Renault Group

CONSOLIDATED FINANCIAL STATEMENTS 2022

CONSOLIDATED FINANCIAL STATEMENTS

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1. Consolidated income statement

(€ million)	*Notes*	2022	2021 [1]
Revenues	***4***	**46,391**	**41,659**
Cost of goods and services sold		(37,145)	(33,720)
Research and development expenses	*10-A*	(2,125)	(2,313)
Selling, general and administrative expenses		(4,526)	(4,473)
Other operating income and expenses	*6*	(379)	(253)
Other operating income		*425*	*720*
Other operating expenses		*(804)*	*(973)*
Operating income (loss)		**2,216**	**900**
Cost of net financial indebtedness		(181)	(255)
Cost of gross financial indebtedness		*(349)*	*(301)*
Income on cash and financial assets		*168*	*46*
Other financial income and expenses		(305)	(40)
Financial income (expenses)	***7***	**(486)**	**(295)**
Share in net income (loss) of associates and joint ventures		**423**	**515**
Nissan	*12*	*526*	*380*
Other associates and joint ventures	*13*	*(103)*	*135*
Pre-tax income		**2,153**	**1,120**
Current and deferred taxes	*8*	(533)	(571)
Net income from continuing operations		**1,620**	**549**
Net income from continuing operations - parent-company shareholders' share		1,650	524
Net income from continuing operations - non-controlling interests' share		(30)	25
Net income from discontinued operations	***3***	**(2,320)**	**418**
Net income from discontinued operations - parent-company shareholders' share		(1,988)	364
Net income from discontinued operations - non-controlling interests' share		(332)	54
NET INCOME		**(700)**	**967**
Net income – parent company shareholders' share		(338)	888
Net income - non-controlling interests' share		(362)	79
Basic earnings per share [2] (€)		(1.24)	3.25
Basic earnings per share of continuing operations - parent-company shareholders' share (€)		*6.07*	*1.92*
Basic earnings per share of discontinued operations - parent-company shareholders' share (€)		*(7.31)*	*1.33*
Diluted earnings per share [2] (€)		(1.24)	3.24
Diluted earnings per share of continuing operations - parent-company shareholders' share (€)		*6.07*	*1.91*
Diluted earnings per share of discontinued operations - parent-company shareholders' share (€)		*(7.31)*	*1.33*
Number of shares outstanding (thousands)			
for basic earnings per share	*9*	*272,097*	*272,102*
for diluted earnings per share	*9*	*274,251*	*273,868*

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Net income from continuing operations and Net income from discontinued operations – parent-company shareholders' share, divided by the number of shares stated.

2. Consolidated comprehensive income

(€ million)	2022 Gross	2022 Tax effect	2022 Net	2021 [(1)] Gross	2021 [(1)] Tax effect	2021 [(1)] Net
Net income	**(167)**	**(533)**	**(700)**	**1,538**	**(571)**	**967**
Other components of comprehensive income from parent company and subsidiaries						
Items that will not be reclassified subsequently to profit or loss	**320**	**31**	**351**	**327**	**(23)**	**304**
Actuarial gains and losses on defined-benefit pension plans	*320*	*31*	*351*	*134*	*(35)*	*99*
Equity instruments at fair value through equity	*-*	*-*	*-*	*193*	*12*	*205*
Items that have been or will be reclassified to profit or loss in subsequent periods	**878**	**(73)**	**805**	**181**	**(27)**	**154**
Translation adjustments on foreign activities	*(10)*	*-*	*(10)*	*30*	*-*	*30*
Translation adjustments on foreign activities in hyperinflationary economies	*71*	*-*	*71*	*21*	*-*	*21*
Partial hedge of the investment in Nissan	*(25)*	*-*	*(25)*	*4*	*-*	*4*
Fair value adjustments on cash flow hedging instruments [(2)]	*327*	*(77)*	*250*	*65*	*(28)*	*37*
Debt instruments at fair value through equity [(2)]	*(13)*	*4*	*(9)*	*(5)*	*1*	*(4)*
Items that have been reclassified to profit or loss from discontinued operations [(3)]	*528*	*-*	*528*	*66*	*-*	*66*
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	**1,198**	**(42)**	**1,156**	**508**	**(50)**	**458**
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	**196**	**-**	**196**	**571**	**-**	**571**
Actuarial gains and losses on defined-benefit pension plans	*193*	*-*	*193*	*421*	*-*	*421*
Other	*3*	*-*	*3*	*150*	*-*	*150*
Items that have been or will be reclassified to profit or loss in subsequent periods	**710**	**-**	**710**	**634**	**-**	**634**
Translation adjustments on foreign activities	*755*	*-*	*755*	*580*	*-*	*580*
Other	*(45)*	*-*	*(45)*	*54*	*-*	*54*
TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	**906**	**-**	**906**	**1,205**	**-**	**1,205**
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	**2,104**	**(42)**	**2,062**	**1,713**	**(50)**	**1,663**
COMPREHENSIVE INCOME	**1,937**	**(575)**	**1,362**	**3,251**	**(621)**	**2,630**
Parent company shareholders' share			*1,670*			*2,539*
Non-controlling interests' share			*(308)*			*91*

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) The figures reclassified to profit and loss in 2022 are presented in Note 18-F.
(3) Items that have been reclassified to profit or loss from discontinued operations in 2022 include the reclassification to profit and loss of translation adjustments of the Russian entities that have been sold (see Note 3-B).

3. Consolidated financial position

ASSETS (€ million)	Notes	December 31, 2022	December 31, 2021
Non-current assets			
Intangible assets and goodwill	10-A	4,700	6,398
Property, plant and equipment	10-B	11,705	16,167
Investments in associates and joint ventures		18,210	16,955
Nissan	*12*	*17,487*	*16,234*
Other associates and joint ventures	*13*	*723*	*721*
Non-current financial assets	22	413	373
Deferred tax assets	8	593	550
Other non-current assets	17	938	966
TOTAL NON-CURRENT ASSETS		**36,559**	**41,409**
Current assets			
Inventories	14	5,213	4,792
Sales Financing receivables	15	44,247	39,498
Automotive receivables	16	998	788
Current financial assets	22	1,416	1,380
Current tax assets	17	154	128
Other current assets	17	4,097	3,688
Cash and cash equivalents	22	21,774	21,928
Assets held for sale	3	3,861	129
TOTAL CURRENT ASSETS		**81,760**	**72,331**
TOTAL ASSETS		**118,319**	**113,740**

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	Notes	December 31, 2022	December 31, 2021
Shareholders' equity			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(208)	(237)
Revaluation of financial instruments		208	5
Translation adjustment		(2,146)	(3,407)
Reserves		26,370	25,159
Net income – parent company shareholders' share		(338)	888
Shareholders' equity – parent company shareholders' share		**28,798**	**27,320**
Shareholders' equity – non-controlling interests' share		741	574
TOTAL SHAREHOLDERS' EQUITY	**18**	**29,539**	**27,894**
Non-current liabilities			
Deferred tax liabilities	8	1,021	1,009
Provisions for pension and other long-term employee benefit obligations – long-term	19	1,029	1,355
Other provisions – long-term	20	1,341	1,291
Non-current financial liabilities	23	10,738	13,232
Provisions for uncertain tax liabilities – long-term	21	234	217
Other non-current liabilities	21	1,372	1,457
TOTAL NON-CURRENT LIABILITIES		**15,735**	**18,561**
Current liabilities			
Provisions for pension and other long-term employee benefit obligations – short-term	19	45	85
Other provisions – short-term	20	1,087	1,550
Current financial liabilities	23	4,605	3,605
Sales Financing debts	23	48,999	45,123
Trade payables		8,405	7,975
Current tax liabilities	21	312	266
Provisions for uncertain tax liabilities – short-term	21	21	6
Other current liabilities	21	8,698	8,493
Liabilities related to assets held for sale	3	873	182
TOTAL CURRENT LIABILITIES		**73,045**	**67,285**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**118,319**	**113,740**

4. Changes in consolidated shareholders' equity

(€ million)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	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, 2020	**295,722**	**1,127**	**3,785**	**(284)**	**384**	**(4,108)**	**31,876**	**(8,008)**	**24,772**	**566**	**25,338**
2021 net income								888	888	79	967
Other components of comprehensive income (1)					432	701	518		1,651	12	1,663
2021 COMPREHENSIVE INCOME		**-**	**-**	**-**	**432**	**701**	**518**	**888**	**2,539**	**91**	**2,630**
Allocation of 2020 net income							(8,008)	8,008	-		-
Dividends									-	(81)	(81)
(Acquisitions) / disposals of treasury shares and impact of capital increases				47					47		47
Changes in ownership interests							-		-	(2)	(2)
Cost of share-based payments and other (2)					(811)		773		(38)		(38)
BALANCE AT DECEMBER 31, 2021	**295,722**	**1,127**	**3,785**	**(237)**	**5**	**(3,407)**	**25,159**	**888**	**27,320**	**574**	**27,894**
2022 net income								(338)	(338)	(362)	(700)
Other components of comprehensive income					203	1,248	557		2,008	54	2,062
2022 COMPREHENSIVE INCOME		**-**	**-**	**-**	**203**	**1,248**	**557**	**(338)**	**1,670**	**(308)**	**1,362**
Allocation of 2021 net income							888	(888)	-		-
Dividends									-	(41)	(41)
(Acquisitions) / disposals of treasury shares and impact of capital increases				29					29		29
Changes in ownership interests						13	(178)		(165)	516	351
Cost of share-based payments and other					-		(56)		(56)	-	(56)
BALANCE AT DECEMBER 31, 2022	**295,722**	**1,127**	**3,785**	**(208)**	**208**	**(2,146)**	**26,370**	**(338)**	**28,798**	**741**	**29,539**

(1) Changes in the revaluation reserve correspond to the gain on sale of the Daimler shares in 2021 until the date of the sale; changes in reserves mainly correspond to actuarial gains on defined-benefit pension plans recognized during the period.

(2) Including Renault's €554 million gain on sale of the Daimler shares, reclassified in reserves and Nissan's €252 million gain on sale of its Daimler shares, reclassified in reserves.

Details of changes in consolidated shareholders' equity in 2022 are given in Note 18.

5. Consolidated cash flows

(€ million)	Notes	2022	2021 [1]
Net income from continuing operations		**1,620**	**549**
Cancellation of income and expenses with no impact on cash :			
Depreciation, amortization and impairment		3,532	3,894
Share in net (income) loss of associates and joint ventures		(423)	(515)
Other income and expenses with no impact on cash before interest and tax	*26-A*	288	240
Dividends received from unlisted associates and joint ventures		23	29
Cash flows before interest and tax [2]		**5,040**	**4,197**
Dividends received from listed companies		**64**	**-**
Net change in financing for final customers		(1,383)	47
Net change in renewable dealer financing		(3,677)	1,534
Decrease (increase) in Sales Financing receivables		**(5,060)**	**1,581**
Bond issuance by the Sales Financing segment	*23-C*	3,614	686
Bond redemption by the Sales Financing segment	*23-C*	(3,588)	(4,342)
Net change in other debts of the Sales Financing segment		4,185	1,073
Net change in other securities and loans of the Sales Financing segment		137	(219)
Net change in financial assets and debts of the Sales Financing segment		**4,348**	**(2,802)**
Change in capitalized leased assets		**(217)**	**(413)**
Change in working capital before tax	***26-B***	**404**	**(307)**
Cash flows from operating activities before interest and tax		**4,579**	**2,256**
Interest received		172	45
Interest paid		(345)	(248)
Current taxes (paid) / received		(479)	(335)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS		**3,927**	**1,718**
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	***3***	**(314)**	**691**
Property, plant and equipment and intangible investments [3]	*26-C*	(2,640)	(2,686)
Disposals of property, plant and equipment and intangible assets		410	567
Acquisitions of investments involving gain of control, net of cash acquired		-	(103)
Acquisitions of other investments		(132)	(129)
Disposals of investments involving loss of control, net of cash transferred		(38)	-
Disposals of other investments [4]		47	1,182
Net decrease (increase) in other securities and loans of the Automotive segment		(126)	(142)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS		**(2,479)**	**(1,311)**
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	***3***	**(815)**	**(305)**
Dividends paid to parent company shareholders	*18-D*	-	-
Transactions with non-controlling interests [3]		54	(2)
Dividends paid to non-controlling interests	*18-H*	(41)	(81)
(Acquisitions) sales of treasury shares		(60)	(36)
Cash flows with shareholders		**(47)**	**(119)**
Bond issuance by the Automotive segment	*23-C*	2,062	2,239
Bond redemption by the Automotive segment	*23-C*	(240)	(829)
Net increase (decrease) in other financial liabilities of the Automotive segment		(2,575)	(1,769)
Net change in financial liabilities of the Automotive segment	*23-B*	**(753)**	**(359)**
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS		**(800)**	**(478)**
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	***3***	**322**	**(153)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(159)**	**162**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Cash flows before interest and tax do not include dividends received from listed companies.
(3) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.
(4) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares in 2021.

(€ million)	2022	2021 [1]
Cash and cash equivalents: opening balance	**21,928**	**21,697**
Increase (decrease) in cash and cash equivalents	678	162
Effects of change of scope [2]	(837)	-
Effect of changes in exchange rate and other changes	28	88
Cash generated by discontinued operations and assets held for sale	(23)	(19)
Cash and cash equivalents: closing balance [3]	**21,774**	**21,928**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) The effects of change of scope mainly concern the disposal of AVTOVAZ for €578 million and Renault Russia for €163 million.
(3) Cash subject to restrictions on use is described in Note 22-C.

6. Notes to the condensed consolidated financial statements

6.1. Information on operating segments and Regions

From January 1, 2022, following the disposal of Renault's investment in AVTOVAZ, the operating segments used by Renault Group are as follows:

- The **"Automotive"** segment, which comprises the production, sales, and distribution subsidiaries for passenger cars and light commercial vehicles, and the subsidiaries in charge of the segment's cash management. This segment also includes investments in automotive-sector associates and joint ventures, principally Nissan.
- 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 associates and joint ventures.
- The **"Mobility Services"** segment consisting of services for new mobilities.

The segment previously named AVTOVAZ, and all the discontinued operations in Russia, are now presented separately as Discontinued operations in the Automotive segment in 2022, in accordance with IFRS 5. The segment information for 2021 has been adjusted according to the same principles.

The segment result regularly reviewed by the Board of Management, identified as the "Chief Operating Decision-Maker", is the operating margin. The definition of this indicator is detailed in the consolidated financial statements at December 31, 2022 (Note 2-D Presentation of the consolidated financial statements). The operating margin excludes restructuring costs.

A. Information by operating segment

A1. Consolidated income statement by operating segment

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2022					
External sales	**43,121**	**3,235**	**35**	**-**	**46,391**
Intersegment sales	96	16	3	(115)	-
Sales by segment	**43,217**	**3,251**	**38**	**(115)**	**46,391**
Operating margin (1)	**1,401**	**1,223**	**(30)**	**1**	**2,595**
Operating income	**1,044**	**1,202**	**(31)**	**1**	**2,216**
Financial income (expenses) (2)	**347**	**(31)**	**(2)**	**(800)**	**(486)**
Share in net income (loss) of associates and joint ventures	**557**	**(127)**	**(7)**	**-**	**423**
Pre-tax income	**1,948**	**1,044**	**(40)**	**(799)**	**2,153**
Current and deferred taxes	(203)	(329)	(1)	-	(533)
Net income from continuing operations	**1,745**	**715**	**(41)**	**(799)**	**1,620**
Net income from discontinued operations	**(2,320)**	**-**	**-**	**-**	**(2,320)**
Net income	**(575)**	**715**	**(41)**	**(799)**	**(700)**

(1) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.
(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the Automotive segment's financial income and eliminated in the intersegment transactions. A dividend of €800 million was paid in 2022.

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2021 (1)					
External sales	**38,700**	**2,935**	**24**	**-**	**41,659**
Intersegment sales	102	18	2	(122)	-
Sales by segment	**38,802**	**2,953**	**26**	**(122)**	**41,659**
Operating margin (2)	**(5)**	**1,185**	**(29)**	**2**	**1,153**
Operating income	**(227)**	**1,179**	**(54)**	**2**	**900**
Financial income (expenses) (3)	**720**	**(14)**	**(1)**	**(1,000)**	**(295)**
Share in net income (loss) of associates and joint ventures	**501**	**19**	**(5)**	**-**	**515**
Pre-tax income	**994**	**1,184**	**(60)**	**(998)**	**1,120**
Current and deferred taxes	(243)	(327)	(1)	-	(571)
Net income from continuing operations	**751**	**857**	**(61)**	**(998)**	**549**
Net income from discontinued operations	**418**	**-**	**-**	**-**	**418**
Net income	**1,169**	**857**	**(61)**	**(998)**	**967**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(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 segment are included in the Automotive segment's financial income and eliminated in the intersegment transactions. A dividend of €1,000 million was paid in 2021.

