, and no tests are conducted for individual factories or economic entities.

Impairment of investments in associates and joint ventures

Impairment tests of the value of investments in associates and joint ventures are carried out as soon as there is any indication of a loss of value, essentially significant adverse changes in the markets in which the Company operates, or a major or long-term decline in stock market value.

Impairment tests are carried out in compliance with IAS 28 and IAS 36, by comparing the book value of the investment in the associate or joint venture with the recoverable value, which is the higher of value in use and fair value, less selling costs. The value in use is equal to the share of the present value of future estimated cash flows expected by the associate or joint venture. If the associate or joint venture is listed, the fair value is its stock market value.

When the recoverable value is lower than the book value, impairment equivalent to the difference is recorded against the relevant investment in an associate or joint venture, and included in the Group's income statement via the share in net income (loss) of associates and joint ventures.

2 - N - Non-current assets or groups of assets held for sale

Assets held for sale are non-current assets or groups of assets that are available for immediate sale and have a high probability of being sold.

Non-current assets or groups of assets considered to be held for sale are measured and recorded at the lower of net book value or fair value less selling costs. No further amortization is recorded once an asset is classified as held for sale (or included in a group of assets held for sale). These assets are reported on a specific line of the consolidated financial position.

2 - O - Inventories

Inventories are stated at the lower of cost or net realizable value. Cost corresponds to acquisition cost or production cost, which includes direct and indirect production expenses and a share of manufacturing overheads, based on a forecast level of activity, and the results of any related hedges. The level of activity is forecast site by site, in order to determine the share of fixed costs to be excluded if the actual level of activity is lower.

Inventories of the Automotive (excluding AVTOVAZ) segment and the Sales Financing segment are valued under the FIFO (First In First Out) method. Inventories of AVTOVAZ are valued at weighted average cost.

When the net realizable value is lower than the financial position value, impairment equal to the difference is recorded.

2 - P - Assignment of receivables and reverse factoring

Receivables assigned to third parties (through securitization, discounting, or factoring) are removed from Group assets when the associated risks and benefits are also substantially transferred to the third parties in question. Risk analysis principally concerns the credit risk, the risk of late payment and the country risk. The same rule applies in the Automotive (excluding AVTOVAZ) segment and the Sales Financing segment.

The Automotive segments participate in reverse-factoring programs. These programs can be used to support a supplier, or to benefit the Group by extending payment deadlines. In the first case, the liability continues to be considered as part of the operating cycle and the amounts concerned remain in trade payables in the financial position. In the second case, if the reverse factoring contract includes an unconditional commitment by the Group to pay the amount initially due to the supplier to the financial institution that is a party to the contract, the liability is no longer considered as part of the operating cycle and the amounts concerned are reclassified as financial liabilities (this has no impact on the cash flow statement at the reclassification date).

If the contract is considered as a financial liability and covers a financing requirement for the Group subsidiary involved, the repayments to financial institutions impact cash flows from financing activities in the cash flow statement; otherwise, they are included in cash flows from operating activities.

2 - Q - Treasury shares

Treasury shares are shares held for the purposes of stock option plans, performance share plans and other share-based payment arrangements awarded to Group managers and executives.

They are recorded at acquisition cost and deducted from Group shareholders' equity until the date of sale.

When these shares are sold, the sale price is directly included in consolidated shareholders' equity. Consequently, no gain or loss on treasury shares is included in the net income for the period.

2 - R - Stock option plans/Performance share attribution plans and other share-based payments agreements

The Group awards stock option plans, performance share attribution plans and other share-based payments, all for Renault shares. The grant date is the date at which beneficiaries are informed of the decision to grant these options or performance shares, and the terms of the relevant plans. For plans subject to performance conditions, an estimate of achievement of those conditions is taken into account in determining the number of options or shares attributed. This estimate is reviewed annually based on changes in the probability of performance condition achievement. The final fair value of services rendered in return for attribution of options or shares is measured by reference to the fair value of those options or shares at their grant date, using a suitable binomial mathematical model that assumes exercise of the options is spread over the exercise period on a straight-line basis. Entitlements to attribution of performance shares are valued based on the share value at grant date less dividends expected during the vesting period. Where relevant, a discount is applied to reflect the fact that the shares must be held for a certain period. The share price volatility factor applied is implicit volatility at the grant date. The expected dividend used is determined by reference to the dividend payout schedule announced at the time each plan is valued.

The total fair value calculated in this way is spread on a straight-line basis over the vesting period for the relevant plan. The cost is included in personnel expenses, with a corresponding adjustment to consolidated reserves. When the option is exercised, the cash amount received by the Group in settlement of the exercise price is booked in cash and cash equivalents, with a corresponding adjustment to consolidated reserves.

2 - S - Pensions and other long-term employee benefit obligations

The Group's payments for defined-contribution benefit plans are recorded as expenses for the relevant period.

For defined-benefit plans concerning post-employment benefits, the Group uses the Projected Unit Credit Method to determine the present value of its obligations. Under this method, benefits are attributed to periods of service according to the plan's benefit formula, principally on a straight-line basis over the years of service.

The future payments for employee benefits are measured on the basis of future salary increases, retirement age, mortality and length of employment with the Company, and are discounted at a rate determined by reference to yields on long-term high quality corporate bonds of a duration corresponding to the estimated average duration of the benefit plan concerned.

The actuarial gains and losses resulting from revisions of the underlying assumptions and experience-based adjustments are included in other components of comprehensive income.

The net expense for the year, corresponding to the current period service cost plus the past service cost where relevant, is charged to the operating income (operating margin in the information by operating segment). The interest expense on the net defined-benefit liability (asset) is recorded in the net financial income and expenses

2 - T - Workforce adjustment measures

The estimated cost of workforce adjustment measures, which for accounting purposes is treated as an employee benefit, is covered by a provision over the estimated residual employment period of the employees concerned.

The cost of termination indemnities is recognized as soon as a detailed plan has either been announced or is in progress. The amount recorded is net of existing provisions for pensions.

2 - U - Financial assets

The Group recognizes a financial asset when it becomes a party to the contractual provisions of a financial instrument.

Financial assets comprise investments in non-controlled companies in which Renault does not exercise significant influence, marketable securities, negotiable debt instruments, loans, and derivative assets related to financial transactions (note 2-X).

These instruments are presented as non-current assets, apart from those maturing within 12 months of the closing date, which are classified as current assets.

Investments in non-controlled companies in which Renault does not have significant influence

Investments in non-controlled companies in which Renault does not have significant influence are classified as equity instruments at fair value through profit and loss. The fair values of such financial assets are determined in priority by reference to the market price. If this is not possible, the Group uses a valuation method that is not based on market data.

In an exception to this rule, the Group has made an irrevocable option to present the Daimler shares at fair value through Other components of comprehensive income.

Marketable securities and negotiable debt instruments

Short-term investments in the form of marketable securities and negotiable debt instruments are undertaken for the management of cash surpluses, but do not meet the requirements to qualify as cash equivalents. These are debt instruments carried at fair value through other components of comprehensive income, except for shares in investment funds (UCITS) which are carried at fair value through profit and loss.

Impairment equivalent to expected credit losses is booked upon initial recognition of debt instruments carried at fair value through other components of comprehensive income.

Loans

Loans essentially include loans for investment of cash surpluses and loans to associates.

Loans are carried at amortized cost. Impairment equivalent to expected credit losses is recognized upon initial recognition of the financial asset, and when there is objective evidence of loss of value caused by an event arising after the initial recognition.

2 - V - Cash and cash equivalents

Cash includes cash on hand, current accounts and other demand deposits, with the exception of bank overdrafts, which are included in financial liabilities. These instruments are stated at amortized cost except for shares in investment funds (UCITS) which are carried at fair value through profit and loss.

Cash equivalents are investments held for the purpose of meeting short-term cash commitments. For an investment to qualify as a cash equivalent, it must be considered as liquid, be readily convertible for a known amount of cash and be subject to an insignificant risk of change in value.

Bank accounts subject to restrictions due to sector-specific regulations (for example, banking or insurance regulations) or bank accounts allocated to increasing credit on securitized receivables are included in cash and cash equivalents.

2 - W - Financial liabilities of the Automotive segments and Sales Financing debts

The Group recognizes a financial liability (for the Automotive segments) or a Sales Financing debt when it becomes a party to the contractual provisions of a financial instrument.

Financial liabilities and Sales Financing debts comprise redeemable shares, bonds, other debts represented by a certificate, borrowings from credit institutions, lease liabilities in application of IFRS 16 (note 2-L), other interest-bearing borrowings and derivative liabilities related to financial transactions (note 2-X).

Redeemable shares are listed subordinated debt instruments that earn a variable return indexed on consolidated revenues. They are carried at amortized cost, determined by discounting forecast coupons using the effective interest rate on borrowings. The estimated effective interest rate takes account of indexation, and the amortized cost recorded in financial result is re-estimated when there is a significant change in future sales prospects, particularly when medium-term business plans are released.

Financial liabilities not concerned by specific hedge accounting methods (note 2-X) are generally recorded at amortized cost using the effective interest rate method. financial expense calculated in this way includes issuance expenses and issuance or redemption premiums, together with the impact of debt renegotiations when the old and new terms are not substantially different.

2 - X - Derivatives and hedge accounting

Measurement and presentation

Derivatives are initially stated at fair value. This fair value is subsequently reviewed at each closing date:

- the fair value of forward exchange contracts and currency swaps is determined by discounting future cash flows, using closing-date market rates (exchange and interest rates);
- the fair value of interest rate derivatives is the amount the Group would receive (or pay) to settle outstanding contracts at the closing date, taking into account interest rates forward curves and the quality of the counterparty to each contract at the closing date. This fair value includes accrued interest;
- the fair value of commodity derivatives is based on market conditions.

The Automotive segments' derivatives are reported in the financial position as current if they mature within 12 months and non-current otherwise. All Sales Financing segment derivatives are reported in the financial position as current.

Hedge accounting

The treatment of derivatives designated as hedging instruments depends on the type of hedging relationship:

- fair value hedge;
- cash flow hedge;
- hedge of a net investment in a foreign operation.

The Group identifies the hedging instrument and the hedged item as soon as the hedge is set up, and documents the hedging relationship, stating the hedging strategy, the risk hedged and the method used to assess the hedge's effectiveness. The Sales Financing segment documents hedging relationships concerning one or more homogeneous items to cover its risks. This documentation is subsequently updated such that the effectiveness of the designated hedge can be demonstrated.

Hedge accounting uses specific measurement and recognition methods for each category of hedge:

- fair value hedges: the hedged item is adjusted to fair value up to the risk hedged and the hedging instrument is recorded at fair value. As changes in these items are recorded in the income statement simultaneously, only the ineffective portion of the hedge has an impact on net income. It is recorded in the same income statement item as changes in the fair value of the hedged item and the hedging instrument;
- cash flow hedges: no adjustment is made to the value of the hedged item; only the hedging instrument is adjusted to fair value. Following this adjustment, the effective portion of the change in fair value attributable to the hedged risk is recorded, net of taxes, in other components of comprehensive income, while the ineffective portion is included in net income. The cumulative amount included in shareholders' equity is transferred to the income statement when the hedged item has an impact on net income;
- hedge of a net investment in a foreign operation: the hedging instrument is adjusted to fair value. Following this adjustment, the effective portion of the change in fair value attributable to the hedged exchange risk is recorded, net of taxes, in other

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components of comprehensive income, while the ineffective portion is included in net income. The cumulative amount included in shareholders' equity is transferred to net income at the date of liquidation or sale of the investment. The interest rate component of borrowings in yen used to hedge the investment in Nissan is considered as the ineffective portion, and is therefore recorded directly in financial income and expenses.

Derivatives not designated as hedges

Changes in the fair value of derivatives not designated as hedges are recognized directly in financial income, except in the case of derivatives entered into exclusively for reasons closely related to business operations. In this case, changes in the fair value of derivatives are included in the operating income (operating margin in the information by operating segment).

NOTE 3 CHANGES IN THE SCOPE OF CONSOLIDATION

	Automotive (excluding AVTOVAZ)	AVTOVAZ	Sales Financing	Mobility Services	Total
Number of companies consolidated at December 31, 2019	**128**	**53**	**42**	**-**	**223**
Newly consolidated companies (acquisitions, formations, *etc.*)	2	-	-	6	8
Deconsolidated companies (disposals, mergers, liquidations, *etc.*)	4	2	-	-	6
Number of companies consolidated at December 31, 2020	**126**	**51**	**42**	**6**	**225**

The principal changes and significant events concerning the scope of consolidation in 2020 were the following.

3 - A - Automotive (excluding AVTOVAZ) segment

- In January 2020, the Group sold its 35.11% investment in *Les Éditions Croque Futur* (magazine titles) for the price of €5 million. This company was previously accounted for by the equity method in the consolidated financial statements.
- On April 14, 2020, the Groupe Renault announced its new business strategy in China. For petrol and diesel passenger cars, Renault SA signed an agreement in April 2020 for the sale of its 50% share in the Chinese joint venture DRAC, discontinuation of production of Renault brand petrol and diesel cars, and the takeover of after-sales service for Renault vehicles sold by DRAC, which is accounted for by the equity method until March 31, 2020. The shares were transferred to Dongfeng Motor Group Company Ltd. in August 2020. The costs associated with this agreement are classified as "other operating income and expenses".
- The Group completed negotiations with its Chinese partner and proceeded to a capital increase for JMEV Jiangxi Jiangling Group Electric Vehicle Co. Ltd. which has been under the exclusive control of Renault since July 2019. This capital increase totaled RMB 380 million, or €48 million, equal to a 50% share in JMEV. The three-month time lag for inclusion of JMEV's financial statements ended in 2020. Determination of the fair value of the assets acquired and liabilities transferred has been finalized in the financial statements at December 31, 2020.

3 - B - AVTOVAZ

- There was no change during 2020 or 2019 in Renault's percentage ownership of Alliance Rostec Auto B.V. The value of the non-controlling interest at December 31, 2020 is €9 million (€83 million at December 31, 2019).
- The purchase price allocation related to the takeover in December 2019 of GM-AVTO, now renamed Lada Zapad, was finalized during the first half-year of 2020 and the goodwill was consequently adjusted. It now amounts to €10 million (RUB 886 million) versus €19 million (RUB 1,298 million) at December 31, 2019.

III. Consolidated income statement

NOTE 4 REVENUES

4 - A - Breakdown of revenues

(€ million)	2020	2019
Sales of goods – Automotive segments	**34,724**	**43,901**
Sales to partners of the Automotive segments (1)	**3,651**	**6,203**
Rental income on leased assets (2)	660	630
Sales of other services	1,283	1,398
Sales of services – Automotive segments	**1,943**	**2,028**
Sales of goods – Sales Financing segment	**38**	**36**
Rental income on leased assets (2)	108	116
Interest income on Sales Financing receivables	1,982	2,210
Sales of other services (3)	1,010	1,043
Sales of services – Sales Financing segment	**3,100**	**3,369**
Sales of services – Mobility Services segment	**19**	**-**
TOTAL REVENUES	**43,474**	**55,537**

(1) Most partners are carmakers. The Automotive segments' main partners are Nissan and Daimler. Sales to partners include sales of parts, components, and vehicles to be sold under the partners' own brands, and other services such as engineering developments.

(2) Rental income recorded by the Group on vehicle sales with a buyback commitment or fixed asset rentals.

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(3) Mainly income on services comprising insurance, maintenance, and replacement vehicles under a financing contract or otherwise.

4 - B - 2019 revenues applying 2020 scope and methods

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Sales Financing	Mobility Services	Total
2019 revenues	**49,002**	**3,130**	**3,405**	**-**	**55,537**
Changes in scope of consolidation	33	55	-	19	107
2019 revenues applying 2020 scope and methods	**49,035**	**3,185**	**3,405**	**19**	**55,644**
2020 revenues	**37,736**	**2,581**	**3,138**	**19**	**43,474**

NOTE 5 OTHER INCOME AND EXPENSES INCLUDED IN THE OPERATING MARGIN, BY NATURE EXCLUDING OTHER OPERATING INCOME AND EXPENSES

5 - A - Personnel expenses

Personnel expenses amount to €6,157 million in 2020 (€6,706 million in 2019).

The average workforce during the year for consolidated entities is presented in II- "5. STATE OF EMPLOYEES" of this document.

Details of pensions and other long-term employee benefit expenses are presented in note 19.

Share-based payments concern stock options, performance shares and other share-based payments granted to personnel, and amounted to a personnel expense of €46 million for 2020 (€89 million in 2019).

The plan valuation method is presented in note 18-G.

5 - B - Foreign exchange gains/losses

In 2020, the operating income includes a net foreign exchange expenses of €125 million, mainly related to movements in the Argentinian peso, Brazilian real and the Turkish lira (compared to a net foreign exchange gain of €42 million in 2019 mainly related to movements in the Turkish lira).

5 - C - Lease payments

At December 31, 2020, lease payments in the statement of financial position that are not restated under IFRS 16 because they relate to non-material or short-term leases:

(€ million)	**December 31, 2020**	December 31, 2019
Lease payments for short-term leases	(15)	(33)
Lease payments for leases of low-value assets	(25)	(31)
Other lease payments including variable lease payments	(51)	(48)

NOTE 6 OTHER OPERATING INCOME AND EXPENSES

(€ million)	**2020**	2019
Restructuring and workforce adjustment costs	(600)	(236)
Gains and losses on total or partial disposal of businesses or operating entities, and other gains and losses related to changes in the scope of consolidation	(183)	(5)
Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)	96	(10)
Impairment of property, plant and equipment, intangible assets and goodwill (excluding goodwill of associates and joint ventures)	(762)	(229)
Other unusual items	(213)	(77)
TOTAL	**(1,662)**	**(557)**

As stated in note 2-B, expenses and income recognized for 2020 that are identified as resulting wholly or partly from the COVID-19 pandemic are not considered as “Other operating income and expenses”, except for expenses which due to their nature are always included in that category, such as impairment of tangible and intangible assets.

6 - A - Restructuring and workforce adjustment costs

From 2020, restructuring costs include the costs of planned programs that significantly modify an entity’s scope of activity and/or the way the activity is managed, as stated in the introduction in “I. Information on operating segments and Regions”.

Restructuring and workforce adjustment costs mainly concern the Europe Region in 2020 and 2019.

In 2020, these costs include -€115 million for a work exemption plan in France which eligible employees could join between April 1, 2020 and January 1, 2021.

On May 29, 2020 the Group announced a proposed plan to reduce fixed costs by more than €2 billion over three years, including a workforce reduction of 4,600 employees in France and 10,000 employees worldwide.

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The proposal was confirmed by the signature in France of an agreement with Renault's social partners on November 20, 2020 to transform technical and service skills in preparation for future developments in the automotive world. This agreement lays down the conditions for a new outplacement policy, and includes a new voluntary work-exemption plan in 2021, which eligible personnel can join between February 1 and December 1, 2021, and a Collective Contractual Separation plan for a maximum 1,900 employee departures. Restructuring provisions were recorded at December 31, 2020 of -€70 million for the new voluntary work-exemption plan, and -€197 million for the Collective Contractual Separation plan.

Restructuring costs and provisions for the rest of the world at December 31, 2020 include restructuring costs of -€218 million. The principal countries concerned are Argentina (restructuring costs of -€37 million), Spain (restructuring costs of -€26 million), Romania (restructuring costs of -€21 million), AVTOVAZ (restructuring costs of -€21 million), Morocco (restructuring costs of -€17 million), and Brazil (restructuring costs of -€15 million).

A restructuring plan was announced in South Korea on January 20, 2021. This plan will be recognized in the 2021 financial statements, in accordance with the IAS 37 rules for restructuring provisions.

In 2019, restructuring costs mainly included -€89 million of complementary expenses following revision of the assumptions to reflect the higher than anticipated numbers signing up to the French career-end work exemption plan set out in the initial agreement named "Renault France CAP 2020 – *Contrat d'Activité pour une Performance durable*" (activity contract for sustainable performance), signed on January 13, 2017 and amended on April 16, 2018.

6 - B - Gains and losses on disposal of businesses or operating entities

In 2020, costs associated with the sale of Renault's share in the joint venture DRAC and the takeover of the after-sales activity were recognized in the total amount of -€172 million.

6 - C - Impairment of fixed assets and goodwill (excluding goodwill of associates and joint ventures)

Impairment net of reversals amounts to -€762 million at December 31, 2020 (-€229 million in 2019). The new impairment was principally recorded as a result of impairment tests on petrol and diesel engine vehicles given the lower sales volumes in 2020, the downward revision of business prospects in view of the COVID-19 pandemic, and the assumptions used in the medium-term plan for the period 2021-2025 presented in January 2021.

No reversal of impairment was recorded in 2020 (€10 million of reversals were recognized in 2019).

In 2020, impairment concerns intangible assets (net increase of -€565 million, compared to -€201 million in 2019) and property, plant and equipment (net increase of -€197 million, compared to -€28 million in 2019 (notes 10 and 11)).

6 - D - Other unusual items

Impairment tests on certain vehicles led to the recognition of unusual expenses corresponding to advance and future payments to partners and suppliers in connection with those vehicles, amounting to -€75 million in 2020 and -€78 million in 2019.

Business activity in Algeria was halted in early 2020 following government decisions, notably concerning authorizations to import parts necessary for production, and it is not possible to determine when this activity might resume. Certain assets (receivables, inventories, *etc*.) associated with the business have consequently been fully written off for a total amount of €99 million in 2020. Moreover, production in Algeria is carried out by Renault Algérie Production, an entity accounted for by the equity method (see note 13-C).

NOTE 7 FINANCIAL INCOME (EXPENSES)

(€ million)	**2020**	2019
Cost of gross financial indebtedness	(355)	(386)
Income on cash and financial assets	18	75
COST OF NET FINANCIAL INDEBTEDNESS	**(337)**	**(311)**
Dividends received from companies that are neither controlled nor under significant influence	16	59
Foreign exchange gains and losses on financial operations	41	30
Gain/Loss on exposure to hyperinflation	(40)	(34)
Net interest expenses on the defined-benefit liabilities and assets corresponding to pension and other long-term employee benefit obligations	(16)	(28)
Other*	(146)	(158)
OTHER FINANCIAL INCOME AND EXPENSES	**(145)**	**(131)**
FINANCIAL INCOME (EXPENSE)	**(482)**	**(442)**

** Other items mainly comprise expenses on assignment of receivables, changes in fair value (the investments in FAA and Partech Growth), bank commissions, discounts and late payment interest.*

At December 31, 2020, other items also include the effects of adjustment to amortized cost of the State-guaranteed credit facility (-€69 million) and redeemable shares (+€41 million) (note 23 C).

The net cash position (or net financial indebtedness) of the Automotive segments is presented in the information by operating segment (see "I. Information on operating segments and Regions" – A4).

NOTE 8 CURRENT AND DEFERRED TAXES

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As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this is the regime applicable to the Group in which Renault SA is taxed in France.

The Groupe Renault also applies other optional tax consolidation systems in Germany, Italy, Spain, Romania and the UK.

8 - A - Current and deferred taxes

(€ million)	**2020**	2019
Current income taxes	(306)	(626)
Deferred tax income (charge)	(114)	(828)
CURRENT AND DEFERRED TAXES	**(420)**	**(1,454)**

The current income tax charge for entities included in the French tax consolidation group amount to -€43 million in 2020 (-€117 million in 2019). The decrease in the current income tax charge between 2019 and 2020 is due to the decrease in the business tax *cotisation sur la valeur ajoutée des entreprises* (CVAE) given that the taxable income is negative.

In 2020, -€263 million of the current income tax charge comes from foreign entities including AVTOVAZ (-€509 million in 2019). This charge decreased in 2020, largely due to the lower taxable income in certain subsidiaries.

An analysis of the recoverability of deferred taxes linked to the AVTOVAZ tax-loss carry forwards was conducted in the context of the COVID-19 pandemic. Because of the significant deterioration in the outlook for the Russian market, these assets are no longer recognized. This has generated an additional deferred tax expense of -€248 million (-RUB 20,510 million) in 2020.

The deferred tax charge for 2019 reflected the fact that recognition of deferred tax assets on tax loss carryforwards under the French tax consolidation system had been discontinued (with an effect of -€753 million), mainly as there were no prospects of taxable income for the tax consolidation group on the horizon of the Drive the Future plan.

8 - B - Breakdown of the tax charge

(€ million)	**2020**	2019
Income before taxes and share in net income of associates and joint ventures	**(2,481)**	**1,663**
Statutory income tax rate in France	32.02%	34.43%
Theoretical tax income (charge)	**795**	**(573)**
Effect of differences between local tax rates and the French rate (1)	72	194
Tax credits	12	78
Distribution taxes	39	(56)
Change in unrecognized deferred tax assets (2)	(721)	(1,012)
Other impacts (3)	(571)	8
Current and deferred tax income (charge) excluding taxes based on interim taxable profits	**(374)**	**(1,361)**
Taxes based on interim taxable profits (4)	(46)	(93)
Current and deferred tax income (charge)	**(420)**	**(1,454)**

(1) The main contributors to the tax rate differential are Romania, United Kingdom, Russia, Switzerland and Turkey.

(2) The deferred tax charge for 2020 includes the effect of discontinued recognition of deferred tax assets on AVTOVAZ tax loss carryforwards, and 2019 includes the effect of discontinued recognition of deferred tax assets on tax loss carryforwards related to entities included in the French tax consolidation group (see note 8-A).

(3) In 2020, other impacts mainly the effects on deferred taxes of the lower income tax rates applicable to entities in the French tax consolidation group.

(4) The Group's main taxes based on taxable profits are the CVAE in France and the IRAP in Italy.

French tax consolidation group

For the French tax consolidation group, the current tax charge amounts to -€43 million, principally consisting of the business tax *cotisation sur la valeur ajoutée des entreprises* (CVAE), and the deferred tax gain amounts to €176 million, principally due to the lower deferred tax liabilities on capitalized development expenses following a decrease in the base and the tax rate for future years.

Entities not in the French tax consolidation group

The tax charge for non-French entities principally reflects the discontinuation of the recognition of deferred tax assets on tax losses.

Excluding AVTOVAZ, the effective tax rate for these entities was 35% in 2020 (22% for 2019). The increase between 2019 and 2020 in the effective tax rate is mainly explained by the deficits reported in certain subsidiaries, particularly in Brazil and India, without recognition of deferred tax assets on the taxable losses generated in 2020.

8 - C - Changes in current tax liabilities, current tax receivables and provisions for uncertain tax liabilities

(€ million)	December 31, 2019	Current taxes in the income statement	Net taxes paid	Translation adjustment and other	**December 31, 2020**
Current taxes excluding uncertain tax positions		(305)	305		
Provisions for uncertain tax liabilities – short- term	(8)	-	1	1	(6)
Provisions for uncertain tax liabilities – long-term	(187)	(1)	-	9	(179)

Tax receivables – short-term	86		79	(12)	153
Tax receivables – long-term	21		-	(3)	18
Current tax liabilities – short-term	(225)		(10)	14	(221)
Current tax liabilities – long-term	-		-	-	-
TOTAL	**(313)**	**(306)**	**375**	**9**	**(235)**

8 - D - Breakdown of net deferred taxes

D1 Change in deferred tax assets and liabilities

(€ million)	December 31, 2019	Income statement	Other components of comprehensive income	Translation adjustments	Other	**December 31, 2020**
Deferred tax assets	1,016	(209)	(68)	(92)	4	651
Deferred tax liabilities	(1,044)	95	1	35	(9)	(922)
Net deferred taxes	**(28)**	**(114)**	**(67)**	**(57)**	**(5)**	**(271)**
French tax consolidation group	*(822)*	*176*	*(74)*	*19*	*-*	*(701)*
AVTOVAZ	*301*	*(267)*	*-*	*(43)*	*(3)*	*(12)*
Other	*493*	*(23)*	*7*	*(33)*	*(2)*	*442*

D2 Breakdown of net deferred tax assets by nature

(€ million)	**2020**	2019
Deferred taxes on:		
Investments in associates and joint ventures excluding AVTOVAZ (1)	(109)	(193)
Fixed assets excluding AVTOVAZ	(2,127)	(2,350)
Provisions and other expenses or valuation allowances deductible upon utilization excluding AVTOVAZ	798	815
Loss carryforwards excluding AVTOVAZ (2)	5,080	4,871
Other items excluding AVTOVAZ	605	783
NET DEFERRED TAX ASSETS (LIABILITIES) EXCLUDING AVTOVAZ	**4,247**	**3,926**
Fixed assets of AVTOVAZ	(18)	(23)
Provisions and other expenses or valuation allowances deductible upon utilization of AVTOVAZ	54	56
Loss carryforwards of AVTOVAZ	252	327
Non-interest bearing financial liabilities in roubles of AVTOVAZ	(33)	(43)
Other items of AVTOVAZ	(15)	19
NET DEFERRED TAX ASSETS (LIABILITIES) OF AVTOVAZ	**240**	**336**
Unrecognized deferred tax assets related to tax losses (note 8-D3)	(4,596)	(4,023)
Other unrecognized deferred tax assets	(162)	(267)
NET DEFERRED TAX ASSETS (LIABILITIES) REPORTED	**(271)**	**(28)**

(1) Including tax on future dividend distributions.

(2) Including €4,546 million for the French tax consolidation group entities and €534 million for other entities at December 31, 2020 (€4,286 million and €585 million respectively at December 31, 2019).

The residual unrecognized deferred tax assets of entities included in the French tax consolidation group amounted to €3,845 million (€3,442 million at December 31, 2019). They comprise tax losses that can be carried forward indefinitely to set against future taxable income up to a limit of 50% of that income. €372 million of these unrecognized assets were generated by items booked through shareholders' equity (effects of the partial hedge of the investment in Nissan), and €3,473 million were generated by items affecting the income statement (respectively €393 million and €3,049 million at December 31, 2019).

For entities not in the French tax consolidation group, unrecognized deferred tax assets totaled €913 million at December 31, 2020 (€848 million at December 31, 2019), including €252 million for AVTOVAZ (€34 million at December 31, 2019) and €661 million for the Group excluding AVTOVAZ (€814 million at December 31, 2019) and principally comprise tax loss carryforwards generated by the Group in Brazil, India, and to a lesser extent in Argentina.

D3 Breakdown of deferred taxes on tax losses by expiry date

Unrecognized loss carryforwards represent a potential tax saving of €4,596 million at December 31, 2020.

(€ million)	**December 31, 2020**			December 31, 2019		
Deferred taxes on:	Recognized	Not recognized	Total	Recognized	Not recognized	Total
Tax losses that can be carried forward indefinitely*	724	4,196	4,920	879	3,848	4,727
Tax losses expiring in more than 5 years	3	78	81	-	29	29
Tax losses expiring in between 1 and 5 years	7	67	74	3	104	107
Tax losses expiring within 1 year	2	3	5	-	8	8
TOTAL DEFERRED TAXES ON TAX LOSSES (EXCLUDING AVTOVAZ)	**736**	**4,344**	**5,080**	**882**	**3,989**	**4,871**
TOTAL DEFERRED TAXES ON TAX LOSSES OF AVTOVAZ	**-**	**252**	**252**	**293**	**34**	**327**
TOTAL DEFERRED TAXES ON TAX LOSSES OF THE GROUP	**736**	**4,596**	**5,332**	**1,175**	**4,023**	**5,198**

* *Including recognized and unrecognized deferred taxes corresponding to tax loss carryforwards of entities included in the French tax consolidation group calculated at the income tax rate of 28.14%, which amount to €701 million and €3,845 million respectively at December 31, 2020 and €842 million and €3,442 million respectively at December 31, 2019 (note 8-D2).*

NOTE 9 BASIC AND DILUTED EARNINGS PER SHARE

(thousands of shares)	**2020**	2019
Shares in circulation	295,722	295,722
Treasury shares	(4,990)	(4,700)
Shares held by Nissan x Renault's share in Nissan	(19,383)	(19,383)
Number of shares used to calculate basic earnings per share	**271,349**	**271,639**

The number of shares used to calculate the basic earnings per share is the weighted average number of ordinary shares in circulation during the period, *i.e.* after neutralization of treasury shares and Renault shares held by Nissan.

(thousands of shares)	**2020**	2019
Number of shares used to calculate basic earnings per share	271,349	271,639
Dilutive effect of stock options, performance share rights and other share-based payments	-	-
Number of shares used to calculate diluted earnings per share	**271,349**	**271,639**

The number of shares used to calculate the diluted earnings per share is the weighted average number of ordinary shares potentially in circulation during the period, *i.e.* the number of shares used to calculate the basic earnings per share plus the number of stock options and rights to performance shares awarded under the relevant plans, that have a dilutive effect and fulfil the performance conditions at the reporting date when issuance is conditional (note 18-G).

IV. Operating assets and liabilities, shareholders' equity

NOTE 10 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

10 - A - Intangible assets and goodwill

A1 Changes in intangible assets and goodwill

Changes in 2020 in intangible assets were as follows:

(€ million)	December 31, 2019	Acquisitions/ (amortization and impairment)	(Disposals)/ reversals	Translation adjustment	Change in scope of consolidation and other	**December 31, 2020**
Capitalized development expenses	11,613	1,390	(1)	(56)	30	12,976
Goodwill	1,151	-	(5)	(221)	21	946
Other intangible assets	1,160	110	(17)	(56)	33	1,230
Intangible assets, gross	**13,924**	**1,500**	**(23)**	**(333)**	**84**	**15,152**
Capitalized development expenses	(6,134)	(1,742)	1	17	(3)	(7,861)
Goodwill	(24)	-	-	-	(6)	(30)
Other intangible assets	(817)	(138)	22	18	1	(914)
Amortization and impairment	**(6,975)**	**(1,880)**	**23**	**35**	**(8)**	**(8,805)**
Capitalized development expenses	5,479	(352)	-	(39)	27	5,115
Goodwill	1,127	-	(5)	(221)	15	916
Other intangible assets	343	(28)	5	(38)	34	316
INTANGIBLE ASSETS, NET	**6,949**	**(380)**	**-**	**(298)**	**76**	**6,347**

Most goodwill is located in Europe and Eurasia.

Acquisitions of intangible assets in 2020 comprise €1,390 million of self-produced assets and €110 million of purchased assets (respectively €1,985 million and €101 million in 2019).

In 2020, amortization and impairment of intangible assets include €565 million of impairment concerning vehicles (including components), compared to €206 million of impairment in 2019 (note 6-C).

Changes in 2019 in intangible assets were as follows:

(€ million)	Gross value	Amortization and impairment	Net value
Value at December 31, 2018	**11,711**	**(5,798)**	**5,913**
Acquisitions/(amortization and impairment)*	2,086	(1,256)	830
(Disposals)/reversals	(83)	83	-
Translation adjustment	149	(4)	145

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Change in scope of consolidation and other	61	-	61
Value at December 31, 2019	**13,924**	**(6,975)**	**6,949**
* Including impairment of -€206 million concerning intangible assets.			

A2 Research and development expenses included in income

(€ million)	**2020**	2019
Research and development expenses	(2,749)	(3,697)
Capitalized development expenses	1,390	1,985
Amortization of capitalized development expenses	(1,210)	(946)
TOTAL INCLUDED IN INCOME	**(2,569)**	**(2,658)**

Research and development expenses are reported net of research tax credits for the vehicle development activity.

The decrease in research and development expenses over 2020 is explained by the end of an initial cycle of upgrades to the product range, the lower level of business, and actions to reduce fixed costs, which focused particularly on subcontracting and purchases of prototypes.

This decrease was accentuated by the COVID-19 pandemic, although it did not significantly affect the level of capitalized development expenses under the rules set out in IAS 38. The lower level of capitalized development expenses is notably attributable to deferral of certain technical milestones from which development expenses are capitalized.

Amortization was substantially higher in 2020 than 2019, due to the higher level of capitalized development expenses in 2018 and particularly in 2019.

10 - B - Property, plant and equipment

Changes in 2020 in property, plant and equipment were as follows:

(€ million)	December 31, 2019	Acquisitions/ (depreciation and impairment)	(Disposals)/ reversals	Translation adjustment	Change in scope of consolidation and other	**December 31, 2020**
Land	654	6	(22)	(14)	-	624
Buildings	6,851	137	(135)	(225)	89	6,717
Specific tools	17,986	907	(468)	(465)	167	18,127
Machinery and other tools	13,628	717	(258)	(432)	162	13,817
Fixed assets leased to customers	4,528	1,951	(1,178)	(12)	-	5,289
Other tangibles	978	32	(33)	(32)	8	953
Right-of-use assets	870	108	(13)	(27)	(73)	865
▪ *Land*	*14*	*-*	*-*	*(2)*	*-*	*12*
▪ *Buildings*	*809*	*106*	*(12)*	*(23)*	*(64)*	*816*
▪ *Other assets*	*47*	*2*	*(1)*	*(2)*	*(9)*	*37*
Construction in progress[(1)]	2,503	709	-	(75)	(210)	2,927
Gross value	**47,998**	**4,567**	**(2,107)**	**(1,282)**	**143**	**49,319**
Land						
Buildings	(4,464)	(280)	83	91	(37)	(4,607)
Specific tools	(15,069)	(1,085)	464	330	(53)	(15,413)
Machinery and other tools	(9,547)	(753)	232	233	(2)	(9,837)
Fixed assets leased to customers	(968)	(533)	298	3	1	(1,199)
Other tangibles	(914)	(79)	33	73	1	(886)
Right-of-use assets	(136)	(139)	2	6	26	(241)
▪ *Land*	*(1)*	*-*	*-*	*-*	*(1)*	*(2)*
▪ *Buildings*	*(118)*	*(126)*	*2*	*4*	*21*	*(217)*
▪ *Other assets*	*(17)*	*(13)*	*-*	*2*	*6*	*(22)*
Construction in progress	-	-	(1)	-	-	(1)
Depreciation and impairment[(2)]	**(31,098)**	**(2,869)**	**1,111**	**736**	**(64)**	**(32,184)**
Land	654	6	(22)	(14)	-	624
Buildings	2,387	(143)	(52)	(134)	52	2,110
Specific tools	2,917	(178)	(4)	(135)	114	2,714
Machinery and other tools	4,081	(36)	(26)	(199)	160	3,980
Fixed assets leased to customers	3,560	1,418	(880)	(9)	1	4,090
Other tangible	64	(47)	-	41	9	67
Right-of-use assets	734	(31)	(11)	(21)	(47)	624
▪ *Land*	*13*	*-*	*-*	*(2)*	*(1)*	*10*
▪ *Buildings*	*691*	*(20)*	*(10)*	*(19)*	*(43)*	*599*
▪ *Other assets*	*30*	*(11)*	*(1)*	*-*	*(3)*	*15*

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Construction in progress (1)	2,503	709	(1)	(75)	(210)	2,926
NET VALUE	**16,900**	**1,698**	**(996)**	**(546)**	**79**	**17,135**

(1) Items classified as "construction in progress" are transferred to completed asset categories via "acquisitions/(depreciation and impairment)".

