

WITH RE-INDUSTRY, RENAULT GROUP IS LAUNCHING AN AMBITIOUS PLAN TO TRANSFORM ITS INDUSTRIAL BASE

- **Renault Group is launching a plan to fundamentally transform its industrial base. Between now and 2027, it is seeking to cut production costs per vehicle by 30% for internal combustion vehicles and 50% for electric vehicles.**
- **Renault Group's Industrial Metaverse will play a key role in the transformation, enabling the Group to accelerate its competitive advantage and reinvent vehicle production.**
- **Renault Group is increasing the agility of its industrial base and announcing the arrival of new models in its plants.**

Boulogne-Billancourt, 7 December 2023 - Renault Group has announced the launch of a plan for the in-depth transformation of its industrial base. This plan is part of the *Revolution* phase of *Renaulution*, the strategic plan to make Renault Group a next-generation automotive manufacturer. The aim is to reduce production costs per vehicle by 30% for internal combustion vehicles and 50% for electric vehicles by 2027. The plan will also contribute to cutting vehicle development times from three to two years. In this way, the Group is moving into high gear and setting ambitious targets.

"Re-Industry is a 360° transformation plan. The aim is to build on our strengths and to gather speed in what we already do well, to reinvent our entire industrial base and attain the highest standards in excellence. This industrial transformation will make our base more agile, more virtuous and more competitive, while also enabling us to respond more quickly to customer expectations." **Thierry Charvet, Chief Industry & Quality Officer, Renault Group**

A PLAN TO REINVENT VEHICLE PRODUCTION

The automotive industry is currently at a turning point in its history, and Renault Group is well placed to meet the challenge. The Group has made huge progress in its quality results, with a threefold increase in the reliability of our vehicles, putting them among the very best. Its industrial sites regularly top the rankings in the Harbour Report™, an independent authoritative study of the global automotive industry comparing the productivity of industrial sites. Renault Group is one of the top three global manufacturers for energy performance and industrial CO2 emissions. Renault Group was also the first manufacturer to set up an Industrial Metaverse, and it is determined to stay one step ahead by further accelerating the digitalisation of its industrial base and building the skills of its workforce. Building on these strengths, the Re-Industry plan aims to boost all the traditional areas of industrial performance while reinventing production through the development of innovative processes. In this way, for example, the Group is targeting a production time of nine hours for the future Renault 5.

FOR A MORE COMPETITIVE AND FLEXIBLE INDUSTRIAL ECOSYSTEM, DRIVEN BY TECHNOLOGY AND DATA, AND WITH AN ENVIRONMENTAL FOCUS

With 12,000 systems connected worldwide, two million data items uploaded every minute and three billion per day, Renault Group's Industrial Metaverse driving smarter, faster and better production, while reducing the costs and carbon footprint of industrial processes. In 2023, the Metaverse has generated savings of €270 million for the Group, primarily through the deployment of predictive maintenance on installations. By connecting not only the workstations but also the entire ecosystem (transport, suppliers, etc.), Renault Group aims to cut vehicle delivery times by 60% and the carbon footprint of vehicle production by half.

Also through artificial intelligence, the Group is able to implement a predictive approach to energy consumption, reducing the energy required by industrial sites by 20%. Using the Ecology portal, an agile, connected solution developed in-house, it is able to continuously monitor consumption and respond immediately to any deviations. Renault Group is aiming to cut energy consumption of its industrial sites by 40% by 2025 and is already halfway there since 2019. In terms of emissions from its industrial sites, Renault Group has set a target of Net Zero Carbon by 2025 for the ElectriCity division and the Cléon site, by 2030 for sites in Europe, and by 2050 for all industrial sites worldwide.

DIGITAL TECHNOLOGY TO ACCELERATE OUR COMPETITIVE ADVANTAGE...