A2. Consolidated financial position by operating segment

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
December 31, 2022					
ASSETS					
Non-current assets					
Property, plant and equipment, intangible assets and goodwill	15,566	796	43	-	16,405
Investments in associates and joint ventures	18,141	66	3	-	18,210
Non-current financial assets – equity investments	6,313	11	-	(6,261)	63
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	350	-	1	(1)	350
Deferred tax assets	354	239	-	-	593
Other non-current assets	831	107	-	-	938
TOTAL NON-CURRENT ASSETS	**41,555**	**1,219**	**47**	**(6,262)**	**36,559**
Current assets					
Inventories	5,188	24	1	-	5,213
Customer receivables	1,009	44,732	8	(504)	45,245
Current financial assets	1,294	980	-	(858)	1,416
Current tax assets and other current assets [(1)]	6,583	5,798	7	(4,276)	8,112
Cash and cash equivalents	14,227	7,549	17	(19)	21,774
TOTAL CURRENT ASSETS	**28,301**	**59,083**	**33**	**(5,657)**	**81,760**
TOTAL ASSETS	**69,856**	**60,302**	**80**	**(11,919)**	**118,319**

SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	**29,571**	**6,217**	**18**	**(6,267)**	**29,539**
Non-current liabilities					
Long-term provisions	2,039	565	-	-	2,604
Non-current financial liabilities	9,845	886	8	(1)	10,738
Deferred tax liabilities	224	795	2	-	1,021
Other non-current liabilities	1,082	288	2	-	1,372
TOTAL NON-CURRENT LIABILITIES	**13,190**	**2,534**	**12**	**(1)**	**15,735**
Current liabilities					
Short-term provisions	1,103	50	-	-	1,153
Current financial liabilities	5,191	-	36	(622)	4,605
Trade payables and Sales Financing debts	8,487	49,739	8	(830)	57,404
Current tax liabilities and other current liabilities [(1)]	12,314	1,762	6	(4,199)	9,883
TOTAL CURRENT LIABILITIES	**27,095**	**51,551**	**50**	**(5,651)**	**73,045**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**69,856**	**60,302**	**80**	**(11,919)**	**118,319**

(1) *Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.*

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
December 31, 2021					
ASSETS					
Non-current assets					
Property, plant and equipment, intangible assets and goodwill	21,943	581	40	1	22,565
Investments in associates and joint ventures	16,774	176	5	-	16,955
Non-current financial assets – equity investments	6,215	11	1	(6,155)	72
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	306	-	-	(5)	301
Deferred tax assets	361	189	-	-	550
Other non-current assets	815	151	-	-	966
TOTAL NON-CURRENT ASSETS	**46,414**	**1,108**	**46**	**(6,159)**	**41,409**
Current assets					
Inventories	4,768	24	-	-	4,792
Customer receivables	916	40,020	4	(654)	40,286
Current financial assets	1,051	1,187	-	(858)	1,380
Current tax assets and other current assets (1)	2,871	5,733	5	(4,664)	3,945
Cash and cash equivalents	13,877	8,040	14	(3)	21,928
TOTAL CURRENT ASSETS	**23,483**	**55,004**	**23**	**(6,179)**	**72,331**
TOTAL ASSETS	**69,897**	**56,112**	**69**	**(12,338)**	**113,740**
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	**27,913**	**6,134**	**8**	**(6,161)**	**27,894**
Non-current liabilities					
Long-term provisions	2,298	565	-	-	2,863
Non-current financial liabilities	12,333	893	11	(5)	13,232
Deferred tax liabilities	368	640	1	-	1,009
Other non-current liabilities	1,181	276	-	-	1,457
TOTAL NON-CURRENT LIABILITIES	**16,180**	**2,374**	**12**	**(5)**	**18,561**
Current liabilities					
Short-term provisions	1,606	35	-	-	1,641
Current financial liabilities	4,234	-	35	(664)	3,605
Trade payables and Sales Financing debts	8,094	45,843	5	(844)	53,098
Current tax liabilities and other current liabilities (1)	11,870	1,726	9	(4,664)	8,941
TOTAL CURRENT LIABILITIES	**25,804**	**47,604**	**49**	**(6,172)**	**67,285**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**69,897**	**56,112**	**69**	**(12,338)**	**113,740**

(1) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

A3. Consolidated cash flows by operating segment

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2022					
Net income from continuing operations [1]	**1,745**	**715**	**(41)**	**(799)**	**1,620**
Cancellation of income and expenses with no impact on cash :					
Depreciation, amortization and impairment	3,391	135	6	-	3,532
Share in net (income) loss of associates and joint ventures	(557)	127	7	-	(423)
Other income and expenses with no impact on cash, before interest and tax	(49)	346	2	(11)	288
Dividends received from unlisted associates and joint ventures	23	-	-	-	23
Cash flows before interest and tax	**4,553**	**1,323**	**(26)**	**(810)**	**5,040**
Dividends received from listed companies	**64**	**-**	**-**	**-**	**64**
Decrease (increase) in Sales Financing receivables	-	(5,026)	-	(34)	(5,060)
Net change in financial assets and Sales Financing debts	-	4,370	-	(22)	4,348
Change in capitalized leased assets	87	(304)	-	-	(217)
Change in working capital before tax	7	400	(2)	(1)	404
Cash flows from operating activities before interest and tax	**4,711**	**763**	**(28)**	**(867)**	**4,579**
Interest received	175	-	-	(3)	172
Interest paid	(357)	-	(1)	13	(345)
Current taxes (paid)/received	(143)	(335)	(1)	-	(479)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	**4,386**	**428**	**(30)**	**(857)**	**3,927**
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	**(315)**	**-**	**-**	**-**	**(315)**
Purchases of intangible assets [2]	(1,216)	(15)	(12)	-	(1,243)
Purchases of property, plant and equipment	(1,395)	(2)	-	-	(1,397)
Disposals of property, plant and equipment and intangibles [3]	408	-	2	-	410
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(38)	-	-	-	(38)
Acquisitions and disposals of other investments and other	(112)	(14)	(6)	47	(85)
Net decrease (increase) in other securities and loans of the Automotive segment	(121)	-	(7)	2	(126)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	**(2,474)**	**(31)**	**(23)**	**49**	**(2,479)**
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	**(815)**	**-**	**-**	**-**	**(815)**
Cash flows with shareholders [2]	(35)	(812)	48	752	(47)
Net change in financial liabilities of the Automotive segment	(803)	-	10	40	(753)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	**(838)**	**(812)**	**58**	**792**	**(800)**
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	**323**	**-**	**-**	**-**	**323**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**267**	**(415)**	**5**	**(16)**	**(159)**
Cash and cash equivalents: opening balance	**13,877**	**8,040**	**14**	**(3)**	**21,928**
Increase (decrease) in cash and cash equivalents	1,105	(416)	5	(16)	678
Effects of change of scope [4]	(838)	1	-	-	(837)
Effect of changes in exchange rate and other changes	106	(76)	(2)	-	28
Cash generated by discontinued operations and assets held for sale	(23)	-	-	-	(23)
Cash and cash equivalents: closing balance	**14,227**	**7,549**	**17**	**(19)**	**21,774**

(1) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €800 million in 2022.

(2) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

(3) The principal gains on disposals of property, plant and equipment and intangibles (€410 million at December 31, 2022) are presented in Note 6-C.

(4) The effects of change of scope mainly concern the disposal of AVTOVAZ for €578 million and Renault Russia for €163 million.

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2021 [1]					
Net income from continuing operations [2]	**751**	**857**	**(61)**	**(998)**	**549**
Cancellation of income and expenses with no impact on cash :					
Depreciation, amortization and impairment	3,710	150	34	-	3,894
Share in net (income) loss of associates and joint ventures	(502)	(18)	5	-	(515)
Other income and expenses with no impact on cash, before interest and tax	(2)	257	1	(16)	240
Dividends received from unlisted associates and joint ventures	29	-	-	-	29
Cash flows before interest and tax	**3,986**	**1,246**	**(21)**	**(1,014)**	**4,197**
Dividends received from listed companies	**-**	**-**	**-**	**-**	**-**
Decrease (increase) in Sales Financing receivables	-	2,228	-	(647)	1,581
Net change in financial assets and Sales Financing debts	-	(2,852)	-	50	(2,802)
Change in capitalized leased assets	(218)	(195)	-	-	(413)
Change in working capital before tax	(483)	181	(3)	(2)	(307)
Cash flows from operating activities before interest and tax	**3,285**	**608**	**(24)**	**(1,613)**	**2,256**
Interest received	45	-	-	-	45
Interest paid	(263)	-	-	15	(248)
Current taxes (paid)/received	(71)	(263)	(1)	-	(335)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	**2,996**	**345**	**(25)**	**(1,598)**	**1,718**
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	**691**	**-**	**-**	**-**	**691**
Purchases of intangible assets	(1,103)	(6)	(5)	-	(1,114)
Purchases of property, plant and equipment	(1,571)	(1)	-	-	(1,572)
Disposals of property, plant and equipment and intangibles [3]	567	-	-	-	567
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(6)	(97)	-	-	(103)
Acquisitions and disposals of other investments and other [4]	1,043	(4)	(3)	17	1,053
Net decrease (increase) in other securities and loans of the Automotive segment	(162)	-	5	15	(142)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	**(1,232)**	**(108)**	**(3)**	**32**	**(1,311)**
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	**(305)**	**-**	**-**	**-**	**(305)**
Cash flows with shareholders	(98)	(1,019)	15	983	(119)
Net change in financial liabilities of the Automotive segment	(952)	-	9	584	(359)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	**(1,050)**	**(1,019)**	**24**	**1,567**	**(478)**
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	**(153)**	**-**	**-**	**-**	**(153)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**947**	**(782)**	**(4)**	**1**	**162**
Cash and cash equivalents: opening balance	**12,949**	**8,738**	**15**	**(5)**	**21,697**
Increase (decrease) in cash and cash equivalents	947	(782)	(4)	1	162
Effect of changes in exchange rate and other changes	-	84	3	1	88
Cash generated by discontinued operations and assets held for sale	(19)	-	-	-	(19)
Cash and cash equivalents: closing balance	**13,877**	**8,040**	**14**	**(3)**	**21,928**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €1,000 million in 2021.
(3) The principal gains on disposals of property, plant and equipment and intangibles (€567 million at December 31, 2021) are presented in Note 6-C.
(4) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares.

A4. Other information for the Automotive segment: 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 segment.

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)

(€ million)	December 31, 2022	December 31, 2021 (1)
Non-current financial liabilities	(9,845)	(11,224)
Current financial liabilities	(5,191)	(4,234)
Non-current financial assets – other securities, loans and derivatives on financing operations	121	90
Current financial assets	1,237	977
Cash and cash equivalents	14,227	13,291
Net cash position (net financial indebtedness) of the Automotive segment	**549**	**(1,100)**

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

Operational free cash flow

(€ million)	2022	2021 (1)
Cash flows (excluding dividends from listed companies) before interest and tax	4,553	3,986
Changes in working capital before tax	7	(483)
Interest received by the Automotive segment	175	45
Interest paid by the Automotive segment	(357)	(263)
Current taxes (paid) / received	(143)	(71)
Acquisitions of property, plant and equipment, and intangible assets net of disposals (2)	(2,203)	(2,107)
Capitalized leased vehicles and batteries	87	(218)
Operational free cash flow of the Automotive segment	**2,119**	**889**
Payments for restructuring expenses	*(590)*	*(598)*
Operational free cash flow of the Automotive segment excluding restructuring (3)	**2,709**	**1,487**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.
(3) The amounts included in Restructuring Costs are presented in note 6-A.

ROCE

ROCE (Return On Capital Employed) is an indicator that measures the profitability of capital invested. It is reported for the Automotive segment. The ROCE for 2021, after elimination of items relating to discontinued operations in the Russian Federation, is presented below.

(€ million)	December 31, 2022	December 31, 2021 (1)
Operating margin	1,402	(3)
Normative tax rate	28%	28%
Operating margin after tax (A) (2)	**1,009**	**(2)**
Property, plant and equipment, intangible assets and goodwill	15,566	19,749
Investments in associates and joint ventures excluding Nissan	654	529
Non-current financial assets – equity investments excluding RCI Banque SA and Renault M.A.I.	52	60
Working capital	(8,272)	(11,488)
Capital employed (B)	**8,000**	**8,850**
Return on capital employed (ROCE = A/B)	**12.6%**	**-0.0%**

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) The approach used to determine ROCE includes a theoretical tax effect based on a normative tax rate of 28%.

(€ million)	December 31, 2021 disclosed	IFRS 5 impact	December 31, 2021 (1)
Operating margin	507	(510)	(3)
Normative tax rate	28%		28%
Operating margin after tax (A) (2)	**365**	**(367)**	**(2)**
Property, plant and equipment, intangible assets and goodwill	21,943	(2,194)	19,749
Investments in associates and joint ventures excluding Nissan	540	(11)	529
Non-current financial assets – equity investments excluding RCI Banque SA and Renault M.A.I.	60	-	60
Working capital	(11,775)	287	(11,488)
Capital employed (B)	**10,768**	**(1,918)**	**8,850**
Return on capital employed (ROCE = A/B)	**3.4%**		**-0.0%**

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) 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. For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(€ million)	December 31, 2022	December 31, 2021 (1)
Other non-current assets	831	798
Inventories	5,188	4,318
Customer receivables	1,009	859
Current tax assets and other current assets (2)	6,583	2,546
Other non-current liabilities	(1,082)	(1,176)
Trade payables	(8,487)	(7,449)
Current tax liabilities and other current liabilities (2)	(12,314)	(11,384)
Working capital	**(8,272)**	**(11,488)**

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

(€ million)	December 31, 2021 disclosed	IFRS 5 impact	December 31, 2021 (1)
Other non-current assets	815	(17)	798
Inventories	4,768	(450)	4,318
Customer receivables	916	(57)	859
Current tax assets and other current assets (2)	2,871	(325)	2,546
Other non-current liabilities	(1,181)	5	(1,176)
Trade payables	(8,094)	645	(7,449)
Current tax liabilities and other current liabilities (2)	(11,870)	486	(11,384)
Working capital	**(11,775)**	**287**	**(11,488)**

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

B. Information by 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	Asia Pacific	Africa & Middle East	Eurasia	Consolidated total
2022						
Revenues	35,685	4,351	2,699	1,757	1,899	**46,391**
Including France	*13,814*					
Property, plant and equipment and intangible assets	14,230	471	663	663	378	**16,405**
Including France	*10,124*					
2021						
Revenues (1)	31,972	3,428	2,686	1,553	2,020	**41,659**
Including France	*13,139*					
Property, plant and equipment and intangible assets	17,806	561	660	770	2,768	**22,565**
Including France	*12,857*					

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

6.2. Accounting policies and scope of consolidation

Note 1 - Approval of the financial statements

Renault Group's consolidated financial statements for 2022 were examined at the Board of Directors' meeting of February 15, 2023 and will be submitted for approval by the shareholders at the General Shareholders' Meeting.

Note 2 - Accounting policies

In application of European regulations, the Renault Group's consolidated financial statements for 2022 are prepared under IFRS (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board) at December 31, 2022 and adopted by the European Union at the year-end.

2-A. Changes in accounting policies

New amendments and improvements mandatory for 2022

Renault Group applies the accounting standards and amendments that have been published in the Official Journal of the European Union and are mandatory from January 1, 2022.

Amendments to IAS 16	Property, plant and equipment: Proceeds before intended use
Amendments to IFRS 3	Updating a reference to the conceptual framework
Amendments to IAS 37	Onerous contracts – Cost of fulfilling a contract
Annual improvements (2018-2020 cycle)	Annual improvements process

Application of these amendments from January 1, 2022 has no significant impact on the Group's financial statements.

New standards and amendments not applied early by the Group

New IFRS standards and amendments not applied early by the Group		**Mandatory application date set by the IASB**
IFRS 17 and amendments	Insurance contracts	January 1, 2023
Amendments to IFRS 17	Initial Application of IFRS 17 and IFRS 9 - Comparative Information	January 1, 2023
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	January 1, 2023
Amendments to IAS 1	Disclosure of accounting policies	January 1, 2023
Amendments to IAS 8	Definition of accounting estimates	January 1, 2023

The Group does not at this stage anticipate that application of the amendments to IAS 1, IAS 8 and IAS 12 will have any significant impact on the consolidated financial statements.

IFRS 17 – Insurance Contracts, published on May 18, 2017 and modified by amendments of June 25, 2020, sets out the principles of recognition, measurement, presentation and disclosures for insurance contracts. It replaces IFRS 4, Insurance Contracts, and will be applicable for financial years beginning on or after January 1, 2023.