(2) Depreciation and impairment in 2020 include impairment of €197 million, mainly concerning vehicles (including components) (see note 6-C).

Changes in property, plant and equipment in 2019 were as follows:

(€ million)	Gross value	Depreciation and impairment	Net value
Value at December 31, 2018	**43,582**	**(29,278)**	**14,304**
Acquisitions/(depreciation and impairment)*	4,904	(2,549)	2,355
(Disposals)/reversals	(1,572)	836	(736)
Translation adjustments	(21)	110	89
Change in scope of consolidation and other	1,105	(217)	888
Value at December 31, 2019	**47,998**	**(31,098)**	**16,900**

** Including -€33 million of impairment on property, plant and equipment.*

NOTE 11 IMPAIRMENT TESTS ON FIXED ASSETS

The Group carried out impairment tests on its fixed assets under the approach described in the section on accounting policies (note 2-M).

11 - A - Impairment tests on vehicle-specific assets (including components) and the assets of certain entities

Following impairment tests of specific assets dedicated to vehicles (including components) and assets belonging to certain entities, impairment of €762 million was booked during 2020, comprising €565 million for intangible assets and €197 million for property, plant and equipment (impairment in 2019 amounted to €239 million, comprising €206 million for intangible assets and €33 million for property, plant and equipment). This impairment was allocated in priority to capitalized development expenses. It mainly concerns petrol and diesel engine vehicles (including components) given the lower sales volumes in 2020, the downward revision of business prospects in view of the COVID-19 pandemic, and the assumptions used in the medium-term plan for the period 2021-2025 presented in January 2021. In 2019, impairment principally concerned vehicles made for the Chinese market, following a decline in sales volumes and the downward revision of Renault's prospects for those assets.

11 - B - Impairment tests of country-specific assets or cash-generating units of the Automotive (excluding AVTOVAZ) segment

Automotive (excluding AVTOVAZ) segment

The recoverable value used for the purpose of impairment tests for the Automotive (excluding AVTOVAZ) segment is the value in use, determined under the discounted future cash flow method on the basis of the following assumptions:

	December 31, 2020	December 31, 2019
Growth rate to infinity	1.2%	1.7%
After-tax discount rate	9.2%	8.5%

The assumptions used for impairment testing at December 31, 2020 are derived from the medium-term plan for the period 2021-2025 presented in January 2021. They include volume assumptions based on unfavourable market trends, mostly caused by the COVID-19 pandemic, with the return to pre-pandemic volume levels expected in 2024-2025 for the European market, and 2021 for the other Regions of the world where the Group has operations.

The growth rate to infinity used in the tests at December 31, 2020 includes the impacts of commitments made by the States that are signatories to the Paris Agreement on climate change.

In 2019, no impairment was recognized on assets of the Automotive (excluding AVTOVAZ) segment as a result of the impairment test, and it was considered that a reasonably possible change in the main assumptions used should not result in a recoverable value lower than the book value of the assets tested.

At December 31, 2020, no reasonably possible change in the main assumptions used should result in a recoverable value lower than the book value of the assets tested. The recoverable value of the assets tested would remain higher than the book value in the event of the following changes in those assumptions:

- a growth rate to infinity of 0%;
- an after-tax discount rate of 10%.

11 - C - Impairment tests on the AVTOVAZ cash-generating unit and the Lada brand

Impairment tests of the AVTOVAZ cash-generating unit

AVTOVAZ was delisted from the Moscow Stock exchange in May 2019, and consequently reference is no longer made to its market capitalization to assess the recoverable value of its net assets, including goodwill which amounts to €678 million (62,000 million roubles) at December 31, 2020

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In application of the approach presented in the note on accounting policies (note 2-M to the consolidated financial statements for 2019), an impairment test was conducted at June 30, 2020 but no impairment was recognized at that date as a result. A further test was conducted at December 31, 2020 due to the decline of the Russian market. The annual impairment test will now be conducted at December 31 every year.

For the impairment test of the AVTOVAZ cash-generating unit, the value in use was calculated using an after-tax discount rate of 14.7%, an assumption that volumes would return to their pre-pandemic levels in 2022, and a growth rate to infinity (including the effect of inflation) of 3.2%.

The test results did not lead to recognition of any impairment at December 31, 2020. A decrease of more than 32.3% in the profitability assumptions underlying the terminal value would lead to recognition of impairment on goodwill, which has a book value of €678 million at December 31, 2020.

Impairment tests of the Lada brand

For the purpose of allocation of the purchase price of AVTOVAZ, the Lada brand was recognized at its fair value at the date control was acquired (in late 2016), *i.e.* 9,248 million Russian roubles (€101 million at the exchange rate of December 31, 2020). Since this brand is an intangible asset with an indefinite useful life, an impairment test was carried out at December 31, 2020 based on a discount rate of 14.7% and a growth rate to infinity of 3.2%. No impairment was booked in 2020, as the recoverable value was higher than the book value.

A reasonably possible change in the key assumptions used should not result in a recoverable value that is below the book value.

The annual impairment test will now be conducted at December 31 every year.

NOTE 12 INVESTMENT IN NISSAN

Renault's investment in Nissan in the income statement and financial position:

(€ million)	**2020**	2019
Consolidated income statement		
Share in net income (loss) of associates accounted for by the equity method	(4,970)	242
Consolidated financial position		
Investments in associates accounted for by the equity method	14,618	20,622

12 - A - Nissan consolidation method

Renault and the Japanese carmaker Nissan have developed an alliance between two distinct companies with common interests, uniting forces to achieve optimum performance. The Alliance is organized so as to preserve individual brand identities and respect each company's corporate culture.

Consequently:

- Renault is not assured of holding the majority of voting rights in Nissan's Shareholders' Meeting;
- the terms of the Renault-Nissan agreements do not entitle Renault to appoint the majority of Nissan directors, nor to hold the majority of voting rights at meetings of Nissan's Board of Directors; Renault cannot unilaterally appoint the Chairman of Nissan;
- in March 2019, Renault, Nissan and Mitsubishi announced the creation of the new Alliance Board, a supervisory body to oversee Alliance operations and governance involving Renault, Nissan and Mitsubishi. This Board has four members: the Chairman of the Board of Renault, the Chief Executive Officer of Renault, the Chief Executive Officer of Nissan and the Chief Executive Officer of Mitsubishi Motors. Decisions are taken by consensus. In November 2019, the Board added the post of Alliance General Secretary, who reports to the Alliance Board and the CEOs of the three alliance companies;
- at December 31, 2020, the Groupe Renault occupied two seats on Nissan's Board of Directors and was represented by Jean-Dominique Senard, Chairman of the Renault Board and Pierre Fleuriot, Lead Director in the Groupe Renault;
- Renault can neither use nor influence the use of Nissan's assets in the same way as its own assets;
- Renault provides no guarantees in respect of Nissan's debt.

In view of this situation, Renault is considered to exercise significant influence over Nissan, and therefore uses the equity method to include its investment in Nissan in the consolidation.

12 - B - Nissan consolidated financial statements included under the equity method in the Renault consolidation

The Nissan accounts included under the equity method in Renault's financial statements are Nissan's consolidated accounts published in compliance with Japanese accounting standards (as Nissan is listed on the Tokyo Stock exchange), after adjustments for the requirements of the Renault consolidation.

Nissan publishes consolidated financial statements quarterly, and annually at March 31. For the purposes of the Renault consolidation, Nissan's results are included in line with the Renault calendar (the results for the period January through December are consolidated in Renault's annual financial statements).

Nissan held 0.7% of its own treasury shares at December 31, 2020 (0.7% at December 31, 2019). Consequently, Renault's percentage interest in Nissan is 43.7% (43.7% at December 31, 2019). Renault holds 43.7% of voting rights in Nissan at September 30, 2020 (43.7% at September 30, 2019).

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12 - C - Changes in the investment in Nissan as shown in Renault's statement of financial position

(€ million)	Share in net assets: Before neutralization	Share in net assets: Neutralization proportional to Nissan's investment in Renault (1)	Share in net assets: Net	Goodwill	Total
At December 31, 2019	**20,837**	**(974)**	**19,863**	**759**	**20,622**
2020 net income (3)	(4,970)	-	(4,970)	-	(4,970)
Dividend distributed	-	-	-	-	-
Translation adjustment	(1,104)	-	(1,104)	(27)	(1,131)
Other changes (2)	97	-	97	-	97
At December 31, 2020	**14,860**	**(974)**	**13,886**	**732**	**14,618**

(1) Nissan has held 44,358 thousand Renault shares since 2002, corresponding to an investment of around 15%. The neutralization is based on Renault's percentage holding in Nissan.

(2) Other changes include the effect of Renault dividends received by Nissan, the change in actuarial gains and losses on pension obligations, the change in the financial instruments revaluation reserve and the change in Nissan treasury shares.

(3) The 2020 net income includes impairment of non-current assets and restructuring costs amounting to €4,290 million, €1,934 million of which were recognized during the first half-year and relate to the transition from Japanese GAAP to IFRS (principally for development expenses, which are only capitalized under IFRS).

12 - D - Changes in Nissan equity restated for the purposes of the Renault consolidation

(¥ billion)	December 31, 2019	2020 net income	Dividends	Translation adjustment	Other changes(1)	**December 31, 2020**
Shareholders' equity – Parent company shareholders' share under Japanese GAAP	**5,051**	**(1,078)**	**-**	**(179)**	**(120)**	**3,674**
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations	(27)	(8)	-	(1)	141	105
Capitalization of development expenses	752	(296)	-	-	-	456
Deferred taxes and other restatements	(122)	(6)	-	-	(15)	(143)
Net assets restated for compliance with IFRS	**5,654**	**(1,388)**	**-**	**(180)**	**6**	**4,092**
Restatements for Groupe Renault requirements(2)	161	26	-	1	22	210
Net assets restated for Groupe Renault requirements	**5,815**	**(1,362)**	**-**	**(179)**	**28**	**4,302**
(€ million)						
Net assets restated for Groupe Renault requirements	**47,687**	**(11,373)**	**-**	**(2,526)**	**220**	**34,008**
Renault's percentage interest	43.7%					43.7%
Renault's share (before neutralization effect described below)	20,837	(4,970)	-	(1,104)	97	14,860
Neutralization of Nissan's investment in Renault(3)	(974)					(974)
Renault's share in the net assets of Nissan	**19,863**	**(4,970)**	**-**	**(1,104)**	**97**	**13,886**

(1) Other changes include the change in actuarial gains and losses on pension obligations, the change in the financial instrument revaluation reserve and the change in Nissan treasury shares.

(2) Restatements for Renault requirements essentially correspond to revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002, and elimination of Nissan's investment in Renault accounted for under the equity method.

(3) Nissan has held 44,358 thousand Renault shares in Renault since 2002, an ownership interest of about 15%. The neutralization is based on Renault's percentage holding in Nissan.

12 - E - Nissan net income under Japanese GAAP

Since Nissan's financial year ends at March 31, the Nissan net income included in the 2020 Renault consolidation is the sum of Nissan's net income for the final quarter of its 2019 financial year and the first three quarters of its 2020 financial year.

	January to March 2020		April to June 2020		July to September 2020		October to December 2020		January to December 2020	
	Fourth quarter of Nissan's 2019 financial year		First quarter of Nissan's 2020 financial year		Second quarter of Nissan's 2020 financial year		Third quarter of Nissan's 2020 financial year		Reference period for Renault's consolidated financial statements	
	(¥ billion)	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*
Net income – parent company shareholders' share	(711)	(5,916)	(285)	(2,414)	(44)	(358)	(38)	(303)	(1,078)	(8,991)

12 - F - Nissan financial information under IFRS

The table below presents Nissan financial information, restated under IFRS for the purposes of the Renault consolidation, for the twelve-month period from January 1 to December 31 of each year. The restatements do not include the fair value adjustments of assets and liabilities applied by Renault at the time of the acquisitions in 1999 and 2002, or the elimination of Nissan's investment in Renault accounted for under the equity method.

	2020		2019	
	(¥ billion)	*(€ million) (1)*	*(¥ billion)*	*(€ million) (2)*

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Revenues	7,378	60,590	10,316	84,520
Net income				
Parent company shareholders' share	(1,395)	(11,458)	85	698
Non-controlling interests' share	5	40	(14)	(115)
Other components of comprehensive income				
Parent company shareholders' share	(142)	(1,167)	(154)	(1,264)
Non-controlling interests' share	(10)	(79)	23	185
Comprehensive income				
Parent company shareholders' share	(1,537)	(12,624)	(69)	(566)
Non-controlling interests' share	(5)	(39)	9	70
Dividends received from Nissan	-	-	71	579

	December 31, 2020		December 31, 2019	
	(¥ billion)	*(€ million)* [(1)]	*(¥ billion)*	*(€ million)* [(2)]
Non-current assets	6,336	50,093	7,877	64,597
Current assets	10,432	82,475	11,186	91,734
TOTAL ASSETS	**16,769**	**132,568**	**19,063**	**156,331**
Shareholders' equity				
Parent company shareholders' share	4,115	32,535	5,655	46,378
Non-controlling interests' share	357	2,823	364	2,984
Non-current liabilities	5,702	45,080	5,345	43,828
Current liabilities	6,594	52,130	7,699	63,142
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**16,769**	**132,568**	**19,063**	**156,331**

(1) Converted at the average exchange rate for 2020 i.e.121.78 JPY = 1 EUR for income statement items, and at the December 31, 2020 rate i.e. 126.49 JPY = 1 EUR for financial position items.

(2) Converted at the average exchange rate for 2019 i.e.122.06 JPY = 1 EUR for income statement items, and at the December 31, 2019 rate i.e. 121.94 JPY = 1 EUR for financial position items.

12 - G - Hedging of the investment in Nissan

The Group has partially hedged the yen/euro exchange risk on its investment in Nissan since 1999. Details of this hedge are given in note 25-B2.

At December 31, 2020, the corresponding hedging operations totaled ¥18 billion (€145 million) of private placements in bonds issued directly in yen on the Japanese Samurai bond market.

In 2020 these operations generated foreign exchange differences that offset each other in 2020 (they generated an unfavourable effect of -€70 million in 2019).

12 - H - Valuation of Renault's investment in Nissan at stock market prices

Based on the quoted price at December 31, 2020 of ¥560 per share, Renault's investment in Nissan is valued at €8,110 million (€9,554 million at December 31, 2019 based on the price of ¥636 per share).

12 - I - Impairment test of the investment in Nissan

At December 31, 2020, the stock market value of the investment was 44.5% lower than the value of Nissan in Renault's statement of financial position (53.7% at December 31, 2019).

In application of the approach presented in the note on accounting policies, an impairment test was carried out at December 31, 2019. An after-tax discount rate of 6.95% and a growth rate to infinity (including the effect of inflation) of 2.25% were used to calculate value in use. The terminal value was calculated under profitability assumptions consistent with Nissan's past data and balanced medium-term prospects.

The test result did not lead to recognition of any impairment on the investment in Nissan at December 31, 2019 and it was considered that a reasonably possible change in the main assumptions used should not result in a recoverable value lower than the book value of the investment in Nissan.

A further impairment test was performed at June 30, 2020 in view of the COVID-19 pandemic situation, using an after-tax discount rate of 5.80% and a growth rate to infinity (including the effect of inflation) of 1.99%. The test result did not lead to recognition of any impairment on the investment in Nissan at June 30, 2020, and it was considered that no reasonably possible change in the main assumptions used should result in a recoverable value lower than the book value of the investment in Nissan.

The same applies for the impairment test performed at December 31, 2020 applying an after-tax discount rate of 6.21% and a growth rate to infinity (including the effect of inflation) of 1.71%.

12 - J - Operations between the Groupe Renault and the Nissan group

J1 Automotive (excluding AVTOVAZ) and Sales Financing

Renault and Nissan follow joint strategies for vehicle and component development, purchasing, production and distribution resources. This cooperation is reflected in synergies that reduce costs.

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The Automotive (excluding AVTOVAZ) segment is involved in operations with Nissan on two levels:

- industrial production: crossover production of vehicles and components in the Alliance's manufacturing plants:
- sales by the Groupe Renault to the Nissan group in 2020 totaled approximately €1,785 million (€3,374 million in 2019), comprising around €1,017 million for vehicles (€2,272 million in 2019), €669 million for components (€985 million in 2019), and €99 million for services (€117 million in 2019). The decrease is mainly driven by sales of vehicles made by Renault Samsung Motors for Nissan North America, and the Nissan Micra made in Flins, France,
- purchases by Groupe Renault from the Nissan group in 2020 totaled approximately €1,361 million (€1,896 million in 2019), comprising around €1,000 million for vehicles (€1,046 million in 2019), €277 million for components (€655 million in 2019), and €84 million for services (€195 million in 2019),
- the balance of Groupe Renault receivables on the Nissan group is €463 million at December 31, 2020 (€521 million at December 31, 2019) and the balance of Groupe Renault liabilities to the Nissan group is €664 million at December 31, 2020 (€738 million at December 31, 2019);
- finance: in addition to its activity for Renault, Renault Finance acts as the Nissan group's counterparty in financial instruments trading to hedge foreign exchange and interest rate risks. Renault Finance undertook approximately €9.9 billion of forex transactions on the foreign exchange market for Nissan in 2020 (€17 billion in 2019). Operations undertaken with Nissan on foreign exchange and interest rate derivatives are recorded at market price and included in the positions managed by Renault Finance. In the balance sheet, the derivative assets on the Nissan group amount to €36 million at December 31, 2020 (€26 million at December 31, 2019) and derivative liabilities amount to €35 million at December 31, 2020 (€4 million at December 31, 2019).

Renault's Sales Financing segment helps to attract customers and build loyalty to Nissan brands through a range of financing products and services incorporated into the sales policy, principally in Europe. In 2020, RCI Banque recorded €106 million in service revenues in the form of commission and interest received from Nissan (€148 million in 2019). The balance of sales financing receivables from the Nissan group is €68 million at December 31, 2020 (€86 million at December 31, 2019) and the balance of liabilities is €156 million at December 31, 2020 (€184 million at December 31, 2019).

The Sales Financing segment signed a term sheet with Nissan Europe to set out the principles for cooperation until March 31, 2025.

The Alliance partners hold investments in associates and joint ventures that manage their cooperation. Details of these entities' activity and location, and the Groupe Renault's influence over them, are given in note 13.

J2 AVTOVAZ

In 2020, total sales by AVTOVAZ to Nissan and purchases by AVTOVAZ from Nissan amounted to an estimated €56 million and €15 million respectively (€118 million and €23 million in 2019).

In the AVTOVAZ financial position at December 31, 2020, the balances of transactions between AVTOVAZ and the Nissan group consist mainly of:

- a non-current receivable for jointly controlled assets amounting to €0 (€25 million at December 31, 2019);
- operating payables amounting to €14 million (€18 million at December 31, 2019).

NOTE 13 INVESTMENTS IN OTHER ASSOCIATES AND JOINT VENTURES

Details of investments in other associates and joint ventures are as follows in the Group's financial statements:

(€ million)	**2020**	2019
Consolidated income statement		
Share in net income (loss) of other associates and joint ventures	**(175)**	**(432)**
Associates accounted for under the equity method (1)	(24)	43
Joint ventures accounted for under the equity method (2)	(151)	(475)
Consolidated financial position		
Investments in other associates and joint ventures	**502**	**610**
Associates accounted for under the equity method	380	479
Joint ventures accounted for under the equity method	122	131

(1) €73 million of the loss recorded in 2020 corresponds to impairment determined by Renault in respect of production assets of Renault-Nissan Automotive India Private Limited (RNAIPL) due to lower volume forecasts (note 13-A).

(2) The loss recorded in 2020 principally corresponds to impairment of the investments in Renault Brilliance Jinbei Automotive Company and Renault Algérie Production (note 13-C).

13 - A - Information on the principal other associates and joint ventures accounted for under the equity method

Name	Country of location	Main activity	Percentage ownership and voting rights held by the Group: December 31, 2020	December 31, 2019	Investments in other associates and joint-ventures at December 31, 2020	Investments in other associates and joint ventures at December 31, 2019
Associates						
Automotive (excluding AVTOVAZ)						

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Motorlu Araclar Imal ve Satis AS (MAIS)	Turkey	Automotive sales	49%	49%	76	59
Renault-Nissan Automotive India Private Limited (RNAIPL)*	India	Vehicle manufacturing	30%	30%	115	210
Sales Financing						
RN Bank	Russia	Automotive Sales Financing	30%	30%	76	84
Joint ventures						
Automotive (excluding AVTOVAZ)						
Renault Algérie Production	Algeria	Vehicle manufacturing	49%	49%	-	22
Dongfeng Renault Automotive Company	China	Carmaker	0%	50%	-	-
Renault Brilliance Jinbei Automotive Company	China	Commercial vehicle manufacturing	49%	49%	-	-
Alliance Ventures B.V.	Netherlands	Finance for new technology start-ups	40%	40%	89	61
Alliance Mobility Company Japan	Japan	Mobility services	50%	50%	-	3
Alliance Mobility Company France	France	Mobility services	50%	50%	-	4
Other non-significant associates and joint ventures					146	167
TOTAL					**502**	**610**

** The decrease in the value of this associate is principally explained by the €73 million loss recorded in 2020, corresponding to impairment determined by Renault due to lower volume forecasts. As RNAIPL is 70%-owned by Nissan, this impairment also contributes to Nissan's 2020 net income under IFRS (Renault's share: €74 million) leading to a total impact of €147 million on the net income of associates and joint ventures. This impairment is not recognized in Nissan's consolidated income statement under Japanese GAAP as it does not comply with the Japanese accounting rules.*

The tables below show the total amount of sales and purchases made between the Groupe Renault and the principal other associates and joint ventures accounted for by the equity method, as well as the Groupe Renault's balance sheet positions with those entities.

(€ million)	**2020**		2019	
In the consolidated income statement	Sales to other associates and joint ventures	Purchases	Sales to other associates and joint ventures	Purchases
Motorlu Araclar Imal ve Satis AS (MAIS)	1,589	(4)	817	(2)
Renault-Nissan Automotive India Private Limited (RNAIPL)	5	(336)	6	(406)
RN Bank	-	(5)	-	(11)
Renault Algérie Production	3	(10)	3	(125)
Dongfeng Renault Automotive Company	5	-	67	(30)

(€ million)	**December 31, 2020**				
In the consolidated financial position	Financial assets	Automotive receivables	Other assets	Trade payables	Other liabilities
Motorlu Araclar Imal ve Satis AS (MAIS)	-	-	-	7	2
Renault-Nissan Automotive India Private Limited (RNAIPL)	-	32	192	53	-
RN Bank	60	-	1	-	1
Renault Algérie Production	-	-	-	1	-
Dongfeng Renault Automotive Company	-	4	-	-	-

(€ million)	December 31, 2019				
In the consolidated financial position	Financial assets	Automotive receivables	Other assets	Trade payables	Other liabilities
Motorlu Araclar Imal ve Satis AS (MAIS)	-	-	-	5	-
Renault-Nissan Automotive India Private Limited (RNAIPL)	20	53	201	68	-
RN Bank	60	-	-	-	1
Renault Algérie Production	-	40	-	114	5
Dongfeng Renault Automotive Company	-	20	-	24	3

13 - B - Cumulative financial information on other associates accounted for under the equity method

(€ million)	**December 31, 2020**	December 31, 2019
Investments in associates	380	479
Share in income (loss) of associates	(24)	43
Share of associates in other components of comprehensive income	(203)	1
Share of associates in comprehensive income	(227)	44

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13 - C - Cumulative financial information on joint ventures accounted for under the equity method

(€ million)	**December 31, 2020**	December 31, 2019
Investments in joint ventures	122	131
Share in income (loss) of joint ventures	(151)	(475)
Share of joint ventures in other components of comprehensive income	(37)	4
Share of joint ventures in comprehensive income	202	(471)

The share in net income (loss) of joint ventures includes a -€32 million loss by Renault Algérie Production. Due to a review of the rules governing automotive activities in Algeria, this joint venture was not allowed to import the parts required for production of vehicles in 2020. New rules were issued in August 2020 but it was not possible to resume production, and it is currently impossible to estimate a future date of resumption.

The share in net income (loss) of joint ventures also includes a share of the loss by Renault Brilliance Jinbei Automotive Company (including a financial liability of €124 million (RMB 980 million) relating to the capital increase in early 2021 by Renault Brilliance Jinbei Automotive Company, to which the Groupe Renault was committed at December 31, 2020).

Nissan-Renault B.V., which is jointly owned with Nissan, is not consolidated as it is not significant.

NOTE 14 INVENTORIES

	December 31, 2020			December 31, 2019		
(€ million)	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Raw materials and supplies	1,665	(276)	1,389	1,724	(290)	1,434
Work in progress	310	(2)	308	330	(7)	323
Used vehicles	1,376	(162)	1,214	1,465	(141)	1,324
Finished products and spare parts	2,882	(153)	2,729	2,842	(143)	2,699
TOTAL	**6,233**	**(593)**	**5,640**	**6,361**	**(581)**	**5,780**

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NOTE 15 SALES FINANCING RECEIVABLES

15 - A - Sales financing receivables by nature

(€ million)	**December 31, 2020**	December 31, 2019
Dealership receivables	7,862	10,901
Financing for end-customers	23,383	25,016
Leasing and similar operations	10,639	10,305
Gross value	**41,884**	**46,222**
Impairment*	(1,064)	(848)
Net value	**40,820**	**45,374**

** The change of €216 million in impairment in 2020 notably reflects revision of the expected credit loss assumptions in the context of the COVID-19 pandemic.*

Details of fair value are given in note 24-A.

15 - B - Assignments and assets pledged as guarantees for management of the liquidity reserve

B1 Assignment of sales financing assets

	December 31, 2020		December 31, 2019	
(€ million)	Balance sheet value	Fair value	Balance sheet value	Fair value
Assigned receivables carried in the balance sheet	11,790	11,743	10,508	10,504
Associated liabilities	3,259	2,916	3,243	3,264

The Sales Financing segment has undertaken several public securitization operations (in Germany, France and Italy) and several conduit financing operations (Brazil, the United Kingdom and Germany) involving loans to final customers and receivables on the dealership network. Both types of operation are conducted through special purpose vehicles. Some public operations were subscribed by RCI Banque, which makes it possible to have securities eligible as collateral for the European Central Bank.

In 2020, RCI Banque Group undertook two public securitization operations in France, associated with the rents from leases with purchase options. One was a public operation backed by lease rent receivables, totalling €950 million of Class A instruments rated AAA by DBRS and Aaa by Moody's (of which €200 million were self-subscribed by RCI) and €41.5 million of Class B instruments rated AA(Low) by DBRS and Aa3 par Moody's. The other was for an original amount of €474 million of Class A instruments rated AAA by DBRS and Aaa by Moody's, entirely self-subscribed by RCI.

The receivables assigned through such operations are not derecognized, as all risks are retained by the Group. The associated liabilities correspond to securities resulting from the securitization operations, and are recognized in other debts represented by a certificate.

The difference between the receivables assigned and the amount of the associated liabilities corresponds to the higher credit necessary for these operations, and the share of securities retained by RCI Banque to form a liquidity reserve.

Securitized assets can no longer be assigned or pledged. Subscribers to debt securities only have claims on the assets assigned.

B2 Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, the Sales Financing segment has provided guarantees to the Banque de France under France's central collateral management system 3G (G*estion Globale des Garanties*) in the form of assets with a book value of €7,465 million at December 31, 2020 (€5,882 million at December 31, 2019). These guarantees comprise €6,675 million in the form of shares in securitization vehicles, €104 million in euro bonds and €686 million in sales financing receivables (€5,325 million of shares in securitization vehicles, €151 million in euro bonds and €406 million in sales financing receivables at December 31, 2019). The funding provided by the Banque de France against these guarantees amounts to €2,250 million at December 31, 2020 (€2,700 million at December 31, 2019). All assets provided as guarantees to the Banque de France remain in the balance sheet.

15 - C - Sales financing receivables by maturity

(€ million)	**December 31, 2020**	December 31, 2019
-1 year	20,727	23,174
1 to 5 years	19,675	21,675
+5 years	418	525
TOTAL SALES FINANCING RECEIVABLES – NET VALUE	**40,820**	**45,374**

15 - D - Breakdown of sales financing receivables by level of risk

Difficulties with recovery of receivables during the COVID-19 pandemic led to an increase in the impairment of receivables due to the higher amounts transferred to receivables in default, and an increase in the calculation parameters. In accordance with the recommendation of ESMA, the Sales Financing segment did not always consider that payment date extensions granted systematically to a large population of outstanding receivables should give rise to transfer of the receivables to the three stages of risk (healthy receivables, receivables showing higher credit risk since initial recognition, and receivables in default). For exposures that received extensions during the lockdown periods, the method consists of covering non-overdue outstanding amounts concerned by current or previous moratoriums at the provision rate used for customer credit with higher risk since initial

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recognition. The Sales Financing segment also raised the provision estimate for the forward-looking scenario concerning the customer segments most severely affected by the crisis. The Sales Financing segment also raised the weighting of the “adverse” forward-looking scenario, while continuing the higher weighting for the stability scenarios and reducing the weighting of the most optimistic scenarios.

(€ million)	Financing for final customers	Dealer financing	December 31, 2020
Gross value	**34,022**	**7,862**	**41,884**
Healthy receivables	29,148	7,514	36,662
Receivables showing higher credit risk since initial recognition	4,170	284	4,454
Receivables in default	704	64	768
% of total receivables in default	2.1%	0.8%	1.8%
Impairment	**(951)**	**(113)**	**(1,064)**
Impairment in respect of healthy receivables	(226)	(63)	(289)
Impairment in respect of receivables showing higher credit risk since initial recognition	(252)	(17)	(269)
Impairment in respect of receivables in default	(473)	(33)	(506)
Total net value	**33,071**	**7,749**	**40,820**

(€ million)	Financing for final customers	Dealer financing	December 31, 2019
Gross value	**35,321**	**10,901**	**46,222**
Healthy receivables	31,690	10,527	42,217
Receivables showing higher credit risk since initial recognition	3,034	298	3,332
Receivables in default	597	76	673
% of total receivables in default	1.7%	0.7%	1.5%
Impairment	**(747)**	**(101)**	**(848)**
Impairment in respect of healthy receivables	(173)	(57)	(230)
Impairment in respect of receivables showing higher credit risk since initial recognition	(167)	(10)	(177)
Impairment in respect of receivables in default	(407)	(34)	(441)
Total net value	**34,574**	**10,800**	**45,374**

15 - E - Exposure of sales financing to credit risk

The maximum exposure to credit risk for the Sales Financing activity is represented by the net book value of sales financing receivables plus the amount of irrevocable financing commitments for customers reported under off-balance sheet commitments given (note 28-A). This risk is reduced by guarantees provided by customers, as reported in off-balance sheet commitments received (note 28-B). In particular, guarantees held in connection with overdue or impaired sales financing receivables amounted to €866 million at December 31, 2020 (€821 million at December 31, 2019).

Customer credit risk is assessed (using a scoring system) and monitored by type of activity (customers and dealers). There is no indication at the year-end that the quality of sales financing receivables not yet due or unimpaired has been adversely affected, nor is there any significant concentration of risks within the sales financing customer base as defined by the regulations.

NOTE 16 RECEIVABLES

NET VALUE OF RECEIVABLES

(€ million)	December 31, 2020	December 31, 2019
Gross value	1,808	2,073
Impairment for incurred credit losses*	(889)	(807)
Impairment for expected credit losses	(9)	(8)
NET VALUE	**910**	**1,258**
** Including -€678 million related to Iran at December 31, 2020.*		

These receivables do not include accounts receivable assigned to the Group’s sales financing companies or other non-Group entities when substantially all the risks and benefits associated with ownership of the receivables are transferred. The risk of dilution (essentially the risks of non-settlement after a commercial dispute) is retained by the Group, but is considered negligible. Receivables assigned in this way to Group sales financing companies are included in sales financing receivables, principally dealership receivables.

Furthermore, there is no significant concentration of risks within the customer base of the Automotive (excluding AVTOVAZ), AVTOVAZ, and Mobility Services segments, and no single external customer accounts for more than 10% of the total revenues of those segments.

The management policy for credit risk is described in note 25-B6.

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The maximum exposure to credit risk for receivables is represented by the net book value of those receivables.

The impairment model for Automotive receivables is presented in notes and 2-G.

Details of fair value are given in note 24-A.

NOTE 17 OTHER CURRENT AND NON-CURRENT ASSETS

(€ million)	December 31, 2020			December 31, 2019		
	Non-current	Current	Total	Non-current	Current	Total
Prepaid expenses	133	315	448	179	456	635
Tax receivables (excluding current taxes due)	213	1,567	1,780	314	1,884	2,198
Tax receivables (on current taxes due)	18	153	171	21	86	107
Other receivables	501	1,731	2,232	605	1,555	2,160
Investments and capitalizable advances in controlled unconsolidated entities*	91	-	91	105	-	105
Derivatives on operating transactions of the Automotive segments	-	31	31	-	10	10
Derivatives on financing transactions of the Sales Financing segment	-	230	230	-	177	177
TOTAL	**956**	**4,027**	**4,983**	**1,224**	**4,168**	**5,392**
Gross value	*1,092*	*4,106*	*5,198*	*1,361*	*4,370*	*5,731*
Impairment	*(136)*	*(79)*	*(215)*	*(137)*	*(202)*	*(339)*

** Investments of over €10 million in controlled unconsolidated entities concern Renault-Nissan B.V. and Kadensis.*

Investments in controlled unconsolidated entities

At December 31, 2020, controlled unconsolidated entities are individually non-significant. In 2019, controlled unconsolidated entities included Flit Tech (a taxi reservation platform), iCabbi (software development for taxis) and Marcel (a private car hire app), which are fully consolidated in 2020. The investment in Marcel was sold in September 2020.

NOTE 18 SHAREHOLDERS' EQUITY

18 - A - Share capital

The total number of ordinary shares issued and fully paid at December 31, 2020 is 295,722 thousand, with par value of €3.81 per share (unchanged since December 31, 2019).

Treasury shares do not bear dividends. They account for 1.53% of Renault's share capital at December 31, 2020 (1.54% at December 31, 2019).

The Nissan group holds approximately 15% of Renault through its wholly-owned subsidiary Nissan Finance Co. Ltd. (no voting rights are attached to these shares).

18 - B - Capital management

In managing its capital, the Group's objective is to guarantee continuity of business in order to provide returns for shareholders and benefits for other stakeholders, and to maintain optimum capital structure in order to optimize its cost. The Group may adjust dividend payments to shareholders, redeem some of the capital or issue new shares.

The Group's objectives are monitored in different ways in the different operating segments.

The Sales Financing segment must comply with regulatory ratios specific to banking operations. The minimum solvency ratio (shareholders' equity including subordinated loans to total weighted risks) is 8%. RCI Banque's Core Tier 1 solvency ratio is 17.34% at December 31, 2020 (15.27% at December 31, 2019).

The Group also partially hedges its investment in Nissan (notes 12-G and 25-B2).

18 - C - Renault treasury shares

In accordance with decisions approved at General Shareholders' Meetings, the Board of Directors decided to allocate all Renault treasury shares to current stock option and performance share plans and other share-based payment agreements awarded to Group managers and executives.

	December 31, 2020	December 31, 2019
Total value of treasury plans (€ million)	284	344
Total number of treasury shares	4,538,199	4,548,736

18 - D - Distributions

At the General Shareholders' Meeting of June 19, 2020, it was decided not to distribute dividends. In 2019, the dividends were €3.55 per share giving a total of €1,035 million.

18 - E - Translation adjustment

The change in translation adjustment over the year is analyzed as follows:

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(€ million)	**2020**	2019
Change in translation adjustment on the value of the investment in Nissan	(1,131)	377
Impact, net of tax, of partial hedging of the investment in Nissan (note 12-G)	-	(157)
Total change in translation adjustment related to Nissan	**(1,131)**	**220**
Changes related to hyperinflationary economies	(21)	(40)
Other changes in translation adjustment	(749)	124
TOTAL CHANGE IN TRANSLATION ADJUSTMENT	**(1,901)**	**304**

Changes related to hyperinflationary economies consist of changes in the translation adjustment attributable to the Argentinian subsidiaries since January 1, 2018. In 2020, the effects of the partial hedge of the net investment in Nissan offset each other, and other changes in the translation adjustment mostly result from movements in the Russian rouble and the Brazilian real.

18 - F - Financial instrument revaluation reserve

F1 Change in the financial instrument revaluation reserve

The figures below are reported net of tax effects.

(€ million)	Cash flow hedges	Equity instruments at fair value	Debt instruments at fair value	Total	Total parent company shareholders' share
At December 31, 2019	**(87)**	**310** (2)	**3**	**226**	**232**
Changes in fair value recorded in shareholders' equity	(39)	186	1	148	145
Transfer from shareholders' equity to profit and loss (1)	7	-	-	7	7
At December 31, 2020	**(119)**	**496**	**4**	**381**	**384**

(1) For a breakdown of the amounts related to cash flow hedges transferred from shareholders' equity to profit and loss, see note F2 below, and for the schedule of amounts related to cash flow hedges transferred from shareholder's equity to the income statement, see note F3 below.

(2) The revaluation reserve for equity instruments at fair value mainly relates to the Daimler shares (note 22-B).

F2 Breakdown of the amounts related to cash flow hedges transferred from the financial instrument revaluation reserve to the income statement

(€ million)	**2020**	2019
Operating margin	9	14
Current and deferred taxes	(2)	(4)
TOTAL TRANSFERRED TO THE INCOME STATEMENT FOR CASH FLOW HEDGES	**7**	**10**

F3 Schedule of amounts related to cash flow hedges transferred from the financial instrument revaluation reserve to the income statement

(€ million)	**December 31, 2020**	December 31, 2019
Within one year	2	0
After one year	(20)	(24)
Revaluation reserve for cash flow hedges excluding associates and joint ventures	**(18)**	**(24)**
Revaluation reserve for cash flow hedges – associates and joint ventures	(101)	(63)
TOTAL REVALUATION RESERVE FOR CASH FLOW HEDGES	**(119)**	**(87)**

This schedule is based on the contractual maturities of hedged cash flows.

