

Renault Group places France at the heart of its industrial strategy for EV batteries

- Renault Group announces the signing of two major partnerships in the field of the design and production of Electric Vehicles batteries:
 - Renault Group enters into a strategic partnership with Envision AESC as it sets up a gigafactory in Douai, close to Renault ElectriCity, to support manufacture of latest technology, cost-competitive, low-carbon batteries to make electrical mobility more accessible in Europe.
 - Renault Group signs a Memorandum of Understanding with the French start-up Verkor to co-develop and then manufacture high-performance batteries, with a view of owning a more than 20% stake in Verkor.
- The combination of these two partnerships with Renault ElectriCity industrial cluster will create nearly 4,500 direct jobs in France by 2030, while developing a robust battery manufacturing ecosystem in the heart of Europe.
- A new step along the path of the 'Renaulution' strategic plan, as the Group and its Alliance partners bolster their competitive edge and efficiency in the EV market.

Boulogne-Billancourt, June 28th, 2021 –Renault Group announces today its strategy for EV battery design and production in France. A major milestone of the 'Renaulution' road map, the Group's battery strategy comes to life through the signing of two major partnerships: with Envision AESC – a global player in world-leading battery technology and smart, digitalised, low-carbon battery plants, and a long-standing partner of Nissan – and Verkor, the Grenoble-based start-up specialized in development of EV battery cells. This strategy will help Renault Group become a more competitive and efficient EV player, accelerate its industrial transformation, and reach its ecological transition targets.

These two most recent partnerships go hand in hand with existing programmes within Renault Group, in particular the historic agreement with LG Chem which currently supplies battery modules for Renault's electric range and for the upcoming MéganE. In parallel, there are on-going discussions with ACC to potentially join the ecosystem as of 2027. Research also continues within the Alliance to deploy solid battery technology from 2030, with the ASSB project (All Solid-State Battery technology).

"Our battery strategy builds on Renault Group's ten years of experience and investment in the electric mobility value chain. The latest strategic partnerships with Envision AESC and Verkor greatly bolster our position as we ensure the Europe-based production of one million electric vehicles by 2030. This marks a major milestone as we strengthen our competitive edge, by rooting our Group in the underlying momentum of French industry and striving to reach our carbon neutrality objectives. The Group thus reaffirms its willingness to produce popular, affordable, and cost-effective electric cars in France", said Luca de Meo, CEO of Renault Group.

Envision AESC: A gigafactory in Douai for affordable, European-made EV models.

As part of its EV strategy, Renault Group is partnering with Envision AESC which will develop a gigafactory in Douai with a capacity of 9 GWh in 2024 and with aim of reaching 24 GWh by 2030. As the battery arm of global green tech company Envision Group, it will invest up to €2 billion to produce latest technology, cost-competitive, low-carbon and safe batteries for electric models, including the future R5. Thanks to this partnership, Envision AESC forecasts 2,500 new jobs by 2030.

The proximity of the Envision AESC's gigafactory to Renault ElectriCity production sites at Douai, Maubeuge and Ruitz, which will create 700 additional jobs in the Hauts-de-France region, means Renault Group can significantly boost its competitive edge and greatly improve the efficiency of its EV production chain.

Douai's gigafactory opens the way for the production of low-carbon batteries as part of the objectives outlined in the European Green Deal and for the development of closed-loop recycling solutions for production waste and end-of-life batteries. In line with commitments made by the Renault Group, it will significantly contribute to achieving carbon neutrality in Europe by 2040 and worldwide by 2050, with EV sales making up 90% of all Renault brand sales by 2030.

"Envision Group's mission is to be the net zero technology partner of choice for global enterprises, governments, and cities. We are therefore delighted that Renault Group chose Envision AESC batteries for its next generation of EVs. Investing to build a new gigafactory in northern France, we aim to support the net zero carbon transition by making high performance, longer range batteries and EVs affordable and accessible for millions more motorists. This first phase development will unlock future large-scale investment to grow the local supply chain and develop the whole life cycle opportunities of batteries, including energy storage, battery reuse, smart charging and closed loop recycling. It has the potential to create thousands of new high value green jobs as part of an end-to-end battery ecosystem in the region." said **Lei Zhang, founder and Chief Executive Officer of Envision Group.**

Renault Group and Verkor: A pilot production line for high-performance batteries by 2022 and a state-of-the-art giga factory by 2026.