For the Group, IFRS 17 mainly applies to credit insurance contracts issued and reassurance agreements signed by the Sales Financing segment's insurance companies. Contracts will be valued under the general "building block" approach which comprises: (1) estimated future cash flows discounted under the "bottom-up" approach, with a discount rate determined by adjusting a risk-free yield curve to take account of liquidity characteristics of the insurance contracts portfolio, (2) adjustment for non-financial risks calculated according to the confidence interval method, and (3) the contractual service margin. The contractual service margin will be recognized in the income statement based on the coverage units supplied during the period, i.e. according to the amortization of the insured credit.

The modified retrospective application of IFRS 17 from January 1, 2023 is expected to have a positive effect on equity around €130 million as of January 1, 2022, the transition date. No onerous contracts were identified in the portfolio at the transition date. Calculation of the impact of IFRS 17 on the 2022 income statement is not yet finalized.

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**
Amendments to IAS 1	Classification of liabilities as current or non-current	January 1, 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback	January 1, 2024

The Group is currently analysing 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.

IFRS IC interpretation concerning recognition of Targeted Long Term Refinancing Operations (TLTRO) (IFRS 9 and IAS 20)

The IFRS IC decision clarifying analysis and recognition of TLTRO III transactions became final in March 2022. This decision applies to drawings of TLTRO III financing by the Sales Financing segment, to which the Group has opted to apply IFRS 9. More details of these transactions are provided in Note 23-C.

Hyperinflation in Turkey

On March 16, 2022 Turkey was identified by the International Practices Task Force (IPTF) of the Center for Audit Quality as a country that should be considered hyperinflationary for the purposes of 2022 financial statements.

The entities MAIS Motorlu Araclar Imal ve Satis AS and ORFIN Finansman Anonim Sirketi, which are accounted for under the equity method, use the local currency as their functional currency and have applied the hyperinflation adjustment at December 31, 2022. Its effect on their contribution to the Group financial statements is considered non-significant. The fully consolidated entities Oyak Renault and Renault Group Otomotiv prepare their accounts for the Group consolidation using the euro as their functional currency, since most of their business is conducted in euros. Consequently, their accounts do not require adjustment for hyperinflation.

2-B. Estimates and judgments

Specific context of 2022

Renault Group's exit from the Russian Federation

As announced on May 16, 2022, Renault Group has sold its investments in Renault Russia and the AVTOVAZ Group. Those entities have therefore been deconsolidated. They are treated as discontinued operations in 2022, in compliance with IFRS 5, and the 2021 income statement and cash flow statement figures have been adjusted accordingly. Following this sale, the AVTOVAZ Group is no longer presented as a separate operating segment for the purposes of segment reporting.

Details of the impacts of this deconsolidation are provided in Note 3-B, Discontinued operations, and Renault Group's option to buy back its investment in AVTOVAZ is mentioned in Note 28-B. Off-balance sheet commitments received, contingent assets and assets received as collateral.

In the Sales Financing segment, the Group fully consolidates one 100%- owned entity (RNL Leasing) and applies the equity method for RN Bank. Due to uncertainty over its recoverability the equity-accounted value of RN Bank is fully written off at December 31, 2022 (see Note 13), with a negative impact of € 119 million on the net income of associates and joint ventures for the year. The contribution by RNL Leasing to the Group's shareholders' equity remains of low significance (€2 million) and the €19 million shareholder loan is eliminated as an intragroup operation. At December 31, 2022 this entity is classified as Assets held for sale at a book value that does not exceed its recoverable value.

Components supply crisis

Since 2021, the Automotive segment has experienced disruptions in supplies of electronic components that have affected the worldwide automotive sector. The effects of this components crisis continued during 2022, and the principal consequence was lower production output. As a result, after a 4.5% decrease between 2020 and 2021 to 2,696,401 units, sales volumes also declined by 5.9% between 2021 and 2022: 2,051,174 vehicles were sold in 2022, compared to an adjusted volume (excluding sales in Russia) of 2,179,562 vehicles sold in 2021.

External financing

To maintain a sufficient level of liquidity for its operations, in 2022 the Group issued two bonds the Japanese market as part of Renault's Shelf Registration program, for a total of ¥290.7 billion. And the Group made €2,010 million repayment in 2022 of its State-guaranteed credit facility. The outstanding amount of this credit, which initially amounted to €4 billion, is €990 million at December 31, 2022. 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 and has demonstrated its capacity to issue debt.

Changes in the Group's organization

Since announcing its Renaulution plan in 2020, Renault Group has worked to transform its business and its organization. At the Capital Market Day held on November 8, 2022, it announced that some of its Horse project powertrain technologies were to be combined into a joint venture. The groups of assets and liabilities concerned were therefore reclassified as assets and liabilities held for sale in the consolidated financial position at December 31, 2022, in accordance with IFRS 5.

The Group also announced at the same Capital Market Day that it was setting up five targeted businesses with specialist teams, each one founded on a homogeneous set of technologies with its own governance and results. The practical results of this announcement will be visible from 2023 as the entities concerned are formed or sold off, and it has no impact on the structure of segment reporting for 2022.

In November 2022, the Group sold 34% of the capital of its Korean subsidiary RKM to the Chinese group Geely, and simultaneously purchased an industrial production licence to make two new vehicles for the Asian market

Employee agreements and employee shareholding

Amid rising inflation, discussions took place between the Management and the Unions about purchasing power concerns in France. An agreement was signed on September 30, 2022 comprising several measures implemented in 2022 (a €500 bonus, a 25% increase in monetized unused leave, etc).

To engage all employees in the Group's new strategy and future performance as in-depth changes are being made, Renault Group launched Renaulution Shareplan, an employee shareholding operation attributing 6 free shares to more than 95 000 employees across 22 countries. In 21 countries, the plan also offers employees the opportunity to buy shares at a 30% discount. As the reference share price in the Renaulution Shareplan is set at €31.46, the discounted share price is €22.02. The cost of this plan has been recognized in the 2022 financial statements.

Principal estimates and judgments in the 2022 context

In the context of the Group's exit from the Russian Federation, workforce reduction plans, the electronic components supply crisis, and inflation, the following items in the Group's consolidated financial statements have been paid particular attention in 2022:

- potential impairment of fixed assets, particularly impairment on specific assets linked to vehicles and goodwill (see Note 11);
- the recoverable value of leased vehicles classified as property, plant and equipment or inventories;
- investments in associates, notably Nissan and RN Bank (see Notes 12 and 13);
- impairment for expected credit losses concerning Sales Financing receivables (see Note 15);
- revenue recognition;
- determination of restructuring provisions (see Notes 6-A and 20);
- determination of risks associated with distressed suppliers;
- determination of compliance with the requirements of IFRS 5 for reclassification of assets or groups of assets and

liabilities held for sale and reporting them on specific lines in the balance sheet in the current assets and current liabilities (see Note 3-C);

- estimation of the costs associated with the Renaulution Shareplan employee shareholding plan introduced in December 2022.

Principal estimates and judgments relating to environmental matters and climate issues

The main estimates and judgments relating to climate and environmental questions are the following:

- Estimation of the risks associated with the applicable regulations on air pollution and CO2 emissions (specifically the potential impact of the CAFE "Corporate Average Fuel Economy" regulation, which fines automakers if they exceed the average threshold for CO2 emissions by European-registered vehicles in each calendar year, see Note 28);
- Estimation of the consequences of commitments made in connection with environmental and climate issues for the value of Renault Group assets and their useful lives. At this stage, no impact has been identified on either the useful lives or the recoverable value of our tangible and intangible assets. An analysis of the useful lives of production assets, particularly against the background of changing markets, the growing proportion of electric vehicles and the Group's circular economy decisions (the "Re-factories" at Flins and Seville) is conducted at each annual closing: this had no significant impact on the financial statements for 2022;
- Estimation of the consequences of contractual purchase commitments for renewable energy made in connection with environmental and climate issues covering periods of up to 15 years and involving substantial investments; the analysis focused on control of the assets and the financial terms of these contracts, and concluded that they contained no leases or embedded derivatives; information is provided in Note 28-A1 on off-balance sheet commitments (minimum purchase commitments);
- Use of a growth rate to infinity for impairment testing of goodwill and intangible assets with an indefinite useful life that incorporates the effects of commitments made by signatory States to the Paris Agreements on climate change. This has no impact, since the recoverable value of the assets concerned remains significantly higher than their book value.

Other important estimates and judgments

Renault Group 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 Group regularly revises its estimates and assessments to take account of past experience and other factors deemed relevant in view of the economic circumstances.

It takes into consideration forecast technological and market developments (commodity costs, changing customer demand, etc) and any other developments that could have a significant impact on the consolidated financial statements in application of IFRS rules. If changes in these assumptions or circumstances are not as anticipated, the figures reported in Renault Group'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, 2022 that are dependent on estimates and judgments are the following:

- capitalization of research and development expenses and their amortization period (see Note 10-A);
- the depreciation and amortization periods for fixed assets other than capitalized development expenses (see Note 10);
- recognition of deferred tax assets on tax loss carryforwards (see Note 8);
- provisions, particularly warranty provisions on vehicles and batteries sold (see Note 20), provisions for pensions and other long-term employee benefit obligations (see Note 19), provisions for workforce adjustment measures (see Note 6-A), provisions for legal risks and tax risks (other than income tax risks and provisions for uncertain tax liabilities);
- valuation of lease liabilities, particularly the incremental borrowing rates and the value of renewal and termination options that are reasonably certain to be exercised (see 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.

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 segment and in other non-current liabilities in the Sales Financing segment, with a corresponding adjustment to equity.

Outstanding price supplements payable to shareholders who have sold shares to the Group are recorded in the financial position, in financial liabilities (Automotive and Mobilities segments) or in other liabilities (Sales Financing segment) to give a better estimation of the obligation. The liability is initially recognized via an adjustment to goodwill (or unconsolidated investments) and subsequently via profit and loss (other financial income and expenses, or the share in net income of associates and joint ventures, depending on the nature of the investment).

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, which are by nature unusual or significant and could affect comparability of the margin. Other operating income and expenses cover:

- restructuring and workforce adjustment costs, and significant costs relating to discontinued activities. A restructuring is a programme 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 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;
- 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.

With the exception of the tax charge, the share in net income of associates and joint ventures, and financial interest on pension and other long-term employee benefit obligations, all income and expenses resulting from the Sales Financing activity are included in operating income and expenses.

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 (see 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 under 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. This includes transfers of accumulated translation adjustments during the period the entity was accounted for under 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 (see 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 (see 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 (see Note 12).

Dividends received from unlisted associates and joint ventures are included in the Automotive operational free cash flow, while dividends received from listed associates and joint ventures, i.e. Nissan, are excluded from Automotive operational free cash flow

Reporting by operating segment

The information by operating segment is based on internal reporting to the Board of Management, which is identified as the "Chief Operating Decision-Maker". All Group financial data are assigned to the operating segments. The "Intersegment transactions" column is reserved for transactions between the segments, which are carried out on near-market terms. Dividend payments by the Sales Financing segment are included in net financial income and expenses of the Automotive segment.

The indicator used to evaluate segment performance is the operating margin.

The effects of the French consolidated taxation system are included in the tax expense of the Automotive segment.

Assets and liabilities are specific to each segment. Receivables assigned by the Automotive segment 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 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 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 segment, 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 foreign companies' financial statements into the presentation currency and hyperinflation effects

Translation of the accounts 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.

Hyperinflation

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 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 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 accounts of the Group's subsidiaries in Argentina are consolidated in accordance with the principles of IAS 29, which have been applied since January 1, 2018. The effects of index-based restatement and translation of the shareholders' 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.

The accounts of equity-accounted companies in Turkey are consolidated in accordance with the principles of IAS 29, applied from January 1, 2022.

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 (see Note 2-X).

The following impacts are therefore recorded in net income:

- translation adjustments related to financial operations by the Automotive segment 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 and associated costs of the Automotive segment

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 buy-back 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 buy-back 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 segment 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 still to be borne are valued on the basis of observed data for each model and engine regarding 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.

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 revenue to the service contract.

When the customer makes regular payments for the service contract, the revenue is 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 segment loans, negotiable debt instruments, savings collected and financing from credit institutions and assimilate or the European Central Bank.

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. Receivables in default (stage 3) are identified by the Sales Financing segment in compliance with the European Banking Authority's EBA/GL/2016/07 guidelines. The Sales Financing segment has opted for the "one step" approach, which consists of applying the new definition of default and adjusting its internal models concurrently for the Dealer portfolio and Customer portfolio.

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). 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 unfavourable legal judgement (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 segment. The cost of gross financial indebtedness consists of income and expenses generated by the Automotive segment's 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 (see 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.

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 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 (commonly 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.

Impairment tests of goodwill 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, licences, software, brands and similar rights purchased by the Group. When they have a finite useful life, patents, leasehold rights, licences, brands and similar rights purchased are amortized on a straight-line basis over the period of protection stipulated by the contact or the law, or over the useful life if shorter. Intangible business assets and softwares are amortized over their useful life. The useful life of intangible assets is generally between 3 and 5 years. Intangible assets with an indefinite useful life, 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, where relevant, presented as a deduction 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 buy-back commitment by the Group, and vehicles sold under an agreement including a clause for buy-back after a minimum one year of use. Assets leased to customers also include vehicles covered by operating leases longer than one year from Group finance companies, and batteries leased to electric vehicle users by Group finance companies (see Note 2-G).

Right-of-use assets

The Group's leases are essentially for real estate property.

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 estimated 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. The incremental borrowing rate, calculated for each monetary zone, corresponds to the risk-free rate applicable in the zone plus the Group's risk premium applicable 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. 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.

Subsequently, the right-of-use asset is regularly reduced by impairment where relevant (if impairment tests are conducted under the principles presented in Note 2-N), and adjusted on the basis of certain corresponding restatements of the lease obligation.

Lease payments on short-term leases (12 months or less) and leases of low-value assets are treated as operating expenses.

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 9 years. Lease 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.

When a lease is renegotiated to shorten the term or reduce the space leased, the Group recognizes the reassessment of the lease obligation and the gain or loss resulting from the partial termination is recognized in the operating income (other operating income and expenses). When the Group revises the exercise value of a purchase, extension or termination option (for example by applying early termination clauses), a corresponding adjustment is made to the book value of the right-of-use asset.

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.

Sale and leaseback operations

In application of IFRS 16, for a sale and leaseback operation, reference is made to the requirements of IFRS 15 to determine whether the transfer of the asset should be treated as a sale or a financing operation.

If the transfer of an asset does not qualify under IFRS 15 for recognition as a sale, the asset transferred remains in the assets reported in the statement of financial position, and a financial liability equal to the proceeds of the transfer is recognized.

If the transfer of an asset is recognized as a sale and the Group then leases back part or all of the asset sold, only the amount of the gain or loss on the rights transferred to the buyer-lessor is recognized, and the right-of-use asset is adjusted in proportion to the interest retained in the net book value of the asset transferred.

Depreciation

In the Automotive and Sales Financing segments, 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, stamping and painting 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.

2-M. Impairment

Impairment of fixed 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 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. Cash-generating units may represent an economic entity (plant or subsidiary) or the whole Automotive 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.

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 segment 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.

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 and liabilities held for sale and discontinued operations

Assets and liabilities held for sale are non-current assets or groups of assets and liabilities that are available for immediate sale and are highly likely to be sold within twelve months due to advanced discussions with a known buyer.

Assets and groups of assets and liabilities held for sale are presented separately in the statement of consolidated financial position, in accordance with IFRS 5. They are stated at the lower of net book value and fair value less selling costs. No further depreciation or amortization is recorded on non-current assets that are classified as held for sale (or included in a group of assets and liabilities held for sale).

Discontinued operations, as defined by IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, are activities or geographical zones that are significant to the Group and are in the process of being sold or are classified as assets held for sale. The income statement and cash flow statement items relating to discontinued operations are presented on specific lines in the consolidated financial statements for all the periods presented.

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 segment and the Sales Financing segment are valued under the FIFO (First In First Out) method.

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 segment and the Sales Financing segment.

The Automotive segment sometimes uses 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, other share-based payment arrangements, and the liquidity contract.

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. Performance share plans attribution plans and other share-based payment agreements

The Group awards performance shares and other share-based payments made in Renault shares. The grant date is the date at which beneficiaries are informed of the decision to award shares, and the terms of the share plan. For plans subject to performance conditions, an estimate of achievement of the conditions is taken into account in determining the number of shares distributed. 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 performance shares is measured by reference to the fair value of those shares at their grant date. Entitlements to performance shares are valued based on the share value at the grant date less dividends expected during the vesting period. The share price volatility factor applied is implicit volatility at the grant date. The expected dividend 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 entire vesting period. This expense is included in personnel expenses, with a corresponding adjustment to consolidated reserves. When the performance shares vest, 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 that earn benefit entitlements.

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 and receivables of the Sales Financing segment

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 (see 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.

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.

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.