18 - G - Stock option and performance share plans and other share-based payments

The Board of Directors periodically awards performance shares to Group executives and managers, with prices and exercise periods specific to each plan. Until 2012, it also periodically granted stock options, each with their own vesting and required holding periods. All plans include performance conditions which determine the number of options or performance shares granted to beneficiaries. Loss of the benefit of stock options or performance shares follows the applicable regulations: all options and rights are forfeited in the event of resignation or termination and a decision is made for each individual case when an employee leaves at the Company's instigation.

Performance share plan 27 was introduced in 2020, concerning 1,444 thousand shares with initial total value of €13 million. The vesting period for rights to shares is three years, with no minimum holding period.

Share-based payments have been valued by the methods described in the accounting policies (note 2-R). The main details are as follows:

Plan	Initial value *(€ thousands)*	Unit fair value	Expense for 2020 *(€ million)*	Expense for 2019 *(€ million)*	Share price at grant date *(€)*	Volatility	Interest rate	Exercise price *(€)*	Duration	Dividend per share *(€)*
Plan 22*	51,509	66.51	-	-	78.75	N/A	-0.10%	N/A	3-5 years	1.90-2.22

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	19,138	65.19	-	5	76.58	N/A	-0.03%	N/A	4 years	1.90-2.22
	53,728	66.38	-	(20)	80.25	N/A	-0.48%	N/A	3-4 years	2.40-2.88
Plan 23*	19,929	65.72	(2)	(7)	76.16	N/A	-0.48%	N/A	4 years	2.40-2.88
Plan 23 bis	5,348	65.34	-	3	76.99	N/A	-0.48%	N/A	4 years	2.40-2.88
	53,646	66.18	(3)	(31)	82.79	N/A	-0.48%	N/A	3-4 years	3.15-3.34
Plan 24*	22,167	66.16	(5)	(4)	-	N/A	-0.48%	N/A	4 years	3.15-3.34
	63,533	73.37	(13)	(23)	90.64	N/A	-0.57%	N/A	3-4 years	3.55-4.25
Plan 25*	23,096	69.73	(3)	(2)	88.93	N/A	-0.57%	N/A	4 years	3.55-4.25
Plan 26	49,618	42.50	(17)	(10)	54.99	N/A	-	N/A	3 years	3.55-3.50
	582	29.66	-	-	34.82	N/A	-0.59%	N/A	3 years	1.05-1.35
	1,166	21.71	-	-	23.99	N/A	-0.59%	N/A	3 years	0.45-0.90
Plan 27*	11,062	10.31	(3)	-	14.55	N/A	-0.54%	N/A	3 years	1.05-1.35
TOTAL			**(46)**	**(89)**						

** For these plans, performance shares were awarded at different dates within the stated period. The information reported may correspond to weighted averages based on quantities awarded per grant date.*

G1 Changes in the number of stock options and share rights held by personnel

	Stock options			
	Quantity	Weighted average exercise price *(€)*	Weighted average share price at grant and exercise dates *(€)*	Share rights
Options outstanding and rights not yet vested at December 31, 2019	**102,987**	**37**		**4,343,329**
Granted	-	-	-	1,443,615
Options exercised or vested rights	(471) (1)	37	50 (2)	(1,280,066) (3)
Options and rights expired and other adjustments	(102,516) (1)	-	-	(92,604)
Options outstanding and rights not yet vested at December 31, 2020	**-**	**37**	**-**	**4,414,274**

(1) Stock options exercised or expired in 2020 were granted under plan 20 in 2012.

(2) Price at which the shares were acquired by the Group to cover future options.

(3) Performance shares vested were mainly awarded under plan 23 for non-residents in 2016 and plan 24 for residents in 2017.

G2 Stock options

No stock option plans remained active at December 31, 2020 as the 4-year vesting period for plan 20 expired in 2020.

G3 Performance share plans and other share-based payment agreements

For plans 22 to 25, vesting and minimum holding periods are different depending on whether beneficiaries are French tax residents or tax residents of other countries, in order to take account of local tax constraints.

The vesting period for shares awarded to French tax residents is three years followed by a holding period of one year (two years for plan 22).

For non-French tax residents, the vesting period is four years and there is no minimum holding period.

As from plan 26, the vesting period is three years with no holding period for French or foreign tax residents.

Plan	Type of plan	Grant date	Share rights awarded at December 31, 2020	Vesting date	Holding period
Plan 23	Performance shares and shares awarded as variable remuneration	April 29, 2016	*	April 29, 2020	None
			*	February 9, 2020	February 9, 2020 – February 9, 2021
Plan 24	Performance shares and shares awarded as variable remuneration	February 9, 2017	271,300	February 9, 2021	None
			1,054,009	February 15, 2021	February 15, 2021 – February 15, 2022
Plan 25	Performance shares and shares awarded as variable remuneration	February 15, 2018	262,950	February 15, 2022	None
Plan 26	Performance shares and shares awarded as variable remuneration	June 12, 2019	1,392,700	June 12, 2022	None
Plan 27	Performance shares and shares awarded as variable remuneration	February 13, 2020	1,433,315	February 13, 2023	None
TOTAL			**4,414,274**		

** The share rights concerned by this plan expired or vested in 2020.*

18 - H - Share of non-controlling interests

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Entity	Country of location	Percentage of ownership and voting rights held by non-controlling interests		Net income – non-controlling interests' share *(€ million)*		Shareholders' equity – non-controlling interests' share *(€ million)*		Dividends paid to non-controlling interests (minority shareholders) *(€ million)*	
		December 31, 2020	December 31, 2019	2020	2019	December 31, 2020	December 31, 2019	2020	2019
Automotive (excluding AVTOVAZ)									
Renault Samsung Motors	Korea	20%	20%	(11)	24	178	202	(7)	(24)
Oyak Renault Otomobil Fabrikalari	Turkey	48%	48%	45	83	341	295	-	(56)
JMEV	China	50%	50%	(8)	(6)	31	123	-	-
Other	N/A	N/A	N/A	1	3	9	12	(3)	(4)
TOTAL – AUTOMOTIVE (EXCLUDING AVTOVAZ)				**27**	**104**	**559**	**632**	**(10)**	**(84)**
Sales Financing									
Banco RCI Brasil	Brazil	40%	40%	8	24	-	-	(8)	(9)
Rombo Compania Financiera	Argentina	40%	40%	(3)	-	-	-	-	-
RCI Colombia SA	Colombia	49%	49%	2	5	-	39	-	-
Other	N/A	N/A	N/A	2	2	12	13	(3)	(2)
TOTAL – SALES FINANCING				**9**	**31**	**12**	**52**	**(11)**	**(11)**
AVTOVAZ									
Alliance Rostec Auto B.V.	Netherlands	32%	32%	-	-	578	756	-	-
AVTOVAZ	Russia	32%	32%	(68)	11	(564)	(668)	8	7
LLC LADA Izhevsk	Russia	32%	32%	2	6	(17)	(21)	(4)	(5)
Other	N/A	N/A	N/A	3	8	12	16	(4)	(3)
TOTAL AVTOVAZ				**(63)**	**25**	**9**	**83**	**-**	**(1)**
TOTAL MOBILITY SERVICES				**(11)**	**-**	**(14)**	**-**	**-**	**-**
TOTAL				**(38)**	**160**	**566**	**767**	**(21)**	**(96)**

The Group has granted to minority shareholders of Banco RCI Brasil, Rombo Compania Financiera, RCI Colombia SA put options to sell their investments. A liability corresponding to these put options is included in other liabilities, amounting to €100 million for the Brazilian subsidiary, €4 million for the Argentinian subsidiary, and €61 million for the Colombian subsidiary at December 31, 2020 (€144 million, €7 million and 0 respectively at December 31, 2019). A corresponding charge is made to shareholders' equity, allocated in priority to the non-controlling interests' share with any residual amount allocated to the parent company shareholders' share. The liability is stated at fair value. Fair value is determined by estimating the potential purchase price, taking into account future results of the financing portfolio as it exists at the closing date and the provisions of the partnership contracts. This is a level 3 fair value, as it uses recognized models but their significant data are not based on observable market data.

New partnership agreements were signed in 2018 with Oyak in Turkey, including perfectly symmetrical put and call options for non-controlling investments, entitling Renault, subject to certain conditions, to purchase Oyak's shares in Oyak Renault (call) and to sell its shares in Mais (put), and entitling Oyak to sell its shares in Oyak Renault (put) and purchase Renault's shares in Mais (call). The exercise price for the put option, if exercised, will be determined by three independent experts who would be appointed at the exercise date.

Analysis of the contracts did not identify any circumstances beyond the control of Renault SA that could lead to Oyak's put option exercised without Renault SA being able to object. Consequently, no liability is recognized at December 31, 2020 in connection with these options.

There are no significant restrictions on the Group's capacity to access or use its assets and settle its liabilities, other than restrictions that result from the regulatory framework in which the subsidiaries operate. The local supervisory authorities may require banking subsidiaries to keep a certain level of capital and liquidities, limit their exposure to other group parties, and comply with other ratios.

NOTE 19 PROVISIONS FOR PENSIONS AND OTHER LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS

19 - A - Pension and benefit plans

Pensions and other long-term employee benefit obligations essentially concern active employees. These benefits are covered either by defined-contribution plans or defined-benefit plans.

Defined-contribution plans

The Group makes earnings-related payments, in accordance with local custom, to the national organizations responsible for paying pensions and similar financial benefits. There is no actuarial liability concerning these pension arrangements.

The total expense for defined-contribution plans was €415 million in 2020 (€603 million in 2019).

Defined-benefit plans

The accounting treatment of defined-benefit plans is described in note 2-S, and involves establishment of provisions. These plans concern:

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- indemnities payable upon retirement or departure, in application of legislation or agreements in certain countries such as France and Turkey;
- supplementary pensions providing employees with contractual income; the countries applying this type of plan are in Europe (*e.g.* the United Kingdom, France, Germany, the Netherlands, and Switzerland);
- other long-term benefits, chiefly long-service awards and flexible holiday entitlements.

Defined-benefit supplementary pension plans are generally covered by contracts with pension funds or insurance companies. In such cases, the obligations and assets are valued separately. The difference between the obligation and the fair value of the assets held to fund it may indicate underfunding or overfunding. In the event of underfunding, a provision is booked. In the event of overfunding, an asset is recognized subject to certain conditions.

Principal defined-benefit plans of the Group

In France, the Group's retirement indemnities result from agreements negotiated with each French entity and employee representatives. They are based on employees' salaries and length of service; payment is conditional on being in the Company's employment at the time of retirement. Retirement benefit obligations for France are entirely covered by provisions, and account for most of the Group's liabilities for retirement indemnities.

The Group's most significant supplementary pension plan is in the United Kingdom, where two defined-benefit pension plans are managed as part of a dedicated pension fund comprising two compartments: one concerns Automotive subsidiaries (excluding AVTOVAZ) and the other RCI Financial Services Ltd., together covering 1,716 people. This plan has been closed to new members since 2004, and no further rights have been earned under it since December 31, 2019. All employees benefit from a defined-contribution pension plan from January 1, 2020. Underfunding at December 31, 2020 is valued at £65 million for the fund compartment dedicated to the Automotive (excluding AVTOVAZ) segment and £14 million for the fund compartment dedicated to RCI Financial Services Ltd.

This pension fund (a trust) is a legal entity in its own right. It is administered by a Board of Trustees with equal representation for the participating companies and their current and former employees. The fund is governed by local regulations, which set the minimum funding requirements that can lead to additional contributions being made by the Group. After the last three-yearly valuation in 2018, the Group made a commitment to cover the funding shortfall by 2027 through payments amounting to £5 million maximum per year. The asset investment policy is defined for each section of the fund by a supervisory body which examines the performance of investments quarterly. The risks associated with these plans are the usual risks (lower future returns on fund assets, a decline in the equities markets, longer life expectancy for beneficiaries, a rise in inflation, *etc*.).

Main changes in the Group's defined-benefit plans

At December 31, 2020, an amount of €108 million was reclassified from retirement indemnities to provisions for restructuring, for employees who will benefit from the Collective Contractual Separation plan.

At December 31, 2019, the Group terminated the defined-benefit top-up pension plan that was set up in France in 2004, entailing the loss of the corresponding rights for its beneficiaries (members of the Group's Executive Committee who had been with the Group for at least five years, including two years in the Executive Committee).

19 - B - Main actuarial assumptions used to calculate provisions and other data for the most significant plans

Main actuarial assumptions and actual data for the Group's retirement indemnities in France	**December 31, 2020**		December 31, 2019	
	Renault s.a.s	Other	Renault s.a.s	Other
Retirement age	60 to 65	60 to 67	60 to 65	60 to 67
Discount rate*	0.31%	0.2% to 2%	0.79%	0.1% to 2%
Salary increase rate	2.2%	1% to 3%	2.5%	1% to 3%
Duration of plan	13 years	6 to 20 years	13 years	6 to 20 years
Gross obligation	€1,191 million	€187 million	€1,158 million	€189 million

** The rates used to value the Group's obligations in France vary between companies depending on the maturities of obligations. The benchmark for the discount rate is the zero-coupon rate plus the average spread curve for issuers rated AA as published by Reuters.*

Main actuarial assumptions and actual data for the Group's supplementary pensions in the UK	**December 31, 2020**		December 31, 2019	
	Automotive excl. AVTOVAZ	Sales Financing	Automotive excl. AVTOVAZ	Sales Financing
Financial discount rate*	1.40%	1.40%	2.1%	2.1%
Pension inflation rate	N/A	N/A	2.8%	2.8%
Duration of plan	19 years	21 years	20 years	23 years
Actual return on fund assets	7% to 7.2%	7.84%	12.74%	15.52%
Gross obligation	€395 million	€48 million	€370 million	€44 million
Fair value of assets invested via pension funds	€323 million	€32 million	€319 million	€31 million

** The discount rate was determined by reference to the interest rate curve established by Deloitte based on the iBoxx £ index for AA-rated corporate bonds (DTRB £ AA corporate bond yield curve).*

19 - C - Net expense for the year

(€ million)	**2020**	2019

Current service cost	88	98
Past service cost and (gain)/loss on settlement	1	(84)
Net interest on the net liability (asset)	16	28
Effects of workforce adjustment measures	(1)	-
Net expense (income) for the year recorded in the income statement	**104**	**42**

19 - D - Detail of balance sheet provision

D1 Breakdown of the balance sheet provision

	December 31, 2020		
(€ million)	Present value of the obligation	Fair value of fund assets	Net defined-benefit liability (asset)
Retirement and termination indemnities			
France	1,275	(1)	1,274
Europe (excluding France)	15	-	15
Americas	2	-	2
Africa – Middle–East – India – Asia-Pacific	2	-	2
Eurasia(1)	53	-	53
TOTAL RETIREMENT AND TERMINATION INDEMNITIES	**1,347**	**(1)**	**1,346**
Supplementary pensions			
France	81	(79)	2
United Kingdom	443	(355)	88
Europe (excluding France and the United Kingdom)(2)	365	(236)	129
Africa – Middle–East – India – Asia-Pacific	3	-	3
Americas	4	-	4
TOTAL SUPPLEMENTARY PENSIONS	**896**	**(670)**	**226**
Other long-term benefits			
France(3)	71	-	71
Europe (excluding France)	3	-	3
Americas	1	-	1
TOTAL OTHER LONG-TERM BENEFITS	**75**	**-**	**75**
TOTAL(4)	**2,318**	**(671)**	**1,647**

(1) Essentially Romania and Turkey.
(2) Essentially Germany and Switzerland.
(3) Flexible holiday entitlements and long-service awards.
(4) Total net liability due within one year: €103 million; total net liability due after one year: €1,544 million.

D2 Schedule of amounts related to net defined-benefit liability

	December 31, 2020				
(€ million)	<1 year	1 to 5 years	5 to 10 years	>10 years	Total
Present value of obligation	117	315	405	1,481	2,318
Fair value of plan assets	(11)	(61)	(79)	(520)	(671)
Net defined-benefit liability (asset)	**106**	**254**	**326**	**961**	**1,647**

The weighted average duration of plans is 14 years at December 31, 2020 (15 years at December 31, 2019).

19 - E - Changes in obligations, fund assets and the provision

(€ million)	Present value of the obligation (A)	Fair value of the fund assets (B)	Net defined-benefit liability (A) + (B)
Balance at December 31, 2019	**2,315**	**(615)**	**1,700**
Current service cost	88	-	88
Past service cost and gain/loss on plan curtailment, modification and settlement	1	-	1
Net interest on the net liability (asset)	25	(9)	16
Effects of staff adjustment measures	(1)	-	(1)
Net expense (income) for 2020 recorded in the income statement (Note 19-C)	**113**	**(9)**	**104**
Actuarial gains and losses on the obligation resulting from changes in demographic assumptions	3	-	3
Actuarial gains and losses on the obligation resulting from changes in financial effects	106	(16)	90
Actuarial gains and losses on the obligation resulting from experience effects	(11)	-	(11)
Net return on fund assets (not included in net interest above)	-	(20)	(20)
Net expense (income) for 2020 recorded in other components of comprehensive income	**98**	**(36)**	**62**

Employer's contributions to funds	-	(28)	(28)
Employee's contributions to funds	-	(2)	(2)
Benefits paid under the plan	(100)	19	(81)
Effect of changes in exchange rate	(25)	20	(5)
Effect of changes in scope of consolidation and other*	(83)	(20)	(103)
Balance at December 31, 2020	**2,318**	**(671)**	**1,647**

** These effects include the reclassification of €108 million from retirement indemnities to provisions for restructuring, for employees who will benefit from indemnities under the Collective Contractual Separation plan.*

Accumulated actuarial gains and losses, net of tax (excluding the associates' share) recorded in other components of comprehensive income amounted to an expense of €855 million at December 31, 2020 (an expense of €735 million at December 31, 2019).

A 100 base point decrease in discount rates used for each plan would result in a €569 million increase in the amount of obligations at December 31, 2020 (€420 million at December 31, 2019), and a 100 base point increase in discount rates used for each plan would result in a €452 million decrease in the amount of obligations at December 31, 2020 (€322 million at December 31, 2019).

19 - F - Fair value of fund assets

Details of the assets invested via pension funds and insurance companies are as follows:

	December 31, 2020		
(€ million)	Assets listed on active markets	Unlisted assets	Total
Pension funds			
Cash and cash equivalents	1	-	1
Shares	123	-	123
Bonds	188	-	188
Shares in mutual funds and other	51	-	51
TOTAL – PENSION FUNDS	**363**	**-**	**363**
Insurance companies			
Cash and cash equivalents	1	7	8
Shares	8	-	8
Bonds	211	5	216
Real estate property	21	1	22
Shares in mutual funds and other	26	28	54
TOTAL – INSURANCE COMPANIES	**267**	**41**	**308**
TOTAL	**630**	**41**	**671**

Pension fund assets mainly relate to plans located in the United Kingdom (45.8%). Insurance contracts principally concern the Netherlands (30.1%), France (13.7%), Switzerland (4.6%) and Germany (4.5%). The actual returns on plan assets in the United Kingdom are shown in note 19-B.

The weighted average actual rate of return on the Group's main funds was 2.22% in 2020 (8.84% in 2019).

At the date of this report, the best estimate of contributions that will be payable to the funds in 2020 is approximately €11 million.

The Group's pension fund assets do not include Groupe Renault's financial instruments. Real estate investments do not include real estate properties occupied by the Group.

NOTE 20 CHANGE IN PROVISIONS

(€ million)	Restructuring provisions (3)	Warranty provisions	Provisions for litigation and risks concerning other taxes	Provisions for insurance activities (1)	Provisions for commitments given and other	Total
At December 31, 2019	**450**	**1,016**	**228**	**523**	**305**	**2,522**
Increases	499	521	50	27	274	1,371
Reversals of provisions for application	(224)	(497)	(19)	(54)	(135)	(929)
Reversals of unused balance of provisions	(18)	(17)	(16)	-	(30)	(81)
Changes in scope of consolidation	1	-	-	-	-	1
Translation adjustments and other changes	104	(31)	(38)	-	7	42
At December 31, 2020 (2)	**812**	**992**	**205**	**496**	**421**	**2,926**

(1) Technical reserves established by the Sales Financing segment's insurance companies.

(2) Short-term portion of provisions: €1,570 million; long-term portion of provisions: €1,356 million.

(3) Restructuring costs include a reclassification of €108 million from the provision for retirement indemnities concerning employees who will benefit from indemnities under the Collective Contractual Separation plan.

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All known litigation in which Renault or Group companies are involved is examined at each closing. After seeking the opinion of legal advisors, any provisions deemed necessary are set aside to cover the estimated risk. During 2020, the Group recorded no provisions in connection with significant new litigation. Information on contingent liabilities is provided in note 28-A2.

Increases to restructuring provisions essentially comprise the effect of workforce adjustment measures in the Europe Region (note 6-A). In France, restructuring provisions have been recorded for employee departures expected under the Collective Contractual Separation plan, at the relevant amount net of existing provisions for retirement indemnities.

At December 31, 2020, “Other provisions” include €91 million of provisions established in application of environmental regulations (€84 million at December 31, 2019). These include provisions to cover expenses relating to end-of-life vehicles and used batteries, and environmental compliance costs for industrial land in the Europe Region and for industrial sites in the Americas and Eurasia Regions.

NOTE 21 OTHER CURRENT AND NON-CURRENT LIABILITIES

	December 31, 2020			December 31, 2019		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Current taxes due	**-**	**221**	**221**	**2**	**223**	**225**
Provisions for uncertain tax liabilities	**179**	**6**	**185**	**187**	**8**	**195**
Tax liabilities (excluding current taxes due)	18	1,341	1,359	30	1,235	1,265
Social liabilities	24	1,250	1,274	22	1,415	1,437
Other liabilities	248	5,416	5,664	248	6,415	6,663
Deferred income	1,395	1,622	3,017	1,432	1,722	3,154
Derivatives on operating transactions of the Automotive segments	-	13	13	-	14	14
Total other liabilities	**1,685**	**9,642**	**11,327**	**1,732**	**10,801**	**12,533**
TOTAL	**1,864**	**9,869**	**11,733**	**1,921**	**11,032**	**12,953**

Other current liabilities mainly corresponds to asset payables amounting to €1,116 million, amounts payable under sales incentive programs (€1,883 million at December 31, 2020 and €2,455 million at December 31, 2019) and deferred income recorded in connection with sales contracts including a buyback commitment (€660 million at December 31, 2020 and €675 million at December 31, 2019).

Deferred income includes deferred income on Automotive service contracts such as maintenance and warranty extension contracts, and advances received under cooperation contracts with partners. This income concerns payments received under contracts defining a customer payment schedule that does not depend on the Group’s execution of its performance obligation (advance payment in full, or regular payments due at the end of specified periods). Deferred income is transferred to revenues over the duration of the contracts, and breaks down as follows:

	Automotive service contracts		Cooperation contracts	
(€ million)	2020	2019*	2020	2019
Deferred income at January 1	**1,084**	**1,035**	**1,331**	**1,295**
Deferred income received during the period	556	473	223	325
Deferred income recognized in revenues during the period	(616)	(425)	(248)	(287)
Change in scope of consolidation	-	-	-	-
Translation adjustments and other changes	(13)	1	(4)	(2)
Deferred income at December 31	**1,011**	**1,084**	**1,301**	**1,331**
To be recognized in revenues – within one year	914	446	189	264
in 1 to 3 years	87	573	244	513
in 3 to 5 years	10	65	867	554

** The figures at December 31, 2019 have been restated to include automotive service contracts of the Sales Financing segment.*

V. Financial assets and liabilities, fair value and management of financial risks

NOTE 22 FINANCIAL ASSETS – CASH AND CASH EQUIVALENTS

22 - A - Current/non-current breakdown

	December 31, 2020			December 31, 2019		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Daimler shares	951	-	951	812	-	812
Other investments in non-controlled entities	46	-	46	66	-	66
Marketable securities and negotiable debt instruments	-	426	426	-	1,375	1,375
Derivatives on financing operations by the Automotive segments	95	298	393	49	216	265
Loans and other	161	457	618	145	625	770
TOTAL FINANCIAL ASSETS	**1,253**	**1,181**	**2,434**	**1,072**	**2,216**	**3,288**

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Gross value	*1,255*	*1,207*	*2,462*	*1,072*	*2,221*	*3,293*
Impairment	*(2)*	*(26)*	*(28)*	*-*	*(5)*	*(5)*
Cash equivalents	-	10,340	10,340	-	8,375	8,375
Cash	-	11,357	11,357	-	6,607	6,607
TOTAL CASH AND CASH EQUIVALENTS	**-**	**21,697**	**21,697**	**-**	**14,982**	**14,982**

Information on the counterparty risks associated with financial assets and cash and cash equivalents is provided in note 25-B6.

22 - B - Daimler shares

At December 31, 2020, investments in non-controlled entities include €951 million (€812 million at December 31, 2019) for the Daimler shares purchased under the strategic partnership agreement.

These shares are carried at fair value through other components of comprehensive income by option. If the Daimler shares were sold, the gain on sale would not be transferred to profit and loss. Their fair value is determined by reference to the stock market price. At December 31, 2020, the stock market price (€57.79 per share) was higher than the acquisition price (€35.52 per share) and the unrealized gain on the Daimler shares held is €366 million. The increase in fair value over the year, amounting to €138 million (compared to a €57 million increase in 2019), is recorded in other components of comprehensive income for 2020.

22 - C - Other investments in non-controlled entities

At December 31, 2020, other investments in non-controlled entities include an amount of €27 million (€43 million at December 31, 2019) paid to the Fund for the Future of the Automotive (*Fonds Avenir Automobile*). Under the support plan for automotive industry suppliers introduced by the French authorities and carmakers, the Groupe Renault has made a commitment to pay a total of €200 million to this fund as contributions are called. The outstanding amount payable by Renault at December 31, 2020 is €49 million. The fair value of these investments is determined by reference to the most recent net asset value reported by the Fund's management company, after adjustment for any relevant information that becomes known afterwards.

22 - D - Cash not available to the Group

The Group has liquidities in countries where repatriation of funds can be complex for regulatory or political reasons. In most of these countries, such funds are used locally for industrial or sales financing purposes.

Some current bank accounts held by the Sales Financing Securitization Fund are used to increase credit on securitized receivables, and consequently act as guarantees in the event of default on payment of receivables (note 15-B1). These current bank accounts amount to €670 million at December 31, 2020 (€540 million at December 31, 2019).

NOTE 23 FINANCIAL LIABILITIES AND SALES FINANCING DEBTS

23 - A - Current/non-current breakdown

	December 31, 2020			December 31, 2019		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Renault SA redeemable shares	245	-	245	281	-	281
Bonds	5,839	842	6,681	5,671	613	6,284
Other debts represented by a certificate	-	1,318	1,318	-	648	648
Borrowings from credit institutions	5,648	866	6,514	1,170	690	1,860
▪ *Russia*	*1,021*	*133*	*1,154*	*808*	*71*	*879*
▪ *Including AVTOVAZ*	*1,021*	*118*	*1,139*	*808*	*71*	*879*
▪ *Brazil*	*249*	*387*	*636*	*23*	*359*	*382*
▪ *France*	*4,378*	*98*	*4,476*	*340*	*158*	*498*
▪ *Morocco*	*-*	*130*	*130*	*-*	*-*	*-*
Lease liabilities (1)	530	119	649	622	117	739
Other financial liabilities	158	427	585	134	493	627
FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT (EXCLUDING DERIVATIVES)	**12,420**	**3,572**	**15,992**	**7,878**	**2,561**	**10,439**
Derivatives on financing operations of the Automotive segments	99	337	436	49	219	268
FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENTS	**12,519**	**3,909**	**16,428**	**7,927**	**2,780**	**10,707**
FINANCIAL LIABILITIES OF THE MOBILITY SERVICES SEGMENT	**14**	**15**	**29**	**-**	**-**	**-**
Diac redeemable shares and subordinated loans (2)	890	-	890	867	-	867
Bonds	-	17,560	17,560	-	18,825	18,825
Other debts represented by a certificate	-	4,432	4,432	-	5,114	5,114
Borrowings from credit institutions	-	4,552	4,552	-	5,480	5,480
Other interest-bearing borrowings, including lease liabilities (3)	-	20,919	20,919	-	17,954	17,954
DEBTS AND FINANCIAL LIABILITIES OF THE SALES FINANCING SEGMENT (EXCLUDING DERIVATIVES)	**890**	**47,463**	**48,353**	**867**	**47,373**	**48,240**
Derivatives on financing operations of the Sales Financing segment	-	84	84	-	92	92
DEBTS AND FINANCIAL LIABILITIES OF THE SALES FINANCING SEGMENT	**890**	**47,547**	**48,437**	**867**	**47,465**	**48,332**

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TOTAL FINANCIAL LIABILITIES AND SALES FINANCING DEBTS	**13,423**	**51,471**	**64,894**	**8,794**	**50,245**	**59,039**

(1) The financial liability recognized at December 31, 2020 in application of IAS 16 for leases analyzed in substance as purchases amounts to €86 million (€26 million at December 31, 2019).

(2) Including subordinated loans of RCI Banque, amounting to €850 million at December 31, 2020 (€850 million at December 31, 2019).

(3) Including lease liabilities of the Sales Financing segment, amounting to €45 million at December 31, 2020 (€53 million at December 31, 2019).

23 - B - Changes in Automotive financial liabilities and derivative assets on financing operations

(€ million)	December 31, 2019	Change in cash flows	Change resulting from acquisition or loss of control over subsidiaries and other operating units	Foreign exchange changes with no effect on cash flows	Other changes with no effect on cash flows	December 31, 2020
Renault SA redeemable shares	281	-	-	-	(36)	245
Bonds	6,284	410	-	(20)	7	6,681
Other debts represented by a certificate	648	687	-	(17)	-	1,318
Borrowings from credit institutions	1,860	4,762	-	(292)	184	6,514
Lease liabilities	739	(140)	5	(24)	69	649
Other financial liabilities	627	(233)	(9)	(9)	209	585
FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT (EXCLUDING DERIVATIVES)	**10,439**	**5,486**	**(4)**	**(362)**	**433**	**15,992**
Derivatives on financing operations of the Automotive segments	268	257	-	(98)	9	436
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENTS (A)	**10,707**	**5,743**	**(4)**	**(460)**	**442**	**16,428**
Derivative assets on Automotive financing operations (B)	268	106	-	(9)	28	393
NET CHANGE IN AUTOMOTIVE FINANCIAL LIABILITIES IN CONSOLIDATED CASH FLOWS BY SEGMENT (SECTION 2.2.5) (A) – (B)		**5,637**				
Financial liabilities of the Mobility Services segment	-	23	-	(3)	9	29
NET CHANGE IN AUTOMOTIVE FINANCIAL LIABILITIES IN CONSOLIDATED CASH FLOWS		**5,660**				

23 - C - Changes in financial liabilities and sales financing debts

Changes in redeemable shares of the Automotive segments

The redeemable shares issued in October 1983 and April 1984 by Renault SA are subordinated perpetual shares listed on the Paris Stock exchange. They earn a minimum annual return of 9% comprising a 6.75% fixed portion and a variable portion that depends on consolidated revenues and is calculated based on identical Group structure and methods.

Redeemable shares are stated at amortized cost, calculated by discounting the forecast interest coupons at the effective interest rate of the borrowing. At December 31, 2020, the Group revised the future interest flows on redeemable shares based on the most recent sales forecasts released on January 14, 2020 in the “Renaulution” strategic plan. The value of the redeemable shares was therefore adjusted downwards by €41 million, with recognition of corresponding income in Other financial income and expenses (see note 7). The interest of €20 million for 2020 (€20 million in 2019) is included in interest expenses.

These shares were trading at €373.65 at December 31, 2020 and (€557 at December 31, 2019). The financial liability based on the stock market value of the redeemable shares at December 31, 2020 is €298 million (€444 million at December 31, 2019).

Changes in bonds and other debts of the Automotive segments

Under its EMTN program, Renault SA issued a Eurobond on November 25, 2020 with a nominal value of €1 billion, 5.5-year maturity and a 2.375% coupon.

In 2020, Renault SA redeemed bonds for a total of €586 million.

In 2020, the AVTOVAZ group repaid financial liabilities totaling €460 million and contracted new financial liabilities totaling €1,002 million.

State-guaranteed credit facility of the Automotive segments

On June 2, 2020, the Groupe Renault opened a credit line with a pool of five banks, for the maximum amount of €5 billion covered by a French State guarantee for 90% of the amount borrowed. The main characteristics of this credit line were the following:

- the maximum total credit was €5 billion, and it could be drawn in whole or in part, on one or more times, until December 31, 2020;
- the initial maturity for each drawing was 12 months, and Renault had the option to extend the maturity by a further three years, with repayment of one-third each year;
- the interest rate on each drawing was indexed on the 12-month Euribor for the first year, then the 6-month Euribor for any extensions;
- early repayment after extension is possible for a principal amount of at least €500 million.

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At December 31, 2020, €4 billion had been drawn on this credit line in three tranches: €2 billion drawn on August 5, 2020, €1 billion on September 22, 2020 and €1 billion on December 23, 2020. The remaining €1 billion credit is no longer available.

The Group considers that this credit facility has been provided under normal market conditions, and consequently that no subsidy is to be recorded when a drawing is made on it. The borrowing is therefore recognized at its initial nominal value.

For the initial recognition of the first two drawings, the Group considered itself able to repay these drawings without using the extension option, and the credit drawn was included in current liabilities. Due to the second lockdown in France which began in late October 2020, and the possible consequences of the second wave of the COVID-19 pandemic for the Group's liquidity, the prospect of non-extension for these two drawings was revised at December 31, 2020, and this change in prospects was treated as a modification of the liability under IFRS 9 - paragraph B5.4.6. This led to an increase in the financial liability, with recognition of a corresponding financial expense of €69 million (see note 7 "Financial income (expenses)"). The third drawing was recognized from the outset on the basis that the extension option is likely to be exercised.

If extended, these credit drawings will be repayable in one-third instalments in 2022, 2023 and 2024 on the anniversary dates of the initial drawings, with the possibility of early repayment of outstanding instalments at Groupe Renault's initiative at each repayment date.

No extension option has been exercised at December 31, 2020 and the three drawings are included in non-current financial liabilities.

Changes in Sales Financing debts

In 2020, RCI Banque group issued new bonds totaling €1,586 million with maturities between 2021 and 2027, and redeemed bonds for a total of €2,639 million.

It also made three drawings during 2020 under the TLTRO III program, for the total amount of €1,750 million, maturing in 2023. Borrowings from credit institutions decreased as term loans matured.

New savings collected rose by €2,797 million during 2020 (€1,712 million of sight deposits and €1,085 million of term deposits) to €20,508 million (€14,715 million of sight deposits and €5,793 million of term deposits), and are classified as other interest-bearing borrowings. These savings are collected in Germany, Austria, Brazil, France and the United Kingdom.

Cash outflows on leases

Changes in cash relating to leases totaled €261 million in 2020 (including €170 million of repayments of lease liabilities and €91 million of cash outflows for variable rents and low-value and very short-term leases benefiting from exemptions, determined by reference to the amount of lease payments in profit and loss, which provides a good approximation (see note 5-C)).

The potential future cash outflows resulting from the exercise of extension options and contracts already signed which take effect after the 2020 year-end amount to €113 million.

Changes in financial liabilities of the Mobility Services segment

The financial liabilities of the Mobility Services segment consist of internal Group financing issued by Renault s.a.s in the form of interest-bearing loans and put options concerning minority interests.

23 - D - Breakdown by maturity

For financial liabilities including derivatives, contractual flows are similar to the expected flows and correspond to the amounts to be paid.

For floating-rate financial instruments, interest is calculated using interest rates as at December 31, 2020.

No contractual flows are reported for Renault and Diac redeemable shares as they have no fixed redemption date.

FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENTS

	December 31, 2020									
	Balance sheet value	Total contractual flows	<1 yr							
(€ million)			0 to 3 months	3 to 12 months	Total	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	>5 yrs
Renault SA bonds 2014	500	500	500	-	500	-	-	-	-	-
Renault SA bonds 2017	1,702	1,702	-	-	-	202	750	-	750	-
Renault SA bonds 2018	1,904	1,904	-	309	309	-	145	700	-	750
Renault SA bonds 2019	1,555	1,555	-	-	-	-	-	55	1,000	500
Renault SA bonds 2020	1,009	1,010	-	-	-	10	-	-	-	1,000
Accrued interest, expenses and premiums	11	10	18	15	33	(6)	(6)	(5)	(4)	(2)
TOTAL BONDS	**6,681**	**6,681**	**518**	**324**	**842**	**206**	**889**	**750**	**1,746**	**2,248**
Other debts represented by a certificate	1,318	1,318	526	792	1,318	-	-	-	-	-
Borrowings from credit institutions	6,514	6,470	281	540	821	1,628	1,724	1,810	487	-
▪ *Russia*	*1,154*	*1,154*	*20*	*113*	*133*	*7*	*280*	*246*	*488*	-
▪ *Including AVTOVAZ*	*1,139*	*1,139*	*5*	*113*	*118*	*7*	*280*	*246*	*488*	-
▪ *Brazil*	*636*	*636*	*254*	*133*	*387*	*249*	-	-	-	-
▪ *France*	*4,476*	*4,476*	*19*	*79*	*98*	*1,371*	*1,443*	*1,564*	-	-
▪ *Marocco*	*130*	*130*	-	*130*	*130*	-	-	-	-	-
Lease liabilities	649	686	40	79	119	117	68	61	54	267

Other interest-bearing borrowings	585	594	130	240	370	20	19	15	4	166
TOTAL OTHER FINANCIAL LIABILITIES	**9,066**	**9,068**	**977**	**1,651**	**2,628**	**1,765**	**1,811**	**1,886**	**545**	**433**
Future interest on bonds and other financial liabilities	-	658	24	77	101	154	140	121	90	52
Redeemable shares	245									
Derivatives on financing operations	436	436	171	166	337	73	14	12	-	-
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENTS	**16,428**	**16,843**	**1,690**	**2,218**	**3,908**	**2,198**	**2,854**	**2,769**	**2,381**	**2,733**

FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT

	December 31, 2020									
			<1 yr							
(€ million)	Balance sheet value	Total contractual flows	0 to 3 months	3 to 12 months	Total	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	>5 yrs
RCI Bank bonds 2014	501	500	500	-	500	-	-	-	-	-
RCI Bank bonds 2015	759	750	-	-	-	750	-	-	-	-
RCI Bank bonds 2016	2,117	2,100	-	750	750	-	1,350	-	-	-
RCI Bank bonds 2017	5,299	5,251	-	765	765	2,736	-	1,150	600	-
RCI Bank bonds 2018	3,537	3,483	149	1,123	1,272	45	866	-	550	750
RCI Bank bonds 2019	3,674	3,641	44	145	189	439	1,423	940	-	650
RCI Bank bonds 2020	1,595	1,578	-	51	51	398	314	50	15	750
Accrued interest, expenses and premiums	78	77	35	54	89	1	(2)	(4)	(3)	(4)
TOTAL BONDS	**17,560**	**17,380**	**728**	**2,888**	**3,616**	**4,369**	**3,951**	**2,136**	**1,162**	**2,146**
Other debts represented by a certificate	4,432	4,432	775	1,465	2,240	1,617	459	77	32	7
Borrowings from credit institutions	4,552	4,552	921	826	1,747	739	1,969	79	18	-
Lease liabilities	45	45	2	6	8	7	7	7	7	9
Other interest-bearing borrowings	20,874	20,875	16,115	1,726	17,841	1,618	702	337	377	-
TOTAL OTHER FINANCIAL LIABILITIES	**29,903**	**29,904**	**17,813**	**4,023**	**21,836**	**3,981**	**3,137**	**500**	**434**	**16**
Future interest on bonds and other financial liabilities		692	33	122	155	224	127	88	50	48
Diac redeemable shares and subordinated debts	890									
Derivatives on financing operations	84	25	1	8	9	15	-	-	1	-
TOTAL DEBTS AND FINANCIAL LIABILITIES OF THE SALES FINANCING SEGMENT	**48,437**	**48,001**	**18,575**	**7,041**	**25,616**	**8,589**	**7,215**	**2,724**	**1,647**	**2,210**

FINANCIAL LIABILITIES AND DEBTS OF THE MOBILITY SERVICES SEGMENT

	December 31, 2020							
			<1 yr					
(€ million)	Balance sheet value	Total contractual flows	0 to 3 months	3 to 12 months	Total	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs
Other interest-bearing	28	28	15	-	15	-	-	13
Total other financial liabilities	**28**	**28**	**15**	**-**	**15**	**-**	**-**	**13**
Derivatives on financing operations	1	1	-	-	-	-	-	1
TOTAL FINANCIAL LIABILITIES OF THE MOBILITY SERVICES SEGMENT	**29**	**29**	**15**	**-**	**15**	**-**	**-**	**14**

23 - E - Financing by assignment of receivables and reverse factoring

Automotive segments financing by assignment of receivables

Some of the Automotive segment's external financing comes from assignment of commercial receivables to non-Group financial establishments.

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Details of financing by assignment of commercial receivables is as follows:

(€ million)	December 31, 2020		December 31, 2019	
	Receivables assigned to non-Group entities and derecognized	Receivables assigned and not derecognized	Receivables assigned to non-Group entities and derecognized	Receivables assigned and not derecognized
Automotive (excluding AVTOVAZ)	1,467	-	1,805	-
AVTOVAZ	2	-	5	-
TOTAL ASSIGNED	**1,469**	**-**	**1,810**	**-**

The total amount of tax receivables assigned and derecognized in 2020 is €214 million, comprising €165 million of CIR receivables and €49 million of VAT receivables (€324 million of CIR receivables, €54 million of CICE receivables and €60 million of VAT receivables in 2019).

French tax receivables assigned outside the Group (the "CIR" Research Tax Credit), with transfer of substantially all the risks and benefits associated with ownership of the receivables, are only derecognized if the risk of dilution is deemed to be non-existent. This is notably the case when the assigned receivables have already been subject to a tax inspection or preliminary audit. No assigned tax receivables remained in the balance sheets at December 31, 2020.

The assigned receivables are derecognized when the associated risks and benefits are substantially transferred, as described in note 2-P.

The Automotive segments assign their dealership receivables to the Sales financing segment. The total dealership receivables transferred to the Sales financing segment principally concerns the Groupe Renault. The amounts are presented in note 15-D.

Automotive segments financing by reverse factoring programs

The accounting treatment for these programs is described in note 2-P Assignment of receivables and reverse factoring.

At December 31, 2020, reverse-factoring programs concerned €26 million of financial liabilities (€44 million at December 31, 2019).

NOTE 24 FINANCIAL INSTRUMENTS BY CATEGORY, FAIR VALUE AND IMPACT ON NET INCOME

24 - A - Financial instruments by category and fair value by level

IFRS 9 defines three categories of financial instruments:

- financial assets at fair value through other components of comprehensive income;
- financial assets at fair value through profit or loss;
- loans and receivables carried at amortized cost.

The following breakdown by level of fair value is presented for financial instruments carried in the balance sheet at fair value:

- level 1: instruments whose fair values are derived from quoted prices in an active market; fair value is generally identical to the most recent quoted price;
- level 2: instruments whose fair values are derived from observable market prices and are not included in level 1;
- level 3: instruments whose fair values are derived from unobservable inputs on the market; the fair value of investments in non-controlled entities is generally based on the share of net assets.

Fair values have been determined on the basis of information available at the end of the year and do not therefore take account of subsequent movements.

In 2020, no financial instruments were transferred between level 1 and level 2, or into or out of level 3.

FINANCIAL ASSETS AND OTHER ASSETS (€ million)	Notes	December 31, 2020						
		Balance sheet value						
		Total	Fair value through profit and loss	Fair value through equity	Amortized cost	Equity instruments valued under the applicable standard	Fair value of financial assets at amortized cost	Fair value level of financial assets at fair value
Sales Financing receivables	15	40,820	-	-	40,820		40,645 (1)	3
Automotive customer receivables	16	910	-	-	910		(2)	
Tax receivables (including current taxes due)	17	1,951	-	-	1,951		(2)	
Other receivables and prepaid expenses	17	2,680	-	-	2,680		(2)	
Derivatives on operating transactions of the Automotive segments	17	31	8	23	-			2
Derivatives on financing operations of the Sales Financing segment	17	230	196	34	-			2
Investments in unconsolidated controlled entities	17	91			-	91		
Daimler shares	22	951		951				1
Other investments in non-controlled entities	22	46	46		-			3

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Marketable securities and negotiable debt instruments	*22*	426	94	332	-			1
Derivatives on financing operations of the Automotive segments	*22*	393	393	-	-			2
Loans and other	*22*	618	-	-	618		(2)	3
Cash and cash equivalents	*22*	21,697	8,709	380	12,608		(2)	1 & 3
TOTAL FINANCIAL ASSETS AND OTHER ASSETS		**70,844**	**9,446**	**1,720**	**59,587**	**91**		

(1) The fair value of sales financing receivables is estimated by discounting future cash flows at rates that would be applicable to similar loans (conditions, maturity and debtor quality) at the year-end. Receivables with a term of less than one year are not discounted, as their fair value does not differ significantly from their net book value. This is a level 3 fair value, as it uses recognized models for which certain significant data, such as the credit risk associated with the portfolio of receivables, are not based on observable market data.

(2) The Group does not report the fair value of financial assets such as Automotive customer receivables, tax receivables or cash and cash equivalents because their net book value after impairment is a reasonable approximation of their fair value.

		December 31, 2020					
		Balance sheet value					
FINANCIAL LIABILITIES OTHER LIABILITIES *(€ million)*	*Notes*	Total	Fair value through profit and loss	Fair value through equity	Amortized cost	Fair value of financial liabilities at amortized cost	Fair value level of financial liabilities at fair value
Tax liabilities (including current taxes due)	*21*	1,580			1,580	(1)	
Social liabilities	*21*	1,274			1,274	(1)	
Other liabilities and deferred income	*21*	8,681			8,681	(1)	
Trade payables	*21*	8,277			8,277	(1)	
Derivatives on financing operations of the Automotive segments	*21*	13	-	13			2
Renault redeemable shares	*23*	245			245	298 (2)	
Diac redeemable shares	*23*	14	14				1
Subordinated debts	*23*	876			876	876 (3)	
Bonds	*23*	24,241			24,241	24,241 (3)	
Other debts represented by a certificate	*23*	5,750			5,750	5,750 (3)	
Borrowings from credit institutions	*23*	11,066			11,066	11,066 (3)	
Lease liabilities in application of IFRS 16	*23*	694			694	694 (3)	
Other interest-bearing and non-interest-bearing borrowings	*23*	21,488			21,488	21,488 (3)	
Derivatives on financing operations of the Automotive segments	*23*	436	436	-			2
Derivatives on financing operations of the Sales Financing segment	*23*	84	12	72			2
TOTAL FINANCIAL LIABILITIES AND OTHER LIABILITIES		84,719	462	85	84,172		

(1) The Group does not report the fair value of financial liabilities such as trade payables, tax liabilities and social liabilities, because their book value is a reasonable approximation of their fair value.

(2) The fair value of Renault and Diac redeemable shares is identical to the stock market price.

(3) The fair value of the Automotive segment's financial liabilities and Sales Financing debts measured at amortized cost is essentially determined by discounting future cash flows at rates offered to Renault at December 31, 2020 for loans with similar conditions and maturities. The rates offered to Renault result from observable market data such as zero-coupon interest rate curves and secondary market prices for bonds issued by the Group, and consequently this is a level 2 fair value.

24 - B - Changes in Level 3 financial instruments

Level 3 financial instruments mainly correspond to investments in non-controlled entities (€46 million at December 31, 2020 and €66 million at December 31, 2019). In an exception to the general approach, these instruments are still carried at historical cost, but if this is inappropriate they are valued on the basis of the share of net equity or using a method based on non-observable data.

24 - C - Impact of financial instruments on net income

	Financial instruments other than derivatives				
(€ million)	Instruments measured at fair value through profit and loss	Instruments measured at fair value through equity	Instruments measured at amortized cost*	Derivatives	Total impact on net income
Operating margin	(1)	(1)	(169)	11	(160)
Net financial income (expenses)	(43)	15	(374)	8	(394)
Impact on net income – Automotive segments	**(44)**	**14**	**(544)**	**19**	**(554)**
Operating margin	1	7	320	56	385
Impact on net income – Sales Financing segment	**1**	**7**	**320**	**56**	**385**
TOTAL GAINS (LOSSES) WITH IMPACT ON NET INCOME	**(43)**	**21**	**(223)**	**75**	**(169)**

** Including financial liabilities subject to fair value hedges.*

For the Automotive segments, the impact of financial instruments on the operating margin mainly corresponds to foreign exchange gains and losses on operating transactions.

24 - D - Fair value hedges

(€ million)	December 31, 2020	December 31, 2019
Change in fair value of the hedging instrument	51	74
Change in fair value of the hedged item	(49)	(80)
Net impact on net income of fair value hedges	**2**	**(6)**

Hedge accounting methods are described in note 2-X.

NOTE 25 DERIVATIVES AND MANAGEMENT OF FINANCIAL RISKS

25 - A - Derivatives and netting agreements

A1 Fair value of derivatives and hedged notional values

The fair value of derivatives of the Automotive segments corresponds to their balance sheet value:

	Balance sheet value			Financial commitment		
December 31, 2020 *(€ million)*	Assets	Liabilities	Nominal	< 1 yr	1 to 5 yrs	> 5 yrs
Cash flow hedges	6	12	1,243	1,243	-	-
Derivatives not qualified as hedging instruments	364	393	28,982	26,544	2,438	-
TOTAL FOREIGN EXCHANGE RISK	**370**	**405**	**30,225**	**27,787**	**2,438**	**-**
Derivatives not qualified as hedging instruments	37	43	3,323	585	2,722	16
TOTAL INTEREST RATE RISK	**37**	**43**	**3,323**	**585**	**2,722**	**16**
Cash flow hedges	17	1	210	176	34	-
TOTAL COMMODITY RISK	**17**	**1**	**210**	**176**	**34**	**-**
TOTAL AUTOMOTIVE	**424**	**449**	**33,759**	**28,548**	**5,194**	**16**

The fair value of derivatives of the Sales Financing segment corresponds to their balance sheet value:

	Balance sheet value			Financial commitment		
December 31, 2020 *(€ million)*	Assets	Liabilities	Nominal	< 1 yr	1 to 5 yrs	> 5 yrs
Derivatives not qualified as hedging instruments	9	8	1,024	802	222	-
TOTAL FOREIGN EXCHANGE RISK	**9**	**8**	**1,024**	**802**	**222**	**-**
Cash flow hedges	7	72	10,182	2,888	7,294	-
Fair value hedges	211	-	8,524	1,332	5,042	2,150
Derivatives not qualified as hedging instruments	3	4	3,415	2,945	470	-
TOTAL INTEREST RATE RISK	**221**	**76**	**22,121**	**7,165**	**12,806**	**2,150**
TOTAL SALES FINANCING	**230**	**84**	**23,145**	**7,967**	**13,028**	**2,150**

A2 Netting agreements and other similar commitments

FRAMEWORK AGREEMENTS FOR OPERATIONS ON FINANCIAL FUTURES AND SIMILAR AGREEMENTS

The Group negotiates its derivatives contracts in accordance with the framework agreements issued by the International Swaps and Derivatives Association (ISDA) and the FBF (Fédération Bancaire Française).

In the event of default, the non-defaulting party has the right to suspend execution of its payment obligations and to demand payment or transfer of a termination balance for all terminated transactions.

The ISDA and FBF framework agreements do not meet the requirements for netting in the financial statements. The Group currently has no legally enforceable right to net the reported amounts, except in the case of default or a credit event.

NETTING OF FINANCIAL ASSETS AND LIABILITIES: SUMMARY

December 31, 2020 *(€ million)*	Amounts in the statement of financial position eligible for netting	Amounts not netted in the statement of financial position: Financial instruments assets/liabilities	Guarantees included in liabilities	Off balance sheet guarantees	Net amounts
Assets					
Derivatives on financing operations of the Automotive (excluding AVTOVAZ) segment	393	(26)	-	-	367
Derivatives on financing operations of the Sales Financing segment	230	-	-	-	230
Sales Financing receivables dealer*	193	-	(110)	-	83
TOTAL ASSETS	**816**	**(26)**	**(110)**	**-**	**680**
Liabilities					

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Derivatives on financing operations of the Automotive (excluding AVTOVAZ) segment	436	(332)	-	-	104
Derivatives on financing operations of the Sales Financing segment	84	(26)	-	-	58
TOTAL LIABILITIES	**520**	**(358)**	**-**	**-**	**162**

** Sales financing receivables held by Banco RCI Brasil, whose exposure is covered by pledges of "letras de cambio" (bills of exchange) subscribed by dealers and reported under other debts represented by a certificate.*

25 - B - Management of financial risks

The Group is exposed to the following financial risks:

- liquidity risk;
- market risks (foreign exchange, interest rate, equity and commodity risks);
- bank counterparty risk and credit risk on customer and dealer financing.

Risk management differs depending on the operating segment. The risks described below concern the Automotive segments, (considering AVTOVAZ separately in certain cases), and the Sales Financing segment. The Mobility Services segment does not have any specific financial risks since it is financed by the Automotive segments.

B1 Liquidity risk

The Group must have sufficient financial resources to finance its automotive and sales financing businesses, and the investments necessary for their growth. To ensure this is the case, the Automotive and Sales Financing segments borrow on the capital and banking markets to refinance their gross debt and guarantee liquidity. This exposes them to liquidity risks if markets are closed for long periods or credit is hard to access. The Automotive and Sales Financing segments are also credit-rated by several agencies. Any downgrading of external credit ratings could limit and/or increase the cost of their access to the capital markets.

LIQUIDITY RISKS – AUTOMOTIVE SEGMENTS

The **Automotive** segment's liquidity risk is managed by the Financing and Treasury department. It is founded on an internal model that defines the level of the liquidity reserve the Automotive segments must maintain to finance their operations and development. The liquidity reserve is closely monitored by a monthly review and reporting that is validated by the Chief Financial Officer. Monitoring and management of the liquidity reserve level were reinforced in view of the COVID-19 pandemic.

Renault SA handles most refinancing for the **Automotive (excluding AVTOVAZ)** segment through long-term resources via the capital markets (bond issues and private placements), short-term financing such as NEU CP (Negotiable European Commercial Paper), or bank financing. Renault SA has several debt programs at December 31, 2020:

- an EMTN Bond program with a €7 billion ceiling. This program has been registered with the AMF;
- a Shelf Registration bond on the Japanese market with a JPY200 billion ceiling. This program has been registered with the Japanese stock market authorities (Kanto Local Finance Buro);
- a NEU CP program with a €2.5 billion ceiling. This program has been registered with the Bank of France.

Renault SA and its debt programs are credit-rated by several agencies. In 2020, in the context of the COVID-19 pandemic, Renault SA's rating was downgraded by S&P on April 9 to BB+ with a negative outlook and by Moody's on May 28 to Ba2 with a negative outlook. The Japanese agencies ***R&I*** and JCR also downgraded Renault SA's credit outlook from stable to negative on August 3 and October 5 respectively.

In 2020, to cover its liquidity requirements in the context of the COVID-19 pandemic, Renault SA arranged the following financing:

- a €5 billion bank credit line guaranteed by the French government (in June 2020). €4 billion of this credit had been drawn at December 31, 2020 (see note 23-C);
- a new Eurobond issue under its ETMN program, with nominal value of €1 billion, 5.5-year maturity and a coupon of 2.375% (in November 2020).

Renault SA also has confirmed credit lines opened with banks worth €3,430 million at December 31, 2020 (€3,480 million at December 31, 2019). These credit lines mature in more than one year and were undrawn at December 31, 2020 (and 2019). They form a liquidity reserve for the Automotive segments. The maturities of the Automotive segment's financial liabilities at December 31, 2020 are presented in note 23-D.

The contractual documentation for Renault SA's confirmed credit arrangements, bank loans and market financing does not contain any clause that could affect the continued supply of credit as a result of changes in either Renault's credit rating or its financial ratios. Certain types of financing, particularly market financing, contain standard clauses (*pari passu*, negative pledge and cross-default clauses).

AVTOVAZ also uses local bank credit for refinancing. Its credit lines total €1,139 million at December 31, 2020, of which €1,021 million mature in more than one year. AVTOVAZ decides to make drawings on the basis of cash forecasts. The maturities of AVTOVAZ financial liabilities at December 31, 2020 are presented in note 23-D. These financial liabilities contain no covenant that would lead to accelerated repayment if certain financial ratios are not respected. AVTOVAZ also uses reverse-factoring arrangements (see note 23-E).

At December 31, 2020, the **Automotive** segments have a liquidity reserve of €16.4 billion, sufficient to cover their commitments over a 12-month horizon. This reserve consists of €12.95 billion of cash and cash equivalents, and €3.43 billion of unused confirmed credit lines.

LIQUIDITY RISKS – SALES FINANCING SEGMENT

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The Sales Financing segment is very attentive to diversification of its sources of liquidity. In recent years, Renault has diversified its sources of financing widely, moving into new distribution zones in addition to its longstanding base of euro bond investors.

RCI Banque's liquidity risk management follows the recommendations of the European Banking Authority. It uses several indicators and analyses (static liquidity, liquidity reserve, several stress scenarios), which are updated and reported to RCI Banque's Financial Committee on a monthly basis. The stress scenarios include assumptions concerning deposit leakage, loss of access to new financing, partial unavailability of certain elements of the liquidity reserve and forecasts for issuance of new credit.

The alternation of different maturities and issue formats is part of the Sales Financing segment's diversification strategy for financing sources. This policy has been followed for several years and enables the segment to reach the maximum number of investors.

There was only a modest degree of market financing during 2020, and the Company was not seriously affected by the rise in the cost of financing. This situation arose because bond redemptions were lower in 2020 than in previous years (refinancing of the TLTRO II was launched early in 2016), and due to a slowdown in automotive sales that reduced the volume of new credit.

Savings deposits collected from private customers increased by €2.8 billion from 2019 to €20.5 billion or 43% of net assets at December 31, 2020.

On the secured refinancing segment, the revolving periods for private securitizations of automotive loans in the United Kingdom and leasing in Germany were extended for a further year. The French subsidiary undertook its first securitization of vehicle leases with a purchase option amounting to €991.5 million: €950 million of senior instruments (of which €200 million were self-subscribed) and €41.5 million of subordinated instruments.

RCI issued a 7-year fixed-rate bond of €750 million in January.

With these resources, as well as available securities in Europe for €16.6 billion, comprising €4.5 billion of undrawn confirmed credit lines with banks, €4.5 billion of collateral eligible for the European Central Bank's monetary policy operations, €7.4 billion of highly liquid assets (HQLA), and €0.3 billion of financial assets, RCI Banque is able to maintain its customer financing for more than 12 months without access to external liquidities.

The RCI Banque group's issues and programs are credit-rated by several agencies. Details of the ratings are provided in the "Liquidity Risk" chapter of the "Risk Factors" section in this Annual Securities Report. In the current context, in the case of Moody's and Standard & Poor's, any ratings downgrade for Automotive liabilities would entail a ratings downgrade for RCI Banque liabilities.

B2 Foreign exchange risk

The Group made no major changes to its foreign exchange risk management policy in 2020.

The Group's exposure to foreign exchange risk principally concerns the **Automotive** segments.

FOREIGN EXCHANGE RISKS – AUTOMOTIVE SEGMENTS

In the **Automotive** segments, fluctuations in exchange rates can affect the following six financial aggregates: operating income (loss), working capital, financial income (expenses), share in in net income (loss) of associates and joint ventures, shareholders' equity and net cash position.

Renault SA's Financing and Treasury department manages the foreign exchange risk for the **Automotive (excluding AVTOVAZ)** segment.

The Finance department of **AVTOVAZ** manages the foreign exchange risk in a very similar way to the Automotive (excluding AVTOVAZ) segment. It identifies, measures and manages the foreign exchange risk by analyzing the net position in each currency. At December 31, 2020 the great majority of cash surpluses and bank debt of AVTOVAZ is denominated in Russian roubles, and no foreign exchange hedging was conducted in 2020.

Operating income and working capital

It is the Automotive segment's policy not to hedge future operating cash flows in foreign currencies, although exceptions may be made. Foreign exchange hedges on operating and working capital items require formal authorization from the Finance department or Senior Management, and the results of these hedges are then reported to the Senior Management. In such cases foreign, and when it is possible, exchange operations are mainly undertaken by the subsidiary Renault Finance for currencies that are negotiable on the international markets.

The principal exposure to foreign exchange risks lies in the operating income (loss). At December 31, 2020 based on the 2020 structure of operating results and cash flows, a 1% rise in the euro against all other currencies would have an unfavorable impact of €24 million on the Automotive segment's annual operating income (loss) after any hedging.

The principal exposure in 2020 concerned the pound sterling, with sensitivity of approximately €9 million in the event of a 1% rise in the euro against the pound sterling. The 10 largest exposures in absolute value and their sensitivities are presented below in millions of euros:

Currency		Annual net operating flows *(€ million)*	Impact of a 1% rise in the euro
Pound sterling	GBP	954	(9)
Russian rouble	RUB	858	(8)
Polish zloty	PLN	675	(7)
Swiss franc	CHF	378	(4)
Argentinian peso	ARS	340	(3)
Indian rupee	INR	(244)	2

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Japanese yen	JPY	(330)	3
Korean won	KRW	(336)	3
US dollar	USD	(394)	4
Romanian leu	RON	(688)	7

In 2020, to limit the foreign exchange risk exposure of its net operating income and working capital, the Automotive (excluding AVTOVAZ) segment set up foreign exchange hedges of the pound sterling, Argentinian peso and Turkish lira.

Financial income (expenses)

To avoid any exchange-related distortion of net financial income, it is the Automotive segment's policy to minimize the foreign exchange risk affecting financing and investment items in foreign currencies.

All Automotive (excluding AVTOVAZ) segment's exposures to foreign exchange risks on financial income and expense items are aggregated and monitored by the central Cash Management team, with monthly reporting to the Chief Financial Officer.

Financing flows in foreign currency originating from Renault entities are hedged in the same currency. If a subsidiary needs external financing in a currency other than the local currency, the parent company monitors the operations closely. Cash surpluses in countries that are not part of the parent company's centralized cash management are generally invested in local currency, under the supervision of the Group's central Cash Management department. The subsidiary Renault Finance can undertake foreign exchange operations on its own behalf, within strictly defined risk limits. Its foreign exchange positions are monitored and valued in real time. This activity is chiefly intended to maintain the Group's expertise on the financial markets. It generates very short exposures and does not exceed some tens of millions of euros, so that it cannot have a significant impact on Renault's consolidated results.

Share in the net income of associates and joint ventures

The share in the net income of associates and joint ventures is exposed to foreign exchange risks. On the basis of its contribution to 2020 net income, a 1% rise in the euro against the Japanese yen would have decreased Nissan's contribution by €49 million. This impact corresponds only to the impact of the euro on the translation of Nissan's contribution to the consolidated statements of Groupe Renault; it does not reflect the inherent impact of euro fluctuations on Nissan's own accounts, given that Nissan does varying levels of business in the euro zone and Renault has no control over this.

Equity investments

The foreign exchange risk exposure of equity investments (in currencies other than the euro) is not generally hedged. However, due to its size, the investment in Nissan is subject to a partial foreign exchange hedge amounting to ¥18 billion at December 31, 2020 (note 12-G). To limit liquidity risks in yen, the Group has set itself the rule of not hedging this net investment above an amount equal to its best estimate of the next three years' dividends in yen to be received from Nissan.

Net cash position

For the purposes of the partial hedge of the investment in Nissan, some of Renault's net financial indebtedness is denominated in yen. At December 31, 2020 a 1% rise in the euro against the yen would increase the net cash position of the Automotive segments by €1.4 million. This net cash position may also be impacted by changes in exchange rates concerning subsidiaries' financial assets and liabilities in their local currency.

Analysis of financial instrument sensitivity to foreign exchange risks

This analysis concerns the sensitivity to foreign exchange risks of monetary assets and liabilities (including intra-Group balances) and derivatives denominated in a currency other than the currency of the entity that holds them. However, it does not cover items (hedged assets or liabilities and derivatives) concerned by fair value hedging, for which changes in fair value of the hedged item and the hedging instrument offset each other in the income statement.

The impact on shareholders' equity (before tax) of a 1% rise in the euro against other currencies is assessed by converting financial assets, cash flow hedges and the partial hedge of the investment in Nissan. For the **Automotive** segment, this impact would be a favorable €6 million at December 31, 2020 (€10 million at December 31, 2019), explained by the yen bond issues that make up the partial hedge of the investment in Nissan (see note 12-G) and the partial hedge set up for future cash flows in pounds sterling in 2020.

The impact on net income of a 1% rise in the euro against other currencies would be an unfavourable impact of €14 million at December 31, 2020 (€7 million at December 31, 2019 excluding AVTOVAZ), mainly attributable to unhedged operating assets and liabilities denominated in a currency that is not the functional currency of the entity that holds them.

Foreign exchange risk – Sales Financing segment

The **Sales Financing** segment has low exposure to foreign exchange risks due to the management principles applied. No position can be taken under the central management framework for refinancing; the trading room hedges all flows concerned. Residual and temporal positions in foreign currencies related to the time differences in cash flows inherent to multi-currency cash management may still remain. They are monitored daily and the same hedging policy applies. The sales financing subsidiaries are obliged to obtain refinancing in their own currency and as a result are not exposed. In exceptional circumstances, limits are assigned to subsidiaries where sales financing activities or refinancing take place in several different currencies, and to subsidiaries authorized to invest some of their cash surpluses in a currency other than their local currency.

At December 31, 2020 the RCI Banque group's consolidated foreign exchange position reached €5.8 million.

The United Kingdom's departure from the European Union did not lead to the recognition of any provisions by the RCI Banque group at December 31, 2020. In preparation for the consequences of Brexit, all the activities of RCI bank UK branch were transferred on March 14, 2019 to a new entity, RCI Bank UK PLC, a credit institution that is a fully-owned subsidiary of RCI Holding. No further operation was necessary in 2020.

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B3 Interest rate risks

The Group made no major changes to its interest rate risk management policy in 2020. The Group's exposure to interest rate risk principally concerns the Sales Financing segment.

INTEREST RATE RISK – AUTOMOTIVE SEGMENTS

The Automotive segment's net financial income is exposed to a risk of variations in market interest rates affecting its cash surpluses and financial liabilities, and to a lesser degree its shareholders' equity.

The interest rate risk management policy applies the following principles:

- liquidity reserves are generally established using floating-rate financing: the Automotive segments available cash is managed centrally by Renault SA as far as possible and invested in short-term bank deposits by Renault Finance;
- long-term investments by the Automotive (excluding AVTOVAZ) segment generally use fixed-rate financing. Fixed-rate borrowings remain at fixed rates as long as the rate curve is close to zero, or even negative;
- AVTOVAZ cash surpluses and bank debts principally bear floating-rate interest. In 2020, AVTOVAZ did not set up any hedging instruments for its financial liabilities. The Finance department of AVTOVAZ closely monitors interest rate movements in Russia, and if rates rise it will take steps to reduce the impact on the net financial income, by increasing the proportion of fixed-rate debt as it refinances its portfolio.

The ratio of liquidity reserve hedging by floating-rate debts is monitored monthly. Interest rate hedging instruments for the Automotive (excluding AVTOVAZ) segment are standard interest swaps that are adequately covered by hedged liabilities, such that no ineffectiveness is expected.

The financing in yen undertaken as part of the partial hedge of the investment in Nissan equity is fixed-rate.

Finally, Renault Finance carries out interest rate transactions on its own behalf, within strictly defined risk limits, and positions are monitored and valued in real time. The risk associated with this arbitrage activity is very limited, and has no significant impact on the Group's consolidated net income.

INTEREST RATE RISK – SALES FINANCING SEGMENT

The overall interest rate risk represents the impact of fluctuating rates on the future gross financial margin. RCI Banque's operating results may be affected by movements in market interest rates or interest rates applicable to customer deposits. The Sales Financing segment's aim is to limit these risks as far as possible in order to protect its margin on sales.

To take account of the difficulty of precisely matching the structure of borrowings with the structure of loans, a limited amount of flexibility is allowed in each subsidiary's interest rate hedging. This flexibility is reflected in a sensitivity limit assigned to each subsidiary and validated by the Finance Committee, in an individual adaptation of part of the limit Renault assigns to the Sales Financing segment.

A daily sensitivity calculation by currency, management entity, and asset portfolio is used to ensure that each entity respects its assigned limits. All RCI Banque entities use the same method for this assessment of interest rate sensitivity, which measures the impact of a 100 base point increase in interest rates on the value of balance sheet items for each entity. Sensitivity is calculated daily for each currency and each management entity (central refinancing office, French and foreign sales financing subsidiaries) for the purpose of overall management of interest rate risks across the consolidated scope of the Sales Financing segment.

Each entity's position with regard to its limit is checked daily, and immediate hedging directives are issued to the subsidiaries if circumstances require. The results of the checks are reported monthly to the Sales Financing segment's Finance Committee, which checks that the positions comply with the Group's financial strategy and current procedural instructions.

Analysis of the Sales Financing segment's structural interest rate risk shows the following:

- virtually all loans to customers by sales financing subsidiaries bear interest at a fixed rate and have terms from one to seventy-two months. These loans are hedged by fixed-rate resources with the same structure. They are covered by macro-hedging and only generate a residual interest rate risk. In subsidiaries where the financing bears interest at a floating rate, the interest rate risk is hedged by macro-hedging using interest rate swaps;
- the main activity of the Sales Financing segment's central refinancing office is refinancing the segment's sales subsidiaries. The outstanding credit issued by sales financing subsidiaries is backed by fixed-interest resources, some of which are micro-hedged by interest rate swaps, and floating-rate resources. Macro-hedging transactions in the form of interest rate swaps keep the sensitivity of the refinancing holding company below the limit set by the Group (€32 million). These macro-hedging transactions concern floating-rate resources and/or fixed-rate resources converted to floating-rate resources by micro-hedging of swaps.

ANALYSIS OF GROUP FINANCIAL INSTRUMENTS' SENSITIVITY TO INTEREST RATE RISKS

The Automotive and Sales Financing segments are exposed to the following interest rate risks:

- variations in the interest flows on floating-rate financial instruments stated at amortized cost (including fixed-rate instruments swapped to floating rate, and structured products);
- variations in the fair value of fixed-rate financial instruments stated at fair value;
- variations in the fair value of derivatives.

Impacts are estimated by applying a 100 base point rise in interest rates over a one-year period to financial instruments reported in the closing statement of financial position.

For the Sales Financing segment, the impact on shareholders' equity corresponds to the change in fair value before reclassification in profit or loss (Consolidated comprehensive income) of fixed-rate debt instruments classified as financial assets at fair value through other components of comprehensive income and cash flow hedges after a 100 base point rise in interest rates. All other impacts affect net income.

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Calculation of the individual segments' sensitivity to interest rates includes intersegment loans and borrowings.

For the **Automotive segments**, the impact on net income of a 100 base point rise in interest rates applied to financial instruments exposed to interest rate risks would be a favorable €91.3 million. Shareholders' equity would be unaffected.

For the **Sales Financing segment**, the overall sensitivity to interest rate risks in 2020 remained below the limit set by the RCI Banque group (€50 million at December 31, 2020). At December 31, 2020, a 100 base point rise in interest rates would have the following impacts on net income and shareholders' equity (before taxes):

- +€4.3 million for items denominated in euros;
- +€0.6 million for items denominated in Korean won;
- +€0.5 million for items denominated in Swiss francs;
- +€0.2 million for items denominated in Czech korunas;
- -€0.6 million for items denominated in Brazilian real;
- -€0.3 million for items denominated in pounds sterling;
- -€0.1 million for items denominated in Polish zloty.

The sum of the absolute sensitivities in each currency amounts to €9.4 million.

FIXED RATE/FLOATING RATE BREAKDOWN OF THE GROUP'S FINANCIAL ASSETS, AFTER THE EFFECT OF DERIVATIVES

	December 31, 2020					December 31, 2019			
(€ million)	Total	Automotive excluding AVTOVAZ	AVTOVAZ	Mobility Services	Sales Financing	Total	Automotive excluding AVTOVAZ	AVTOVAZ	Sales Financing
Financial assets before hedging: fixed rate (a)	1,468	525	-	-	943	2,015	67	-	1,948
Financial assets before hedging: floating rate (a')	21,273	11,962	558	15	8,738	15,112	12,278	72	2,762
Financial assets before hedging	**22,741**	**12,487**	**558**	**15**	**9,681**	**17,127**	**12,345**	**72**	**4,710**
Hedges: floating rate/fixed (b)	-	-	-	-	-	-	-	-	-
Hedges: fixed rate/floating (b')	-	-	-	-	-	-	-	-	-
Hedges	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets after hedging: fixed rate (a+b-b')	1,468	525	-	-	943	2,015	67	-	1,948
Financial assets after hedging: floating rate (a'+b'-b)	21,273	11,962	558	15	8,738	15,112	12,278	72	2,762
Financial assets after hedging	**22,741**	**12,487**	**558**	**15**	**9,681**	**17,127**	**12,345**	**72**	**4,710**

FIXED RATE/FLOATING RATE BREAKDOWN OF THE GROUP'S FINANCIAL LIABILITIES, AFTER THE EFFECT OF DERIVATIVES

	December 31, 2020					December 31, 2019			
(€ million)	Total	Automotive excluding AVTOVAZ	AVTOVAZ	Mobility Services	Sales Financing	Total	Automotive excluding AVTOVAZ	AVTOVAZ	Sales Financing
Financial liabilities before hedging: fixed rate (a)	34,580	12,204	251	18	22,107	34,979	7,604	328	27,047
Financial liabilities before hedging: floating rate (a')	28,659	2,377	915	11	25,356	22,552	1,643	583	20,326
Financial liabilities before hedging	**63,239**	**14,581**	**1,166**	**29**	**47,463**	**57,531**	**9,247**	**911**	**47,373**
Hedges: floating rate/fixed (b)	10,302	-	-	-	10,302	8,631	95	-	8,536
Hedges: fixed rate/floating (b')	8,583	164	-	-	8,419	8,758	426	-	8,332
Hedges	**18,885**	**164**	**-**	**-**	**18,721**	**17,389**	**521**	**-**	**16,868**
Financial liabilities after hedging: fixed rate (a+b-b')	36,299	12,040	251	18	23,990	34,852	7,273	328	27,251
Financial liabilities after hedging: floating rate (a'+b'-b)	26,940	2,541	915	11	23,473	22,679	1,974	583	20,122
Financial liabilities after hedging	**63,239**	**14,581**	**1,166**	**29**	**47,463**	**57,531**	**9,247**	**911**	**47,373**

B4 Equity risk

The Group's exposure to equity risk essentially concerns the Daimler shares acquired in connection with cooperation agreements, and marketable securities indexed to share prices. The Group does not use equity derivatives to hedge these risks.

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The Group made no major changes to its equity risk management policy in 2020.

The sensitivity to equity risks resulting from application of a 10% decrease in share prices to the financial assets concerned at the year-end would have an unfavorable impact of €95 million on shareholders' equity. The impact on net income is not significant at December 31, 2020.

B5 Commodity risk

MANAGEMENT OF COMMODITY RISK

Commodity purchase prices can change suddenly and significantly and cannot necessarily be passed on through vehicle sale prices. This may lead Renault's Purchases department to hedge part of its commodity risks using financial instruments. These hedges are subject to volume, duration and price limits.

In 2020, Renault undertook hedging operations on base metals and precious metals, within the limits validated by the CEO of Renault SA for a temporary period.

The operations in progress at December 31, 2020 are classified for accounting purposes as cash flow hedges, and accordingly changes in their fair value are included in other components of comprehensive income to the extent of the effective portion of the hedges.