Today, Renault Group uses over 300 operational applications of Artificial Intelligence based on the analysis of images and sound, for its industrial base. The POK.AI.OK application, for example, embeds artificial intelligence concepts in high-performance autonomous control systems with industrial vision. Accessible and intuitive, this system meets the growing challenges of quality control, compliance and traceability. Deployed on several sites for a number of use cases, it has already had a positive impact on productivity and quality. The conformity and traceability of tyres during factory fitting are thus ensured with greater reliability and efficiency.

The aim is to implement 3,000 applications by 2025. These projects will also support the industrial deployment of new technologies such as the Software Defined Vehicle, power electronics and the assembly of batteries and electric motors. They will also drive shorter vehicle production times, through faster processing.

... AND DELIVER BENEFITS FOR PEOPLE

By supervising the working environment, and providing increased visibility, the Metaverse allows players to be more agile and independent in their decision-making. Technologies from the world of gaming are making the user experience more immersive. This is the case in the paint shop, for example, where training is carried out using virtual reality even before the new model goes into production. This also contributes to cutting vehicle development times. AI algorithms make it easier for employees to plan ahead, while also enabling supply chain experts to optimise and manage logistics flows. Developed by the Group, the Supply Chain Control Tower is able to secure supplies to industrial sites by displaying the position and content of all trucks travelling between suppliers and plants, in real time. It can also detect supply risks associated with the weather or traffic, for

example in any country, and recommend the best security solutions ahead of time. Greater autonomy, greater peace of mind for all players! With the Metaverse, all the components of the industrial base become predictive, more responsive and with a better ability to self-correct, in order to achieve first time right faster.

AN INDUSTRIAL BASE THAT IS CONTINUOUSLY GAINING IN FLEXIBILITY AND AGILITY

Another key factor in the competitive edge of an industrial system is its agility and flexibility. Renault Group has announced the production of eight new Renault vehicles in its plants. At the site in Curitiba, alongside Renault Kardian, Renault Group will build a second model on its new Renault Group Modular Platform. At the Bursa site in Turkey, the Group has announced the manufacture of four new models between now and 2027. Boosted by the optimisation of its manufacturing capacities and the implementation of flexible lines several years ago, Renault Group's industrial system is becoming faster, more agile, and more able to build new models. As a result, the Group has halved capital expenditure over the past four years and will be able to launch no fewer than 12 new models in 2024. With its exceptional adaptability, the Group's industrial base is able to deliver a dynamic response to changing market needs, and to produce innovative vehicles meeting the highest level of expectations.

The plan to transform Renault Group's industrial base underlines the Group's commitment to innovation and the mobility of the future, while ensuring the sustainable operation of its industrial sites. It marks a revolution in automotive production, making it faster, more competitive and considerably more agile. By reinventing its approach to production, the Group is ready to meet market challenges, while building vehicles that will shape the next era for the automotive industry.

RENAULT GROUP PRESS RELATIONS

Juliette Faucon
+33 7 89 27 09 92
juliette.faucon@renault.com

RENAULT GROUP INVESTOR RELATIONS

Philippine de Schonen
+33 6 13 45 68 39
philippine.de-schonen@renault.com

About Renault Group

Renault Group is at the forefront of a mobility that is reinventing itself. Strengthened by its alliance with Nissan and Mitsubishi Motors, and its unique expertise in electrification, Renault Group comprises 4 complementary brands - Renault, Dacia, Alpine and Mobilize - offering sustainable and innovative mobility solutions to its customers. Established in more than 130 countries, the Group has sold 2.1 million vehicles in 2022. It employs nearly 106,000 people who embody its Purpose every day, so that mobility brings people closer.

Ready to pursue challenges both on the road and in competition, Renault Group is committed to an ambitious transformation that will generate value. This is centred on the development of new technologies and services, and a new range of even more competitive, balanced, and electrified vehicles. In line with environmental challenges, the Group's ambition is to achieve carbon neutrality in Europe by 2040.

More information: <https://www.renaultgroup.com/en/>