These instruments are stated at amortized cost except for shares in investment funds (UCITS) which are carried at fair value through profit and loss.

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 segment and Sales Financing debts

The Group recognizes a financial liability (for the Automotive segment) 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, subordinated debt, bonds, other debts represented by a certificate, borrowings from credit institutions, lease liabilities (see Note 2-L), other interest-bearing borrowings and derivative liabilities related to financial transactions (see Note 2-X).

Redeemable shares of the Automotive segment 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 (see 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 segment's 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 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 and assets and liabilities held for sale

	Automotive	Sales Financing	Mobility Services	Total
Number of companies consolidated at December 31, 2021	**173**	**45**	**19**	**237**
Newly consolidated companies (acquisitions, formations, etc.)	5	6	1	12
Deconsolidated companies (disposals, mergers, liquidations, etc.) (1)	60	-	1	61
Number of companies consolidated at December 31, 2022	**118**	**51**	**19**	**188**

(1) *Including Avtovaz segment entities which were sold in May 2022.*

3-A. Changes in the scope of consolidation

Automotive

- Starting from the first half-year of 2022, the Group fully consolidates the Turkish-based company Renault Group Otomotiv A.S., which was set up at the end of 2021 for new industrial and commercial projects and is fully-owned by Renault.
- In March 2022 the Group acquired a 13.7% stake in Beyonca HK Limited, a company in which it exercises significant influence, for the price of €18 million followed by a €29 million capital increase. This company is accounted for under the equity method.
- On 15 May 2022 the Group sold its subsidiary Renault Russia to the city of Moscow and its 67.69% investment in AVTOVAZ to NAMI (the Central Research and Development Automobile and Engine Institute), each for the sale price of one rouble. The sale agreement gives Renault Group an option to buy back its investment, which can be exercised during certain periods over the next six years. The contribution made by these entities is presented under discontinued operations, in accordance with IFRS 5. The accounting effects are described in Note 3-B below.
- In May 2022, the Group sold the distribution company Renault Nordic AB, which operates in the Swedish and Danish markets, for the price of €37 million of which €14 million will be paid over the next five years.
- In September 2022, the Group sold the distribution companies Renault Nissan Slovenija and Renault Nissan Croatia, for the price of €9 million and €7 million respectively.
- In October 2022, the Group sold the distribution company Renault Hungaria Kft which operates on the Hungarian market, for the sale price of €16 million, €3 million of which will be paid in instalments over the next five years.
- In November 2022, the Group sold its entire investment in its French subsidiary Fonderie de Bretagne to the German group Callista GmbH. Under the terms of the sale, which took place for the symbolic price of €1, Renault Group gave a commitment to provide €57 million funding for a secure recovery plan.
- In November 2022, RKM, a Korean subsidiary owned 80% by the Group, undertook a 34% capital increase for the Geely Group in exchange for the simultaneous acquisition of a technological licence from Geely for the same amount, i.e. 264 billion won (approximately €194 million). Renault Group's percentage interest in RKM was 53% at December 31, 2022.

Sales Financing

- The Group finalized determination of the fair value of assets acquired and liabilities transferred from BI-PI Mobility SL and its subsidiaries, of which it purchased 100% in July 2021 for the price of €67 million. This company specializes in flexible vehicle rentals. The principal adjustments concern the brand, recognized at the value of €8 million, and the technology, recognized at the value of €5 million. The final goodwill is calculated at €59 million. BI-PI Mobility SL also formed two new subsidiaries in the UK and the Netherlands in 2022, BI-PI Mobility UK Ltd and BI-PI Mobility Netherlands, both fully-owned and fully-consolidated.

3-B. Discontinued operations

On March 23, 2022, Renault Group announced the suspension of Renault Russia's activities and said it was assessing the available options for its investment in AVTOVAZ. The Group stated that impairment of its tangible and intangible assets and goodwill in Russia, estimated at €2,195 million at December 31, 2022, would be recognized during the first half-year of 2022. A press release of 12 May 2022 confirmed that this impairment had been booked at March 31, 2022. It was then announced on May 16, 2022 that agreements had been signed to sell 100% of the shares in Renault Russia to the city of Moscow and the 67.69% stake in Lada Auto Holding (the parent company of AVTOVAZ) to NAMI (the Central Research and Development Automobile and Engine Institute). This led to deconsolidation of Renault Russia and the AVTOVAZ Group during the first half-year of 2022.

The table below provides details of the income statement for these discontinued operations from January 1 to April 30, 2022, together with the gain on the sale of the shares in Renault Russia and Lada Auto Holding and the effects of the sale (debt waiver, impairment of dedicated inventories, repayment of some of the financial debt of Renault Russia, etc).

As the sales and operating margin of Renault Russia and AVTOVAZ were not material between May 1 and May 15, 2022, the date of the sale, it has been considered for simplicity's sake that the loss of control took place on April 30, 2022. The results of these two entities are reported as results of discontinued operations, in accordance with IFRS 5.

(€ million)	2022	2021
External sales	1,076	4,554
Operating margin	146	510
Other operating income and expenses [1]	(2,443)	(12)
Operating income (loss)	**(2,297)**	**498**
Financial income (expenses)	**(23)**	**(55)**
Share in net income (loss) of associates and joint ventures	**-**	**-**
Pre-tax income	**(2,320)**	**443**
Current and deferred taxes		(25)
Net income from discontinued operations	**(2,320)**	**418**

(1) *In 2022 this includes €(2,221) million of impairment in respect of goodwill and intangible assets (€1,189 million) and property, plant and equipment (€1,032 million) of Renault Russia and AVTOVAZ recorded prior to the sale, and of other Group companies holding assets specific to the business in the Russian Federation, €110 million corresponding to the gain on sale of the shares in Renault Russia and AVTOVAZ including translation adjustments transferred to profit and loss, and €(234) million of debt waivers.*

In application of IFRS 5, the cash flow items of Renault Russia, AVTOVAZ and its subsidiaries, sales by Group companies to the Russian entities, and impairment of assets located outside the Russian Federation that lost value as a direct result of the Group's exit from the Russian Federation, have also been classified as discontinued operations. The statement of consolidated comprehensive net income, and the statement of consolidated cash flows for 2021, have been adjusted accordingly.

3-C. Non-current assets (liabilities) held for sale

At the Capital Market Day on November 8, 2022, Renault Group announced the signature of a framework agreement with the Geely Group for creation of a new worldwide entity to develop, manufacture and supply low-emission hybrid engines and powertrains. The framework agreement stipulates that Renault Group and Geely will each hold 50% of the shares in this new venture. The assets and liabilities held for sale, collectively referred to as Horse below, will be deconsolidated in the second half-year of 2023.

In application of its strategic plan "Renaulution", the Group has started to sell certain real estate assets (land, industrial sites), branches (in France) and vehicle distribution subsidiaries (outside France).

At December 31, 2022, the group of assets held for sale consists of €3,861 million of assets and €(873) million of debts and other liabilities. The variation in these amounts between December 31, 2021 and December 31, 2022, i.e. a €3,732 million increase in assets held for sale and a €(691) million increase in the associated liabilities, is mainly explained by the reclassification of "Horse" project assets and liabilities in preparation for the new joint venture dedicated to hybrid and thermal powertrains (see Note 2-B). The Group stopped recording amortization on these tangible and intangible assets from November 8, 2022, the date of their reclassification as assets held for sale.

The reclassification of these assets held for sale and the associated liabilities is reflected in other changes in the relevant notes.

(€ million)	December 31, 2021	Increase	*Including Horse*	Decrease	December 31, 2022
Intangible assets and goodwill	8	795	*795*	(8)	795
Tangible assets	42	2,522	*2,166*	(27)	2,537
Inventories	21	418	*338*	(21)	418
Cash and cash equivalents	15	23	*8*	(15)	23
Other	43	88	*71*	(43)	88
Total assets held for sale	**129**	**3,846**	**3,378**	**(114)**	**3,861**
Total liabilities associated with assets held for sale	**(182)**	**(872)**	***(841)***	**181**	**(873)**

6.3. Consolidated income statement

Note 4 - Revenues

4-A. Breakdown of revenues

(€ million)	2022	2021 (1)
Sales of goods - Automotive segment	**37,684**	**32,422**
Sales to partners of the Automotive segment	**3,130**	**3,689**
Rental income on leased assets (2)	842	1,198
Sales of other services	1,465	1,391
Sales of services - Automotive segment	**2,307**	**2,589**
Sales of goods - Sales Financing segment	**23**	**39**
Rental income on leased assets (2)	141	113
Interest income on Sales Financing receivables	1,983	1,757
Sales of other services (3)	1,088	1,026
Sales of services - Sales Financing segment	**3,212**	**2,896**
Sales of services - Mobility Services segment	**35**	**24**
Total Revenues	**46,391**	**41,659**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*
(2) *Rental income recorded by the Group on vehicle sales with a buy-back commitment or fixed asset rentals.*
(3) *Mainly income on services comprising insurance, maintenance, and replacement vehicles under a financing contract or otherwise.*

4-B. 2021 revenues applying 2022 scope and methods

(€ million)	Automotive	Sales Financing	Mobility Services	Total
2021 revenues (1)	**38,700**	**2,935**	**24**	**41,659**
Changes in the scope of consolidation	(198)	32	10	(156)
2021 revenues applying 2022 scope and methods	**38,502**	**2,967**	**34**	**41,503**
2022 revenues	**43,121**	**3,235**	**35**	**46,391**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*

Note 5 - Other income and expenses included in the operating margin, by nature

5-A. Personnel expenses

Personnel expenses amount to €5,661 million in 2022 (€5,504 million in 2021, adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation).

Details of pensions and other long-term employee benefit expenses are presented in Note 19.

Share-based payments concern performance share plans and other share-based payment arrangements awarded to personnel. They amounted to a personnel expense of €65 million for 2022 (€31 million in 2021).

The plan valuation method is presented in Note 18-G.

5-B. Foreign exchange gains/losses

In 2022, the operating income includes a net foreign exchange expense of €36 million, mainly related to movements in the Argentinian peso and Turkish lira (compared to a net foreign exchange expense of €68 million in 2021 mainly related to movements in the Argentinian peso, Brazilian real and Turkish lira).

5-C. Lease payments

At December 31, 2022, lease payments in the statement of financial position that are not adjusted under IFRS 16 because they relate to non-material or short-term leases are as follows:

(€ million)	December 31, 2022	December 31, 2021 (1)
Lease payments for short-term leases	(8)	(13)
Lease payments for leases of low-value assets	(21)	(26)
Other lease payments including variable lease payments	(64)	(56)

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*

Note 6 - Other operating income and expenses

(€ million)	2022	2021 (1)
Restructuring and workforce adjustment costs	(354)	(426)
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	(14)	33
Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)	178	448
Impairment of property, plant and equipment, intangible assets and goodwill (excluding goodwill of associates and joint ventures)	(257)	(139)
Other unusual items	68	(169)
Total	**(379)**	**(253)**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*

6-A. Restructuring and workforce adjustment costs

Restructuring and workforce adjustment costs concern restructuring plans, principally in France €(174) million, Germany €(81) million, Romania €(36) million and Spain €(19) million. They relate to the fixed cost reduction plan announced on May 29, 2020 and cover employee departure plans, fees and other expenses relating to the Horse and Ampère projects, and the Group's digital transformation.

In 2021, these costs included €(65) million for a work exemption plan in France which eligible employees could join between February 1, 2022 and January 1, 2023, and provisions of €(120) million relating to a new Collective Contractual Separation plan for a maximum 1,153 employee departures. These plans were part of the 3-year trade union agreement "Re-Nouveau France 2025" signed on December 14, 2021. Restructuring and workforce adjustment costs in 2021 also concerned restructuring plans outside France (principally in South Korea, Spain and Romania) undertaken as part of the fixed costs reduction plan announced on May 29, 2020.

6-B. Gains and losses on disposal of businesses or operating entities

In May 2022 the Group recorded a gain of €26 million on the sale of its investment in Renault Nordic AB, the distribution company which operates in the Swedish and Danish markets, to a local importer.

In November 2022, the costs associated with the sale of Fonderie de Bretagne were recognized at the total amount of €(57) million.

In 2021, Renault s.a.s. disposed of its 98% investment in Carizy and booked a gain of €18 million. The Group also recorded a gain of €15 million on the sale of its 40% investment in Renault South Africa.

6-C. Gains and losses on disposal of property, plant and equipment and intangible assets

The Group undertook real estate operations in 2022 that generated a gain of €178 million, principally including the sale of a logistic warehouse and a real estate property in France generating a gain of €97 million, and sales of various real estate complexes in France and Europe, generating a gain of €98 million.

In 2021, the Group recognized a €59 million gain on the sale of a storage warehouse in France, a gain of €176 million on the sale of various real estate complexes belonging to the RRG distribution network in France and Germany, and a gain of €115 million on the sale of a property in Luxembourg.

6-D. Impairment of fixed assets and goodwill (excluding goodwill of associates and joint ventures)

Impairment amounting to €(257) million net of reversals was recorded in 2022 (€(149) million in 2021). The new impairment was principally recognized on excess production capacity assets in China.

No reversal of impairment was recorded in 2022 or 2021.

The impairment booked in respect of assets relating to Renault Russia et AVTOVAZ, which were sold during the first half-year of 2022, or attributable to those sales, is included in "Discontinued operations".

In 2022, €(41) million of new impairment concerns intangible assets (€(80) million in 2021) and €(216) million concerns property, plant and equipment (€(69) million in 2021) (Notes 10 and 11).

6-E. Other unusual items

The partial resumption of business activity in Algeria, which had been halted in 2020 following decisions by the Algerian government, led to recovery of €19 million of impairment previously recognized on receivables, inventories, …

In 2021, provisions for clean-up and demolition costs amounting to €(54) million were recognized in respect of sites sold, in compliance with environmental regulations. Provisions of €(65) million for costs resulting from decisions to discontinue businesses, production or developments were also recognized. Other provisions and write-offs of receivables amounting to €(25) million recognized during 2021 mainly concerned Renault Brillance Jinbei Automotive Company (RBJAC), which was placed in receivership on January 12, 2022.

Note 7 - Financial income (expenses)

(€ million)	2022	2021 [1]
Cost of gross financial indebtedness	(349)	(301)
Income on cash and financial assets	168	46
Cost of net financial indebtedness	**(181)**	**(255)**
Dividends received from companies that are neither controlled nor under significant influence	2	4
Foreign exchange gains and losses on financial operations	74	46
Gain/Loss on exposure to hyperinflation [2]	(292)	(69)
Net interest expenses on the defined-benefit liabilities and assets corresponding to pension and other long-term employee benefit obligations	(21)	(11)
Other [3]	(68)	(10)
Other financial income and expenses	**(305)**	**(40)**
Financial income (expense)	**(486)**	**(295)**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*
(2) *The loss on exposure to hyperinflation relates to Group entities in Argentina.*
(3) *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, 2022, other items also included the effects of the €29 million adjustment of the amortized cost of the State-guaranteed credit facility (€23 million in 2021). See Note 23-C.*

The net cash position (or net financial indebtedness) of the Automotive segment is presented in the information by operating segment (see section 6.1.A4).

Note 8 - Current and deferred taxes

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 Renault Group also applies other optional tax consolidation systems in Germany, Italy, Spain, Romania, the Netherlands and the UK.

8-A. Current and deferred taxes

(€ million)	2022	2021 [1]
Current income taxes	(561)	(437)
Deferred tax income (charge)	28	(134)
Current and deferred taxes	**(533)**	**(571)**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*

In 2022, €(500) million of the current income tax charge comes from foreign entities (€(345) million in 2021). This charge increased in 2022, due to the better taxable income achieved in a more favourable economic context.

The current income tax charge for entities included in the French tax consolidation group amount to €(61) million in 2022 (€(92) million in 2021).

Deferred taxes saw a positive change, generating income of €28 million. This substantial improvement in 2022 was notably driven by reversal of deferred tax liabilities outside France.

The deferred tax charge for 2021 mainly reflected the utilization of tax credits in Turkey.

8-B. Breakdown of the tax charge

(€ million)	2022	2021 [1]
Income before taxes and share in net income of associates and joint ventures	**1,730**	**605**
Statutory income tax rate in France	25.83%	28.41%
Theoretical tax income (charge)	**(447)**	**(172)**
Effect of differences between local tax rates and the French rate [2]	11	30
Tax credits	26	(37)
Distribution taxes	(36)	(29)
Change in unrecognized deferred tax assets	(391)	111
Other impacts [3]	344	(428)
Current and deferred tax income (charge) excluding taxes based on interim taxable profits	**(493)**	**(525)**
Taxes based on interim taxable profits	(40)	(46)
Current and deferred tax income (charge)	**(533)**	**(571)**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*
(2) *The main contributors to the tax rate differential are Malta, Argentina, Romania, Colombia and Switzerland.*
(3) *In 2022, other impacts concern mainly the effects on permanent differences and deferred tax assets neutralization due to discontinued operations in the Russian Federation in the French tax consolidation group. This result is presented in discontinued operation line (Note 8-D2).*

French tax consolidation group

For the French tax consolidation group, the current tax charge amounts to €(61) million, principally consisting of the business tax *Cotisation sur la valeur ajoutée des entreprises* (CVAE) and withholding taxes. The deferred tax charge amounts to €(130) million.