ANALYSIS OF FINANCIAL INSTRUMENTS' SENSITIVITY TO COMMODITY RISKS

Financial instruments' accounting sensitivity to commodity risks results from derivatives used to hedge the Group's economic exposure to these risks.

A 10% increase in commodity prices for derivatives classified as hedging derivatives would have a positive impact of €21 million in other components of comprehensive income at December 31, 2020.

B6 Customer credit risk and bank counterparty risk

CUSTOMER CREDIT RISK ON AUTOMOTIVE RECEIVABLES

The Automotive (excluding AVTOVAZ) segment's exposure to credit risk is limited because of the assignment of many receivables leading to their deconsolidation, and systematic hedging of risks on export receivables. Non-assigned sales receivables and receivables covered by guarantee are regularly monitored.

AVTOVAZ trades only with recognized, creditworthy third parties. All future customers requiring credit facilities are subject to credit verification procedures. In addition, receivables balances are monitored on an ongoing basis, and as a result, the AVTOVAZ Group's exposure to bad debts is not significant. The maximum exposure is the carrying amount. There are no significant concentrations of credit risk within the AVTOVAZ Group.

CREDIT RISK ON CUSTOMERS, DEALERS AND COMMITMENTS GIVEN BY THE SALES FINANCING SEGMENT

The Sales Financing segment is exposed to customer and dealer credit risk when risk management techniques are insufficient for protection against default on payment by its counterparties.

Credit risk is the risk of losses due to the incapacity of RCI Banque customers to fulfill the terms of a contract signed with the bank. Credit risk is closely linked to macro-economic factors including the unemployment rate, corporate bankruptcies, debt servicing costs, revenue growth, disposable household income, dealership profitability and the price of used vehicles. It has a significant impact on the Sales Financing segment's business.

The level of credit risk on the dealership network is influenced by the dealers' financial health, the quality of guarantees, and the general demand for vehicles.

RCI Banque uses advanced scoring systems and external databases to evaluate the quality of loans made to retail and business customers. It also uses an internal rating system to evaluate lending to dealers. Although RCI Banque is constantly adjusting its acceptance policy in response to market conditions, any increase in credit risk would increase its cost of risk and its provisions for bad debt. RCI Banque has detailed procedures to recover receivables that are compromised or in default, arranging repossessions and sales of unpaid vehicles. However, there can be no guarantee that the policies of issuing credit, monitoring credit risk, payment recovery action, and repossession of vehicles are, or will be, sufficient to avoid an unfavorable impact on its financial results and position.

An increase in credit risk would increase the cost of risk and provisions for bad debt, with a direct impact on RCI's financial results and potentially on its internal capital.

BANK COUNTERPARTY RISK

Due to its operations on the financial and banking markets to invest cash surpluses, manage foreign exchange risks and interest risks, and manage payment flows, the Group is exposed to a bank counterparty risk.

This bank counterparty risk affecting Group entities is managed by both the Automotive and Sales Financing segments in a fully coordinated approach. It is founded on an internal rating system based mainly on counterparties' long-term credit ratings and equity. This system is used by all Groupe Renault companies exposed to a bank counterparty risk.

Group companies which, due to the nature of their business, are significantly exposed to a bank counterparty risk are monitored daily to ensure that they comply with authorized counterparty limits, in accordance with specific procedures. The Group produces a consolidated monthly report covering all its bank counterparties, organized by credit rating. This report provides a detailed analysis of compliance with limits in terms of amount, maturity and type, as well as a list of the main exposures.

To reduce the bank counterparty risk, most deposits are contracted with large network banks and generally have terms shorter than 90 days, as this allows a good spread of the risk and lowers the systemic risk. In the event of volatile macroeconomic situations that may arise in emergent countries and potentially affect their banking systems, the Group introduces an action plan to step up counterparty risk monitoring and makes adjustments to the counterparty limits if necessary. The exposure on each

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banking group is assessed monthly on a consolidated basis, with the Automotive and Sales Financing entities. The Group is not subject to any significant risk concentration for its operations on the financial and banking markets.

No losses due to default by a bank counterparty were recorded in 2020.

IMPAIRMENT AND PROVISIONS ESTABLISHED TO COVER COUNTERPARTY RISKS

(€ million)	Notes	December 31, 2019	Impairment	Reversals: For application	Reversals: Of unused residual amounts	Other	December 31, 2020
Impairment of Sales Financing receivables	15	(848)	(707)	299	154	38	(1,064)
Impairment of financing for end-customers	*15*	*(747)*	*(634)*	*262*	*134*	*34*	*(951)*
Impairment of dealership financing	*15*	*(101)*	*(73)*	*37*	*20*	*4*	*(113)*
Impairment of Automotive receivables*	16	(815)	(120)	6	24	7	(898)
Impairment of other receivables	17	(339)	96	-	-	28	(215)
Impairment of other financial assets	22	(5)	(23)	-	-	-	(28)
Provisions (commitments given)	20	6	18	(1)	(10)	-	13
TOTAL COVERAGE OF COUNTERPARTY RISKS		**(2,001)**	**(736)**	**304**	**168**	**73**	**(2,192)**

* Including €678 million of commercial receivables related to Iran at December 31, 2020 (€678 million at December 31, 2019).

VI. Cash flows and other information

NOTE 26 CASH FLOWS

26 - A - Other income and expenses with no impact on cash before interest and tax

(€ million)	2020	2019
Net allocation to provisions	353	(115)
Net effects of Sales Financing credit losses	255	67
Net (gain) loss on asset disposals	64	23
Change in fair value of other financial instruments	58	33
Net financial indebtedness	337	311
Deferred taxes	114	828
Current taxes	306	626
Other	26	164
OTHER INCOME AND EXPENSES WITH NO IMPACT ON CASH BEFORE INTEREST AND TAX	**1,513**	**1,937**

26 - B - Change in working capital before tax

(€ million)	2020	2019
Decrease (increase) in net inventories	(112)	165
Decrease (increase) in net receivables	338	390
Decrease (increase) in other assets	212	155
Increase (decrease) in trade payables	(908)	(161)
Increase (decrease) in other liabilities	(722)	665
INCREASE (DECREASE) IN WORKING CAPITAL BEFORE TAX	**(1,192)**	**1,214**

26 - C - Capital expenditure

(€ million)	2020	2019
Purchases of intangible assets	(1,500)	(2,086)
Purchases of property, plant and equipment (other than assets leased to customers)	(2,508)	(3,035)
TOTAL PURCHASES FOR THE PERIOD	**(4,008)**	**(5,121)**
Deferred payments	(200)	99
TOTAL CAPITAL EXPENDITURE	**(4,208)**	**(5,022)**

NOTE 27 RELATED PARTIES

27 - A - Remuneration of directors and executives and Executive Committee members

The table below reports the remuneration paid to the Chairman of the Board of Directors, the Chief Executive Officer and the interim Chief Executive Officer (2020), Directors and Executives and members of the Group Executive Committee, which became the Board of Management on January 1, 2021. Amounts are allocated pro rata to expenses of the periods in which the functions were occupied.

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(€ million)	2020	2019	2018
Basic salary	6.5	6.0	5.5
Variable remuneration	7.4	4.6	7.4
Employer's social security charges	12.1	8.6	11.1
Complementary pension and retirement indemnities	2.1	1.1	9.5
Agreed indemnities	9.4	7.8	-
Other components of remuneration	0.2	0.2	0.5
TOTAL REMUNERATION EXCLUDING THE IMPACT OF THE SETTLEMENT IN 2019 OF THE SUPPLEMENTARY PENSION PLAN AND STOCK OPTION AND PERFORMANCE SHARE PLANS	**37.7**	**28.3**	**34.0**
Stock-options, performance shares and other share-based payments	3.6	11.3	16.1
TOTAL EXCLUDING THE IMPACT OF THE LIQUIDATION IN 2019 OF THE SUPPLEMENTARY PENSION SCHEME	**41.3**	**39.6**	**50.1**
Impact of the settlement in 2019 of the supplementary pension plan	-	(30.1)	N/A
TOTAL COMPENSATION OF THE CHAIRMAN AND MEMBERS OF THE EXECUTIVE COMMITTEE	**41.3**	**9.5**	**50.1**

The maximum Directors' fees amounted to €1.5 million in 2020 (€1.5 million in 2019)

In 2019, the collective supplementary defined-benefit pension plan set up for members of the Group's Executive Committee was terminated. The accounting effects of its settlement are presented on a specific line of the table above in order to facilitate cross-period comparisons.

27 - B - Renault's investments in associates

Details of Renault's investments in Nissan and in other companies accounted for by the equity method are provided in notes 12 and 13-A.

27 - C - Transactions with the French State and public companies

In the course of its business, the Group undertakes transactions with the French State and public companies such as UGAP, EDF and La Poste. These transactions, which take place under normal market conditions, represent sales of €259 million in 2020 (€257 million in 2019), an automotive receivable of €72 million, a sales financing receivable of €282 million and a financing commitment of €40 million at December 31, 2020 (respectively €53 million, €403 million and €26 million at December 31, 2019).

In 2020, the Group benefited from a State-guaranteed credit facility, issued by a pool of banks as described in note 23-C.

27 - D - Transactions with unconsolidated controlled entities

A certain number of controlled entities are not consolidated, as explained in note 2-C, because their contribution to the consolidated financial statements is considered non-significant (note 17).

The only company with sales of more than €100 million and/or a balance sheet value of more than €100 million is Renault-Nissan Global Management, which manages Renault's expatriates.

In 2020, the Groupe Renault's expenses with this company amounted to approximately €185 million (€255 million in 2019).

In the Group's financial position at December 31, 2020, the balances of transactions between Renault-Nissan Global Management and the Groupe Renault consist mainly of operating receivables amounting to €116 million (€120 million at December 31, 2019) and operating payables amounting to €61 million (€59 million at December 31, 2019).

NOTE 28 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

In the course of its business, Renault enters into a certain number of commitments, and is involved in litigations or subject to investigations by competition and automotive regulation authorities. Any liabilities resulting from these situations (*e.g.* pensions and other employee benefits, litigation costs, *etc.*) are covered by provisions. Details of other commitments that constitute off-balance sheet commitments and contingent liabilities are provided below (note 28-A).

Renault also receives commitments from customers (deposits, mortgages, *etc*.) and may benefit from credit lines with credit institutions (note 28-B).

28 - A - Off-balance sheet commitments given and contingent liabilities

A1 Ordinary operations

The Group is committed for the following amounts:

(€ million)	December 31, 2020	December 31, 2019
Financing commitments in favour of customers (1)	2,437	2,583
Firm investment orders	984	1,572
Assets pledged, provided as guarantees or mortgaged	4	2
Sureties, endorsements and guarantees given and other commitments (2)	970	696

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(1) Commitments in favour of customers by the Sales Financing segment will lead to outflows of liquidities during the three months following the year-end of a maximum amount of €2,328 million at December 31, 2020 (€2,488 million at December 31, 2019).
(2) Other commitments notably include guarantees granted to administrations, share subscription commitments, and lease commitments relating to leases that are outside the scope of IFRS 16 or exempt from the accounting treatment prescribed by IFRS 16.

Assets pledged as guarantees by the Sales Financing segment for management of the liquidity reserve are presented in note 15-B.

A2 Contingent liabilities

Group companies are periodically subject to tax inspections in the countries in which they operate. Accepted tax adjustments are recorded as provisions in the financial statements. Contested tax adjustments are recognized on a case-by-case basis, taking into account the risk that the proceedings or appeals undertaken may be unsuccessful. Tax liabilities are recognized via provisions when there are uncertainties over the determination of taxes.

RESA (Renault España SA) was notified of a tax reassessment for transfer prices, amounting to €212 million at December 31, 2020, which the Groupe Renault is contesting. A procedure for amicable settlement between France and Spain will be started in 2021. No provision has been recognized in connection with this notification, since Renault considers that it has good chances of winning its case. A deposit of €135 million was paid to the Spanish tax authorities in December 2020, recognized in non-current financial assets and presented in cash flows from investing activities (under Decrease (Increase) in loans of the Automotive segments) in the consolidated cash flow statement. Another payment, of €77 million, is due to be made during the first quarter of 2021 and will be recognized in the same way.

Disposals of subsidiaries or businesses by the Group generally include representations and warranties in the buyer's favour. At December 31, 2020, the Group had not identified any significant risk in connection with these operations.

Group companies are periodically subject to investigations by the authorities in the countries in which they operate. When the resulting financial consequences are accepted, they are recognized in the financial statements via provisions. When they are contested, they are recognized on a case-by-case basis, based on estimates that take into account the risk that the proceedings or appeals undertaken may be unsuccessful.

The main investigations by the competition and automotive regulations authorities in progress at December 31, 2020 concern illegal agreements and the level of vehicle emissions in Europe.

On January 9, 2019 the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato – AGCM) fined RCI Banque €125 million, with Renault SA jointly liable for payment of the fine. The Group is contesting the grounds for this fine and has appealed against the decision. Renault considers that the probability of the decision being cancelled or fundamentally amended by a court order is high. Due to the large number of variables affecting the amount of the fine, if upheld, it is impossible to reliably estimate the amount that could be payable at the end of the proceedings. On April 3, 2019 Renault's application for suspension of the payment was accepted, with arrangement of a bank guarantee. On October 21, 2020 the court cancelled the AGCM's decision in its entirety, and the AGCM filed an appeal against that ruling on December 23, 2020. No provision was recognized in connection with this matter at December 31, 2020.

In the ongoing "emissions" affair in France, Renault is aware that a formal legal investigation was opened on January 12, 2017 at the request of the Paris public prosecution office. This stage in the procedure was seen as an indication that the French prosecution office wished to pursue this matter. No provision was recognized at December 31, 2020 nor December 31, 2019.

In the proceedings concerning the request for a preliminary ruling regarding another carmaker, the Court of Justice of the European Union (CJEU) issued its interpretative judgment on December 17, 2020. This ruling is binding for national laws. The potential consequences of the next steps in these ongoing proceedings cannot be reliably estimated at this stage, and no provision was recognized in connection with this matter at December 31, 2020.

Group companies are subject to the applicable regulations regarding CO_2 emissions, principally in the European Union, but also in China, Switzerland, South Korea. Renault confirmed in a press release of January 4, 2021 that it had achieved its 2020 CAFE (Corporate Average Fuel Economy) targets for passenger vehicles and light commercial vehicles, subject to validation by the European Commission in the coming months.

Approximately 70% of the Group's sales are subject to this type of regulation. Achievement of the European CAFE target of 95g CO_2/km in 2020 was confirmed for all new vehicles registered in 2020, even though the average CO_2 emissions of vehicles registered in the first half of the year was above the 95g threshold.

Group companies are also subject to the applicable regulations regarding pollution, notably of soil and ground water. These regulations vary depending on the country of location. Some of the associated environmental liabilities are potential and will only be recognized in the accounts if the activity is discontinued or the site closed. It is also sometimes difficult to determine the amount of the obligation reliably. Provisions are only established for liabilities that correspond to a legal or constructive obligation at the closing date, and can be estimated with reasonable reliability.

28 - B - Off-balance sheet commitments received and contingent assets

(€ million)	**December 31, 2020**	December 31, 2019
Sureties, endorsements and guarantees received	2,949	2,671
Assets pledged or mortgaged (1)	2,749	3,790
Buyback commitments (2)	5,452	4,832
Other commitments	44	43

(1) The Sales Financing segment receives guarantees from its customers in the course of sales financing for new or used vehicles. Guarantees received from customers amount to €2,708 million at December 31, 2020 (€3,727 million at December 31, 2019). In addition, AVTOVAZ received €14 million in real

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estate property rights and ownership rights as guarantees of loans, and €26 million in rights to vehicles as guarantees of customer receivables (€13 million and €49 million respectively at December 31, 2019).
(2) Commitments received by the Sales Financing segment for sale to a third party of rental vehicles at the end of the rental contract.

Off-balance sheet commitments received concerning confirmed opened credit lines are presented in note 25-B1.

NOTE 29 FEES PAID TO STATUTORY AUDITORS AND THEIR NETWORK

The fees paid to the Group's statutory auditors and their networks are reported in V-3-"(3) STATE OF AUDIT" of the 2020 Annual Securities Report.

NOTE 30 SUBSEQUENT EVENTS

Following its approval by the Board of Directors, on January 14, 2021, Luca de Meo, CEO of the Groupe Renault, presented "Renaulution", a new strategic plan which aims to shift the Groupe Renault's strategy from the pursuit of volume to the creation of value, through three phases launched in parallel:

- the "Resurrection" phase, running until 2023, will focus on margin recovery and cash generation;
- the "Renovation" phase, running until 2025, will bring renewal and enrichment to the ranges, contributing to brand profitability;
- the "Revolution" phase, which will start in 2025, will switch the Group's business model to technology, energy and mobility, making the Groupe Renault a frontrunner in the value chain of new mobilities.

NOTE 31 CONSOLIDATED COMPANIES

31 - A - Fully consolidated companies (subsidiaries)

Groupe Renault's interest *(%)*	Country	**December 31, 2020**	December 31, 2019
Renault SA	**France**	**Consolidating company**	**Consolidating company**
AUTOMOTIVE (EXCLUDING AVTOVAZ)			
France			
Renault s.a.s	France	100	100
ACI Le Mans	France	100	100
ACI Villeurbanne	France	100	100
Renault Média Ventures (2)	France	-	100
Carizy	France	98	96
Fonderie de Bretagne	France	100	100
Ingénierie de la Division des Véhicules Électriques (I-DVE)	France	100	100
Ingénierie de la Division des Véhicules Utilitaires	France	100	100
Maubeuge Construction Automobile (MCA)	France	100	100
Renault Developpement Industr. et Commercial (RDIC)	France	100	100
Renault Environnement	France	100	100
Renault Mobility As an Industry (4)	France	-	100
Renault Retail Group and subsidiaries	France	100	100
Renault Samara	France	100	100
RDREAM	France	100	100
Renault Sport Racing s.a.s	France	100	100
Renault Venture Capital	France	100	100
SCI Plateau de Guyancourt	France	100	100
SNC Renault Cléon	France	100	100
SNC Renault Douai	France	100	100
SNC Renault Flins	France	100	100
SNC Renault Sandouville	France	100	100
Société des Automobiles Alpine – SAA	France	100	100
Société de Transmissions Automatiques (STA)	France	100	100
Société de Véhicules Automobiles de Batilly (SOVAB)	France	100	100
Société Immobilière de Construction Française pour l'Automobile et la Mécanique (SICOFRAM) and subsidiary	France	100	100
Société Immobilière Renault Habitation (SIRHA)	France	100	100
Societe immobiliere d'Epone	France	100	100
Société Immobilière pour l'Automobile (SCIA)	France	100	100
SODICAM 2	France	100	100
Sofrastock International	France	100	100
Technologie et Exploitation Informatique (TEI)	France	100	100

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Renault SW Labs (1)	France	100	-
Europe			
Renault Deutschland AG and subsidiaries	Germany	100	100
Renault Osterreich GmbH	Austria	100	100
Renault Belgique Luxembourg and subsidiary	Belgium	100	100
Renault Industrie Belgique (RIB)	Belgium	100	100
Renault Croatia	Croatia	100	100
Renault Espagne Commercial SA (RECSA) and subsidiaries	Spain	100	100
Renault España SA	Spain	100	100
Renault Hungaria	Hungary	100	100
Renault Irlande	Ireland	100	100
Renault Italia and subsidiary	Italy	100	100
Motor Reinsurance Company	Luxembourg	100	100
Groupe Renault B.V.	Netherlands	100	100
Renault Nederland	Netherlands	100	100
Renault Polska	Poland	100	100
Companhia Aveirense de Componentes Para a Industria Automovel SA (CACIA)	Portugal	100	100
Renault Portuguesa and subsidiary	Portugal	100	100
Renault Ceska Republica	Czech Republic	100	100
Grigny UK Ltd.	United Kingdom	100	100
Renault Sport Racing Limited	United Kingdom	90	90
Renault UK	United Kingdom	100	100
Renault Slovensko	Slovakia	100	100
Renault-Nissan Slovenija d.o.o.	Slovenia	100	100
Revoz	Slovenia	100	100
Renault Nordic and subsidiary	Sweden	100	100
Renault Finance	Switzerland	100	100
Renault Suisse SA	Switzerland	100	100
Americas			
Renault Argentina and subsidiaries	Argentina	100	100
Renault Do Brasil Comercio & Participaçoes Ltda	Brazil	100	100
Renault Do Brasil SA	Brazil	100	100
Cormecanica	Chile	100	100
Renault Centro de Servicios Compartidos s.a.s	Colombia	100	100
Sociedad de Fabricacion de Automotores (SOFASA)	Colombia	100	100
Renault Corporativo SA de CV	Mexico	100	100
Renault Mexico	Mexico	100	100
Africa – Middle–East – India – Asia-Pacific			
Renault Algérie	Algeria	100	100
Vehicule Distributors Australia	Australia	100	100
Renault Samsung Motors	South Korea	80	80
Renault India Private Ltd.	India	100	100
Renault Maroc	Morocco	80	80
Renault Maroc Services	Morocco	100	100
Renault Tanger Exploitation	Morocco	100	100
Renault Tanger Méditerranée	Morocco	100	100
Société marocaine de construction automobile (SOMACA)	Morocco	97	97
Renault Treasury Services PTE Ltd.	Singapore	100	100
China			
Jiangxi Jiangling Motors Electric Vehicles Co. (JMEV)	China	50	50
Jiangxi Jiangling Group Electric Vehicles Sales&Marketing Co. (JMEVS)	China	50	50
Kunming Furui Electric Vehicles Sales Service Co. (KFEVS) (1)	China	50	-
Renault Beijing Automotive Company	China	100	100
Eurasia			
Renault-Nissan Bulgarie	Bulgaria	100	100
Automobile Dacia	Romania	99	99
Renault Commercial Roumanie	Romania	100	100
Renault Mécanique Roumanie SRL	Romania	100	100
Renault Technologie Roumanie	Romania	100	100
CJSC Renault Russie	Russia	100	100
OYAK Renault Otomobil Fabrikalari	Turkey	52	52
Renault Ukraine	Ukraine	100	100

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SALES FINANCING			
France			
Diac SA	France	100	100
Diac Location SA	France	100	100
RCI Banque SA and subsidiaries	France	100	100
Europe			
RCI Versicherungs Service GmbH	Germany	100	100
RCI Financial Services SA	Belgium	100	100
AUTOFIN	Belgium	100	100
Overlease	Spain	100	100
RCI ZRT	Hungary	100	100
ES MOBILITY SRL	Italy	100	100
RCI Insurance Ltd.	Malta	100	100
RCI Life Ltd.	Malta	100	100
RCI Services Ltd.	Malta	100	100
RCI Financial Services B.V.	Netherlands	100	100
RCI Leasing Polska Sp. z o.o.	Poland	100	100
RCI Gest Seguros – Mediadores de Seguros	Portugal	100	100
RCICOM, SA	Portugal	100	100
RCI Finance CZ s.r.o.	Czech Republic	100	100
RCI Financial Services s.r.o.	Czech Republic	50	50
RCI Financial Services Ltd	United Kingdom	100	100
RCI Bank UK Limited	United Kingdom	100	100
RCI Finance SA	Switzerland	100	100
Americas			
Courtage SA	Argentina	100	100
Rombo Compania Financiera SA	Argentina	60	60
Administradora De Consorcio Renault do Brasil	Brazil	100	100
Banco RCI Brasil S.A	Brazil	60	60
RCI Brasil Serviços e Participaçoes Ltda	Brazil	100	100
Corretora de Seguros RCI do Brasil	Brazil	100	100
RCI Colombia SA Compania de Financiamiento	Colombia	51	51
RCI Servicios Colombia SA	Colombia	100	100
Africa – Middle–East – India – Asia-Pacific			
RCI Financial Services Korea	South Korea	100	100
RCI Finance Maroc	Morocco	100	100
RDFM	Morocco	100	100
Eurasie			
RCI Broker De Asigurare	Romania	100	100
RCI Finantare Romania	Romania	100	100
RCI Leasing Romania IFN SA	Romania	100	100
LLC RNL LEASING	Russia	100	100
AVTOVAZ			
Europe			
LADA International Ltd.	Cyprus	68	68
Alliance Rostec Auto B.V.	Netherlands	68	68
Eurasia			
SOAO Minsk-Lada	Belarus	38	38
PAO AVTOVAZ	Russia	68	68
LLC Lada Izhevsk	Russia	68	68
OOO PSA VIS-AVTO	Russia	68	68
OOO PPPO	Russia	68	68
AO Lada-Imidzh	Russia	68	68
AO Lada-Servis	Russia	68	68
OAO Izh-Lada	Russia	68	68
AO ZAK	Russia	68	68
AO Piter-Lada	Russia	61	61
AO Samara-Lada	Russia	48	48
AO Yakhroma-Lada	Russia	59	59
AO Lipetsk-Lada	Russia	45	45
AO Oka-Lada	Russia	59	59
AO STO komsomolskaya	Russia	53	53
AO Tyumen-Lada	Russia	68	68

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AO Tsentralnaya STO	Russia	68	68
AO JarLadaservis	Russia	64	64
AO Avtosentr-Togliatti-VAZ	Russia	34	34
AO Bryansk Lada	Russia	51	51
OOO LIN	Russia	68	68
AO Kostroma-Lada-Servis	Russia	68	65
AO Kursk-Lada	Russia	49	49
OOO Lada Sport	Russia	68	68
AO Saransk-Lada	Russia	61	61
AO Cheboksary-Lada	Russia	59	63
OOO Sockultbit-AVTOVAZ	Russia	68	68
AO Lada Zapad Togliatti (3)	Russia	68	68
JV Systems	Russia	68	68
Other AVTOVAZ subsidiaries	Russia	34 to 68	34 to 68
MOBILITY SERVICES			
France			
Class & Co. s.a.s (1)	France	100	-
Glide.io (1)	France	100	-
Renault Mobility As an Industry (4)	France	100	-
Europe			
Coolnagour Limited t/a iCabbi and subsidiaries (1)	Ireland	78	-
Flit Technologies Ltd. and subsidiaries (1)	United Kingdom	70	-

(1) First consolidated in 2020 (note 3-A).
(2) Sold and deconsolidated in 2020.
(3) Previously accounted for under the equity method.
(4) Change of scope in 2020.

31 - B - Companies consolidated based on the percentage interest in each balance sheet and income statement item (joint operations)

Groupe Renault's interest (%)	Country	December 31, 2020	December 31, 2019
Renault-Nissan Technology & Business Centre India Private Limited (RNTBCI)*	India	67	67

** The Group holds 50% of the voting rights of the Indian company RNTBCI.*

31 - C - Companies accounted for by the equity method (associates and joint ventures)

Groupe Renault's interest *(%)*	Country	December 31, 2020	December 31, 2019
AUTOMOTIVE (EXCLUDING AVTOVAZ)			
Renault South Africa	South Africa	40	40
Renault Algérie Production	Algeria	49	49
Tokai 2 GmbH	Germany	15	15
EGT New Energy Automotive Company Ltd.	China	25	25
Dongfeng Renault Automotive Company (2)	China	-	50
Renault Brilliance Jinbei Automotive Company Ltd.	China	49	49
Boone Comenor	France	33	33
Alliance Mobility Company France	France	50	50
Indra Investissements s.a.s	France	50	50
Les Éditions Croque Futur and subsidiaries (2)	France	-	35
Tokai 1	France	15	15
Renault-Nissan Automotive India Private Limited	India	30	30
Alliance Mobility Company Japan	Japan	50	50
Groupe Nissan	Japan	44	44
Alliance Ventures B.V.	Netherlands	40	40
Motorlu Araclar Imal ve Satis AS (MAIS)	Turkey	49	49
SALES FINANCING			
Renault Crédit Car	Belgium	50	50
Nissan Renault Financial Services India Private Limited	India	30	30
RN SF B.V.	Netherlands	50	50
Bank Austria Renault-Nissan B.V.	Netherlands	30	30
RN Bank	Russia	30	30
Orfin Finansman Anonim Sirketi	Turkey	50	50
AVTOVAZ			

Ferro VAZ GmbH	Germany	34	34
CSC ARMENIA-LADA	Armenia	34	34
MOBILITY SERVICES			
Car Sharing Mobility Services sl (1)	Spain	50	20
(1) First consolidated in 2020 (note 3-A).			
(2) Sold and deconsolidated in 2020.			

In application of regulation 2016-09 of December 2, 2016 issued by the French Accounting Standards Authority (Autorité des Normes Comptables), the Group makes the following information available to third parties on its website group.renault.com, in the “Documents & Presentations” section of the “Finance” pages from the date of publication of the 2020 Universal registration document:

- a full list of consolidated companies;
- a list of companies classified as “unconsolidated investments”, namely:
- investments in companies not controlled exclusively by Renault, which are included in non-current financial assets (note 22),
- investments in companies that are controlled exclusively by Renault and not consolidated, which are classified as other current assets (note 17).

(2) RENAULT SA ANNUAL FINANCIAL STATEMENTS

INCOME STATEMENT

(€ million)	2020	2019
Operating expenses	(61)	(47)
Increases to and reversals of operating provisions	(7)	(11)
NET OPERATING EXPENSE	**(54)**	**(58)**
Investment income and revenues from loans and receivables related to investments	124	751
Increases to and reversals of provisions related to investments	282	(260)
INVESTMENT INCOME AND EXPENSES (NOTE 3)	**406**	**491**
Foreign exchange gains	12	2
Foreign exchange losses	(1)	(1)
Increases to and reversals of provisions for exchange risks	1	0
FOREIGN EXCHANGE GAINS AND LOSSES (NOTE 4)	**12**	**1**
Interest and equivalent income	0	0
Interest and equivalent expenses	(189)	(122)
Reversals of provisions and transfers of charges	0	6
Depreciation, amortization and provisions	(8)	(16)
OTHER FINANCIAL INCOME AND EXPENSES (NOTE 5)	**(197)**	**(132)**
NET FINANCIAL INCOME	**221**	**360**
PRE-TAX INCOME BEFORE EXCEPTIONAL ITEMS	**167**	**302**
EXTRAORDINARY RESULT (NOTE 6)	**(406)**	**1**
INCOME TAX (NOTE 7)	**100**	**80**
NET INCOME	**(139)**	**383**

BALANCE SHEET – ASSETS

	2020			2019
(€ million)	Gross	Depreciation, amortization & provisions	Net	Net
Investments stated at equity	7,483		7,483	11,335
Other investments and financial assets (note 8)	6,813		6,813	6,813
Receivables relating to equity interests (note 9)	17,838		17,838	12,740
FINANCIAL ASSETS	**32,134**	**0**	**32,134**	**30,888**
FIXED ASSETS	**32,134**	**0**	**32,134**	**30,888**
RECEIVABLES (NOTE 11)	**359**		**359**	**432**
MARKETABLE SECURITIES (NOTE 10)	**264**	**2**	**262**	**326**
CASH AND CASH EQUIVALENTS	**24**		**24**	**76**
OTHER ASSETS (NOTE 11)	**223**		**223**	**202**
TOTAL ASSETS	**33,004**	**2**	**33,002**	**31,924**

BALANCE SHEET – SHAREHOLDERS' EQUITY AND LIABILITIES

(€ million)	2020	2,019
Share capital	1,127	1,127
Share premiums	4,782	4,782
Equity valuation difference	1,667	5,520
Legal and regulated reserves	113	113
Retained earnings	9,248	8,864
Net income	(139)	383
SHAREHOLDERS' EQUITY (NOTE 12)	**16,798**	**20,789**
OTHER EQUITY (NOTE 13)	**130**	**130**
PROVISIONS FOR LIABILITIES AND CHARGES (NOTE 14)	**258**	**319**
Bonds	6,718	6,310
Borrowings from credit institutions	4,403	442
Other loans and financial debts	3,942	3,214
FINANCIAL LOANS AND FINANCIAL DEBTS (NOTE 15)	**15,063**	**9,966**
OTHER LIABILITIES (NOTE 16)	**700**	**692**
UNREALIZED GAINS ON FINANCIAL INSTRUMENTS (NOTE 17)	**33**	**10**

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DEFERRED INCOME (NOTE 18)	**20**	**18**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**33,002**	**31,924**

STATEMENT OF CHANGES IN CASH FLOW

(€ million)	2020	2019
Cash flow (note 21)	(18)	595
Change in working capital requirements	90	241
CASH FLOW FROM OPERATING ACTIVITIES	**72**	**836**
Net decrease/(increase) in other investments	(154)	
Net decrease/(increase) in loans	(5,107)	(863)
Net decrease/(increase) in marketable securities	60	56
CASH FLOW FROM INVESTING ACTIVITIES	**(5,201)**	**(807)**
Bond issues	1,000	1,557
Bond redemptions	(553)	(563)
Net increase/(decrease) in other interest-bearing borrowings	4,667	69
Dividends paid to shareholders		(1,035)
Bond issuance expenses and redemption premiums	(34)	(15)
CASH FLOW FROM FINANCING ACTIVITIES	**5,080**	**13**
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**73**	**31**
Increase/(decrease) in cash and cash equivalents	(49)	42
CASH AND CASH EQUIVALENTS: CLOSING BALANCE*	**24**	**73**
** Of which €3 million in bank overdrafts in 2019, no bank overdrafts in 2020.*		

Notes to the annual financial statements

The following disclosures constitute the notes to the balance sheet at December 31, 2020, before appropriation of net profit for the year, which shows total assets of €33,002 million, and to the income statement for the year then ended, presented in the form of a list, which shows a net loss of €139 million.

The financial statements cover the 12 month period from January 1 to December 31, 2020.

The financial statements for 2020 were approved for issue by the Board of Directors' meeting of Renault SA on February 18, 2021.

These financial statements are included in the consolidated financial statements of Groupe Renault.

1 Significant events

Following the selection process led by the Governance and Compensation Committee, the Board of Directors, meeting on January 28, 2020 under the chairmanship of Mr Jean-Dominique Senard, made the decision to appoint Mr Luca de Meo as Chief Executive Officer of Renault SA, and Chairman of Renault s.a.s, effective July 1, 2020.

Ms Clotilde Delbos continued as Interim Chief Executive Officer of Renault SA until Mr Luca de Meo took up his new function. The Board of Directors also expressed a favorable opinion regarding her appointment as Deputy Chief Executive Officer of Renault SA from July 1, 2020.

As part of Renault's new strategy for China, which has two main focuses, light commercial vehicles and electric vehicles, Groupe Renault entered into an agreement with Dongfeng Motor Corporation for the transfer of Renault SA's shares in DRAC to Dongfeng, for 1 yuan. DRAC ended its Renault brand-related activities as of April 1, 2020.

This transfer took place on April 30, 2020 and generated a loss of €155 million.

Nissan's financial year ended on March 31, 2020 with a net loss of €5,589 million (-¥671.2 billion) and Renault SA received no dividends from Nissan during the 2020 financial year.

In the context of the COVID-19 pandemic that appeared in the first quarter of 2020 and continued throughout the financial year, the global automotive market suffered a downturn of 14.4% compared to 2019. To protect its employees, and in compliance with the measures introduced by national governments, Groupe Renault suspended its commercial and production activities in most countries during March. Furthermore, during the lockdown periods, almost all employees not working in production and sales worked from home, and furlough measures were put in place. Production and sales resumed mainly from May 2020, respecting the end-of-lockdown measures imposed by the governments of the countries where Groupe Renault has operations. A second lockdown and curfews were imposed in several countries, including France, during the second half of the year, and these also had negative effects on the Group's business activity.

The Annual General Meeting of June 19, 2020, upon the proposal of the Board of Directors, decided not to distribute a dividend for 2019.

On May 20, 2020, Renault SA signed a credit agreement for a maximum amount of €5 billion covered by a French State guarantee.

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The main characteristics of this credit line are the following:

- the maximum total credit was €5 billion, which could be drawn in whole or in part on one or more occasions, until December 31, 2020;
- the initial maturity for each drawdown was 12 months, with the option to extend the maturity by a further three years, with repayment of one-third each year;
- the French State guarantee covers 90% of the total amount borrowed;
- the interest rate on each drawdown is indexed on the 12-month Euribor for the first year, then the 6-month Euribor for any extensions;
- early repayment after extension is possible during the term of the credit, for a principal amount of at least €500 million;
- it concerns a pool of five banks: BNP Paribas, Crédit Agricole, HSBC France, Natixis and Société Générale.

Renault SA has made three drawdowns totaling €4 billion: €2 billion drawn on August 5, 2020, €1 billion on September 22, 2020 and €1 billion on December 23, 2020. The remaining €1 billion credit was no longer available at December 31, 2020.

In November, Renault issued a new bond with nominal value of €1 billion.

At December 31, 2020, Renault SA had sufficient cash and sources of financing to ensure continuity of operations for the next 12 months, and had demonstrated its capacity to issue debt in the second half of the year.

2 Accounting policies

Renault SA has drawn up its annual financial statements in accordance with the provisions of regulations 2014-03 of the ANC (*Autorité des Normes Comptables*), approved by ministerial decision of September 8, 2014 concerning the French chart of accounts.

The following methods were applied in valuing balance sheet and income statement items:

A. Investments

As allowed by CNC (*Conseil National de la Comptabilité*) notice no.34 (July 1988), as an alternative to the standard valuation method for investments carried in the balance sheet, Renault SA has opted to state investments in wholly-controlled companies at equity:

- this method is applied to all companies that are fully consolidated in the Group's consolited financial statements;
- the shareholders' equity of these companies is determined under the accounting policies applied in the consolidated financial statements; as this is a valuation method, intercompany eliminations are not taken into account;
- in valuing a subsidiary, its holdings in companies wholly controlled by the Group are valued in the same way;
- the change during the year in the overall percentage of shareholders' equity corresponding to these interests is not an income or loss item; it is included in shareholders' equity under "Equity valuation difference". This amount cannot be distributed or used to offset losses. When it is negative, a provision for general impairment is established as a charge against income.

Investments in companies not wholly controlled by Renault SA are valued at acquisition cost, less related expenses, or at their book value if this is lower. The book value takes account of the share of net assets and the profitability prospects. Provisions are established for the difference when the book value of the investments is lower than the gross value.

Loans granted to companies and receivables relating to equity interests are recorded at historical cost. Impairment is recognized when there is a risk that these advances will not be recovered.

B. Marketable securities

Marketable securities are valued at acquisition cost, excluding related expenses and accrued interest for bonds, or at market value if this is lower.