In addition to its partnership with Envision AESC, Renault Group has signed a Memorandum of Understanding to become shareholder of Verkor with a stake of over 20% in the company and plans to join the consortium that was created around the French start-up in 2020. The consortium aims at tackling challenges relating to digitalisation, de-carbonisation, and the strengthening the French and European industries within the sector.

Renault Group and Verkor intend to develop jointly a high-performance battery suitable for the C and higher segments of the Renault range, as well as for the Alpine models. Together with the consortium, they will help create of more than 200 direct jobs.

The initial phases of the partnership will involve the financing of a R&D centre (Verkor Innovation Centre) and a pilot line for battery cell and module prototyping and production in France as early as 2022. The second phase will see Verkor moving forward to create the first gigafactory for high performance batteries in France, with an initial capacity of 10 GWh for the Renault Group from 2026, potentially rising to 20 GWh by 2030.

Cooperation between Renault Group and Verkor will be based on a common road map to reduce carbon emissions from battery manufacturing by 75% compared to traditional process, and to establish a supply chain that allows traceability and secures the availability of raw materials used in EV models.

"We are proud to be associated with Renault Group and look forward to delivering on our common vision of making e-mobility widely available, through this partnership. This is a major deal which demonstrates our progress along our roadmap to generate up to 50 GWh of battery cell production capacity by 2030 – a cornerstone in developing a competitive, sovereign and sustainable battery supply chain in Europe", said **Benoit Lemaignan CEO of Verkor.**

The capital investment into Verkor is subject to the conditions that are normally applicable to this type of transaction, in particular the regulatory consultation of labour relations bodies.

A presentation of Renault Group's technological ecosystem, including partnerships with Envision AESC and Verkor, will be made at the Renault eWays [online conference](#), which will take place on Wednesday, June 30th, 2021 at 11:00am (CET). During the event, Luca de Meo and his team will present the Renault Group strategy to be at the forefront of electrification by making affordable and cost-effective electric vehicles.

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 5 complementary brands - Renault, Dacia, LADA, Alpine and Mobilize - offering sustainable and innovative mobility solutions to its customers. Established in more than 130 countries, the Group has sold 2.9 million vehicles in 2020. It employs more than 170,000 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 2050. <https://www.renaultgroup.com/en/>

About Envision AESC

Envision AESC is part of Envision Group, a global green tech company with four other integrated divisions, operating the world's largest AtoT energy solutions through Envision Digital, smart wind turbines through Envision Energy, pioneering battery technology through its leading Formula E team Envision Virgin racing and investing in R&D through a global network of innovation centres in US, Europe and Asia. Envision AESC is a world-leading battery producer headquartered in Japan. Our low-carbon battery plants in Japan, UK, US and China employ 2,500 people and have produced batteries for more than 600,000 EVs in 44 countries in the last decade. We invest heavily in next generation technology to drive innovation and work with strategic partners to develop capability and craftsmanship, quality design and technology to deliver exceptional battery performance, safety and cost at speed for our customers. We pride ourselves on the safety record of our batteries, which continually achieve zero critical incidents in new product and process designs. Together with smart, digitally integrated clean energy generation, storage and use in our battery plants, we are supporting the global transition towards net zero carbon energy targets.

About Verkor

Founded in July 2020, Verkor is a French industrial company based in Grenoble. With the backing of EIT InnoEnergy, Groupe IDEC, Schneider Electric, and Capgemini, Verkor will ramp up low-carbon battery manufacturing in France and Europe to meet the growing demand for electric vehicles — and electric mobility as a whole — and stationary storage in Europe.

Verkor is developing an enticing business model based on agility, sustainability and governance that is attracting the best talents from around the world. Its strong and agile team continues to grow as new challenges arise. Verkor is leading a unifying project that brings together the best partners for establishing the entire value chain in Europe and ensuring the optimal use of skills and resources. Verkor will draw on these strengths to open its entirely digital 4.0 pilot line in 2022. A model of excellence, competitiveness and resource efficiency, this innovation will be integrated into the Gigafactory due for construction in 2024.

More information at www.verkor.com

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