Entities not in the French tax consolidation group

The effective tax rate for non-French entities was 17% in 2022 (24% for 2021) due to the higher taxable income achieved in a more favourable economic context, and the non-recognition of deferred taxes on tax losses.

8-C. Changes in current tax liabilities, current tax receivables and provisions for uncertain tax liabilities

(€ million)	December 31, 2021	Current taxes in the income statement	Net taxes paid	Translation adjustment and other	December 31, 2022
Current taxes excluding uncertain tax positions		(509)	509		
Provisions for uncertain tax liabilities – short- term	(6)	(21)	6	-	(21)
Provisions for uncertain tax liabilities – long-term	(217)	(31)	17	(3)	(234)
Tax receivables – short-term	128		72	(46)	154
Tax receivables – long-term	19		10	(6)	23
Current tax liabilities – short-term	(266)		(135)	89	(312)
Current tax liabilities – long-term	-		-	-	-
TOTAL	**(342)**	**(561)**	**479**	**34**	**(390)**

8-D. Breakdown of net deferred taxes

8-D1. Change in deferred tax assets and liabilities

(€ million)	December 31, 2021	Income statement	Other components of comprehensive income	Translation adjustments	Other	December 31, 2022
Deferred tax assets	550	60	17	(3)	(31)	593
Deferred tax liabilities	(1,009)	(32)	(59)	(26)	105	(1,021)
Net deferred taxes	**(459)**	**28**	**(42)**	**(29)**	**74**	**(428)**
French tax consolidation group	*(723)*	*(108)*	*(63)*	*0*	*78*	*(816)*
Other entities	*264*	*136*	*21*	*(29)*	*(4)*	*388*

8-D2. Breakdown of net deferred tax assets (liabilities) by nature

(€ million)	2022	2021
Deferred taxes on:		
Investments in associates and joint ventures (1)	(147)	(121)
Fixed assets	(1,857)	(2,103)
Provisions and other expenses or valuation allowances deductible upon utilization	477	729
Loss carryforwards (2)	5,365	5,231
Other items	296	419
NET DEFERRED TAX ASSETS (LIABILITIES)	**4,134**	**4,155**
Unrecognized deferred tax assets related to tax losses (Note 8-D3)	(4,448)	(4,476)
Other unrecognized deferred tax assets	(114)	(138)
NET DEFERRED TAX ASSETS (LIABILITIES) REPORTED	**(428)**	**(459)**

(1) *Including tax on future dividend distributions.*
(2) *Including €4,802 million for the French tax consolidation group entities and €563 million for other entities at December 31, 2022 (€4,464million and €767 million respectively at December 31, 2021).*

The residual unrecognized deferred tax assets of entities included in the French tax consolidation group amounted to €3,909 million (€3,741 million at December 31, 2021). 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. €209 million of these unrecognized assets were generated by items booked through shareholders' equity (effects of the partial hedge of the investment in Nissan), and €3,700 million were generated by items affecting the income statement (respectively €321 million and €3,420 million at December 31, 2021). In 2022, the French tax consolidation group's tax loss carryforwards increased, particularly due to the short-term loss of €1.3 billion on the sale of the shares in Lada Auto Holding in May 2022 for the price of one rouble (Note 3-B), partly offset by a short-term tax gain of €0.6 billion on the transfer of certain assets.

For entities not in the French tax consolidation group, unrecognized deferred tax assets totalled €653 million at December 31, 2022 (€873 million at December 31, 2021) principally comprising tax loss carryforwards generated by the Group in Brazil and India.

8-D3. Breakdown of deferred taxes on tax losses by expiry date

Unrecognized loss carryforwards represent a potential tax saving of €4,448 million at December 31, 2022.

(€ million)	December 31, 2022			December 31, 2021		
Deferred taxes on:	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
Tax losses that can be carried forward indefinitely (1)	899	4,333	5,232	740	4,369	5,109
Tax losses expiring in more than 5 years	-	54	54	-	49	49
Tax losses expiring in between 1 and 5 years	14	51	65	14	54	68
Tax losses expiring within 1 year	4	10	14	1	4	5
TOTAL DEFERRED TAXES ON TAX LOSSES OF THE GROUP	**917**	**4,448**	**5,365**	**755**	**4,476**	**5,231**

(1) *Including recognized and unrecognized deferred taxes corresponding to tax loss carryforwards of entities included in the French tax consolidation group which amount to €893 million and €3,909 million respectively at December 31, 2022 (€723 million and €3,741 million respectively at December 31, 2021) (Note 8-D2).*

The tax losses presented above do not reflect the consequences of ongoing tax litigation not booked. Contingent liabilities resulting from notified tax reassessments are presented in Note 28-A.

8-E. Global Minimum Corporate Tax

On December 15, 2022, the EU member states formally adopted the directive for EU-level implementation of the minimum taxation component, known as Pillar 2, of the OECD's international taxation reform. This directive has yet to be published in the Official Journal of the European Union. Thereafter, member states shall transpose the directive into their domestic law.

This directive aims to establish a global minimum corporate tax rate of 15% by introducing an additional "top-up tax" for multinationals and large-scale national groups in the EU, thus bringing the global agreement reached in the OECD Inclusive Framework, to address concerns about unequal distribution of the profits and tax contributions of large multinational companies, into application in the EU.

At the date of approval of these financial statements, the Group is currently examining the implementation of these new measures.

Note 9 - Basic and diluted earnings per share

(thousands of shares)	2022	2021
Shares in circulation	295,722	295,722
Treasury shares	(4,253)	(4,241)
Shares held by Nissan x Renault's share in Nissan	(19,372)	(19,379)
Number of shares used to calculate basic earnings per share	**272,097**	**272,102**

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)	2022	2021
Number of shares used to calculate basic earnings per share	272,097	272,102
Dilutive effect of stock options, performance share rights and other share-based payments	2,154	1,766
Number of shares used to calculate diluted earnings per share	**274,251**	**273,868**

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 rights to performance shares awarded under plans that have a potential dilutive effect which fulfil the performance conditions at the reporting date when issuance is conditional (Note 18-G).

6.4. Operating assets and liabilities, shareholders' equity

Note 10 - Intangible assets and property, plant and equipment

10-A. Intangible assets and goodwill

10-A1. Changes in intangible assets and goodwill

Changes in 2022 in intangible assets were as follows:

(€ million)	December 31, 2021	Acquisitions / (amortization and impairment) [(1)]	(Disposals) / reversals	Translation adjustment	Change in scope of consolidation and other	December 31, 2022
Capitalized development expenses	14,092	1,137	(1,072)	102	(2,312)	11,947
Goodwill	1,051	-	-	(3)	(745)	303
Other intangible assets	1,290	300	(5)	277	(389)	1,473
Intangible assets, gross	**16,433**	**1,437**	**(1,077)**	**376**	**(3,446)**	**13,723**
Capitalized development expenses	(9,035)	(1,404)	1,070	(122)	1,519	(7,972)
Goodwill	(30)	(730)	-	-	730	(30)
Other intangible assets	(970)	(141)	3	(353)	440	(1,021)
Amortization and impairment	**(10,035)**	**(2,275)**	**1,073**	**(475)**	**2,689**	**(9,023)**
Capitalized development expenses	5,057	(267)	(2)	(20)	(793)	3,975
Goodwill	1,021	(730)	-	(3)	(15)	273
Other intangible assets	320	159	(2)	(76)	51	452
Intangible assets, net	**6,398**	**(838)**	**(4)**	**(99)**	**(757)**	**4,700**

(1) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

Most goodwill is located in Europe.

Acquisitions of intangible assets in 2022 include €1,137 million of self-produced assets and €300 million of purchased assets (respectively €1,084 million and €93 million in 2021).

In 2022, amortization and impairment of intangible assets include €41 million of impairment concerning vehicles (including components), compared to €80 million of impairment in 2021 (Note 6-D). They also include the impairment of goodwill and intangible assets of AVTOVAZ and Renault Russia (see Note 3-B).

Disposals mainly concern disinvestment of capitalized developments that are no longer in use.

Changes in 2021 in intangible assets were as follows:

(€ million)	Gross value	Amortization and impairment	Net value
Value at December 31, 2020	**15,152**	**(8,805)**	**6,347**
Acquisitions (Note 26-C) / (amortization and impairment) [1]	1,177	(1,253)	(76)
(Disposals) / reversals	(15)	6	(9)
Translation adjustment	86	(7)	79
Change in scope of consolidation and other	33	24	57
Value at December 31, 2021	**16,433**	**(10,035)**	**6,398**

(1) *Including impairment of €(80) million concerning intangible assets.*

10-A2. Research and development expenses included in income

(€ million)	2022	2021 [1]
Research and development expenses	(2,259)	(2,265)
Capitalized development expenses	1,110	1,022
Amortization of capitalized development expenses	(976)	(1,070)
Total included in income	**(2,125)**	**(2,313)**

(1) *The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).*

Research and development expenses are reported net of research tax credits for the vehicle development activity.

The product range, particularly the electric range, is currently being upgraded for the C-segment and commercial vehicles, and the moderate decrease in research and development expenses in 2022 is attributable to actions to reduce fixed costs.

The level of capitalization of development expenses is higher than in 2021, in keeping with the range renewal cycle.

Amortization of capitalized development expenses was lower than in 2021 and lower than the amount of development expenses capitalized in 2022, principally due to lower capitalization levels in previous years and prolongation of certain programmes' lifetimes.

10-B. Property, plant and equipment

Changes in 2022 in property, plant and equipment were as follows:

(€ million)	December 31, 2021	Acquisitions / (depreciation and impairment)	(Disposals) / reversals	Translation adjustment	Change in scope of consolidation and other	December 31, 2022
Land	587	10	(36)	1	(108)	454
Buildings	6,686	63	(285)	97	(1,435)	5,126
Specific tools	19,025	690	(460)	130	(3,700)	15,685
Machinery and other tools	14,518	658	(524)	156	(3,447)	11,361
Fixed assets leased to customers	5,360	1,199	(1,293)	(23)	(23)	5,220
Other tangibles	913	157	(66)	3	(59)	948
Right-of-use assets	894	154	(106)	8	(54)	896
- *Land*	*11*	*2*	*(4)*	*1*	*(5)*	*5*
- *Buildings*	*825*	*138*	*(89)*	*6*	*(41)*	*839*
- *Other assets*	*58*	*14*	*(13)*	*1*	*(8)*	*52*
Construction in progress [1]	1,864	(137)	-	130	(805)	1,052
Gross value	**49,847**	**2,794**	**(2,770)**	**502**	**(9,631)**	**40,742**
Land						
Buildings	(4,610)	(445)	221	(132)	1,074	(3,892)
Specific tools	(16,119)	(898)	454	(147)	3,114	(13,596)
Machinery and other tools	(10,301)	(929)	493	(164)	2,305	(8,596)
Fixed assets leased to customers	(1,476)	(448)	310	3	4	(1,607)
Other tangibles	(846)	(257)	64	(1)	168	(872)
Right-of-use assets	(332)	(148)	63	(4)	26	(395)
- *Land*	*(3)*	*(4)*	-	*(2)*	*6*	*(3)*
- *Buildings*	*(295)*	*(133)*	*54*	*(1)*	*14*	*(361)*
- *Other assets*	*(34)*	*(11)*	*9*	*(1)*	*6*	*(31)*
Construction in progress	4	(397)	-	(133)	447	(79)
Depreciation and impairment [2]	**(33,680)**	**(3,522)**	**1,605**	**(578)**	**7,138**	**(29,037)**
Land	587	10	(36)	1	(108)	454
Buildings	2,076	(382)	(64)	(35)	(361)	1,234
Specific tools	2,906	(208)	(6)	(17)	(586)	2,089
Machinery and other tools	4,217	(271)	(31)	(8)	(1,142)	2,765
Fixed assets leased to customers	3,884	751	(983)	(20)	(19)	3,613
Other tangible	67	(100)	(2)	2	109	76
Right-of-use assets	562	6	(43)	4	(28)	501
- *Land*	*8*	*(2)*	*(4)*	*(1)*	*1*	*2*
- *Buildings*	*530*	*5*	*(35)*	*5*	*(27)*	*478*
- *Other assets*	*24*	*3*	*(4)*	-	*(2)*	*21*
Construction in progress [1]	1,868	(534)	-	(3)	(358)	973
Net value	**16,167**	**(728)**	**(1,165)**	**(76)**	**(2,493)**	**11,705**

(1) Items classified as "construction in progress" are transferred to completed asset categories via "acquisitions / (depreciation and impairment)".
(2) Depreciation and impairment in 2022 include impairment of €216 million, mainly concerning excess production capacity in China (see Note 6-D).

Changes in property, plant and equipment in 2021 were as follows:

(€ million)	Gross value	Depreciation and impairment	Net value
Value at December 31, 2020	**49,319**	**(32,184)**	**17,135**
Acquisitions / (depreciation and impairment) [1]	3,045	(2,792)	253
(Disposals) / reversals	(2,752)	1,443	(1,309)
Translation adjustments	84	10	94
Change in scope of consolidation and other	151	(157)	(6)
Value at December 31, 2021	**49,847**	**(33,680)**	**16,167**

(1) Including €(69) 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 €(246) million was booked during 2022 (€(78) million in 2021), comprising €(41) million for intangible assets (€(48) million in 2021), and €(205) million for property, plant and equipment (€(30) million in 2021).

A further €(71) million of impairment was also recognized in 2021, notably after decisions to discontinue production or terminate leases.

11-B. Impairment test of the Automotive segment cash-generating unit

The recoverable value used for the purpose of impairment tests for the Automotive segment is the value in use, determined under the discounted future cash flow method on the basis of the following assumptions:

	December 31, 2022	December 31, 2021
Growth rate to infinity	1.0 %	1.0 %
After-tax discount rate	11.6 %	8.9 %

The assumptions used for impairment testing at December 31, 2022 are derived from the medium-term plan for the period 2021-2025, which was presented in January 2021 and updated in late 2022. They incorporate assumptions concerning the negative effects of the electronic components supply crisis, inflation and increasing climate risks.

The growth rates to infinity used in the tests at December 31, 2022 and 2021 include the impacts of commitments made by the States that are signatories to the Paris Agreement on climate change.

At December 31, 2022, no impairment was recognized on assets of the Automotive 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.

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 12.5%.

Note 12 - Investment in Nissan

Renault Group's investment in Nissan in the income statement and financial position:

(€ million)	2022	2021
Consolidated income statement		
Share in net income (loss) of associates accounted for by the equity method	526	380
Consolidated financial position		
Investments in associates accounted for by the equity method	17,487	16,234

12-A. Nissan consolidation method

Renault Group and the Japanese automakers Nissan and Mitsubishi have developed an alliance between their three 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 Group is not assured of holding the majority of voting rights in Nissan's Shareholders' Meeting.
- The terms of the Renault Group-Nissan agreements do not entitle Renault Group to appoint the majority of Nissan directors, nor to hold the majority of voting rights at meetings of Nissan's Board of Directors; Renault Group cannot unilaterally appoint the President of Nissan.
- In March 2019, Renault Group, Nissan and Mitsubishi announced the creation of the new Alliance Operating Board (AOB) which oversees Alliance operations and governance. The Alliance Operating Board consists of the Chairman of the Board of Renault Group, the Chief Executive Officer of Renault Group, the Chief Executive Officer of Nissan and the Chief Executive Officer of Mitsubishi Motors. Orientations are taken by consensus. In November 2019, the AOB appointed an Alliance Secretary General, who reports to the AOB and the CEOs of the three alliance companies.
- At December 31, 2022, Renault Group occupied two seats on Nissan's Board of Directors and was represented by Jean-Dominique Senard, Chairman of the Renault Group Board and Pierre Fleuriot, Lead Director in Renault Group.
- Renault Group can neither use nor influence the use of Nissan's assets in the same way as its own assets.
- Renault Group provides no guarantees in respect of Nissan's debt.

In view of this situation, Renault Group 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 Group consolidation

The Nissan accounts included under the equity method in Renault Group'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 Group consolidation.

Nissan publishes consolidated financial statements quarterly, and annually at March 31. For the purposes of the Renault Group consolidation, Nissan results are included in line with the Renault Group calendar (the results for the period January to December are consolidated in Renault Group's annual financial statements).

Nissan held 0.6% of its own treasury shares at December 31, 2022 (0.6% at December 31, 2021). Consequently, Renault SA's percentage interest in Nissan is 43.7% (43.7% at December 31, 2021). Renault SA holds 43.7% of voting rights in Nissan at September 30, 2022 (43.7% at September 30, 2021).