Treasury shares held for the purposes of free share and stock option plans are included in marketable securities. These shares are covered by a provision for expenses, corresponding to the difference between the value of the shares (acquisition price or net book value at the date of reallocation) and the exercise price of the options for beneficiaries, when that exercise price is lower than the acquisition cost.

Treasury shares not allocated to a specific plan are also included in marketable securities. Impairment is recorded if the stock market price falls below the book value.

The fair value of securities is determined mainly by reference to market prices.

C. Receivables

Receivables are stated at nominal value. Impairment is recognized when their realizable value falls below historical cost, notably based on age and the risk of non-recovery.

D. Translation of foreign currency receivables and liabilities

Receivables and liabilities denominated in foreign currencies are translated as follows:

- all receivables and liabilities in foreign currencies are converted at the year-end exchange rate;
- exchange differences arising between the date of transactions and December 31 are recorded in prepayments and deferred income (translation adjustment);

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- a provision for risk equal to the unrealized exchange losses is established after determining an overall foreign exchange position for each currency (including derivatives).

Unrealized losses affecting the Nissan hedge are no longer covered by provisions in the income statement. Under regulation ANC 2015-05, no provisions are recorded in the income statement for unrealized losses on the hedging instrument until the hedged cash flows are realized (date of liquidation or sale of the investment).

E. Redeemable shares

Redeemable shares are recorded in a separate line of shareholders' equity at nominal value with no subsequent revaluation.

F. Loans and financial debts

Loans are stated at their nominal amount. Loan costs, including issuance expenses, and bond redemption premiums, which are recorded in other assets, are amortized on a straight-line basis over the corresponding loan term.

G. Provisions for risks and liabilities

Provisions for liabilities and charges are defined in accordance with ANC regulation 2014-03. They are established for probable payment obligations existing at the year-end. A contingent liability, in contrast, is an obligation that is neither probable nor definite at the date the financial statements are established, or a probable obligation that cannot be reliably estimated. Provisions are not established for contingent liabilities, but an off-balance sheet commitment is reported, where relevant.

H. Derivatives

Changes in the value of hedging derivatives are not recognized in the balance sheet unless partial or total recognition of such changes is relevant to ensure symmetrical treatment to the hedged item.

This symmetrical treatment would involve revaluation of the hedging instrument in a transition account, with a corresponding entry in a Cash instrument account, in parallel to the translation adjustments booked on the hedged item.

Foreign exchange gains and losses on loans set up for the Nissan hedge have no longer been included in profit and loss since the application of ANC regulation 2015-05 from January 1, 2017. They are recorded in specific accounts under other receivables or other liabilities and the accumulated amounts will be transferred to the income statement at the date of liquidation or sale of the investment.

The value of derivatives in an "Isolated Open Position" is adjusted to market value in the balance sheet at each year-end, via an entry to the translation adjustment account. If the market value indicates an unrealized loss, an equivalent provision is recognized in the income statement.

The positive or negative difference between the spot price of the hedge and the forward price is spread over the duration of the hedge in the financial result.

Assumptions and methods used

Unrealized foreign exchange gains and losses correspond to the difference between the spot price and the year-end price.

I. Net extraordinary items

Extraordinary items are income and expenses resulting from events or transactions that are clearly distinct from the Company's normal business operations, and are not expected to recur on a frequent or regular basis.

3 Investment income and expenses

Income from securities and receivables relating to equity interests break down as follows:

(€ million)	**2020**	2019
Dividends received from Nissan Motor Co. Ltd.		579
Dividends received from Daimler	15	54
Dividends received from Renault s.a.s		23
Dividends received from Dacia	44	52
Interest on loans	65	43
Allocations and reversals of provisions related to subsidiaries and affiliates	282	(260)
TOTAL	**406**	**491**

The amount of interest on loans concerns all Group subsidiaries.

Following the transfer of shares in Dongfeng Renault Automotive Company (DRAC) to Dongfeng Motor Corporation, impairment in the amount of €282 million was reversed. Derecognition of the shares (-€282 million) and the balancing payment of €122 million made to Dongfeng Motor Corporation were recorded as extraordinary items, a debt waiver for €33 million was recognized in other financial expenses following the repayment by Renault SA of a loan taken out by DRAC. The operation generated a loss of €155 million, which was recognized as an exceptional expense in the financial statements at December 31, 2020.

4 Foreign exchange gains and losses

Foreign exchange gains and losses in 2020 amounted to €12 million (€1 million in 2019), and comprise the following:

- a foreign exchange gain of €2 million on treasury notes (mainly in pounds sterling and US dollars;);
- a foreign exchange gain of €10 million on redemption of the Samourai 19 bond.

5 Other financial income and expenses

In 2020, other financial income and expenses, amounting to a net loss of €197 million (loss of €132 million in 2019) principally comprise interest paid and similar expenses totaling €189 million, and €4 million for impairment on treasury shares.

Details of interest paid and other similar expenses are as follows:

(€ million)	**2020**	2019
Net accrued interest after swaps on bonds*	(78)	(66)
Net accrued interest after swaps on borrowings from credit institutions	(9)	(4)
Accrued interest on termination of borrowings from subsidiaries	(24)	(19)
Accrued interest on redeemable shares	(20)	(20)
Other financial expenses	(34)	-
Other (treasury notes and broker commissions)	(24)	(13)
TOTAL	**(189)**	**(122)**

** The net interest on bonds comprises accrued and paid interest amounting to €78 million (€66 million in 2019); there was no accrued and received interest on swaps in either 2020 or 2019.*

In 2020, the €78 million of interest received and paid mainly comprised:

- €16 million on the EMTN 44 bond issued on March 5, 2014;
- €15 million on the EMTN 53 bond issued on September 28, 2018;
- €12.5 million on the EMTN 54 bond issued on June 24, 2019;
- €7.5 million on the EMTN 49 bond issued on March 8, 2017;
- €7.5 million on the EMTN 51 bond issued on November 21, 2017;
- €7 million on the EMTN 52 bond issued on April 18, 2018;
- €6 million on the EMTN 55 bond issued on October 4, 2019;
- €2 million on the EMTN 57 bond issued on November 25, 2020;
- €1 million on the Samurai 19 bond issued on July 6, 2017;
- €1 million on the Samurai 20 bond issued on July 9, 2017;
- €1 million on the Samurai 21 bond issued on July 3, 2018.

€6 million in accrued interest on the loan covered by a French State guarantee are included in the net accrued interest on borrowing from credit institutions.

Other financial expenses consist mainly of a debt waiver with respect to the DRAC corresponding to the repayment by Renault SA of a loan taken out by the DRAC for €33 million.

6 Extraordinary result

In 2020, Renault SA's net extraordinary result corresponds to a loss of €406 million, mainly resulting from derecognition of the shares in DRAC (-€282 million), offset by reversal of the impairment on the shares booked in financial income, and the balancing payment of €122 million made to Dongfeng in connection with the share transfer. The operation generated a loss of €155 million, which was recognized in the financial statements at December 31, 2020.

There were no extraordinary operations in 2019.

7 Income tax

As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this regime has applied to the Group in which Renault SA is taxed in France since January 1, 2004. French subsidiaries that are more than 95% owned by Renault SA pay their income taxes directly to the Company under this regime. Each entity included in the domestic tax consolidation records its theoretical taxes as if it was taxed separately. The tax saving generated by this system is treated as income for Renault SA, the Company heading the group of entities concerned. The Renault tax group, applying the principle of neutrality, Renault SA is not obliged to reallocate or reimburse the subsidiaries for the tax savings resulting from utilization of their tax losses.

The maximum allowable amount of losses carried forward against taxable income is €1 million plus 50% of the taxable income above that amount. The balance can be carried forward indefinitely.

These rules are applicable:

- for determining the income/loss of the tax consolidation group;
- by convention, for determining the income/loss of each company included in the tax consolidation serving as a base for their calculation of income tax.

These rules on tax loss carryforwards apply to all losses existing at the year-end, whatever their origin.

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In practice, Renault SA has not charged deficits for the determination of its 2020 taxable income, which amounted to -€2,597 million.

In 2020, the tax consolation group waived the reduced rate on industrial royalties as permitted by Article 39 *terdecies* of the CGI.

The income generated by the tax consolidation in 2020 was €103 million, corresponding to the income tax paid by the subsidiaries of Renault SA, including any tax adjustments, as if they were taxed separately.

Details of the tax charge related to the year are as follows:

(€ million)	Pre-tax income	Taxes					Net income	
		Theoretical	Netting	Credit generated	Tax credit	Net tax due	Theoretical	As booked
Current income subject to normal rate	167	55	(55)				112	167
Extraordinary items	(406)	(87)	87				(319)	(406)
Tax consolidation		(103)				(103)		103
Allocations/provisions		1				1		(1)
Other		2				2		(2)
TOTAL	**(239)**	**(132)**	**32**			**(100)**	**(207)**	**(140)**

Details of Renault SA's deferred tax position are as follows:

(€ million)	2020		2019		Change	
	Assets(1)	Liabilities(2)	Assets(1)	Liabilities(2)	Assets(1)	Liabilities(2)
Expenses deducted (or taxed income) not yet recognized for accounting purposes	**17**	**68**	**6**	**55**	**11**	**13**
TOTAL	**17**	**68**	**6**	**55**	**11**	**13**

(1) i.e. future tax credit.

(2) i.e. future tax charge.

8 Investments and financial assets

Changes during the financial year were as follows:

(€ million)	At start of year	Change over the year	At year-end
Investment in Nissan Motor Co. Ltd.	6,217		6,217
Investment in RNBV	12		12
Investment in Daimler	584		584
Investment in DRAC	282	(282)	0
TOTAL GROSS AMOUNTS	**7,095**	**(282)**	**6,813**
Provisions for impairment of other investments and financial assets	(282)	282	0
TOTAL NET	**6,813**	**0**	**6,813**

As part of Groupe Renault's new strategy for China, Renault SA transferred all of its shares in Dongfeng Renault Automotive Company (DRAC) to Dongfeng Motor Corporation.

The entire amount of the provision for impairment of the shares in Dongfeng Renault Automotive Company (DRAC) was reversed following the transfer of those shares to Dongfeng Motor Corporation(see notes 3 and 6).

When the Renault-Nissan Alliance and Daimler AG signed a cooperation agreement in 2010, Renault SA acquired 16,448,378 shares in Daimler AG or 1.55% of its capital. These shares are listed on the Frankfurt stock market and have a nominal value of €2.88. At December 31, 2020, their stock market price was €57.79 per share, giving a total value of €951 million (€49.37 per share and a total value of €812 million at December 31, 2019).

In 1999, Renault SA acquired an investment in Nissan Motor Co. Ltd. At December 31, 2020, this investment comprised 1,831,837,027 shares or 43.40% of the capital of Nissan. These shares are listed on the Tokyo Stock exchange and have a nominal value of ¥50. Their stock market price was ¥560 (€4.43) at December 31, 2020, giving a total value of €8,115 million (¥636 (€5.22) per share and a total of €9,562 million at December 31, 2019).

9 Advances to subsidiaries and affiliate

Changes during the financial year were as follows:

(€ million)	At start of year	Increases	Decreases	At year-end
Dividends receivable*	9		(9)	0
Loans	12,731	8,585	(3,478)	17,838
TOTAL GROSS VALUES(1)	**12,740**	**8,585**	**(3,487)**	**17,838**
Impairment				
TOTAL NET	**12,740**	**8,585**	**(3,487)**	**17,838**

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(1) Current portion (less than one year) *Long-term portion (over 1 year)*	*12,728 11*			*17,827 11*
** Net of foreign exchange revaluations.*				

Loans include:

- €8,933 million in short-term investments with Renault Finance (€7,468 million in 2019);
- €8,086 million in current accounts resulting from centralized cash management agreements with Group subsidiaries (€4,463 million in 2019);
- €700 million with RCI under a cash pledge agreement; (€700 million in 2019);
- €90 million loan to RTM (€90 million in 2019).

Loans concern all Group subsidiaries.

10 Marketable securities

Marketable securities include €262 million for Renault SA's treasury shares.

Changes in treasury shares were as follows:

	At start of year	Options exercised and awards	Shares purchased	Transfers to other financial assets	Increases	Reversals	At year-end
Number of shares	4,548,736	1,280,537	1,270,000				4,538,199
Shares allocated	322	(101)	41	(4)			258
Shares not allocated	5						5
Gross value *(€ million)*	**327**	**(101)**	**41**	**(4)**			**263**
Impairment *(€ million)*	**(1)**			**4**	**(4)**		**(1)**
TOTAL (€ MILLION)	**326**	**(101)**	**41**	**0**	**(4)**	**0**	**262**

Options exercised and shares vested principally concern a vesting of 295,310 shares awarded under Plan 23 for non-residents and 979,206 shares under Plan 24 for residents.

The impairment booked corresponds to the difference between the purchase price and the average opening price over the last month of the financial year. It is recognized for shares not allocated to a plan.

Stock option and performance share plans

The Board of Directors periodically awards performance shares to Group executives and managers, with prices and exercise periods specific to each plan. Until 2012, it also periodically granted stock options, with prices and exercise periods specific to each plan. All plans include performance conditions which determine the number of options or performance shares granted to beneficiaries. Loss of the benefit of stock options or performance shares follows the applicable regulations: all options and rights are forfeited in the event of resignation or termination and a decision is made for each individual case when an employee leaves at the Company's instigation.

New performance share plans were introduced in 2020, concerning 1,440 thousand shares. The vesting period for rights to shares is three years, with no minimum holding period and without distinction between residents and non-residents.

A. Changes in the number of stock options and performance share rights held by personnel

	Stock options			
	Quantity	Weighted average exercise price *(€)*	Weighted average share price at grant and exercise dates *(€)*	Share rights[1]
Options outstanding and rights not yet vested at January 1, 2020	**102,987**	**37**		**4,343,329**
Granted			-	1,443,615
Options exercised or vested rights	(471)[1]		50[2]	(1,280,066)[3]
Options and rights expired and other adjustments	(102,516)[1]	37	-	(92,604)
Options outstanding and rights not yet vested at December 31, 2020	**0**	**37**	**-**	**4,414,274**

(1) Stock options exercised or expired in 2020 were granted under Plan 20 in 2012.

(2) Price at which the shares were acquired by the Group to cover the exercise of future options.

(3) Performance shares vested were mainly awarded under Plan 23 for non-residents in 2016 and Plan 24 for residents in 2017.

B. Stock options

There were no longer any active plans at December 31, 2020. The four-year vesting period of Plan 20 expired in December 2020.

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Plan	Type of plan	Grant date	Exercise price (€)	Options outstanding at December 31, 2020	Exercise period
Plan 20	Stock purchase options	December 13, 2012	37.43	0	December 13, 2016 – December 12, 2020
TOTAL				**0**	

C. Performance share plans

For Plans 23 to 25, vesting and minimum holding periods are different depending on whether beneficiaries are French tax residents or tax residents of other countries, in order to take account of local tax constraints.

The vesting period for shares awarded to French tax residents is three years followed by a holding period of one year (two years for Plan 22).

For non-French tax residents, the vesting period is four years and there is no minimum holding period.

As from Plan 26, the vesting period is three years with no holding period for French or foreign tax residents.

Plan	Type of plan	Grant date	Share rights awarded at December 31, 2020	Vesting date	Holding period
Plan 23	Performance shares	April 29, 2016	-	April 29, 2020*	None
Plan 24	Performance shares	February 9, 2017	- 271,300	February 9, 2020* February 9, 2021	February 9, 2020 – February 9, 2021 None
Plan 25	Performance shares	February 15, 2018	1,054,009 262,950	February 15, 2021 February 15, 2022	February 15, 2021 – February 15, 2022 None
Plan 26	Performance shares	June 12, 2019	1,392,700	June 12, 2022	None
Plan 27	Performance shares	February 13, 2020	1,433,315	February 13, 2023	None
TOTAL			**4,414,274**		
** The performance share rights concerned by these plans expired or vested in 2020.*					

11 Receivables and other assets

Receivables mainly comprise:

- an unbilled receivable of €198 million for performance shares (€247 million in 2019), under the reinvoicing agreement between Renault SA and Renault s.a.s introduced in 2012;
- tax receivables:

(€ million)	At start of year	Increases	Decreases	At year-end
Tax receivables				
CIR: Research Tax Credit	156	143	(172)	127
CICE: Competitiveness and Employment Tax Credit	0			0
Other tax receivables	29	6	(1)	34
TOTAL GROSS VALUES*	**185**	**149**	**(173)**	**161**
TOTAL NET	**185**	**149**	**(173)**	**161**
** Current portion (less than one year)* *Long-term portion (over 1 year)*	*7 179*			*9 152*

The increases mainly concern the Research Tax Credit receivables for the year (€143 million).

The decreases principally result from the assignment of €164 million of the 2019 Research Tax Credit receivable, and the redemption of the balance of the 2016 Research Tax Credit.

No impairment of tax receivables was recognized at the end of 2020.

The major components of other assets are:

- deferred charges consisting of final payments and issuance expenses on various loans;
- redemption premiums on several long-term loans (five to seven years);
- unrealized foreign exchange losses corresponding to unrealized losses on borrowings issued in yen (€4 million), which are covered by a provision, and a €177 million foreign exchange difference on repayment of borrowings issued in yen used for the Nissan hedge, which is recorded in a cash instrument valuation difference account.

(€ million)	At start of year	Increases	Decreases	At year-end
Other assets				
Deferred charges	12	17	(3)	26
Bond redemption premiums	20		(4)	16
Unrealized foreign exchange losses	170	98	(87)	181
TOTAL*	**202**	**115**	**(94)**	**223**
** Current portion (less than one year)*	*177 25*			*201 22*

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Long-term portion (over 1 year)				

12 Shareholders' equity

Changes in shareholders' equity were as follows:

(€ million)	Balance at start of year	Allocation of 2019 net income	Dividends	2020 Net income	Other	Balance at year-end
Share capital	1,127					1,127
Share premium	4,782					4,782
Equity valuation difference	5,520				(3,853)	1,667
Legal and regulated reserves	113					113
Retained earnings	8,864	383				9,248
Net income	383	(383)		(139)		(139)
TOTAL	**20,789**	**0**	**0**	**(139)**	**(3,853)**	**16,798**

Non-distributable reserves amounted to €1,780 million at December 31, 2020.

The change in equity valuation difference mainly consists of the evolution of the value of Renault s.a.s shares under the equity method for -€3,828 million, of Dacia shares valued under the equity method for -€19 million and of Sofasa shares valued under the equity method for -€6 million euros.

Renault SA's ownership structure was as follows at December 31, 2020:

	Ownership structure		Voting rights	
	Number of shares held	% of du capital	Number	%
French State	44,387,915	15.01%	88,775,830	28.61%
Employees	14,380,361	4.86%	24,377,299	7.86%
Treasury shares	4,538,199	1.53%		
Nissan	44,358,343	15.00%		
Daimler AG	9,167,391	3.10%	15,741,908	5.07%
Other	178,890,075	60.49%	181,368,881	58.46%
TOTAL	**295,722,284**	**100%**	**310,263,918**	**100%**

The par value of the Renault SA share is €3.81.

13 Redeemable shares

These shares, issued in October 1983 and April 1984 by Renault SA, which can be redeemed with a premium on the sole initiative of Renault SA They earn a minimum annual return of 9% comprising a fixed portion (6.75%) and a variable portion, equal to at least 2.25%, that depends on consolidated revenues and is calculated based on identical scope of consolidation and methods.

At December 31, 2020, 797,659 redeemable shares remained in circulation, for a total of €130 million including accrued interest. These shares are listed on the Paris Stock Exchange. The market price for one redeemable shares with a par value of €153 was €373.65 at December 31, 2020 (€557 at December 31, 2019).

The 2020 return on redeemable shares, amounting to €20 million (€20 million in 2019) is included in interest and equivalent expenses.

14 Provisions for liabilities and charges

Provisions for liabilities and charges break down as follows:

(€ million)	At start of year	Increases	Reversals used	Reversals unused	At year-end
Foreign exchange losses	1		(1)		0
Provisions for charges*	318	44	(101)	(6)	255
Other provisions for risks	0	3			3
TOTAL	**319**	**47**	**(102)**	**(6)**	**258**
** Of which current (less than 1 year) Of which long-term (over 1 year)*	*103 216*				*117 141*

A liability provision of €255 million was booked at December 31, 2020 (€318 million at December 31, 2019) after it was decided to allocate free existing shares. Under a reinvoicing agreement introduced between Renault SA and Renault s.a.s, a €198 million share of this provision is considered as an unbilled receivable on the subsidiary Renault s.a.s (€247 million in 2019).

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Each known litigation in which Renault SA is involved is examined at year-end. After seeking the opinion of legal and tax advisors, the provisions deemed necessary are, where appropriate, established to cover the estimated risk.

15 Loans and financial debts

A. Bonds

Bonds amounted to €6,718 million at December 31, 2020 (€6,310 million at December 31, 2019).

The principal changes in bonds over 2020 were as follows:

- redemption on April 13, 2020 of a 3-year bond (EMTN 50) issued on April 11, 2017 with a nominal value of ¥7 billion and a coupon of 0.5138%;
- redemption on July 6, 2020 of a 3-year bond (Samurai 19) issued on June 29, 2017 with nominal value of ¥63.4 billion and a coupon of 0.36%;
- issuance on November 25, 2020 of a 5.5-year bond (EMTN 57) with total nominal value of €1 billion, and a coupon of 2.375%.

BREAKDOWN BY MATURITY

	December 31, 2020						
(€ million)	Total	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Nominal value	6,679	809	218	895	757	1,750	2,250
Accrued interest	39	39					
TOTAL	**6,718**	**848**	**218**	**895**	**757**	**1,750**	**2,250**

	December 31, 2019						
(€ million)	Total	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Nominal value	6,274	577	821	218	900	758	3,000
Accrued interest	36	36					
TOTAL	**6,310**	**613**	**821**	**218**	**900**	**758**	**3,000**

BREAKDOWN BY CURRENCY

	December 31, 2020		December 31, 2019	
(€ million)	Before hedging	After hedging	Before hedging	After hedging
Euro	5,988	6,264	4,986	5,621
Yen	730	454	1,324	689
TOTAL	**6,718**	**6,718**	**6,310**	**6,310**

BREAKDOWN BY INTEREST RATE TYPE

	December 31, 2020		December 31, 2019	
(€ million)	Before hedging	After hedging	Before hedging	After hedging
Fixed rate	6,718	6,661	6,310	6,253
Floating rate		57		57
TOTAL	**6,718**	**6,718**	**6,310**	**6,310**

B. Borrowings from credit institutions

Borrowings from credit institutions stood at €4,403 million at December 31, 2020 (€442 million at December 31, 2019) and are mainly contracted on the market.

The principal changes in bonds over 2020 were as follows:

- redemption on April 24, 2020 of a 6-year bond with a nominal value of €95 million;
- subscription on July 17, 2020 of a 3-year bond with total nominal value of €50 million;
- drawdown on August 5, 2020 of a bond covered by a French State Guarantee with value of €2 billion;
- drawdown September 22, 2020 of a bond covered by a French State Guarantee with value of €1 billion;
- drawdown on December 23, 2020 of a bond covered by a French State Guarantee with value of €1 billion.

BREAKDOWN BY MATURITY

	December 31, 2020				
(€ million)	Total	<1 year	1 to 2 years	2 to 3 years	3 to 4 years
Nominal value	4,390	75	1,345	1,420	1,550
Accrued interest	13	13			
TOTAL	**4,403**	**88**	**1,345**	**1,420**	**1,550**

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On June 2, 2020, Renault SA opened a line of credit for a maximum amount of €5 billion with a pool of five banks, with a State guarantee for 90% of the amount borrowed. The main features of this credit line were as follows:

- the maximum total amount is €5 billion, which could be drawn in whole or in part, on one or more occasions, until December 31, 2020;
- the initial maturity for each drawdown was 12 months, with the option for Renault to extend the maturity by a further three years, with a repayment profile of one-third each year;
- the interest rate of each drawdown is indexed to the 12-month Euribor for the first year, then the 6-month Euribor for any extensions;
- early repayment after extension is possible during the term of the credit, for a nominal amount of at least €500 million.

At December 31 2020, Renault SA had made three drawdowns totaling €4 billion: €2 billion drawn on August 5, 2020, €1 billion on September 22, 2020 and €1 billion on December 23, 2020. The remaining €1 billion credit was no longer available at December 31, 2020.

For the initial recognition of the first two drawdowns, Renault SA had estimated that it would be able to repay any drawdowns without using the extension option. Due in particular to the second lockdown measures implemented in France at the end of October 2020 and the possible consequences of the second wave of the COVID-19 pandemic on the Group's liquidity, the prospect of not extending these two drawdowns was revised at the end of 2020.

In the event of an extension, the drawdowns are repayable in thirds in 2022, 2023 and 2024 on the anniversary dates of the drawdowns, with Renault SA having the option of early repayment of the remaining maturities on each repayment date.

At December 31, even though no extension option had yet been exercised by the Group, the three drawdowns are due on the balance sheet in 1 to 2 years for €1,320 million, in 2 to 3 years for €1,320 million and in 3 to 4 years for €1,360 million.

	December 31, 2019					
(€ million)	Total	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Nominal value	435	95	75	25	50	190
Accrued interest	3	3				
TOTAL	**438**	**98**	**75**	**25**	**50**	**190**

BREAKDOWN BY CURRENCY

	December 31, 2020		December 31, 2019	
(€ million)	Before hedging	After hedging	Before hedging	After hedging
Euro	4,403	4,403	438	438
TOTAL	**4,403**	**4,403**	**438**	**438**

BREAKDOWN BY INTEREST RATE TYPE

	December 31, 2020		December 31, 2019	
(€ million)	Before hedging	After hedging	Before hedging	After hedging
Fixed Rate	4,275	4,275	266	361
Floating Rate	128	128	172	77
TOTAL	**4,403**	**4,403**	**438**	**438**

C. Other loans and financial debts

Other loans and financial debts amounted to €3,942 million at December 31, 2020 (€3,214 million in 2019), and principally comprise:

- €2,624 million in borrowings from Group subsidiaries with surplus cash;
- €1,318 million in treasury notes.

No loans or financial debts are secured or have a duration of over one year.

No loans are secured by security rights (*sûretés réelles*).

16 Other liabilities

Changes in other liabilities were as follows:

(€ million)	At start of year	Change	At year-end
Trade payables and related accounts		3	3
Social liabilities		1	1
Tax liabilities	681	8	689

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Liabilities related to other assets	5		5
Other liabilities	6	(4)	2
TOTAL*	**692**	**8**	**700**
** Current portion (less than one year)*	*692*		*201*
Long-term portion (over 1 year)			*499*

The variation in tax liabilities is mainly due to a €8 million increase in the tax consolidation.

17 Unrealized gains on financial instruments

These are unrealized foreign exchange gains on hedging instruments on treasury notes in US dollars and borrowings in yen that are no longer part of the Nissan hedge.

In 2019, these amount was €10 million.

18 Deferred income

Deferred income comprises unrealized foreign exchange gains on borrowings issued in yen or swapped to yen, and a foreign exchange gain on repayment of borrowings issued in yen used for the Nissan hedge, which is recorded in a cash instrument valuation difference account, in the amount of €18 million.

19 Financial instruments

Financial instruments and risk management

The corresponding commitments, (expressed in terms of notional amount and, where appropriate, in fair value) are shown below:

	2020		2019	
(€ million)	Notional	Fair value	Notional	Fair value
Interest rate swaps			95	(1)
Currency swaps	276	(12)	57	(2)
Forward purchases	638	(33)	680	(10)
Forward sales	670		689	
All the operations are with Renault Finance.				
Forward purchases and sales and swap transactions are off-balance sheet.				

Foreign exchange risk

Foreign exchange risk management essentially comprises currency swaps and forward exchange operations to cover Renault's own foreign-currency financing. Renault SA also undertakes forward exchange operations to hedge loans and borrowings in foreign currencies with its subsidiaries.

Interest rate risk

Renault SA carries most of the Group's indebtedness. Its interest rate risk management policy applies two basic principles: long-term investments use fixed-rate financing, and investments for liquidity reserves use floating-rate financing. The financing in yen undertaken as part of the hedge of Nissan equity is fixed-rate.

Renault SA uses derivatives to implement the above interest rate and exchange rate risk management policies. These operations are undertaken with Renault Finance, a wholly-owned Groupe Renault subsidiary.

Liquidity risk

The Group's Automotive operating segment needs sufficient financial resources to finance its day-to-day business and the investments necessary for future growth. It therefore regularly borrows on the banking and capital markets to refinance its debt, and this exposes it to a liquidity risk in the event of market closure or tensions over credit availability. As part of its centralized cash management policy, Renault SA handles most refinancing for the Automotive operating segment via the capital markets through long-term resources (bond issues, private placements) and short-term financing such as treasury notes, or by bank financing.

Renault SA also has confirmed credit agreements with banking establishments (see note 20).

The contractual documentation for these financing arrangements and credit agreements contains no clause that might adversely affect credit availability as a result of a change in Renault's credit rating or financial ratio compliance.

Given the available cash reserves, confirmed credit lines unused at year-end, and the prospects for renewal of short-term financing, Renault SA has sufficient financial resources to cover its commitments over a 12-month horizon.

20 Commitments given and received

Off-balance-sheet commitments are as follows:

	2020		2019	
(€ million)	Total	Of which related companies	Total	Of which related companies

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Commitments received				
Guarantees and deposits				
Opened, unused credit lines	3,430		3,480	
TOTAL	**3,430**		**3,480**	
Commitments given				
Guarantees and deposits	830	700	830	700
Opened, unused credit lines	484	484	487	487
TOTAL	**1,314**	**1,184**	**1,317**	**1,187**

As part of the management of RCI Banque's major risk ratio, Renault SA entered into a pledging agreement in 2010 for a deposit of €700 million by Renault SA with RCI Banque.

There are no covenants on credit lines opened but unused.

Contingent liabilities

In the ongoing "emissions" affair in France, Renault is aware that a formal legal investigation was opened on January 12, 2017 at the request of the Paris public prosecution office. This stage in the procedure was seen as an indication that the French prosecution office wished to pursue this matter. No provision was recognized at December 31, 2020.

In the proceedings concerning the request for a preliminary ruling regarding another carmaker, the Court of Justice of the European Union (CJEU) issued its interpretative judgment on December 17, 2020. This ruling is binding for national laws. The potential consequences of the next steps in these ongoing proceedings cannot be reliably estimated at this stage, and no provision was recognized in connection with this matter at December 31, 2020.

On January 9, 2019 the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato – AGCM) fined RCI Banque €125 million, with Renault SA jointly liable for payment of the fine. The Group is contesting the grounds for this fine and intends to appeal against the decision. Renault considers that the probability of the decision being cancelled or fundamentally amended by a court is high. Due to the large number of variables affecting the amount of the fine, if upheld, it is impossible to reliably estimate the amount that could be payable at the end of the proceedings. On April 3, 2019 Renault's application for suspension of the payment was accepted, with arrangement of a bank guarantee. On October 21, 2020 the court cancelled the AGCM's decision in its entirety, and the AGCM filed an appeal against that ruling on December 23, 2020. No provision was recognized in connection with this matter at December 31, 2020.

Other information

21 Cash flow

Cash flow is determined as follows:

(€ million)	**2020**	2019
Net income	(139)	383
Increases to provisions and deferred charges	24	8
Net increase to provisions for risks and liabilities	(61)	(64)
Net increases to impairment provisions	(278)	268
Net profit on assets sold	436	
TOTAL	**(18)**	**595**

22 Workforce

Renault SA has no employees.

23 Directors' fees and compensation of corporate officers

The net amount of attendance fees to be paid to directors amounts to €763,374 in respect of 2020 (€1,212,748 paid for 2019).

The Chairman of the Board of Directors does not receive attendance fees for his term as director.

Compensation excluding social security charges recognized in the income statement in 2020, including the provisional variable portion, amounts to €2 million.

A total of 102,500 performance shares were awarded to corporate officers in 2020.

24 Information on supplier and customer invoice payment times

Under Article L. 441-6-1 of the French Commercial Code, as Renault SA has no commercial activity, this report does not contain details of supplier and customer invoice payment times.

The relevant information can be found in the Renault s.a.s management report.

25 Subsidiaries and affiliates

Direct holdings

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Companies (€ million)	Share capital	Equity excluding share capital and net income for the year	% of capital held	Book value of shares owned
INVESTMENTS				
Renault s.a.s 13-15 quai Alphonse Le Gallo 92100 Boulogne-Billancourt FRANCE	534	3,938	100.00%	6,366
Dacia 1 rue Uzinei 115400 Mioveni ROMANIA(1)	522	489	99.43%	1,103
Nissan 2 Takara-Cho, Kanagawa-Ku, Yokohama-Shi, Kanagawa-Ken JAPAN (2)*	11,240		43.40%	6,217
Daimler AG Mercedesstrasse 137, 70327 Stuttgart GERMANY*	3,070		1.55%	584
RNBV Jachthavenweg 130, 1081 KJ Amsterdam NETHERLANDS	6		50.00%	12
Sofasa Carrera 49 N° 39 Envigado COLOMBIA(3)	1	55	27.66%	14
TOTAL INVESTMENTS				**14,296**

(1) The exchange rate used for Dacia is 4.8683 Romanian lei = 1 euro.

(2) The exchange rate used for Nissan is ¥126.49 = 1 euro.

(3) The exchange rate used for Sofasa is 4,187.00 Colombian pesos = 1 euro.

Companies (€ million)	Sales revenues excluding taxes 2020	Net income (loss), prior year	Dividends received by Renault SA in 2020
INVESTMENTS			
Renault s.a.s 13-15 quai Alphonse Le Gallo 92100 Boulogne-Billancourt FRANCE	37,715	(2,487)	
Dacia 1 rue Uzinei 115400 Mioveni ROMANIA(1)	3,782	61	44
Nissan 2 Takara-Cho, Kanagawa-Ku, Yokohama-Shi, Kanagawa-Ken JAPAN(2)*			
Daimler AG Mercedesstrasse 137, 70327 Stuttgart GERMANY*			15
RNBV Jachthavenweg 130, 1081 KJ Amsterdam NETHERLANDS**			
Sofasa Carrera 49 N° 39 Envigado COLOMBIA(2)	500	(10)	9

(1) The average exchange rate used for Dacia is 4.8371 Romanian lei = 1 euro.

(2) The average exchange rate used for Sofasa is 4,210.7722 Colombian pesos = 1 euro.

** For Daimler, this information will be available from February 18, 2021 on the Daimler website at: www.daimler.com/investors/reports-news/annual-reports/2020/.*

For Nissan, this information can be found in note 12 to the 2020 consolidated financial statements of this document.

*** For RNBV, this information is unavailable*

Indirect holdings

The full list of subsidiaries held indirectly by Renault SA is contained in the document entitled “Additional information on Groupe Renault composition” available from the financial information section of the Group’s website at:

https://group.renault.com/en/finance-2/financial-information/ documents-and-publications/.

Investments under the equity method

The value of Renault s.a.s shares valued under the equity method decreased by €3,828 million in 2020 due to the decline of its activity and that of its subsidiaries in the context of the pandemic ;

The value of Dacia shares valued under the equity method decreased by €19 million and the value of Sofasa decreased by €6 million.

Acquisition of investments

See note 8.

26 Five-year financial highlights

	2016	2017	2018	2019	**2020**
YEAR-END FINANCIAL POSITION					
Share capital *(€ million)*	1,127	1,127	1,127	1,127	1,127
Number of shares and investment certificates outstanding	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284
OVERALL INCOME FROM OPERATIONS *(€ MILLION)*					
Revenues net of taxes					
Income before tax, amortisation, depreciation and provisions (1)	1,404	815	1,560	485	(212)
Income tax	81	95	91	80	100
Income after tax, amortisation, depreciation and provisions	1,382	937	1,726	383	(139)
Dividends paid	916	1,027	1,035		
EARNINGS PER SHARE *(IN EUROS)*					
Earnings before tax, amortisation, depreciation and provisions (1)	4.75	2.76	5.27	1.64	(0.72)
Earnings after tax, amortisation, depreciation and provisions	4.67	3.17	5.84	1.30	(0.47)

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Basic and diluted earnings per share (2)	5.04	3.42	6.31	1.40	(0.51)
Dilutive potential effect	0.37	0.25	0.47	0.10	(0.04)
Net dividend	3.15	3.55	3.55	0.00	
EMPLOYEES (3)					

(1) Provisions are those recorded during the year, less reversals and applications.

(2) Based on the average number of shares at year end.

(3) No employees.

27 Subsequent events

Following its approval by the Board of Directors, on January 14, 2021, Luca de Meo, CEO of Groupe Renault, presented "Renaulution", a new strategic plan which aims to shift Groupe Renault's strategy from the pursuit of volume to the creation of value, through three phases launched in parallel:

- the "Resurrection" phase, running until 2023, will focus on margin recovery and cash generation;
- the "Renovation" phase, running until 2025, will bring renewal and enrichment to the ranges, contributing to brand profitability;
- the "Revolution" phase, which will start in 2025, will switch the Group's business model to technology, energy and mobility, making Groupe Renault a frontrunner in the value chain of new mobilities.

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2. DETAILS OF MAJOR ASSETS AND LIABILITIES

See the accompanying Notes to the Accounts.

3. OTHER

(1) RECENT DEVELOPMENTS

- On January 14, 2021: Groupe Renault "Renaulution" Strategic Plan

Following approval by the Board of Directors, Luca de Meo, CEO Groupe Renault, presents today "Renaulution", a new strategic plan, which aims to **shift Groupe Renault's strategy from volume to value.**

This strategic plan is structured in **3 phases** that are launched in parallel:

- "Resurrection", running up to 2023, will focus on margin and cash generation recovery,
- "Renovation", spanning up to 2025, will see renewed and enriched line-ups, feeding brand's profitability,
- "Revolution" from 2025 and onwards, will pivot the business model to tech, energy and mobility; making Groupe Renault a frontrunner in the valuechain of new mobility.

The Renaulution plan will restore Groupe Renault's competitiveness by:

- taking the 2o22 plan[1] one step further, driving efficiency through engineering and manufacturing, to reduce fixed costs and to improve variable costs worldwide,
- leveraging on current Group's industrial assets and electric leadership inEurope,
- building on the Alliance to boost our reach in products, business and technology coverage,
- accelerating on mobility, energy-dedicated and data-related services,
- driving profitability through 4 differentiated business units based on empowered brands, customers and markets oriented.