12-C. Changes in the investment in Nissan as shown in Renault Group'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, 2021	**16,498**	**(974)**	**15,524**	**710**	**16,234**
2022 net income	526	-	526	-	526
Dividend distributed	(64)	-	(64)	-	(64)
Translation adjustment	732	-	732	(52)	680
Other changes [2]	111	-	111	-	111
At December 31, 2022	**17,803**	**(974)**	**16,829**	**658**	**17,487**

(1) Nissan has held 44,358 thousand Renault SA shares since 2002, an ownership interest of about 15%. The neutralization is based on Renault SA's percentage holding in Nissan.

(2) 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.

12-D. Changes in Nissan equity restated for the purposes of the Renault Group consolidation

(¥ billion)	December 31, 2021	2022 net income	Dividends	Translation adjustment	Other changes [1]	December 31, 2022
Shareholders' equity – Parent-company shareholders' share under Japanese GAAP	**4,271**	**129**	**(20)**	**647**	**45**	**5,072**
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations	8	(46)	-	(4)	30	(12)
Capitalization of development expenses	535	63	-	3	(2)	599
Deferred taxes and other restatements	(77)	(5)	-	22	(22)	(82)
Net assets restated for compliance with IFRS	**4,737**	**141**	**(20)**	**668**	**51**	**5,577**
Restatements for Renault Group requirements [2]	188	27	(1)	(41)	(14)	159
Net assets restated for Renault Group requirements	**4,925**	**168**	**(21)**	**627**	**37**	**5,736**
(€ million)						
Net assets restated for Renault Group requirements	**37,768**	**1,205**	**(147)**	**1,677**	**272**	**40,775**
Renault SA's percentage interest	43,7 %					43.7%
Renault Group's share (before neutralization effect described below)	16,498	526	(64)	732	111	17,803
Neutralization of Nissan's investment in Renault Group [3]	(974)					(974)
Renault Group's share in the net assets of Nissan	**15,524**	**526**	**(64)**	**732**	**111**	**16,829**

(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 Group requirements include elimination of Nissan's investment in Renault accounted for under the equity method, elimination in the Nissan financial statements of the impacts of loss of control of the Group's operations in the Russian Federation, and historically correspond to revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002.

(3) Nissan has held 44,358 thousand shares in Renault SA since 2002, an ownership interest of about 15%. The neutralization is based on Renault SA'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 2022 Renault Group consolidation is the sum of Nissan's net income for the final quarter of its 2021 financial year and the first three quarters of its 2022 financial year.

	January to March 2022 – Fourth quarter of Nissan's 2021 financial year		April to June 2022 – First quarter of Nissan's 2022 financial year		July to September 2022 – Second quarter of Nissan's 2022 financial year		October to December 2022 – Third quarter of Nissan's 2022 financial year		January to December 2022 – Reference period for Renault's consolidated	
	(¥ billion)	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*	*(¥ billion)*	*(€ million)*
Net income – Parent-company shareholders' share	14	109	47	341	17	125	51	351	129	926

12-F. Nissan financial information under IFRS

The table below presents Nissan financial information, restated under IFRS for the purposes of the Renault Group 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 Group at the time of the acquisitions in 1999 and 2002, or the elimination of Nissan's investment in Renault Group accounted for under the equity method.

	2022		2021	
	(¥ billion)	*(€ million)*[1]	*(¥ billion)*	*(€ million)*[2]
Revenues	10,220	74,047	8,937	68,820
Net income				
Parent-company shareholders' share	166	1,205	134	1,032
Non-controlling interests' share	(25)	(180)	(22)	(169)
Other components of comprehensive income				
Parent-company shareholders' share	704	5,099	411	3,165
Non-controlling interests' share	88	638	70	539
Comprehensive income				
Parent-company shareholders' share	870	6,303	545	4,197
Non-controlling interests' share	63	458	48	370
Dividends received from Nissan	9	64	-	-

	December 31, 2022		December 31, 2021	
	(¥ billion)	*(€ million)*[1]	*(¥ billion)*	*(€ million)*[2]
Non-current assets	6,775	48,169	6,564	50,345
Current assets	11,133	79,145	10,159	77,918
TOTAL ASSETS	**17,908**	**127,314**	**16,723**	**128,264**
Shareholders' equity				
Parent-company shareholders' share	5,596	39,781	4,756	36,478
Non-controlling interests' share	491	3,490	414	3,175
Non-current liabilities	5,339	37,954	5,430	41,647
Current liabilities	6,482	46,089	6,123	46,963
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**17,908**	**127,314**	**16,723**	**128,264**

(1) Converted at the average exchange rate for 2022 i.e. 138.01 JPY = 1 EUR for income statement items, and at the December 31, 2022 rate i.e. 140.66 JPY = 1 EUR for financial position items.

(2) Converted at the average exchange rate for 2021 i.e. 129.86 JPY = 1 EUR for income statement items, and at the December 31, 2021 rate i.e. 130.38 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, 2022, the corresponding hedging operations totalled ¥199.9 billion (€1,421 million) of private placements in bonds issued directly in yen on the Japanese Samurai bond market.

In 2022 foreign exchange differences generated an unfavourable effect of €25 million (favourable effect of €4 million in 2021).

12-H. Valuation of Renault Group's investment in Nissan at stock market prices

Based on the quoted price at December 31, 2022 of ¥418 per share, Renault Group's investment in Nissan is valued at €5,444 million (€7,812 million at December 31, 2021 based on the price of ¥556 per share).

12-I. Impairment test of the investment in Nissan

At December 31, 2022, the stock market value of the investment was 68.9% lower than the value of Nissan in Renault Group's statement of financial position (51.9% at December 31, 2021).

In application of the approach presented in the note on accounting policies, an impairment test was carried out at December 31, 2022. An after-tax discount rate of 7.73% and a growth rate to infinity (including the effect of inflation) of 1.42% were used to calculate value in use. The terminal value was calculated under profitability assumptions consistent with Nissan's past data and conservative medium and long-term prospects, incorporating new medium-term forecasts for volumes and exchange rates.

The test result did not lead to recognition of any impairment on the investment in Nissan at December 31, 2022 and it is 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.

The same conclusion was reached following the impairment test performed at December 31, 2021 applying an after-tax discount rate of 6.53% and a growth rate to infinity (including the effect of inflation) of 1.47%.

12-J. Operations between Renault Group and the Nissan Group

Renault Group and Nissan follow joint strategies for vehicle and component development, purchasing, production and distribution resources. This cooperation is reflected in synergies that reduce costs.

The Automotive segment is involved in operations with Nissan on two levels:

- Industrial production: cross-over production of vehicles and components in the Alliance's manufacturing plants:
  - Sales by Renault Group to the Nissan group in 2022 totalled approximately €2,015 million (€1,763 million in 2021), comprising around €1,443 million for vehicles (€1,065 million in 2021), €427 million for components

(€579 million in 2021), and €145 million for services (€119 million in 2021).

- Purchases by Renault Group from the Nissan group in 2022 totalled approximately €1,564 million (€1,559 million in2021), comprising around €1,200 million of vehicles (€1,206 million in 2021), €249 million of components (€226 million in 2021), and €115 million of services (€127 million in 2021),
- The balance of Renault Group receivables on the Nissan group is €504 million at December 31, 2022 (€424 million at December 31, 2021) and the balance of Renault Group liabilities to the Nissan group is €500 million at December 31, 2022 (€607 million at December 31, 2021).

• Finance: In addition to its activity for Renault Group, Renault Finance acts as the Nissan group's counterparty in financial instrument trading to hedge foreign exchange and interest rate risks. Renault Finance undertook approximately €14.9 billion of forex transactions on the foreign exchange market for Nissan in 2022 (€12.4 billion in 2021). 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 €188 million at December 31, 2022 (€11 million at December 31, 2021) and derivative liabilities amount to €54 million at December 31, 2022 (€34 million at December 31, 2021).

Renault Group'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 2022, RCI Banque recorded €89 million of service revenues in the form of commission and interest received from Nissan (€75 million in 2021). The balance of sales financing receivables on the Nissan group is €34 million at December 31, 2022 (€32 million at December 31, 2021) and the balance of liabilities is €115 million at December 31, 2022 (€121 million at December 31, 2021).

The Alliance partners also hold investments in associates and joint ventures that manage their cooperation. Details of these entities' activity and location, and Renault Group's influence over them, are given in Note 13.

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)	2022	2021
Consolidated income statement		
Share in net income (loss) of other associates and joint ventures	**(103)**	**135**
Associates accounted for under the equity method [1]	(70)	93
Joint ventures accounted for under the equity method	(33)	42
Consolidated financial position		
Investments in other associates and joint ventures	**723**	**721**
Associates accounted for under the equity method [2]	527	512
Joint ventures accounted for under the equity method	196	209

(1) The net income of associates includes impairment of €(119) million on the assets of RN Bank, a Sales Financing segment company that operates in the Russian Federation.

(2) Including impairment of €51 million on production assets of Renault Nissan Automotive India Private Limited (RNAIPL).

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, 2022	December 31, 2021	Investments in other associates and joint ventures at December 31, 2022	Investments in other associates and joint ventures at December 31, 2021
Associates						
Automotive						
Motorlu Araclar Imal ve Satis A.S (MAIS)	Turkey	Automotive sales	49%	49%	151	64
Renault Nissan Automotive India Private Limited (RNAIPL)	India	Vehicle manufacturing	30%	30%	150	135
Boone Comenor	France	Waste management	33%	33%	81	80
EGT	China	Vehicle manufacturing	25%	25%	9	6
Verkor	France	Electric vehicles	24%	24%	25	25
Mobility Trader Holding (1)	Germany	Automotive sales	3%	3%	9	20
Beyonca	China	Electric vehicles	14%		38	-
Sales Financing						
Mobility Trader Holding (1)	Germany	Automotive sales	5%	5%	14	30
RN Bank	Russia	Financing	30%	30%	-	94
Nissan Renault Financial Services India Private Limited	India	Financing	30%	30%	37	36
Joint ventures						
Automotive						
Renault Algeria Production	Algeria	Vehicle manufacturing	49%	49%	0	-
Renault Brilliance Jinbei Automotive Company	China	Vehicle manufacturing	49%	49%	0	-
Alliance Ventures b.v.	Netherlands	Finance for new technology start-ups	40%	40%	154	159
Whylot	France	Electric vehicles	21%	21%	10	10
Hyvia	France	Hydrogen vehicles	50%	50%	0	4
JSC OAT	Russia	Vehicle manufacturing	0%	40%	-	10
Sales Financing						
ORFIN Finansman Anonim Sirketi	Turkey	Financing	50%	50%	15	16
Renault Algérie Production						
Car Sharing Mobility Services SL	Spain	Mobility Services	50%	50%	4	5
Other non-significant associates and joint ventures					26	27
TOTAL					**723**	**721**

(1) *The investment in Mobility Trader Holding is jointly held by the Automotive and Sales Financing segments.*

The tables below show the total amount of sales and purchases made between Renault Group and the principal other associates and joint ventures accounted for under the equity method, as well as Renault Group's balance sheet positions with those entities.

(€ million)	2022		2021	
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 A.S (MAIS)	1,693	(2)	1,354	(2)
Renault Nissan Automotive India Private Limited (RNAIPL)	10	(545)	7	(461)
Boone Comenor	18	(1)	18	(1)
EGT	17	(713)	7	(208)
Renault Algérie Production	2	(36)	-	(89)

(€ million)	December 31, 2022				
In the consolidated financial position	**Financial assets**	**Automotive receivables**	**Other assets**	**Trade payables**	**Other liabilities**
Motorlu Araclar Imal ve Satis A.S (MAIS)	-	52	-	4	-
Renault Nissan Automotive India Private Limited (RNAIPL)	16	85	168	64	-
Boone Comenor	-	9	-	-	3
EGT	-	7	16	120	-
Renault Algérie Production	-	18	-	3	-

(€ million)			December 31, 2021		
In the consolidated financial position	Financial assets	Automotive receivables	Other assets	Trade payables	Other liabilities
Motorlu Araclar Imal ve Satis A.S (MAIS)	-	17	-	2	-
Renault Nissan Automotive India Private Limited (RNAIPL)	-	25	200	59	-
Boone Comenor	-	11	-	-	7
EGT	27	2	1	57	-
Renault Algérie Production	-	4	-	-	-

13-B. Cumulative financial information on other associates accounted for under the equity method

(€ million)	December 31, 2022	December 31, 2021
Investments in associates	527	512
Share in income (loss) of associates	(70)	93
Share of associates in other components of comprehensive income	(212)	(218)
Share of associates in comprehensive income	(282)	(125)

13-C. Cumulative financial information on joint ventures accounted for under the equity method

(€ million)	December 31, 2022	December 31, 2021
Investments in joint ventures	196	209
Share in income (loss) of joint ventures	(33)	42
Share of joint ventures in other components of comprehensive income	(17)	(38)
Share of joint ventures in comprehensive income	(50)	4

Renault-Nissan B.V., which is jointly owned with Nissan, is not consolidated as it is not significant.

Note 14 - Inventories

	December 31, 2022			December 31, 2021		
(€ million)	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Raw materials and supplies	1,701	(216)	1,485	1,811	(268)	1,543
Work in progress	252	(7)	245	360	(3)	357
Used vehicles	946	(93)	853	1,065	(114)	951
Finished products and spare parts	2,751	(121)	2,630	2,080	(139)	1,941
TOTAL	**5,650**	**(437)**	**5,213**	**5,316**	**(524)**	**4,792**

Note 15 - Sales Financing receivables

15-A. Sales financing receivables by nature

(€ million)	December 31, 2022	December 31, 2021
Dealership receivables	10,003	6,343
Financing for end-customers	23,519	23,159
Leasing and similar operations	11,836	11,024
Gross value	**45,358**	**40,526**
Impairment	(1,111)	(1,028)
Net value	**44,247**	**39,498**

Details of fair value are given in Note 24-A.

15-B. Assignment of Sales financing receivables

	December 31, 2022		December 31, 2021	
(€ million)	Balance sheet value	Fair value	Balance sheet value	Fair value
Assigned receivables carried in the balance sheet	13,650	13,530	12,589	12,541
Associated liabilities	3,319	3,377	3,098	3,113

The Sales Financing segment has undertaken several public securitization operations (in Germany, Spain, France, Italy and the United Kingdom) and several conduit financing operations (France, 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 2022, the Sales Financing segment undertook an operation worth approximately €700 million on the securitization market, backed by automotive loans made by its French subsidiary DIAC (comprising €650 million in senior debt and around €50 million of subordinated debt).

The segment also launched its first securitization in Spain, with creation of €1.1 billion of senior bonds entirely retained by the Group. This new programme strengthens the Group's liquidity by increasing and diversifying assets eligible for the ECB's monetary policy operations

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.

Assets pledged as guarantees for management of the liquidity reserve are presented in Note 28-A4.

15-C. Sales financing receivables by maturity

(€ million)	December 31, 2022	December 31, 2021
- 1 year	22,280	18,499
1 to 5 years	21,598	20,644
+ 5 years	369	355
TOTAL SALES FINANCING RECEIVABLES – NET VALUE	**44,247**	**39,498**

15-D. Breakdown of sales financing receivables by level of risk

In 2021 the Sales Financing segment finalized its compliance programme for the new definition of default for countries whose solvency ratio is calculated by the advanced approach (France, Italy, Spain, Germany, the United Kingdom and South Korea) and the standard approach (Brazil and non-G7 countries).

The provisioning parameters (Probability of Default, Loss Given Default) are now based on methods applicable for the new definition of default (reconstruction of calculation history, adapted days-past-due counter, etc.) Since June 2022, the Loss Given Default has been updated monthly for all countries.

(€ million)	Financing for final customers	Dealer financing	December 31, 2022
Gross value	**35,355**	**10,003**	**45,358**
Healthy receivables	31,283	9,787	41,070
Receivables showing higher credit risk since initial recognition	3,093	167	3,260
Receivables in default	979	49	1,028
% of total receivables in default	2.8%	0.5%	2.3%
Impairment	**(1,063)**	**(48)**	**(1,111)**
Impairment in respect of healthy receivables	(323)	(20)	(343)
Impairment in respect of receivables showing higher credit risk since initial recognition	(179)	(6)	(185)
Impairment in respect of receivables in default	(561)	(22)	(583)
Total net value	**34,292**	**9,955**	**44,247**

(€ million)	Financing for final customers	Dealer financing	December 31, 2021
Gross value	**34,183**	**6,343**	**40,526**
Healthy receivables	30,067	6,118	36,185
Receivables showing higher credit risk since initial recognition	3,126	165	3,291
Receivables in default	990	60	1,050
% of total receivables in default	2.9%	0.9%	2.6%
Impairment	**(953)**	**(75)**	**(1,028)**
Impairment in respect of healthy receivables	(254)	(37)	(291)
Impairment in respect of receivables showing higher credit risk since initial recognition	(161)	(9)	(170)
Impairment in respect of receivables in default	(538)	(29)	(567)
Total net value	**33,230**	**6,268**	**39,498**

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 €784 million at December 31, 2022 (€805 million at December 31, 2021).