A **new organization will roll-out this plan**: the functions, with engineering at the forefront, are accountable for the competitiveness, costs and time-to-market of the products of the brands. The fully-fledged, clear and differentiated brands manage their profitability.

In accordance with this value-driven organization, the company will no longer measure its performance on market shares and sales but on profitability, cash generation and investment effectiveness.

The Group sets **new financial objectives**:

- By 2023, the Group targets to reach more than 3% group operating margin, about €3bn of cumulative automotive operational free cash flow[2] (2021-23) and lower investments (R&D and capex) to about 8% of revenues,
- By 2025, the Group aims for at least 5% group operating margin, about €6bn of cumulative automotive operational free cash flow[2] (2021-25), and a ROCE[3] improvement by at least 15 points compared to 2019.

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[1] The 2o22 plan of reducing fixed costs by more than 2 billion euros over 3 years was presented on May 29, 2020.

[2] Automotive operational free cash flow: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement

[3] ROCE= Auto Operating Profit (incl. AVTOVAZ) * (1- average tax rate) / (PP&E + intangible assets + financial assets - investments in RCI/Nissan/Daimler + WCR)

The Renaulution plan will ensure the Group's sustainable profitability while keeping on track with its Zero CO2 footprint commitment in Europe by 2050.

Luca de Meo, CEO Groupe Renault, said: "*The Renaulution is about moving the whole company from volumes to value. More than a turnaround, it is a profound transformation of our business model. We've set steady, healthy foundations for our performance. We've streamlined our operations starting with engineering, adjusting our size when required, reallocating our resources in high-potential products and technologies. This boosted efficiency will fuel our future line-up: tech-infused, electrified and competitive. And this will feed our brands' strength, each with their ownclear, differentiated territories; responsible for their profitability and customer satisfaction. We'll move from a car company working with tech to a tech company working with cars, making at least 20% of its revenues from services, data and energytrading by 2030.*

We'll get there steadily, leaning on the assets of this great company, on the skills and dedication of its people. The Renaulution is an in-house strategic plan we'll roll-out and achieve the same way we've crafted it: collectively."

<u>The Renaulution plan includes the following main elements:</u>

1. **Accelerating functions efficiency,** which will be accountable for competitiveness, costs, development time and time-to-market.
   - **Engineering and manufacturing efficiency, speed and performance, boosted by the Alliance**:
     - Rationalization of platforms from 6 to 3 (with 80%of Group volumes based on three Alliance platforms) and powertrains (from 8 to 4 families)
     - All models to be launched on existing platforms will be in the market in less than 3 years
     - Rightsizing manufacturing footprint from 4M units in 2019 to 3.1M units in 2025 (Harbour standard)
     - Reinvented efficiency with suppliers
   - **Steer Group's international footprint towards high margin business**: notably in Latin America, India and Korea while leveraging our competitiveness in Spain, Morocco, Romania, Turkey and creating more synergies with Russia.
   - **A strict cost discipline:**
     - Fixed costs reduction: 2o22 plan achieved earlier and pushed further by 2023 to reach €2.5bn, and target €3bn by 2025 (including fixed cost variabilization)
     - Variable costs: €600improvement per vehicle[4] by 2023
     - Decreasing investment (R&D and Capex) from about 10% of revenues to below 8% by 2025

[4] At iso mix.

All these efforts will strengthen Group's resilience and lower its break-even point by 30% by 2023.

2. **Four business units with strong identity and positioning.** This new model will create a rebalanced and more profitable product portfolio with 24 launches by2025 - half of them in C/D segments – and at least 10 full EVs.
   This new value-driven organization and product offensive will drive a better pricingand product mix.

Renault, *La nouvelle Vague*

The brand will embody modernity and innovation within and beyond the automotive industry in energy, tech and mobility services, for example.
As part of its strategy, the brand will lift up its segment mix with a C-segment offensiveand will strengthen its positions in Europe, while focusing on profitable segments and channels in key markets such as Latin America and Russia.
The brand will lean on our powerful assets:

- **Leader in electrification by 2025 with:**
  - "Electro pole" potentially inthe North of France, the Group's largest EV manufacturing capacity worldwide,
  - Hydrogen joint-venture from fuel-cell stack to vehicle
  - "Greenest" mix in Europe
  - Half of launches in Europe being full EVs, with higher margin contribution than ICE (in €)
  - Challenger in hybrid market with35% hybrid mix
- **High-tech Ecosystem assembler:** becoming a player in key technologies from big data to cybersecurity, with the "Software République"
- **Leader in circular economy** with EV & energy-dedicated services through Re-Factory in Flins (France)

Dacia-Lada, *Tout. Simplement*

Dacia, will stay Dacia with a touch of coolness, and Lada, still rough and tough, will continue to offer affordable products, based on proven technologies targeting smart buyers, while breaking the C-segment glass ceiling.

- **Super-efficient business models**
  - Design-to-cost
  - Improved efficiency: from 4 platforms to 1, 18 body-types to 11,increasing average production from 0.3m units/platform to 1.1m units/platform.
- **Revamped competitive line-up and outbreaking into the C-segment**
  - 7 models launched by 2025, 2 in the C-segment
  - Revival of iconic models
  - CO_2 efficiency: Leverage group tech assets (LPG for bothbrands, E-Tech for Dacia)

Alpine

Alpine will combine Alpine cars, Renault Sport Cars and Renault Sport Racing into a fully-fledged, new lean and smart entity, dedicated to developing exclusive and innovative sportscars.

- **100% electric product plan to support brand expansionthrough**
  - Leveraging the scale and capabilities of Groupe Renault and the Alliance with the CMF-B & CMF-EV platforms,a global manufacturing footprint, a powerful purchasing arm, a global distribution network and RCI Bank and Services financial services, all of which ensuring optimum cost competitiveness.
  - F1 at the heart of the project, renewed commitment to championship.
  - Developing a next-generation EV sports car with Lotus.
- **Aiming at being profitable in 2025, including investment in motorsport**.

Mobilize, *Beyond automotive*

This new business unit aims at developing new profit pools from data, mobility and energy-related services for the benefit of vehicle users and to generate more than 20%of group revenues by 2030.
Mobilize will enable Groupe Renault to jump faster into the new world of mobility, providing solutions and services to the other brands and external partners.

- **Three missions:**
  - More time-use of the car (90% unused)
  - Better residual value management
  - Ambition to 0 carbon footprint
- **A unique, accessible and useful offer:**
  - 4 Purpose- designed vehicles, two for carsharing, one for ride-hailing, one for last-mile delivery
  - Innovativefinancing solutions (subscription, leasing, pay-as-you-go)
  - Dedicated data, services and software platform
  - New maintenance and refurbishment services (Re-Factory)

This plan will be presented to employee representative bodies in accordance withapplicable regulations.

The presentation is available on www.groupe.renault.com or you can visit for moreinformation the dedicated website renaulution.com.

- **On Februay 18, 2021: Communication of Renault's Board of Directors**

Groupe Renault continues the renewal of its Board of Directors, which began in 2019,strengthening its financial, digital and mobility expertise.

At today's meeting, on the recommendation of the Governance and Remuneration Committee, Renault's Board of Directors decided to propose to the Annual General Meeting of Shareholders on April 23, 2021 the appointment of two new independent directors, Bernard Delpit and Frédéric Mazzella.

To accompany the evolution of the Board by limiting the number of its members, Patrick Thomas announced his decision to make his term of office available to the Board as of the 2021 General Meeting, one year in advance.

The Board of Directors also decided to propose the renewal for four years of the termsof office of Miriem Bensalah Chaqroun, Marie-Annick Darmaillac, Yu Serizawa and Thomas Courbe.

Finally, the Board of Directors will submit to the General Meeting the appointment ofNoël Desgrippes, a candidate for the position of Director representing employeeshareholders, to replace Benoit Ostertag whose term of office expires.

Mr. Jean-Dominique Senard, Chairman of the Board of Directors, said :

"I would like to thank Patrick Thomas, who has been a pillar of the Board of Directorsin recent years and who is now anticipating the end of his term of office in order to accompany the acceleration of Groupe Renault's transformation. The appointments of Bernard Delpit and Frédéric Mazzella, proposed by the Board of Directors, are part ofa new dynamic. Bernard Delpit has a long experience of financial issues in the public sphere as well as with major listed groups and has held operational responsibilities inthe automotive industry. Frédéric Mazzella is a leading innovative entrepreneur and the creator of one of the most emblematic companies in the world of new mobility. Theirexperience and wide-ranging profiles will be invaluable assets in supporting theimplementation of the Groupe Renault's strategic plan.

I am also very pleased that Noël Desgrippes has been nominated for the position of Director representing employee shareholders. His knowledge of the company and his commitment within the employee representative bodies will be valuable assets for theBoard of Directors, which will be particularly attentive to the voice of the employees".

Biographies:

Bernard Delpit *is Executive Vice President and Chief Financial Officer of the Safran Group. He has a law degree and is a graduate of IEP Paris and ENA. He began his career in 1990 at the General Inspectorate of Finance and then held various positionsat the Ministry of the Economy and Finance. In 2000, he joined the PSA Peugeot Citroën Group, where from 2001 he served as Deputy Managing Director of Dong Feng Peugeot Citroën Automobiles in China, then as Director of Management Controlof the PSA Group in 2004. In 2007 he joined the office of the President of the Republicas economic advisor. In 2009, he was appointed Deputy Chief Executive Officer and Chief Financial Officer of La Poste Group and then joined the Crédit Agricole Group as Chief Financial Officer in 2011. He has been Chief Financial Officer of the Safran Group since 2015 and was appointed Deputy Chief Executive Officer in January 2021.*

Frédéric Mazzella *is the founding Chairman of BlaBlaCar, and the entrepreneurial co-chairman of France Digitale, the largest association of start-ups in Europe. After a career combining physics, computer science and music at ENS Ulm, Stanford, INSEAD,NASA and the Conservatoire Supérieur de Paris, Frédéric designed the first version ofBlaBlaCar to make the concept of carpooling practical and popular. Once the conceptwas proven in France, the company enjoyed strong international growth and became the first French "unicorn" and the world leader in its field, bringing together a community of 90 million drivers and passengers in 22 countries. BlaBlaCar now positions itself as a champion of shared, sustainable, accessible and multimodal mobility, by adding to its historic long-distance carsharing offer, home-work car- sharing and buses. At the same time, since 2018, Frédéric Mazzella has been focusingthe energy of the France Digitale association on the themes of technological sovereignty, impact and talent.*

Noël Desgrippes *holds a degree in Electronics-Electrotechnics-Automatics and aDESS in Industrial Control and Quality Management from the University of ClermontFerrand. After a year as a firefighter in Paris, he began his career at Renault 25 yearsago in the Mechanical Engineering Department as Quality Management System pilot,then joined the Environmental Department where he supervised the implementation ofISO 14001 certification at several manufacturing sites. He then joined the Real Estateand General Services Department as Technical Secretary. He is currently responsiblefor a Technical Support team at the Lardy site. Noël Desgrippes also holds the positionof Chairman of the Supervisory Board of the Renault France FCPE.*

- **On March 10, 2021: Appointments within the Alliance Renault - Nissan -Mitsubishi**

Groupe Renault, Nissan Motor Co., Ltd. and Mitsubishi Motors Corporation announce today new appointments within the Alliance as of April 1st, 2021.

Véronique Sarlat-Depotte, currently Alliance EVP, Purchasing and Managing Director of Alliance Purchasing Organization (APO), is appointed Alliance General Secretary. She remains a member of the Board of Management (BoM) of Groupe Renault.

At the head of the Alliance Cooperation Office, her mission will be to coordinate theAlliance's major projects, to accelerate and deepen operational cooperation, and to broaden the fields of development and application for the benefit of the three membercompanies.

Gianluca De Ficchy is appointed Alliance EVP, Purchasing and Managing Directorof Alliance Purchasing Organization (APO), replacing Véronique Sarlat-Depotte. Hejoins the Board of Management (BoM) of Groupe Renault.

Hadi Zablit, currently Alliance General Secretary, will leave his position on April, 1st, 2021:

"I would like to thank Groupe Renault and the members of the Board of the Alliancefor trusting me during these many years for the creation and implementation of Renault Digital, for the development and implementation of strategic partnerships and more particularly for the

relaunch and reconstruction of the Alliance's new cooperation model. I am handing over the Alliance General Secretariat to Véronique,to whom I wish success".

Jean-Dominique Senard, Chairman of the Alliance Operating Board and of Renaultdeclared:

"I would like to warmly thank Hadi who was able to create this new breath of life at the level of the Alliance and who led these highly strategic cooperations for the three companies. His remarkable work allows us to look to the future with optimism, with aportfolio of projects that matches our ambitions. I welcome the arrival of Véroniqueand Gianluca, who, during their careers, have held various positions of responsibilityat Renault and Nissan and have contributed to the strengthening of the Alliance. Thanks to their experience and their extensive knowledge of the member companies, they will be able to accelerate the transformation and the dynamics of cooperation within the Alliance, while broadening the fields of application."

*****

Véronique Sarlat-Depotte, *holds an engineering degree from the EPF (École Polytechnique Féminine).*

She began her career at Renault in 1989 as part of the Purchasing Division. She hasheld several positions within Renault and Nissan, in France and Japan, within Purchasing, RNPO and CEO Office.

In 2005, she was appointed Deputy General Manager, Purchasing Strategy at NissanMotors Limited in Japan before being promoted General Manager in 2007 at the Japan Headquarters. In 2009, she was appointed GM, RNPO Vehicle Body Parts within RNPO. In 2010, she was promoted Vice President, RNPO Body & Electrical. In 2014, she became Alliance Global Director, RNPO Body & Electrical.

On January 2015, Véronique Sarlat-Depotte became Deputy Managing Director of RNPO & Renault-Nissan Senior Vice President, Purchasing.

In November 2016, Véronique Sarlat-Depotte has been Alliance Global Executive Vice President, Purchasing, and President of RNPO (Renault Nissan Purchasing Organization).

Since April 2018, RNPO's scope has been extended to include Mitsubishi's purchasing activity. This structure is renamed the Alliance Purchasing Organizationand Véronique Sarlat-Depotte takes the lead as Alliance EVP, Purchasing and Managing Director of Alliance Purchasing Organization (APO).

Since March 1st, 2019, Véronique Sarlat-Depotte is member of Groupe RenaultExecutive Committee which was renamed Board of Management on January 1, 2021. As of April 1st, 2021, Véronique Sarlat-Depotte, is appointed Alliance GeneralSecretary. She remains a member of the Board of Management (BoM) of GroupeRenault.

Gianluca De Ficchy *graduated in Economics from LUISS University in Rome. He started his career at Ernst & Young in 1994 and then joined Groupe Renault in 2001as Finance Director of RCI Banque in Italy.*

In 2004, he was appointed Director of Planning & Management Control at RCI Banque. In 2007, he joined FGA Capital, a joint venture between Crédit Agricole andFiat S.p.A., of which he became Chairman and CEO in 2013.

In October 2014, Gianluca De Ficchy was appointed Chief Executive Officer of RCIBank and Services. In April 2016, he became Chairman of the Board of Directors ofDIAC S.A., while retaining his position as Chief Executive Officer of RCI Bank and Services. In 2017, he was *appointed member of Groupe Renault Management Committee (CDR).*

In April 2018, Gianluca De Ficchy joined Nissan as Senior Vice President and Chairperson of Management Committee for Europe.

Since October 1st, 2020, Gianluca De Ficchy was Nissan's Chairman for the AMIEOregion, which covers the activities of the Group's brands in Africa, the Middle East, India, Europe (including Russia) and Oceania.

As of April 1st 2021, Gianluca De Ficchy is appointed Alliance EVP, Purchasing andManaging Director of Alliance Purchasing Organization (APO) and joins the Boardof Management (BoM) of Groupe Renault.

- **On March 11, 2021: Renault Retail Group redefines its business model in France**

  - **As part of its plan to change the scope of consolidation announced in 2020, Renault Retail Group (RRG) is resizing its activities in France thisyear.**
  - **The plan calls for the sale of eight dealerships to reliable and robust purchasers while preserving jobs.**
  - **In a radically changing automotive market, RRG is rethinking its business model to meet the new needs of its customers and improve its profitability over the long term.**

Renault Retail Group (RRG), a wholly owned subsidiary of Groupe Renault, announces the continuation of its project to change the scope of consolidation for theyear 2021.

This project initiated in 2020 was presented today at the Central Social and EconomicCommittee. It comprises the disposal of eight dealerships in France. RRG hasidentified, with the support of Renault's market area France, reliable and robust purchasers - already marketing the group's brands - to enable business to continue andjobs to be maintained.

RRG is today operating in an automotive sector that is becoming increasingly digital and reducing the number of intermediaries. RRG must therefore rethink its business model in depth and follow the path of sustainable profitability by taking into accountthe profound changes in the automotive market and the evolution of customer needs.This transformation is fully in line with Groupe Renault’s Renaulution strategic plan.

- **On March 12, 2021: Renault announces the successful sale of its entire stake in Daimler**

On March 12, 2021, Renault S.A. announced the successful sale of its entire stake inDaimler AG (i.e. 16,448,378 shares representing 1.54% of the share capital of Daimler) at a price of 69.50 euros per share (i.e., a total amount of c. 1.143 billion euros), through a placement to qualified investors, as defined in Article 2 point (e) ofRegulation (EU) 2017/1129, as amended, by way of an accelerated book building process.

The proceeds of this sale will allow the Renault Group to accelerate the financial deleveraging of its Automotive activity. The industrial partnership between the Renault Group and Daimler remains unchanged and is not impacted by this financial transaction[1].

Settlement of the Offering should take place on March 16, 2021 at the latest.

Daimler's shares are listed on the regulated market of Stuttgart and Frankfurt (ISIN code: DE0007100000).

[1] *Except for the waiver (to ensure reciprocity among the two companies) of the obligation for Daimler to propose first to Renault to acquire its shares in case of a sale through a capital markets transaction.*

- **On March 15, 2021: Renault announces that the 2020 Universal Registration Document is filed with the French Financial Markets Authority**

  The 2020 Universal Registration Document (French version) is available on Renault website www.group.renault.com, tab Finance, in the 'Regulated information'.

  The English version will follow soon.

- **On March 15, 2021: Waiver of certain provisions of the Master Cooperation Agreement with Daimler**

  RENAULT and Daimler AG ("Daimler") have executed on March 10, 2021 a deed ofwaiver (the "deed") of certain provisions of the master cooperation agreement (the "master cooperation agreement") entered into on April 6, 2010 between RENAULT,Nissan Motor Co. Ltd, Renault-Nissan B.V. and Daimler[1].

  Pursuant to the provisions of this deed, RENAULT has waived its right of first offerunder the master cooperation agreement in the event of a transfer by Daimler (or oneof its subsidiaries) of all or part of its RENAULT shares by way of one or more placements to investors in the capital markets with an accelerated bookbuilding process. However, Daimler has undertaken not to transfer its RENAULT shares to acompetitor of RENAULT in this context and to notify RENAULT of the launch andcompletion of any such transaction.

  On March 12, 2021, RENAULT sold its entire stake in Daimler through a placementby way of an accelerated bookbuilding process (the "placement") (see press releasesissued by RENAULT on March 11 and 12, 2021). Prior to the launch of such placement by RENAULT, Daimler waived its right of first offer under the master cooperation agreement.

  The other provisions of the master cooperation agreement remain unchanged.

  [1] *See D&I n° 210C0324 dated April 14, 2010. Daimspain, S.L.U., Daimspain DAG, S.L.U. and Daimspain DT, S.L.U., subsidiaries of Daimler AG, currently hold 9 167 391 RENAULT shares representing 3.10% of the share capital.*

- **On April 22, 2021: First quarter revenues supported by price discipline in a still disturbed environment due to the pandemic**

  - **Group revenues reached €10 billion (-1.1%) in the first quarter of 2021. At constant exchange rates[1], revenues would have been up 4.4%.**
  - **Automotive excluding AVTOVAZ revenues were stable at €8.6 billion. The highlight of the quarter was the price effect, positive by more than 6 points thanks to the new commercial policy of the strategic plan "Renaulution".**
  - **Group global sales were up 1.1% at 665,038 vehicles in the quarter.**
  - **Renault brand sold 42,951 electric and hybrid vehicles in the first quarter 2021. From the second quarter, Renault will propose three new E-TECH hybrid and plug-in hybrid offers.**
  - **Dacia has performed well with its new models. The launch of New Sandero is a success with a portfolio representing more than 3 months of sales. New Dacia Spring, the brand's first**

electric vehicle, has already registered nearly 10,000 pre-orders.

[1] *In order to analyze the change in consolidated revenues at constant perimeter and exchange rates, Groupe Renault recalculates revenues for the current year by applying the average annual exchange rates of the previous year and excluding significant changes in perimeter that occurred during the year.*

Boulogne-Billancourt, 04/22/2021

COMMERCIAL RESULTS: FIRST QUARTER HIGHLIGHTS

In a context still disturbed by the pandemic, **Groupe Renault** sold 665,038 vehicles in the first quarter of 2021, up 1.1% compared to the first quarter of 2020. This start of the year has confirmed the positive impact of the Group's profitability-oriented commercial policy, with a price effect of over 6 points. Besides, the Group is progressing on the most profitable sales channels.

Renault Brand

Renault brand sold 433,662 vehicles in the first quarter of 2021, up 1.3% compared to the first quarter of 2020.

In Europe, the market was up 3.9% supported by the strong momentum of the light commercial vehicle market. In this context, the Renault brand sold 250,163 vehicles up 2.7%. In the European passenger car market, the electric and electrified versions of the Renault brand represented 23% of its registrations.

After the launch of Twingo E-TECH Electric, Renault brand continues to expand its line-up with the arrival of New Arkana E-TECH hybrid, New Captur E-TECH hybrid et New Meganehatchback E-TECH plug-in hybrid in the second quarter.

In regions outside Europe, Renault is focusing on the most profitable segments: in India, the brand has successfully launched New Kiger in the fast-growing compact SUV segment; and in Russia, New Duster, on sale since March, is off to a strong start with a high version mix.

Dacia and Lada brands

Dacia brand sold 121,231 vehicles (+10.2%) thanks to the success of the launch of New Sandero and the good performance of the sales of Duster. New Dacia Spring 100% electricpromises to be a success, given the pre-orders already registered.

Lada brand sold 90,472 vehicles with a good performance in the Russian domestic market (+5.4%), supported by Granta, Vesta and the successful launch of NIVA Travel.

FIRST QUARTER REVENUES BY OPERATING SECTOR

In the first quarter of 2021, **Group revenues** amounted to €10,015 million (-1.1%). At constant exchange rates and perimeter[1], Group revenues would have increased by 4.4%.

Automotive excluding AVTOVAZ revenues amounted to €8,566 million, down -0.3%.
In addition to the change in inventories, which explains most of the negative impact of the volume (-6.5 points), revenues were adversely affected by a negative currency effect of -4.3 points.

The price effect was a strong positive (+6.3 points) illustrating the new commercial policy implemented as part of the strategic plan "Renaulution".
The sales of Zoe, Twingo E-TECH Electric and the momentum of demand for commercial vehicles contributed to the positive product mix effect of +2.4 points.

AVTOVAZ's contribution to Group revenues amounted to €685 million in the quarter, down

-2.3%. At constant exchange rates and perimeter[1], it would have increased by 20.9%.

Mobility Services posted revenues of €5 million compared to €6 million in the first quarter of 2020.

Sales Financing (RCI Bank and Services) revenues amounted to €759 million in the first quarter, down -8.2% compared to 2020, mainly due to the decline in the dealership activity and a negative exchange rate effect of -€24 million. The number of new financing contracts fell by -10.9%. Average performing assets amounted to €45.9 billion at the end of March 2021 down -6.9% compared to the first quarter of 2020.

At March 31, 2021, total **inventories** (including the independent network) represented 487,000 units compared to 661,000 at end March 2020, a decrease of -26%.

GROUPE RENAULT CONSOLIDATED REVENUES

(€ million)	***2020***	***2021***	***Change 2021/2020***
Q1			
Automotive excluding AVTOVAZ	8,591	8,566	-0.3%
AVTOVAZ	701	685	-2.3%
Mobility Services	6	5	-16.7%
Sales Financing	827	759	-8.2%
Total	**10,125**	**10,015**	**-1.1%**

1 *In order to analyze the change in consolidated revenues at constant perimeter and exchange rates, Groupe Renault recalculates revenues for the current year by applying the average annual exchange rates of the previous year and excluding significant changes in perimeter that occurred during the year.*

TOTAL GROUP'S SALES PC+LCV BY BRAND

		Q1 2020	Q1 2021	% change
	RENAULT			
	PC	353,821	337,391	-4.6
	LCV	74,341	96,271	+29.5
	PC+LCV	**428,162**	**433,662**	**+1.3**
	RENAULT SAMSUNG MOTORS			
	PC	**19,535**	**12,227**	**-37.4**
	DACIA			
	PC	101,793	110,220	+8.3
	LCV	8,248	11,011	+33.5
	PC+LCV	**110,041**	**121,231**	**+10.2**
	LADA			
	PC	87,908	88,068	+0.2
	LCV	2,634	2,404	-8.7
	PC+LCV	**90,542**	**90,472**	**-0.1**
	AVTOVAZ			
	PC	**4,280**	**115**	**-97.3**
	ALPINE			
	PC	**367**	**423**	**+15.3**
	JINBEI&HUASONG*			
	PC	852	22	-97.4
	LCV	3,890	6,407	+64.7
	PC+LCV	**4,742**	**6,429**	**+35.6**
	EVEASY			
	PC	**-**	**479**	**+++**
GROUPE RENAULT	**TOTAL GROUPE RENAULT**			
	PC	568,556	548,945	-3.4
	LCV	89,113	116,093	+30.3
	PC+LCV	**657,669**	**665,038**	**+1.1**

* Excluding Shineray

GROUPE RENAULT'S TOP 15 MARKETS YEAR-TO-DATE MARCH 2021

	Year-to-date 03-2021	Volumes [1] (units)	PC+LCV market share (in %)
1	FRANCE	135,957	24.21
2	RUSSIA	114,272	29.68
3	ITALY	41,969	8.54
4	GERMANY	40,230	5.55
5	BRAZIL	33,186	6.69
6	INDIA	31,608	2.97
7	TURKEY	28,857	14.53
8	SPAIN + CANARY ISLANDS	26,674	11.77
9	MOROCCO	17,657	39.98
10	UNITED KINGDOM	16,638	3.17
11	BELGIUM + LUXEMBOURG	14,616	9.32
12	SOUTH KOREA	13,129	3.11
13	COLOMBIA	11,774	22.31
14	POLAND	11,256	8.30
15	ARGENTINA	11,240	10.14

(1) Sales excluding Twizy

- **On April 23, 2021: Renault Group unveils its Purpose: Our spirit of innovation takes mobility further to bring people closer**

Boulogne-Billancourt, April 23rd, 2021. During its Annual General Meeting on April 23rd, the Group presented itspurpose to its shareholders. It was developed jointly with all employees and in consultation with its stakeholders and validated by the Board of Directors. It expresses the ambition and meaning of the Group's collective project in France and worldwide.

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

With these words, the social body of Renault Group and its 170,000 employees wants to highlight the substance of its mission to serve its customers and all its stakeholders. To make the heart of innovation beat, testifies both to the deeply human and generous dimension of Renault, as well as to the creativity, inventiveness, and technicalquality of the Group.

"At Renault, technology and innovation are always at the service of people, and never the other way around. Because the ultimate goal is to bring us closer together. This is the freedom that makes today's mobility possible, and even more so tomorrow," underlined **Jean-Dominique Senard, Chairman of Renault's Board of Directors**, to present the purpose.

He also emphasized that purpose is a key driver of competitiveness: "The strength of a company, its movement, its long-term dynamics, depend on the good alignment of values, governance and strategy with the expression of the purpose. This alignment produces substance and meaning. And meaning is the basis for trust, pride in belonging, motivation, stakeholder commitment... and therefore performance."

The design of the Group's purpose is the result of a collective effort. To begin with, working groups analyzed hundreds of interviews with employees from a wide variety of businesses and countries, in the operational entities and at the level of the top management. In parallel, a study of the company's culture was conducted. Thiswork was completed by discussions with external stakeholders (partners, investors, NGOs, etc.).

To nurture this purpose, Renault Group has decided to go further than a Stakeholder Committee by creating a dedicated **Purpose Committee** before the end of the year. This committee, made up of international figures from a wide range of backgrounds and fields of expertise, will provide the Board of Directors with analyses and recommendations on the Group's strategy.

Renault Group's purpose:

Our spirit of innovation takes mobility further to bring people close.

We are caring, believing in responsible progress that respects everyone.

Since 1898, our history has been written by passionate people who create innovative products in tune with popular culture and made to accompany life. We do this because mobility is a source of fulfilment and a freedom. We believe that this freedom goes hand in hand with preserving the planet and living better together. That's why we challenge ourselves to limit our impact on the climate and on resources, and to make mobility more inclusive and safer for everyone.

We are daring, embracing the future with optimism.

We are a place where people can be themselves, playing their part in a shared adventure. We are proud of our diversity, our French roots, and of our international presence which makes us open to the world. We are strengthened by the Alliance and by the constructive relationships we forge with our partners. From our very beginning, our spirit of innovation has taken us further, creating value, anticipating mobility needs and bringing people closer.

- **On April 26, 2021: Renault Group places its environmental and societal strategy at the heart of performance**

  - **As a driver of performance and innovation, a new environmental and societal strategy is incorporated into the Renaulution strategic plan.**
  - **This strategy adapts the Group's Purpose into an operational roadmap; it helps the company through its transformation by ramping up the ecological transition, enhancing the safety of customers on the roadand employees in the workplace, and acting in favour of social inclusion.**
  - **As part of its efforts to reduce its carbon footprint, Renault Group presents its first climate report* detailing its methodology for action and the means of achieving**

carbon neutrality in Europe as early as 2040.

Boulogne-Billancourt, April 26th, 2021. **With the backing of the Board of Directors, Renault Group outlined its CSR policy roadmap and the role it will play within the Renaulution strategy at the Annual General Meeting on Friday, 23 April 2021. An ambitious policy, based on the rolling out of new mechanisms, it will help the Group realise its transformation strategy and reach its performance objectives. The policy builds on three major pillars that are deeply integrated into the company's business: the ecological transition, the safety of customers on the road and employees in the workplace, and inclusion by improving employability and having more women in the workforce.**

"We consider our environmental and societal responsibility as one of the chapters of Renaulution. Our commitments to reduce our carbon footprint, to the safety of people who use our vehicles and of employees in the workplace, and on inclusion meet our strategic challenges and support value creation. Developed with the company's teams, and according to our values of innovation and solidarity, this action plan is supported by a group of executive committee members and will be fully integrated into our activities. These commitments embody our Purpose while contributingto the Group's transformation." **Luca de Meo, CEO of Renault Group.**

The ecological transition as an integral part of the whole value chain

In addition to commitments made on vehicle electrification, **with electric vehicles accounting for 65% of sales by 2025, and 90% in 2030 for the Renault brand in Europe, the Group aims to achieve carbon neutrality in Europe in 2040 and worldwide in 2050.**

Since 2005, the Group has been committed to reducing the environmental footprint of its vehicles throughout their entire life cycle and is ramping up efforts to become carbon free with measurable targets for 2025 and 2030*. New ecological transition initiatives include:

- The Group commits to **reducing its procurement carbon footprint by focusing efforts on six components** (steel, aluminium, polymers, electronics, tires, and glass) that currently account for 90% of the procurement carbon footprint. **Carbon pricing** will be put in place to encourage the entire ecosystem to produce more sustainably. By 2030, the Group is aiming **to reduce the carbon footprint associated with its purchases by 30%** (as CO2 per kg of material).
- Assembled in France with carbon free energy, the 2025 roll out of the R5 will include **more sustainable batteries that boast a reduced carbon footprint of at least 20%** (compared to ZOE in 2020). Beyond this one target, the Group is working to secure a responsible and sustainable supply of minerals. This parallels the partnership with Veolia and Solvay for the recycling of metals found in batteries in a closed loop (cobalt, nickel, lithium, etc.).
- On the manufacturing side, the Group **aims to reduce emissions from facilities by 50% worldwide** (compared to 2019). To reach this target, the company **will invest €20 million in its industrial facilities**, thereby generating up to €90 million in savings, through reduced energy bills and avoided penalties forexcess emissions.

Electro-Northpole facilities will be carbon neutral by 2025, with remaining facilities in Europe following suit by 2030.

- **Vehicle dismantling and part recycling -** including batteries - at the Re-Factory in Flins and Renault Environment subsidiaries will generate more than **€1 billion in sales by 2030.**

* Renault Group is currently issuing its first climate report. The report outlines the Group's ambition for carbonneutrality, with key actions and commitment milestones for 2025/2030. It applies guidelines issued by the Task Force on Climate-Related Financial Disclosures (TCFD). Access to the full document here: https://group.renault.com/wp-content/uploads/2021/04/climate-report-renault-group.pdf

The safety of customers on the roads and employees in the workplace

To help reduce the number of road accidents, the Group provides a clear response based on two key aspects: **preventing accidents and assisting emergency services.** The preventive safety program operates in three areas:

- **Detect**: The 'Safety Score' will analyse driving data using sensors located on the vehicle to encourage safer driving.
- **Guide**: the "Safety Coach" will process road and traffic data to inform drivers of potential risks on their route and will give real-time warnings on danger-prone areas.
- **Act**: A fail-safe mechanism will trigger automatically in the event of a clear and present danger (a far too dangerous turn, loss of steering wheel control for a prolonged period, drowsiness, etc.). Thanks to the "Safe Guardian", the vehicle will then slow down and return to a safe driving mode.

As of 2022, the **Megane-E** will come equipped with an automatic speed limit adjuster, set by default. The vehicle's top speed will also be capped at 180km/h. The speed will also be capped according to the vehicles, and will not exceed 180km/ h.

Lastly, to reduce emergency response time and give emergency services easy vehicle access in the event of an accident, the Group has also developed **two major innovations**, which will be rolled out on all future releases in Europe:

- **The 'Fire-fighter access'** helps fire-fighters put out accidental battery fires. It considerably reduces response time (from nearly 2 hours to only a few minutes). Already a feature on electric vehi cles, it will be added to all future hybrid rechargeable and electric models the Group releases. 2
- **The 'Rescue Code**' is a QR code to help first responders identify a vehicle and access its structural information, and in the event of a serious accident, to reduce by roughly 15

minutes the rescue time for passenger. Renault Group has trained fire-fighters in 12 countries in Europe on how to use the code, while also donating several hundred vehicles to be used for training purposes.

The Safety Plan also includes **commitments to Group employees**:

- **An objective of zero work-related accidents and illnesses**: as part of the Group's HSE policy, the Group endeavours to have zero workplace accidents and illnesses across all industrial and tertiary sites.
- **"Health for all"**: the Group's ambition is to achieve optimal health coverage for all its employees worldwide.
- **Raise employee risk awareness**: with the Group's health officers at the helm, there are two preventive health campaigns in the works, the first of which will kick off 2021. These campaigns will focus on diseasesfor which being informed and aware can make all the difference: women's cancer and cardiovascular diseases.

Inclusion: employability, parity, solidarity

As vehicles become more and more electric, connected, and are fitted with on-board smart systems, new skills are required. In light of the fundamental shifts throughout the industry, the company's inclusion policy will rest upon 3 pillars: **employability, parity, solidarity**.

The Group is set to inaugurate a tertiary education centre dedicated to the **learning of new skills** in electrification, data management, analysis and cybersecurity, and the circular economy, including engineering related to the recycling of vehicles and their batteries. **The ReKnow University**, initially aimed at Group employees in France, **will train nearly 40% of the workforce affected by these changes by 2025**. The program will gradually phase in industrial and academic partners with whom the Group pools together efforts on vocational training design and dissemination.

While Renault Group has the largest proportion of female employees compared to other vehicle manufactures, women still only account for 25% of its workforce. The **Group is setting bold targets for gender balance**, that will be reached through the following initiatives:

- **by promoting women to the key positions** within the Group, in governance bodies, the top 4,000, and the top 11,000. In each of these three categories, the Group aims **to have women making up 30% of its workforce by 2030, 35% by 2035, and 50% by 2050.**
- **by upholding our position as industry leader in terms of reducing the gender pay gap**, which is already close to zero at Group level and is set to hit zero around the world by 2025.
- by 2025, Renault will reach **gender balance among apprentices and interns**, thereby creating a recruitment pipeline and ensuring future generations are familiar with the trades of the industry.

3

Developing inclusive mobility for all: mobility can be a primary source of inequality and a barrier to stable employment in some areas. It is an essential part in getting, keeping, or training for a job. As such, since 2012, the Group has worked with the support of the **Renault solidarity garages** to foster a partnership with Pole Emploi (French job-seekers agency) and the Adie microcredit agency to **provide unemployed people - who are unable to contract a bank loan - with a new leased vehicle. The 2025 target is to increase the number of beneficiaries tenfold -** from a few hundred to a few thousand **-** by mobilizing its network and vehicles from the Factory VO.

As part of its latest missions, **the Renault Foundation** and the worldwide foundation network also support initiatives that help those who have been out of stable employment find a job, by focusing their efforts on local job markets around the Group's locations and by giving employees the opportunity to be active partners in the program. To learn more about the Foundation: *https://group.renault.com/groupe/la-fondation-renault/*.

In an effort to incorporate the CSR strategy into the heart of the company's primary operations, **a CSR Strategy Executive Committee** has been created and includes representatives from the highest echelons of the Group's key functional divisions: Industry, Purchasing, Engineering, and Human Resources. All decisions will be presented to and approved by the CSR Committee of the Board of Directors, chaired by **Jean-Dominique Senard, Chairman of Renault's Board of Directors.**

- **On May 11, 2021: Nissan contributes - € 73 million for first quarter 2021 to Renault's earnings**

Nissan released today its results for the fourth quarter of fiscal year 2020/2021 (April 1st, 2020 to March 31st, 2021).

Nissan's results, published in Japanese accounting standards, for the fourth quarter of fiscal year 2020/2021 (January 1st to March 31st, 2021), after IFRS restatements, will have a negative contribution to Renault's first quarter 2021 net income estimated at **-** € 73 million (1).