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, 2022	December 31, 2021
Gross value	1,799	1,593
Impairment for incurred credit losses [1]	(795)	(797)
Impairment for expected credit losses	(6)	(8)
Net VALUE	**998**	**788**

(1) Including €(678) million related to Iran at December 31, 2022.

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 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.

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 Note 2-G.

Details of fair value are given in Note 24-A.

Note 17 - Other current and non-current assets

	December 31, 2022			December 31, 2021		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Prepaid expenses	136	419	**555**	133	351	**484**
Tax receivables (excluding current taxes due)	236	1,325	**1,561**	230	1,387	**1,617**
Tax receivables (on current taxes due)	23	154	**177**	19	128	**147**
Other receivables	441	1,830	**2,271**	488	1,753	**2,241**
Investments and capitalizable advances in controlled unconsolidated entities [1]	102	-	**102**	96	-	**96**
Derivatives on operating transactions of the Automotive segment	-	89	**89**	-	50	**50**
Derivatives on financing transactions of the Sales Financing segment	-	434	**434**	-	147	**147**
Assets held for sale [2]	-	3,861	**3,861**	-	129	**129**
Total	**938**	**8,112**	**9,050**	**966**	**3,945**	**4,911**
Gross value	*1,031*	*14,386*	***15,417***	*1,080*	*4,075*	***5,155***
Impairment	*(93)*	*(6,274)*	***(6,367)***	*(114)*	*(130)*	***(244)***

(1) Investments of over €10 million in controlled unconsolidated entities concern Renault Nissan BV, Kadensis and Mobilize Pay s.a.s.
(2) Details of Assets held for sale are given in Note 3-C.

Note 18 - Shareholders' equity

18-A. Share capital

The total number of ordinary shares issued and fully paid at December 31, 2022 is 295,722 thousand, with par value of €3.81 per share (unchanged since December 31, 2021).

Treasury shares do not bear dividends. They account for 1.80 % of Renault SA's share capital at December 31, 2022 (1.55% at December 31, 2021).

The Nissan Group holds approximately 15% of Renault SA 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 14.47% at December 31, 2022 (14.76% at December 31, 2021).

The Group also partially hedges its investment in Nissan (Notes 12-G and 25-B2).

18-C. Renault treasury shares

In application of decisions approved at General Shareholders' Meetings, Renault treasury shares consist of shares allocated to performance share plans and other share-based payment agreements awarded to Group managers and executives, and shares purchased for the purposes of the liquidity agreement signed in May 2022 with investment bank Exane. Under that agreement, Renault SA is progressively making a deposit of a maximum €25 million with BNP, and Exane's annual fee for monitoring operations amounts to €80,000. Renault SA has purchased 4 124 709 shares for an average price of €30.63 and sold 4 013 309 shares for the average price of €30.73, in application of this agreement.

	Plan	Liquidity contract	December 31, 2022	December 31, 2021
Total value of treasury plans (€ million)	205	3	208	237
Total number of treasury shares	5,199,461	111,500	5,310,961	4,582,464

18-D. Distributions

At the General and Extraordinary Shareholders' Meeting of May 25, 2022, it was decided not to distribute dividends (no change compared to 2021).

18-E. Translation adjustment

Details of the change in translation adjustment over the year are as follows:

(€ million)	2022	2021
Change in translation adjustment on the value of the investment in Nissan	680	594
Impact, net of tax, of partial hedging of the investment in Nissan (Note 12-G)	(25)	4
Total change in translation adjustment related to Nissan	**655**	**598**
Changes related to hyperinflationary economies	(80)	21
Other changes in translation adjustment	216	82
TOTAL CHANGE IN TRANSLATION ADJUSTMENT	**791**	**701**

Changes related to hyperinflationary economies consist of changes in the translation adjustment attributable to the Argentinian subsidiaries since January 1, 2018. Other changes in the translation adjustment mostly result from movements in the Japanese yen, Argentina peso and the Brazilian real.

18-F. Financial instrument revaluation reserve

18-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, 2021	**(27)**	**40**	**(1)**	**12**	**5**
Changes in fair value recorded in shareholders' equity	195	3	(5)	193	197
Transfer from shareholders' equity to profit and loss [1]	9	-	(3)	6	6
At December 31, 2022	**177**	**43**	**(9)**	**211**	**208**

(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.*

18-F2. Breakdown of the amounts related to cash flow hedges transferred from the financial instrument revaluation reserve to the income statement

(€ million)	2022	2021
Operating margin	6	15
Other operating income and expenses	2	(1)
Current and deferred taxes	1	(5)
Total transferred to the income statement for cash flow hedges	**9**	**9**

18-F3. Schedule of amounts related to cash flow hedges transferred from the financial instrument revaluation reserve to the income statement

(€ million)	December 31, 2022	December 31, 2021
Within one year	29	-
After one year	243	21
Revaluation reserve for cash flow hedges excluding associates and joint ventures	**272**	**21**
Revaluation reserve for cash flow hedges – associates and joint ventures	(95)	(48)
Total revaluation reserve for cash flow hedges	**177**	**(27)**

This schedule is based on the contractual maturities of hedged cash flows.

18-G. Performance share plans and other share-based payments arrangements

The Board of Directors periodically awards performance shares to Group executives and managers, with vesting and minimum holding periods specific to each plan. All plans include performance conditions which determine the number of performance shares granted to beneficiaries. Loss of the benefit of performance shares follows the applicable regulations: all 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 29 was introduced in 2022, concerning 1,684 thousand shares with initial total value of €79 million. The vesting period for rights to shares is 3 years, and there is 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 of €)	Unit fair value	Expense for 2022 (€million)	Expense for 2021 (€million)	Share price at grant date	Interest rate	Duration of option	Dividend per share (€)
Plan 24 [(1)]	53,646	66.18	-	-	82.79	(0.56)%	3-4 years	2.40 - 2.88
	22,167	66.16	-	(1)	0.00	(0.57)%	4 years	0
Plan 25 [(1)]	63,533	73.37	-	2	90.64	(0.57)%	3-4 years	3.15 - 3.34
	23,096	69.73	-	(3)	88.93	(0.57)%	4 years	3.15 - 3.34
Plan 26 [(1)]	49,618	42.50	(7)	(15)	54.99	-	3 years	3.55 - 4.25
Plan 27 [(1)]	11,062	10.31	(4)	(4)	14.55	(0.54)%	3 years	3.55 - 4.25
Plan 28 [(1)]	1,736	33.07	(1)	(1)	33.73	(0.61)%	3 years	3.55 - 3.50
	38,678	31.60	(13)	(9)	33.73	(0.61)%	3 years	0
Plan 29 [(1)]	1,736	22.65	-	-	24.39	(0.02)%	3 years	1.05-1.35
	77,357	21.64	(5)	-	24.39	(0.02)%	3 years	0.65
TOTAL			**(30)**	**(31)**				

(1) 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.

18-G1. Changes in the share rights held by personnel

Changes in the number of share rights held by personnel were as follows:

	Rights not yet vested at January 1, 2022	Granted	Vested rights	Rights expired and other adjustments	Rights not yet vested at December 31, 2022
Share rights	**4,444,368**	1,683,640	(1,279,253) [(1)]	(375,054)	**4,473,701**

(1) Performance shares vested were mainly awarded under plan 25 granted in 2018 and plan 26 for French tax residents granted in 2019.

18-G2. Performance shares and shares awarded as variable remuneration

For plan 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. 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	Grant date	Share rights awarded at December 31, 2022	Vesting date	Holding period
Plan 25	February 15, 2018	-	February 15, 2021	February 15, 2021– February 15, 2022
	February 15, 2018	-	February 15, 2022	None
Plan 26	June 12, 2019	-	June 12, 2022	None
Plan 27	February 13, 2020	1,305,690	February 13, 2023	None
Plan 28	April 23, 2021	1,495,021	April 23, 2024	None
Plan 29	May 25, 2022	1,672,990	May 25, 2025	None
TOTAL		**4,473,701**		

18-H. Share of non-controlling interests

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, 2022	December 31, 2021	2022	2021	December 31, 2022	December 31, 2021	2022	2021
Automotive									
Renault Korea Motors	Korea	47%	20%	26	-	492	176	(2)	-
Oyak Renault Otomobil Fabrikalari	Turkey	48%	48%	59	18	329	304	(21)	(58)
JMEV	China	50%	50%	(134)	(14)	(75)	20	-	-
Other				3	8	13	14	(6)	(2)
Total - Automotive				**(46)**	**12**	**759**	**514**	**(29)**	**(60)**
Sales Financing									
Banco RCI Brasil	Brazil	40%	40%	12	10	-	-	(2)	(16)
Rombo Compania Financiera	Argentina	40%	40%	(2)	(1)	-	-	-	-
RCI Colombia SA	Colombia	49%	49%	8	8	-	-	(7)	(2)
Other				1	3	-	13	(2)	(2)
Total – Sales Financing				**19**	**20**	**-**	**13**	**(11)**	**(20)**
Total AVTOVAZ		**-**	**32%**	**(335)**	**54**	**-**	**66**	**(1)**	**(1)**
Total Mobility Services				**-**	**(7)**	**(18)**	**(19)**	**-**	**-**
Total				**(362)**	**79**	**741**	**574**	**(41)**	**(81)**

The Group has granted minority shareholders of Banco RCI Brasil, Rombo Compania Financiera, RCI Colombia S.A. and RCI Financial Services, S.r.o. put options to sell their investments. A liability corresponding to these put options is included in other liabilities, amounting to €117 million for the Brazilian subsidiary, €4 million for the Argentinian subsidiary, €16 million for the Czech subsidiary and €49 million for the Colombian subsidiary at December 31, 2022 (€102 million, €4 million, €0 million and €63 million respectively at December 31, 2021). 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.

Partnership agreements were signed in 2018 with Oyak in Turkey, including put and call options (see Note 28-A3). The Group also holds call options for shares in several entities in the Oyak group (Note 28-B).

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 is €516 million in 2022 (€393 million in 2021).

Defined-benefit plans

The accounting treatment of defined-benefit plans is described in Note 2-S and involves establishment of provisions. These plans concern:

- indemnities payable upon retirement or departure, in application of legislation or agreements in certain countries such as France, Turkey, etc;
- 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, Switzerland, etc);
- 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 and the other RCI Financial Services Ltd, together covering 1,712 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, 2022 is valued at £38 million for the fund compartment dedicated to the Automotive segment and £5 million for the fund compartment dedicated to RCI Financial Services Ltd.

This pension fund (a trust) is a legal entity. 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).

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, 2022		December 31, 2021	
	Renault s.a.s.	Other entities	Renault s.a.s.	Other entities
Retirement age	60 to 65	60 to 67	60 to 65	60 to 67
Discount rate (1)	3.74%	2% to 3.3%	0.82%	0.6% to 2%
Salary increase rate	2.4%	1% to 4.7%	2.2%	1% to 2.8%
Duration of plan	13 years	5 to 20 years	13 years	5 to 20 years
Gross obligation	€678 million	€154 million	€1,050 million	€168 million

(1) 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, 2022		December 31, 2021	
	Automotive	Sales Financing	Automotive	Sales Financing
Financial discount rate (1)	4.90%	4.90%	1.90%	1.90%
Salary increase rate	NA	NA	NA	NA
Duration of plan	15 years	16,5 years	18 years	20 years
Actual return on fund assets	-37.7%	-38.1%	-2.3% to 22.2%	9.3%
Gross obligation	€255 million	€28 million	€419 million	€49 million
Fair value of assets invested via pension funds (2)	€213 million	€22 million	€373 million	€38 million

(1) 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).

(2) Due to rising interest rates, the investment policy resulted in a decrease in the value of fund assets and the gross commitment in the United Kingdom.

19-C. Net expense for the year

(€ million)	2022	2021
Current service cost	68	85
Past service cost and (gain) / loss on settlement	(7)	-
Net interest on the net liability (asset)	21	11
Effects of workforce adjustment measures	(5)	(5)
Net expense (income) for the year recorded in the income statement	**77**	**91**

19-D. Details of the balance sheet provision

19-D1. Breakdown of the provision

(€ million)	December 31, 2022 Present value of the obligation	Fair value of fund assets	Asset ceiling	Net defined-benefit liability (asset)
Retirement and termination indemnities				
France	835	(1)	-	834
Europe (excluding France)	30	-	-	30
Africa & Middle East	1	-	-	1
Americas	1	-	-	1
Asia Pacific	60	-	-	60
Eurasia [1]	4	-	-	4
Total retirement and termination indemnities	**931**	**(1)**	**-**	**930**
Supplementary pensions				
France	79	(75)	-	4
United Kingdom	282	(235)	-	47
Europe (excluding France and the United Kingdom) [2]	281	(238)	2	45
Americas	-	-	-	-
Asia Pacific	3	-	-	3
Africa & Middle East	3	-	-	3
Total supplementary pensions	**648**	**(548)**	**2**	**102**
Other long-term benefits				
France [3]	34	-	-	34
Europe (excluding France)	2	-	-	2
Americas	6	-	-	6
Total other long-term benefits	**42**	**-**	**-**	**42**
Total [4]	**1,621**	**(549)**	**2**	**1,074**

(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: €45 million; total net liability due after one year: €1,029 million.

19-D2. Schedule of amounts related to net defined-benefit liability

(€ million)	December 31, 2022 <1 year	1 to 5 years	5 to 10 years	>10 years	Total
Present value of obligation	66	278	374	903	1,621
Fair value of plan assets	(18)	(66)	(80)	(385)	(549)
Asset ceiling	-	-	-	2	2
Net defined-benefit liability (asset)	**48**	**212**	**294**	**520**	**1,074**

The weighted average duration of plans is 14 years at December 31, 2022 (15 years at December 31, 2021).

19-E. Changes in obligations, fund assets and the provision

(€ million)	Present value of the obligation (A)	Fair value of the fund assets (B)	Asset ceiling (C)	Net defined-benefit liability (A)+(B)+(C)
Balance at December 31, 2021	**2,175**	**(735)**	**-**	**1,440**
Current service cost	68	-	-	68
Past service cost and gain/loss on plan curtailment, modification and settlement	(7)	-	-	(7)
Net interest on the net liability (asset)	31	(10)	-	21
Effects of workforce adjustment measures	(5)	-	-	(5)
Net expense (income) for 2022 recorded in the income statement (Note 19-C)	**87**	**(10)**	**-**	**77**
Actuarial gains and losses on the obligation resulting from changes in demographic assumptions	13	-	-	13
Actuarial gains and losses on the obligation resulting from changes in financial assumptions	(524)	-	-	(524)
Actuarial gains and losses on the obligation resulting from experience effects	20	-	-	20
Net return on fund assets (not included in net interest above)	-	169	-	169
Changes in asset ceiling (excluding part in net interest)	-	-	2	2
Net expense (income) for 2022 recorded in other components of comprehensive income	**(491)**	**169**	**2**	**(320)**
Employer contributions to funds	-	(13)	-	(13)
Employee contributions to funds	-	(3)	-	(3)
Benefits paid under the plan	(150)	31	-	(119)
Effect of changes in exchange rate	(16)	13	-	(3)
Effect of changes in scope of consolidation and other	16	(1)	-	15
Balance at December 31, 2022	**1,621**	**(549)**	**2**	**1,074**

Accumulated actuarial gains and losses, net of tax (excluding the associates' share) recorded in other components of comprehensive income amounted to an expense of €394 million at December 31, 2022 (compared to an expense of €758 million at December 31, 2021).

A 100 base point decrease in the discount rates used for each plan would result in a €272 million increase in the amount of obligations at December 31, 2022 (€537 million at December 31, 2021), and a 100 base point increase in the discount rates used for each plan would result in a €222 million decrease in the amount of obligations at December 31, 2022 (€472 million at December 31, 2021).

19-F. Fair value of fund assets

Details of the assets invested via pension funds and insurance companies are as follows:

	December 31, 2022		
(€ million)	Assets listed on active markets	Unlisted assets	Total
Pension funds			
Cash and cash equivalents	1	-	1
Shares	62	-	62
Bonds	144	-	144
Shares in mutual funds and other	30	-	30
TOTAL – PENSION FUNDS	**237**	**-**	**237**
Insurance companies			
Cash and cash equivalents	2	7	9
Shares	9	1	10
Bonds	197	6	203
Real estate property	24	1	25
Shares in mutual funds and other	33	32	65
TOTAL - INSURANCE COMPANIES	**265**	**47**	**312**
TOTAL	**502**	**47**	**549**

Pension fund assets in bonds mainly relate to plans located in the United Kingdom (46.9%). Insurance contracts in bonds principally concern the Netherlands (21.5%), France (15%), Switzerland (10.8%) and Germany (4.3%). 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 (15.7)% in 2022 (5.4% in 2021).