(1) based on an average exchange rate of 127.7 yen/euro for the period under review

(2) LITIGATION CASES

Refer to III – "2. RISKS IN BUSINESS, ETC." – "Legal risk **-** *medium risk*" and VI-1-"(1) CONSOLIDATED FINANCIAL STATEMENTS"**-**"Note 28 **-** A2 Contingent liabilities".

4. DIFFERENCES BETWEEN IFRS AND JAPANESE GAAP

The accompanying financial statements have been prepared in conformity with IFRS as adopted by the European Union. Such accounting principles differ in certain respects from those prevailing in Japan. The major differences relating to the financial statements presented in the last period are summarized below.

1) Consolidated accounts

a. Foreign accounting standards

Under IFRS, the consolidated accounts are prepared on the basis of uniform accounting policies.

Under Japanese GAAP, and the practical guideline on unification of accounting policies of foreign subsidiaries for consolidated financial statements, in preparing consolidated financial statements, accounting policies and procedures adopted by the parent company and its subsidiaries must be unified for transactions of the same nature which occur under identical circumstances. On the other hand, the practical guideline permits, as a tentative treatment, if the financial statements of overseas subsidiaries have been prepared in accordance with IFRS or U.S. GAAP, to use these financial statements for consolidation purposes, except for the following items:

1- Goodwill should be amortized over a period of less than 20 years.
2- If an entity recognizes actuarial differences in accounting for retirement benefits in other comprehensive income and does not expense them subsequently, the amount should be reclassified to profit or loss for the current year by using a method to amortize them proportionately over a certain number of years within the average remaining service period.
3- Capitalization and amortization of intangible assets arising from development phases.
4- Reevaluations of investment properties, property, plant and equipment, and intangible assets
5- If foreign subsidiaries, etc. have elected to present subsequent changes in fair value of an equity instrument in other comprehensive income, the cumulative amount of gain or loss on sales and impairment losses presented in other comprehensive income will be adjusted to reclassify to profit or loss.
In addition, Practical Guideline application (PITF24) allows entities to apply these accounting for foreign subsidiaries to foreign associates accounted for under the equity method.

b. Translation of the financial statements of foreign subsidiaries

Under IFRS, each individual entity is required to determine its functional currency and to measure its operating results and financial position in that currency. This functional currency may be the local currency or a different currency in case where most transactions are carried out in a different currency for instance.

Although Japanese GAAP is silent about the functional currency, the local currency is treated as the functional currency in practice under Japanese GAAP.

c. Joint arrangements

IFRS requires distinction for joint controlled arrangement between Joint-Venture and Joint-Operation arrangements. In a Joint-Venture arrangement, partners limit their rights to Net asset of the jointly controlled entity whereas in a Joint-Operation arrangement specific rights for partners exist on Assets and Liabilities of the controlled entity. The consequence in terms of consolidation method is that Joint-Venture arrangements for a jointly controlled entity should be consolidated under Equity method and Joint-Operation arrangements should be consolidated and recognized on the basis of the percentage share specific to each balance sheet and income statement item.

Under Japanese GAAP, Joint Ventures are accounted for by equity method and there is no clear guidance for Joint Operation. So, consolidation of Joint Operations on the basis of the percentage share specific to each balance sheet and income statement item is not allowed in

Japanese consolidated accounts, unless it is authorized by local GAAP accepted for Japanese GAAP consolidation purposes (see §a).

2) Presentation of statement of financial position and statement of comprehensive income

The major differences identified relate to the following items;

a. Current and non-current assets and liabilities

Under IFRS, an entity shall present current and non-current assets and current and non-current liabilities, as separate classifications on the face of its statement of financial position except when a presentation based on liquidity provides information that is reliable and is more relevant, pursuant to IAS 1.60.

Under Japanese GAAP, classifying into current, fixed and deferred assets, and current and fixed liabilities based on liquidity is generally adopted.

b. Asset-backed securities

The recording of asset-backed securities could differ between IFRS and Japanese GAAP. Even though there is no impact on the shareholders' equity, the statement of financial position presentation can be affected, including the valuation of current / non-current assets and/or liabilities.

Under IFRS, financial assets shall be derecognized based on risk-and-reward approach.

Under Japanese GAAP, financial assets shall be derecognized based on financial component approach, where legal isolation is always required.

c. Classification of extraordinary items

Under IFRS, the concept of extraordinary items is eliminated and the presentation of items of income and expense as extraordinary is prohibited.

Under Japanese GAAP, extraordinary items are defined as items unusual in nature and significant in amount. Those include, but are not limited to, gains or losses on disposal of property, plant and equipment and investment securities other than those classified as trading, losses from disasters and so on.

3) Impairment

a. Impairment of assets

Under IFRS, impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount determined as the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use.
The value in use of an asset under IFRS amounts to the present value of the future cash flow. Under IFRS, the best evidence of an asset's fair value is i) a price in a binding sale agreement, ii) the market price, iii) the best information available to reflect the amount that an entity could obtain, at the balance sheet date, from the disposal of the asset in an arm's length transaction between knowledgeable and willing parties.

Under Japanese GAAP, an impairment loss is measured by comparing the carrying amount and the recoverable amount (the higher of the net selling price or the value in use) of the asset if the carrying amount of assets exceeds the sum of the undiscounted future cash flows expected to be generated from the continued use and potential disposal of the assets. The reversal of an impairment loss is not permitted under JGAAP whereas it is under IFRS (except for goodwill).

b. Impairment on investments in listed affiliates

Under IFRS, when considering whether there is an indication of impairment of an associate's investment, the entity shall assess the indication by considering whether there is a significant or prolonged decline between the fair value of the associate's investment and its book value. If the results indicate that there is an indication, an impairment loss shall be recognized and measured by comparing the carrying amount of the investment with its recoverable amount.

Under Japanese GAAP, investments in affiliates are accounted for under the equity method on the consolidated financial statements regardless of their market value. When a write-down is recorded in the non-consolidated financial statements due to a decline in the market value of an investment in an associate, the unamortized amount of goodwill is required to be amortized on the consolidated financial statements if the book amount after the write-down is less than the amount accounted for equity method.

4) Financial instruments

a. Redeemable shares

Under IFRS, redeemable shares with a return partly indexed on revenues are considered as debts with an embedded derivative accounted for at fair value, when the index is considered as a financial variable which cannot be evaluated separately. Redeemable shares with a return partly indexed on revenues are booked at amortized cost, if the index can be considered as a non-financial variable.

Under Japanese GAAP, redeemable shares are initially recorded as equity at their issuance cost. No specific standards govern subsequent measurement.

b. Hedging

Under IFRS, hedging instruments, along with the hedged items when qualified for hedge accounting, are accounted for at fair value.

Under Japanese GAAP, all derivatives are carried at their fair value and unrealized gain and loss arising from those derivatives are charged to the income statement except when certain criteria for hedge accounting are met. In that case, those unrealized gain and loss are deferred and included in equity. Certain synthetic method is allowed for hedge accounting by using interest rate swap or foreign exchange forward contracts.

c. Impairment of sales finance receivables

Under IFRS, impairment on sales financing receivables is booked with the following rules:

- Upon initial recognition, impairment on the instrument is recorded equivalent to the 12-month with a prospective model based on expected credit losses.
- If there is a significant deterioration in the credit risk after initial recognition, impairment on the instrument is recorded equivalent to the instrument's lifetime expected losses.

Under Japanese GAAP, a valuation allowance is recorded for the whole portfolio, based on the past experience, even in the absence of a delinquency triggering event. In addition, a specific allowance is provided for doubtful receivables based on the relevant factors such as financial condition of debtors and the fair value of collateral, if any.

d. Equity financial assets for which the FVOCI option has been elected

Under IFRS, the valuation difference on equity financial assets for which the option to measure at fair value through other components of comprehensive income (FVOCI option), when sold, would never be reclassified to profit and loss. Under JGAAP, the valuation differnece is reclassified to profit and loss when the financial assets carried at fair value through other components of comprehensive income are sold.

5) Valuation of inventories

Under IFRS, costs in inventory are assigned by using individual cost method, first-in, first-out method weighted average cost method or the retail method.

Under Japanese GAAP, individual cost method, first-in, first-out, average cost (overall or moving) and retail method are applicable. In certain circumstances, use of the last purchase price method is accepted.

6) Amortization of goodwill

Under IFRS, goodwill is not amortized but impaired when required.

Japanese GAAP requires amortization of goodwill on a straight-line basis over a period not exceeding 20 years. Impairment is also recognized when required although the reversal of impairment loss is not permitted.

7) Employee benefits

a. Actuarial differences on pension accrual

Under IFRS, entities shall recognize actuarial differences immediately as a liability in shareholders' equity (accumulated other comprehensive income) and shall not subsequently recycle it to profit or loss.

Under Japanese GAAP, entities may select either of the following methods in accounting for actuarial differences: to expense them for the year in which they occurred or to recognize a portion of actuarial differences that is not expensed in other comprehensive income. If an entity selects the method to recognize them in other comprehensive income, the entity shall subsequently recycle it to profit or loss.

b. Past service cost on pension accrual

Under IFRS, past service cost shall be recognized immediately as cost.

Under Japanese GAAP, entities may select either of the following methods in accounting for past service costs: to expense them for the year in which they occurred or to recognize a portion of service costs that is not expensed in other comprehensive income. If an entity selects the method to recognize them in other comprehensive income, the entity shall subsequently expense them by using a method to allocate the amount on a pro rata basis over a certain number of years within the average remaining service period.

c. Calculation of interest cost on pension liability

IFRS applies the discount rate to the net benefit obligation (i.e. projected benefit obligation less plan asset) to calculate a single net interest cost or income.

Under JGAAP calculation of interest cost (based on the application of a discount rate to the projected benefit obligation) and expected return on assets (based on the application of a long-term expected rate of return on assets to the calculated asset value) are performed independently. Long-term expected rate of return is defined by considering the portfolio and past performance of the plan assets held, long-term investment policies and market trends, among others.

d. Accrual for compensated absence

Under Japanese GAAP, accrual for compensated absence is not required while such liability should be recognized under IFRS.

8) Stock option plans granted to employees

Under IFRS, the cost of stock option plans granted to the employees is measured by reference to the fair value of those options. The expense is recognized, together with the corresponding increase in equity, over the specified period of service (the vesting period).

If option is exercised, price difference with underlying new shares is charged to equity.
If the instruments are forfeited or the options are not exercised, previous expense is not reversed.

Under Japanese GAAP, stock option category addressed is limited to equity settled share-based payment transactions and no clear guideline is given for cash-settled share-based payment transactions.

Alike IFRS, under the Japanese GAAP rule for equity-settled plans, the cost of stock option plans granted to the employees is measured by reference to the fair value of those options. Fair-value is fixed upon stock option attribution date, and corresponding expense is recognized, together with the corresponding increase in equity, over the vesting period. When option expires, previous expense is offset through extraordinary income.

9) Research and development expenses

Under IFRS, the development expenses incurred after the approval of the project that includes the decision to implement production facilities and the approval of the design for mass production are capitalized until the start of production. They are amortized on a straight-line basis over the expected market life of the vehicle or part.
Expenses incurred before the formal approval of the product development are recorded as costs in the period they are incurred, in the same way as research expenses.

Under Japanese GAAP, any research and development expenditure is to be recognized as an expense when incurred.

10) Impact of the first application (for the year ended on December 31, 2005) of IFRS

Further to the recurrent GAAP differences described above, the following items have generated some significant one shot differences in equity as a result of the first time adoption of IFRS.

a. Treasury shares
b. Financial instruments
c. Research and development expenses and retrospective application of IAS 38
d. Sales with buy-back commitments
e. Pension liabilities

11) Borrowing costs capitalizations

Under IFRS, borrowing costs that are directly attributed to the acquisition, construction or production of a qualifying assets shall be capitalized as part of the cost of that asset. Under Japanese GAAP, borrowing costs are generally recognized as incurred.

12) Revenue recognition

IFRS 15 Revenue from Contracts with Customers has been applied from January 2018. Revenue is recognized in the amount of consideration an entity expects to receive in exchange for transferring goods or services to the customer according to the following five-step approach.

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under Japanese GAAP, revenue is recognized based on the realization principle, and there are currently no comprehensive accounting standards related to revenue recognition. A revenue recognition standard incorporating the fundamental principles of IFRS 15 will be applied from fiscal years beginning on or after April 1, 2021. Early adoption is permitted from fiscal years beginning in or after April 1, 2018.

13) Leases

As IFRS 16 Leases has been applied from January 2019, lessee is required to recognize right-of-use assets and lease liabilities without classifying leases into operating leases and finance leases.
Under Japanese GAAP, lessee is required to classify lease transactions into finance lease and operating lease. For finance leases, leased assets and lease obligations are recognized according to accounting for in a similar manner with ordinary sales and purchase transactions. For operating lease, lease transactions are accounted for in a similar manner with ordinary rental transactions.

VII. MOVEMENT OF FOREIGN EXCHANGE QUOTATION

To exchange quotation of the currencies (Euro) used in the financial documents of Renault against Japanese yen has been reported for the recent five business years and for the recent six months in not less than two daily newspapers reporting on general affairs published in Japan.

VIII. OUTLINE OF HANDLING OF SHARES, ETC. OF THE COMPANY IN JAPAN

Not applicable.

IX. REFERENCE INFORMATION RELATING TO THE COMPANY

1. INFORMATION OF PARENT COMPANY, ETC. OF FILING COMPANY

Not applicable

2. OTHER REFERENCE INFORMATION

The following documents were filed with the Director General of the Kanto Local Finance Bureau during the period from the beginning of the relevant fiscal year to the date of filing of this report:

Name of Documents	**Filing Date**
(1) Extraordinary Report (pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 1 and Paragraph 2, Item 9 of the Cabinet Office Ordinance Concerning Disclosure of Affairs, Etc. of Corporations)	March 30, 2020
(2) Securities Report and attachments thereto	June 26, 2020
(3) Extraordinary Report (pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 1 and Paragraph 2, Item 9-4 of the Cabinet Office Ordinance Concerning Disclosure of Affairs, Etc. of Corporations)	June 26, 2020
(4) Amendment Report for Extraordinary Report (Amendment Report for the Extraordinary Report listed in (1) above)	July 27, 2020
(5) Amendment to the Shelf Registration Statement filed on May 31, 2019 (1-Foreign 1)	July 27, 2020
(6) Semi-annual Securities Report and attachments thereto	September 15, 2020
(7) Extraordinary Report (pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 1 and Paragraph 2, Item 12 of the Cabinet Office Ordinance Concerning Disclosure of Affairs, Etc. of Corporations)	April 9, 2021
(8) Amendment to the Shelf Registration Statement filed on May 31, 2019 (1-Foreign 1)	April 9, 2021

PART II INFORMATION CONCERNING GUARANTOR, ETC. OF THE COMPANY

Not applicable.

AUDITORS' REPORT

Auditors' Report (relating to 2020 Consolidated financial statements) *

Auditors' Report (relating to 2020 Parent Company financial statements) *

* Free Japanese translation and a photocopy of French original are included respectively in this section of the Securities Report in Japanese.

KPMG Audit
Département de KPMG S.A.
Commissaire aux comptes
Membre de la compagnie régionale de Versailles et du Centre
2 avenue Gambetta – CS 60055
92066 Paris La Défense Cedex

Mazars

Commissaire aux comptes
Membre de la compagnie régionale de Versailles et du Centre
61 rue Henri Regnault
92075 Paris La Défense

Renault, société anonyme ("Renault")

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2020
Renault, société anonyme ("Renault")
13-15, quai Le Gallo - 92100 Boulogne-Billancourt

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Renault, société anonyme ("Renault")

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2020

To the Annual General Meeting of Renault

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Renault for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with the report the Audit, Risks and Compliance Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1st, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of long-term assets of the Automotive sectors

Risk identified	Intangible and tangible assets and goodwill, of the “Automotive” operating segments amount to 23,001 million euros. The Group carries out impairment tests on assets as soon as an impairment risk indicator has been identified, and at least once a year for assets with infinite useful life, under the approach described in note 2-M of the consolidated financial statements. The test consists in comparing the net book value of assets with their recoverable value, defined as the higher amount between the value in use and the fair value net of exit costs. The value in use is calculated based on discounted future cash flows. For 2020 year-end closing, these impairment tests consider the decline in sales volumes in 2020, the downward revision of the outlook in the context of the Covid-19 pandemic and the assumptions used in the update of the Renaulution medium-term plan (2021-2025). We have considered that the valuation of assets is a key audit matter because of their significance to the financial statements and because of the estimates and judgments required from Management to prepare these tests, particularly in the current context described above.
Our audit response	During our audit of the consolidated financial statements, our procedures mainly consisted in:

- Understanding the analysis performed by Management in order to identify impairment indicators.

- For assets tested:

- Reconciling the net book value of assets to the consolidated financial statements.
- Assessing the consistency of the data on projected volumes and margins used in the tests with the latest management estimates reflected in the Renaulution medium-term plan for the period 2021-2025 and in the context of the Covid-19 pandemic.
- Assessing, in the context of the Covid-19 pandemic, the reasonableness of the main assumptions used through interviews with management and by comparing the assumptions with the data used in the previous impairment tests as well as, if applicable, with the historical performance.
- Testing the arithmetical accuracy of the discounted cash flows projections prepared by management.
- Comparing the discount rate after tax used with external data available.
- Performing sensitivity analysis on the main assumptions used.

Consolidation method and recoverable value of the equity investment of Renault in Nissan

Risk identified	As at December 31, 2020, the Renault equity investment in Nissan amounts to 14,618 million euros, and Nissan's contribution to Renault's net income corresponds to a loss of 4,970 million euros. As indicated in note 12 to the consolidated financial statements, Renault has a significant influence over Nissan and accounts for its investment using the equity method. The Nissan accounts used to prepare Renault's financial statements are Nissan's consolidated accounts published in compliance with Japanese accounting standards, adjusted according to IFRS standards for consolidation purposes. In accordance with the approach described in the accounting rules and methodes (note 2-M), an impairment test of the investment in Nissan was carried out at December 31, 2020. We have considered that the consolidation method and recoverable value of the equity investment in Nissan is a key audit matter given its magnitude to Renault's consolidated financial statements, and given the following areas of attention: (1) the judgment of management to assess the Alliance governance structure as well as facts and circumstances underlying Renault's significant influence over Nissan, (2) the completeness of adjustments to Nissan's financial statements required to account for Renault's share in the result and equity of this company and their accuracy, (3) the estimates used by management in determining the recoverable value of Renault's investment in Nissan.

Our audit response	Our audit response to the risks identified mainly consisted in: - Reading the minutes of the Board of Directors meetings and the related party agreements and commitments register and obtaining confirmation

from management that there were no changes in the governance of Nissan and of the Alliance and/or no new contracts structuring the relations between Renault and Nissan which could modify the analysis of the significant influence exercised by Renault over Nissan.

- Understanding the conclusions and the audit work performed by the independent auditor of Nissan in accordance with our instructions which detail the procedures to be performed and the conclusion format required for our audit purposes.
- Understanding the audit work performed by the independent auditor of Nissan over the homogenization adjustments required to Nissan's financial statements to match with Renault accounting policies.
- Assessing whether there are any identified impairment indicators, the main indicators being significant adverse changes on markets where Nissan operates or a significant and long lasting drop in Nissan stock market value.
- Examining the relevance of the main assumptions used by Renault in the impairment test performed to assess the recoverable value of its investment in Nissan, by reference to Nissan mid-term plan, historical performance achieved by Nissan as well as the overall perspectives of the Automotive sector.
- Assessing the appropriateness of the information provided in the notes to the consolidated financial statements.

Calculation of expected credit losses on retail and wholesale receivables in accordance with the new accounting standard IFRS 9 (RCI)

Risk identified	The sales financing activity is managed by RCI Banque with dedicated offers for individuals and companies as well as the financing of dealer networks. RCI Banque sets aside provisions to cover the risk of losses resulting from the inability of its clients to meet their financial commitments. RCI Banque applies the accounting principles of IFRS 9 "Financial Instruments" which defines a provisioning model for expected losses based on three stages of risk: healthy receivables (stage 1), receivables showing higher credit risk since initial recognition (stage 2), and receivables in default (stage 3). The provisions related to IFRS 9 are detailed in Note 15 of the consolidated financial statements and amounts to 1 064 M€ for an outstanding amount of 41 884 M€. We consider the amount of credit loss provisioning as a key point of the audit, due to the significant amount of customer and network loans in the assets of the Group's balance sheet, the use of numerous parameters and assumptions in the calculation models and the use of judgment made by management in estimating expected credit losses. Those assumptions are even more important in the current situation of the Covid-19 crisis which brings major economical uncertainties in the world for the years to come in spite of the governement measures taken to favor a rapid economic recovery. The note 15-D of the consolidated financial statements describes the assumptions used to estimate the impact of the Covid-19 crisis. They mainly consisted of additional provisionning on non-overdue outstanding amounts concerned by current or previous moratoriums, to raise the provision estimate for the forward-looking scenario concerning and to increase the weighting of the "adverse" forward-looking scenario.

Calculation of expected credit losses on retail and wholesale receivables in accordance with the new accounting standard IFRS 9 (RCI)	
Our audit response	Our procedures, performed with our specialists in credit risk, mainly consisted in: - Assessing the key controls related to the governance established to validate the changes in parameters and key assumptions involved in the calculation of the expected credit loss provisionning; - Assessing the methodologies applied to set the parameters used in the provisionning models and their operationnal integration in the information systems; - Assessing the provisionning adjustments made on expertise at local and Group levels on the Corporates and dealers on receivables showing higher credit risk since initial recognition (stage 2), and receivables in default (stage 3); - Examining the documenation supporting the additional provisionning booked to reflect the impact of the Covid-19 crisis in the cost of risk and verifying the calculation of the provisionning on a sampling of contracts; - Assessing the assumptions used to determine the prospective component of the expected credit loss (forward looking) estimation, in particular on the weighting of the scenarios; - Testing the quality of the application program interfaces that support the calculation and accounting of the expected credit losses; - Evaluating the staging process and most particularly the identification of the significant increase of credit risk on healthy receivables; - Ensuring the completeness and the quality of the data used in the estimation of the provisionning; - Carrying out analytical procedures on the evolution of outstanding retail customer and dealer network loans and credit risk impairment; - Assessing the appropriateness of the information presented in Notes 2-G and 15 to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's information given in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and the information must be reported by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation N° 2019/815 of December 17, 2018 to year s beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the consolidated financial statements intended to be included in the annual financial report mentionnedin Article L.451-1-2,I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Renault by the Annual General Meeting held on April 30, 2014 for KPMG S.A. and on June 19, 2020 for Mazars.

As at December 31, 2020, KPMG SA was in the seventh year of total uninterrupted engagement and MAZARS in the first year.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Risks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit, Risks and Compliance Committee

We submit to the Audit, Risks and Compliance Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our in dependence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, February 24, 2021

The statutory auditors

French original signed by

KPMG Audit Département de KPMG S.A.	MAZARS
Bertrand Pruvost	Loic Wallaert

KPMG Audit
Département de KPMG S.A.
Commissaire aux comptes
Membre de la compagnie régionale de Versailles et du Centre
2 avenue Gambetta – CS 60055
92066 Paris La Défense Cedex

Mazars
Commissaire aux comptes
Membre de la compagnie régionale de Versailles et du Centre
61 rue Henri Regnault
92075 Paris La Défense

Renault, société anonyme (“Renault”)

Statutory auditors’ report on the financial statements

For the year ended December 31, 2020
Renault, société anonyme (“Renault”)
13-15, quai Le Gallo - 92100 Boulogne-Billancourt

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Renault, société anonyme ("Renault")

Statutory auditors' report on the financial statements

For the year ended December 31, 2020

To the Annual General Meeting of Renault,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Renault for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit, Risks and Compliance Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1st, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments

Risk identified

At December 31, 2020, equity investments are accounted for in Renault balance sheet for 14,296 million euros, representing one of the most significant caption of the total assets. Investments are valued at acquisition cost at the date of entry, and their recoverable value is then assessed by management as described in Note 2.1 to the notes to the individual financial statements of Renault.

With respect to Renault’s investments in fully controlled companies, Renault has opted for the equity method. The value of these investments is determined based on their contribution to the consolidated equity of Renault, and the change in the overall share of shareholders' equity corresponding to these interests is recordedin shareholders' equity under "Equity valuation difference".

The other investments mainly relate to Renault’s equity investment in Nissan. This investment is valued at the lower amount between the book value and the value in use, which takes into account the share of net assets and profitability prospects of Nissan. The assessment of the recoverable value of Renault’s investment in Nissan requires judgement from management.

In this context, we have considered that the valuation of the investments was a key audit matter.

Our audit response

In order to assess the reasonableness of the value in use of equity investments, we mainly relied on the work performed for the purpose of the consolidated financial statement audit.

Our work mainly consisted in:

Regarding Renault’s investments in controlled companies:

- Check that the shareholders' equity in each of these investments corresponds to their contribution to the consolidated equity of Renault,
- Check that Renault has performed the necessary adjustments, if any, to take into account potential impairment losses accounted for in the group’s consolidated financial statements.

Regarding Renault’s investment in Nissan:

- Assess the reasonableness of the main assumptions used by Renault in the impairment test performed to assess the recoverable value of its investment in Nissan, by referring to Nissan’s stock market value, mid-term plan and historical performance and the growth prospects of the Automotive sector.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-4 of the French Commercial Code (*Code de commerce*).

Report on corporate governance

We attest that the Board of Directors report on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code (code de commerce).

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights and the cross-shareholdings has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the Annual Financial Report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of December 17 , 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Renault by the Annual General Meeting held on April 30, 2014 for KPMG SA and on June 19, 2020 for MAZARS.

As at December 31, 2020, KPMG SA was in the seventh year of total uninterrupted engagement and MAZARS in the first year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Risks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit, Risks and Compliance Committee

We submit to the Audit, Risks and Compliance Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, February 24, 2021

The statutory auditors
French original signed by

KPMG Audit *A department of KPMG S.A.* Bertrand Pruvost	MAZARS Loic Wallaert

AUDITORS' REPORT

Auditors' Report (relating to 2019 Consolidated financial statements) *

Auditors' Report (relating to 2019 Parent Company financial statements) *

* Free Japanese translation and a photocopy of French original are included respectively in this section of the Securities Report in Japanese.

KPMG Audit
Département de KPMG S.A.
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775 726 417 R.C.S. Nanterre

Commissaire aux comptes
Membre de la compagnie régionale de Versailles

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S.A.S. à capital variable
344 366 315 R.C.S. Nanterre

Commissaire aux comptes
Membre de la compagnie régionale de Versailles

Renault, société anonyme ("Renault")

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2019
Renault, société anonyme ("Renault")
13-15, quai Le Gallo - 92100 Boulogne-Billancourt

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Renault, société anonyme ("Renault")

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2019

To the Annual General Meeting of Renault,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Renault for the year ended December 31, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit, Risks and Compliance Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Observation

Without qualifying our opinion expressed above, we draw your attention to the notes 2-A2 and 2-A3 to the notes to the consolidated financial statements which describe the changes resulting from the first application of IFRS 16 "Leases" and IFRIC 23 "Uncertainty over Income Tax Treatments".

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of intangible and tangible vehicle-specific assets of the Automotive sector (excl. AVTOVAZ)	
Risk identified	Intangible and tangible assets and goodwill, of the operating segment "Automotive (excluding AVTOVAZ)" amount to 21 701 million euros. The Group carries out impairment tests at the level of intangible and tangible vehicle-specific assets related to specific vehicle models as soon as an impairment risk indicator has been identified, under the approach described in note 2-M of the consolidated financial statements. The test consists in comparing the net book value of the intangible and tangible assets related to specific vehicle models with their recoverable value, defined as the higher amount between the value in use and the fair value net of exit costs. The value in use is calculated based on discounted future cash flows. We have considered that the valuation of the vehicle-specific assets is a key audit matter because of their significance to the financial statements and because of the estimates and judgments required from Management to prepare these tests.

Our audit response	During our audit of the consolidated financial statements, our procedures mainly consisted in:
	- Understanding the analysis performed by Management in order to identify specific vehicle models presenting impairment indicators.
	- For the vehicle models tested:
	  - Reconciling the net book value of vehicle-specific assets to the consolidated financial statements.
	  - Assessing the consistency of the forecast volumes and margins assumptions used in the tests with the latest Management assumptions.
	  - Assessing the reasonableness of the main assumptions used through interviews with the economic controllers in charge of the vehicles being tested and by comparing the assumptions with the data used in the previous impairment tests as well as, if applicable, with the historical performance of the vehicles.
	  - Testing the arithmetical accuracy of the discounted cash flows projections prepared by management for vehicles subject to an impairment test.
	  - Comparing the discount rate after tax used with external data available.
	  - Performing sensitivity analysis on the main assumptions used.

Consolidation method and recoverable value of the equity investment in Nissan

Risk identified	As at December 31, 2019, the Renault equity investment in Nissan amounts to 20,622 million euros, and Nissan contributes for 242 million euros to Renault net profit for the period. As indicated in note 12 to the consolidated financial statements, Renault has a significant influence over Nissan and accounts for its investment using the equity method. The Nissan accounts used to prepare Renault's financial statements are Nissan's consolidated accounts published in compliance with Japanese accounting standards, adjusted according to group Renault standards for consolidation purposes. In accordance with the approach described in the accounting policies (note 2-M), an impairment test of the investment in Nissan was carried out at December 31, 2019. We have considered that the consolidation method and recoverable value of the equity investment in Nissan is a key audit matter given its magnitude to Renault's consolidated financial statements, and given the following areas of attention: (1) the judgment of management to assess the Alliance governance structure as well as facts and circumstances underlying Renault's significant influence over Nissan, (2) the completeness of adjustments to Nissan's financial statements required to account for Renault's share in the result and equity of this company and their accuracy, (3) the estimates used by management in determining the recoverable value of Renault's investment in Nissan.

Our audit response	Our audit response to the risks identified mainly consisted in: - Reading the minutes of the Board of Directors meetings and the related party agreements and commitments register, and obtaining confirmation from management that there were no changes in the governance of Nissan and/or no new contracts structuring the relations between Renault and Nissan which could modify the analysis of the significant influence exercised by Renault over Nissan. - Understanding the conclusions and the audit work performed by the independent auditor of Nissan in accordance with our instructions which detail the procedures to be performed and the conclusion format required for our audit purposes. - Understanding the audit work performed by the independent auditor of Nissan over the homogenization adjustments required to Nissan's financial statements to match Renault accounting policies. - Assessing whether there are any identified impairment indicators, the main indicators being significant adverse changes on markets where Nissan operates or a significant and long lasting drop in Nissan stock market value. - Examining the relevance of the main assumptions used by Renault in the impairment test performed to assess the recoverable value of its investment in Nissan, by reference to Nissan mid-term plan, historical performance achieved by Nissan as well as the overall perspectives of the Automotive sector. - Assessing the appropriateness of the information provided in the notes to the consolidated financial statements.

Recoverability of the deferred tax assets of the French tax group

Risk identified	As indicated in note 8-A of the notes to the consolidated financial statements, the deferred tax charge for 2019 takes into account the discontinuation of the recognition of deferred tax assets on tax losses carryforwards under the French tax consolidation group for an amount of -753 million euros. The recognition of a deferred tax asset depends on the ability of the legal entities of the French tax group to achieve the financial performance expected by management. The termination of the recognition of deferred tax assets on tax loss carryforwards of the French tax consolidation group as of December 31, 2019 is a key audit matter given the level of judgment required from Management, with regards specifically to the ability to reliably estimate future taxable results over the historical timeframe.
Our audit response	Our audit response to the risks identified mainly consisted in: - Assessing the consistency of the expected financial results for the French tax group with the main assumptions underlying the revised group mid term plan Drive the Future, which is currently being updated by Management and is expected to be issued in the first half of the year. - Comparing budgeted and actual results in prior periods to assess the reliability of the budgeting processes. - In respect of the deferred tax assets no longer recognized, assessing the nature and extent of the positive and negative evidence considered by Management to conclude that the availability of future taxable profits was not sufficiently probable at the balance sheet date.

Recoverable value of Sales Financing Receivables (RCI)

Risk identified	The sales financing activity is managed by RCI Banque with dedicated offers for individuals and companies as well as the financing of dealer networks. RCI Banque sets aside provisions to cover the risk of losses resulting from the inability of its clients to meet their financial commitments. Since January 1, 2018,

Recoverable value of Sales Financing Receivables (RCI)

	RCI Banque applies IFRS 9 "Financial Instruments", which defines in particular a new methodology for estimating provisions based on a prospective model, moving from a provisioning of ascertained credit losses to a provisioning model for expected losses based on a 3-bucket approach: loans without signs of impairment (bucket 1), loans that have signs of impairment (bucket 2) and loans with serious credit impairment or arreage (bucket 3). We consider the amount of credit loss provisioning as a key point of the audit, due to the size of the amount of customer and network loans in the assets of the Group's balance sheet, the use of numerous parameters and assumptions in the calculation models and the use of judgment made by management in estimating expected credit losses. The provisions related to IFRS 9 are detailed in Note 15 to the consolidated financial statements and amounts to 848 M€ for an outstanding amount of 46 222 M€.

Our audit response	Our procedures mainly consisted in:
	
	- Assessing the methodological principles followed for the construction of the models, in order to check their compliance, in their significant aspects, with the principles of IFRS 9;
	- Assessing the governance established in terms of validation of the key parameters and assumptions applied in these models or included in the ex post review of actual losses over the past financial year (back-testing);
	- Evaluating key controls over processes, IT applications, management accounting data transfers from the customer and dealer network loan portfolio and its breakdown by category, and interfaces between applications involved in calculating expected credit losses. In this objective, our audit teams have integrated members with specific skills in auditing information systems and modelling credit risk;
	- *On the retail customer credit perimeter:*
	  - Testing, and assessing on the basis of a representative sample of customer credit agreements, the appropriateness of the "Probability of Default" and "Loss in the event of Default" parameters with the corresponding agreements;
	- *On the dealer network credit perimeter:*
	  - Calculating the « Expected losses » on Germany, Brazil, Spain, France, Italy and Great Britain as at December 31st, 2019, based on the determined parameters and loss given default exposure at in the event of default;
	- Assessing the methodology applied to determine the prospective component of ECL (forward looking) estimation, in particular on the assumptions used in the establishment of the scenarios macro-economic factors, the weighting of these scenarios and their impact on risk parameters;
	- Carrying out analytical procedures on the evolution of outstanding retail customer and dealer network loans and credit risk impairment;
	- Assessing the appropriateness of the information presented in Notes 2-G and 15 to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Renault by the Annual General Meeting held on April 30, 2014 for KPMG S.A. and on by Order from the Ministry of the Economy of March 27, 1979 for Ernst & Young Audit.

As at December 31, 2019, KPMG S.A. was in the sixth year of total uninterrupted engagement and Ernst & Young Audit was in the forty first year of total uniterrupted engagement, of which twenty-six year since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Riks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit, Risks and Compliance Committee

We submit to the Audit, Risks and Compliance Committee *a report* which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, February 20, 2020

The statutory auditors

French original signed by

KPMG Audit *A department of KPMG S.A.*	ERNST & YOUNG Audit	
Laurent des Places	Aymeric de La Morandière	Philippe Berteaux

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92066 Paris La Défense Cedex
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Commissaire aux comptes
Membre de la compagnie régionale de Versailles

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Commissaire aux comptes
Membre de la compagnie régionale de Versailles

Renault, société anonyme ("Renault")

Statutory auditors' report on the financial statements

For the year ended December 31, 2019
Renault, société anonyme ("Renault")
13-15, quai Le Gallo - 92100 Boulogne-Billancourt

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Renault, société anonyme ("Renault")

Statutory auditors' report on the financial statements

For the year ended December 31, 2019

To the Annual General Meeting of Renault,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Renault for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit, Risks and Compliance Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph 1 of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments

Risk identified

At December 31, 2019, equity investments are accounted for in Renault SA balance sheet for 18.2 B€, representing one of the most significant caption of the total assets. Investments are valued at acquisition cost at the date of entry, and their recoverable value is then assessed by management as described in
Note 2.1 to the notes to the individual financial statements of Renault.

Renault S.A. has opted to account for investments in controlled companies under the equity method. The value of these investments is determined based on their contribution to the consolidated equity of Renault, and the change during the year in the overall share of shareholders' equity corresponding to these interests is included in shareholders' equity under "Equity valuation difference".

The other investments mainly relate to Renault’s equity investment in Nissan. This investment is valued at the lower amount between the book value and the value in use, which takes into account the share of net assets and profitability prospects of Nissan. The assessment of the recoverable value of Renault’s investment in Nissan is based on expected profitability and requires judgement from management.

In this context, we have considered that the valuation of the investments was a key audit matter.

Our audit response

In order to assess the reasonableness of the value in use of equity investments, we mainly relied on the work performed for the purpose of the consolidated financial statement audit.

Our work mainly consisted in:

Regarding Renault’s investments in controlled companies:

- Check that the shareholders' equity in each of these investments corresponds to their contribution to the consolidated equity of Renault.
- Check that Renault has performed the necessary adjustments, if any, to take into account potential impairment losses accounted for in the group’s consolidated financial statements.

Regarding Renault investment in Nissan:

- Assess the reasonableness of the main assumptions used by Renault in the impairment test performed to assess the recoverable value of its investment in Nissan, by referring to Nissan's stock market value, mid-term plan and historical performance and the growth prospects of the Automotive sector.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-4 of the French Commercial Code (*Code de commerce*).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-3 and L.225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.225-37-3 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.225-37-5 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights and the cross-shareholdings has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Renault by the Annual General Meeting held on April 30, 2014 for KPMG SA and by Order from the Ministry of the Economy of March 27, 1979 for Ernst & Young Audit.

As at December 31, 2019, KPMG SA was in the sixth year of total uninterrupted engagement and
Ernst & Young Audit in the forty first year of total inunterrupted engagement, of which twenty-six years since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Risks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit, Risks and Compliance Committee

We submit to the Audit, Risks and Compliance Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, February 20, 2020

The statutory auditors
French original signed by

KPMG Audit *A department of KPMG S.A.*	ERNST & YOUNG Audit	
Laurent des Places	Aymeric de La Morandière	Philippe Berteaux