At the date of this report, the best estimate of contributions that will be payable to the funds in 2022 is approximately €13 million.

The Group's pension fund assets do not include Renault Group's financial instruments. Real estate investments do not include real estate properties occupied by the Group.

Note 20 - Change in provisions

(€ million)	Restructuring provisions	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, 2021	**652**	**1,003**	**143**	**463**	**580**	**2,841**
Increases	157	469	47	48	210	931
Reversals of provisions for application	(318)	(546)	(23)	(52)	(129)	(1,068)
Reversals of unused balance of provisions	(88)	(3)	(8)	-	(75)	(174)
Changes in scope of consolidation	(10)	(63)	(10)	-	(40)	(123)
Translation adjustments and other changes	(24)	14	22	-	9	21
At December 31, 2022 [2]	**369**	**874**	**171**	**459**	**555**	**2,428**

(1) Technical reserves established by the Sales Financing segment's insurance companies.
(2) Short-term portion of provisions: €1,087 million; long-term portion of provisions: €1,341 million.

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 2022, the Group recorded no provision 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).

At December 31, 2022, other provisions include €107 million of provisions established in application of environmental regulations (€98 million at December 31, 2021). 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

(€ million)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Current taxes due	**-**	**312**	**312**	**-**	**266**	**266**
Provisions for uncertain tax liabilities	**234**	**21**	**255**	**217**	**6**	**223**
Tax liabilities (excluding current taxes due)	13	1,219	**1,232**	17	1,201	**1,218**
Social liabilities	24	1,245	**1,269**	26	1,324	**1,350**
Other liabilities	202	4,855	**5,057**	202	4,426	**4,628**
Deferred income	1,133	1,302	**2,435**	1,212	1,456	**2,668**
Derivatives on operating transactions of the Automotive segment	-	77	**77**	-	86	**86**
Liabilities related to assets held for sale	-	873	**873**	-	182	**182**
Total other liabilities	**1,372**	**9,571**	**10,943**	**1,457**	**8,675**	**10,132**
Total	**1,606**	**9,904**	**11,510**	**1,674**	**8,947**	**10,621**

Other current liabilities mainly correspond to asset payables that amounts to €499 million (€597 million at December 31, 2021), amounts payable under sales incentive programs (€2,304 million at December 31, 2022 and €1,731 million at December 31, 2021) and deferred income recorded in connection with sales contracts including a buy-back commitment (€293 million at December 31, 2022 and €370 million at December 31, 2021).

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:

Total	Automotive service contracts		Cooperation contracts	
	2022	2021	2022	2021
Deferred income at January 1	**915**	**1,011**	**1,119**	**1,301**
Deferred income received during the period	402	367	273	114
Deferred income recognized in revenues during the period	(438)	(463)	(356)	(299)
Change in scope of consolidation	-	-	-	-
Translation adjustments and other changes	1	-	1	3
Deferred income at December 31	**880**	**915**	**1,037**	**1,119**
To be recognized in revenues - within one year	757	790	1,012	1,092
- in 1 to 3 years	110	113	7	8
- in 3 to 5 years	13	12	18	19

6.5. 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

(€ million)	December 31, 2022			December 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Investments in non-controlled entities	63		63	72		72
Marketable securities and negotiable debt instruments	-	587	587	-	893	893
Derivatives on financing operations by the Automotive segment	85	410	495	56	181	237
Loans and other	265	419	684	245	306	551
Total financial assets	**413**	**1,416**	**1,829**	**373**	**1,380**	**1,753**
Gross value	*437*	*1,420*	*1,857*	*373*	*1,383*	*1,756*
Impairment	*(24)*	*(4)*	*(28)*	-	*(3)*	*(3)*
Cash equivalents (1)	-	10,713	10,713	-	10,209	10,209
Cash	-	11,061	11,061	-	11,719	11,719
Total cash and cash equivalents	**-**	**21,774**	**21,774**	**-**	**21,928**	**21,928**

(1) *Cash equivalents mainly consist of short-term bank deposits maturing in 3 months or less and a low risk of change in the interest receivable, totalling €6,377 million (€3,125 million at December 31, 2021), and investment funds with "monetary fund" approval that meet the criteria for classification as cash equivalents, totalling €3,629 million (€6,814 million at December 31, 2021).*

Information on the counterparty risks associated with financial assets and cash and cash equivalents is provided in Note 25-B6.

22-B. Investments in non-controlled entities

At December 31, 2022, investments in non-controlled entities include an amount of €33 million (€37 million at December 31, 2021) paid to the Funds for the Future of the Automobile (*Fonds Avenir Automobile*) under the support plan for automobile industry suppliers introduced by the French authorities and automakers. The outstanding amount payable by Renault Group at December 31, 2022 is €84 million (€88 million at December 31, 2021).

22-C. 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 (Notes 15-B1 et 28-A4). These current bank accounts amount to €1,169 million at December 31, 2022 (€909 million at December 31, 2021).

Note 23 - Financial liabilities and sales financing debts

23-A. Current / non-current breakdown

	December 31, 2022			December 31, 2021		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Renault SA redeemable shares	253	-	253	247	-	247
Bonds	8,674	1,218	9,892	7,874	254	8,128
Other debts represented by a certificate	-	930	930	-	997	997
Borrowings from credit institutions	300	1,556	1,856	3,464	1,777	5,241
- France	*300*	*1,112*	*1,412*	*2,325*	*1,080*	*3,405*
- Russia	-	-	-	*1,087*	*14*	*1,101*
- Brazil	-	*130*	*130*	*52*	*432*	*484*
- Morocco	-	*270*	*270*	-	*181*	*181*
Lease liabilities	446	107	553	479	124	603
Other financial liabilities (1)	73	373	446	215	252	467
Financial liabilities of the Automotive segment (excluding derivatives)	**9,746**	**4,184**	**13,930**	**12,279**	**3,404**	**15,683**
Derivatives on financing operations of the Automotive segment	99	419	518	54	199	253
Financial liabilities of the Automotive segment	**9,845**	**4,603**	**14,448**	**12,333**	**3,603**	**15,936**
Financial liabilities of the Mobility Services segment (2)	7	2	9	6	2	8
Subordinated loans and Diac redeemable shares (3)	886	-	886	893	-	893
Financial liabilities	**10,738**	**4,605**	**15,343**	**13,232**	**3,605**	**16,837**
Bonds	-	13,570	13,570	-	13,810	13,810
Other debts represented by a certificate	-	4,539	4,539	-	4,161	4,161
Borrowings from credit institutions	-	5,727	5,727	-	5,734	5,734
Other interest-bearing borrowings, including lease liabilities (4)	-	24,810	24,810	-	21,374	21,374
Debts of the Sales Financing segment (excluding derivatives)	**-**	**48,646**	**48,646**	**-**	**45,079**	**45,079**
Derivatives on financing operations of the Sales Financing segment	-	353	353	-	44	44
Sales Financing debts	**-**	**48,999**	**48,999**	**-**	**45,123**	**45,123**
Total financial liabilities and sales financing debts	**10,738**	**53,604**	**64,342**	**13,232**	**48,728**	**61,960**

(1) The financial liability for leases analysed in substance as purchases, recognized at December 31, 2022 in application of IAS 16, amounts to €16 million (€99 million at December 31, 2021). The financial liability for leases analysed in substance as purchases that relates to assets held for sale (Note 3-C) has been reclassified and amounts to €90 million.
(2) Financial liabilities of Mobility Services segment, including internal financing, amounts to €44 million (6.1.A2).
(3) Including subordinated loans of RCI Banque, amounting to €856 million at December 31, 2022 (€856 million at December 31, 2021).
(4) Including lease liabilities of the Sales Financing segment, amounting to €69 million at December 31, 2022 (€58 million at December 31, 2021).

23-B. Changes in Automotive financial liabilities and derivative assets on financing operations

(€ million)	December 31, 2021	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, 2022
Renault SA redeemable shares	247	-	-	-	6	253
Bonds	8,128	1,822	-	(58)	-	9,892
Other debts represented by a certificate	997	(27)	-	(24)	(16)	930
Borrowings from credit institutions	5,241	(2,111)	(1,746)	506	(34)	1,856
Lease liabilities	603	(125)	(42)	9	108	553
Other financial liabilities	467	(314)	(71)	34	330	446
Financial liabilities of the Automotive segment (excluding derivatives)	**15,683**	**(755)**	**(1,859)**	**467**	**394**	**13,930**
Derivatives on financing operations of the Automotive segment	253	195	-	78	(8)	518
Total financial liabilities of the Automotive segment (a)	**15,936**	**(560)**	**(1,859)**	**545**	**386**	**14,448**
Derivative assets on Automotive financing operations (b)	237	203	-	1	54	495
Net change in Automotive financial liabilities in consolidated cash flows by segment (section 2.2.5) (a) – (b)		**(763)**				
Financial liabilities of the Mobility Services segment	**8**	**10**	**(3)**	**(5)**	**(1)**	**9**
Net change in Automotive financial liabilities in consolidated cash flows		**(753)**				

23-C. Changes in financial liabilities and sales financing debts

Changes in redeemable shares of the Automotive segment

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. The sale of our automotive businesses in Russia thus had no effect on this rate of return.

Redeemable shares are stated at amortized cost, calculated by discounting the forecast interest coupons at the effective interest rate of the borrowing.

These shares traded for €270.58 at December 31, 2022 (€442.00 at December 31, 2021). The financial liability based on the stock market value of the redeemable shares at December 31, 2022 is €216 million (€353 million at December 31, 2021).

Changes in bonds and other debts of the Automotive segment

As part of its Shelf Registration program, Renault SA launched two bonds on the Japanese market on December 22, 2022 for a total of ¥290.7 billion (equivalent to €2 billion). The first bond was launched on July 1, 2022, for a total amount of ¥80.7 billion (equivalent to €561 million), with a 3.5% coupon and 3-year maturity. The second was launched on December 22, 2022 for a total amount of ¥210 billion (equivalent to €1.45 billion), with a 2.8% coupon and 4-year maturity.

In 2022, Renault SA redeemed bonds for a total of €207 million.

Change in State-guaranteed credit facility of the Automotive segment

In 2020, Renault Group opened a credit line with a pool of five banks, for the maximum amount of €5 billion covered by a French State guarantee for up to 90% of the amount borrowed. At December 31, 2020, €4 billion had been drawn on this credit line.

The initial maturity for each drawing was 12 months, extendable by Renault Group for 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. If extended, these credit drawings were 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 Renault Group's initiative.

The Group exercised the extension options on all these drawings except for the drawing maturing in August 2021, of which €1 billion was repaid.

As announced on February 18, 2022, the Group made three early repayments in 2022 totalling €1,020 million, corresponding to the final instalments (August, September and December 2024) of the three drawings. The change of intent was treated as a modification of a financial liability in compliance with IFRS 9, paragraph B5.4.6. This led to a decrease in the financial liability with recognition of a corresponding amount of €29 million in financial income at December 31, 2022. After the three repayments made at maturity during the second half-year, totalling €990 million, the outstanding amount of the State-guaranteed credit facility at the year-end is €990 million. The total amount will be repaid in 2023.

Changes in Sales Financing debts

On June 27, 2022 the RCI Group issued a €500 million, 5-year green bond with a 4.75% coupon. The proceeds of this issue were received on July 6, 2022. These funds will be used to finance or refinance electric vehicles and charging infrastructures, to promote the transition to electric mobility and the fight against climate change.

In 2022, RCI Banque group also issued new bonds totalling €2,833 million with maturities between 2024 and 2028, and redeemed bonds for a total of €3,319 million.

The Group had access to the TLTRO III program (targeted long-term refinancing operations) set up by the European Central Bank (ECB). Three drawings were made during 2020 for a total of €1,750 million, maturing in 2023.Two other drawings were made during 2021, for a total of €1,500 million, maturing in 2024.

The IFRS IC decision clarifying analysis and recognition of TLTRO III transactions became final in March 2022. This decision applies to drawings of TLTRO III financing to which the Group has opted to apply IFRS 9.

The maximum interest rate applicable to TLTRO drawings is calculated based on the average deposit facility rate "DFR" of the European Central Bank (ECB). Rate reductions apply based on criteria of growth in loan grants. On June 10, 2022 the Group received confirmation that loan grant targets for the special additional reference period had been met (October 2020 – December 2021), and that consequently it will benefit from an interest rate reduction (June 2021-June 2022). In application of the provisions of IFRS 9, this rate reduction gives rise to a €14 million adjustment to TLTRO liability items.

New savings collected rose by €3,422 million during the year (€1,938 million of sight deposits and € 1,484 million of term deposits) to €24,441 million (€17,661 million of sight deposits and €6,780 million of term deposits), and are classified as other interest-bearing borrowings. These savings are collected in Germany, Austria, Brazil, Spain, France, the United Kingdom and the Netherlands.

To hedge certain floating-rate liabilities (savings collected and TLTRO financing), RCI Banque set up interest rate derivatives that do not qualify as hedging derivatives under IFRS 9. The net operating income was positively affected by a €80 million increase in the value of these swaps due to the current rise in interest rates.

Cash outflows on leases

Cash outflows on leases restated in application of IFRS 16 amounted to €170 million in 2022 (€145 million in 2021). This includes €148 million of repayments of the principal value of lease liabilities (€126 million in 2021) and €22 million of interest (€19 million in 2021).

Cash outflows on leases that were reclassified as purchases in substance in application of IAS 16 amounted to €12 million in 2022 (€11 million in 2021). This amount does not include repayments of interest.

Cash outflows on leases benefiting from the exemption for low-value and very short-term leases amounted to €93 million in 2022 (€95 million in 2021) (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 2022 year-end amount to €12 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.

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, 2022.

No contractual flows are reported for Renault SA and Diac redeemable shares as they have no fixed redemption date.

Financial liabilities of the Automotive segment

	December 31, 2022									
			<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
Renault SA bonds 2017	1,500	1,500	-	750	750	-	750	-	-	-
Renault SA bonds 2018	1,580	1,580	-	130	130	700	-	750	-	-
Renault SA bonds 2019	1,550	1,557	-	-	-	57	1,000	-	500	-
Renault SA bonds 2020	1,000	1,000	-	-	-	-	-	1,000	-	-
Renault SA bonds 2021	2,166	2,240	-	304	304	836	-	500	-	600
Renault SA bonds 2022	2,067	2,062	-	-	-	-	569	1,493	-	-
Accrued interest, expenses and premiums	29	29	10	43	53	(10)	(8)	(5)	(1)	-
Total bonds	**9,892**	**9,968**	**10**	**1,227**	**1,237**	**1,583**	**2,311**	**3,738**	**499**	**600**
Other debts represented by a certificate	930	930	890	40	930	-	-	-	-	-
Borrowings from credit institutions	1,856	1,987	93	1,594	1,687	-	190	110	-	-
- France	*1,412*	*1,412*	*10*	*1,102*	*1,112*	-	*190*	*110*	-	-
- Brazil	*130*	*130*	*24*	*106*	*130*	-	-	-	-	-
- Morocco	*270*	*270*	*16*	*254*	*270*	-	-	-	-	-
Lease liabilities	553	592	36	76	112	85	66	59	39	231
Other financial liabilities	446	508	271	178	449	19	11	21	6	2
Total other financial liabilities	**3,785**	**4,017**	**1,290**	**1,888**	**3,178**	**104**	**267**	**190**	**45**	**233**
Future interest on bonds and other financial liabilities	-	46	4	18	22	10	8	5	1	-
Redeemable shares	253	251	-	-	-	-	-	-	-	251
Derivatives on financing operations	518	518	202	217	419	47	6	46	-	-
Total financial liabilities of the Automotive segment	**14,448**	**14,800**	**1,506**	**3,350**	**4,856**	**1,744**	**2,592**	**3,979**	**545**	**1,084**

Financial liabilities and debts of the Sales Financing segment

	December 31, 2022									
			<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 2016	1,346	1,350	-	1,350	1,350	-	-	-	-	-
RCI Bank bonds 2017	1,690	1,750	-	-	-	1,150	600	-	-	-
RCI Bank bonds 2018	2,119	2,177	750	127	877	-	550	750	-	-
RCI Bank bonds 2019	2,959	3,039	623	807	1,430	959	-	650	-	-
RCI Bank bonds 2020	1,044	1,139	158	165	323	51	15	-	750	-
RCI Bank bonds 2021	682	684	44	153	197	356	109	22	-	-
RCI Bank bonds 2022	3,560	3,587	-	52	52	407	1,871	107	500	650
Accrued interest, expenses and premiums	170	169	46	85	131	21	15	4	(1)	(1)
Total bonds	**13,570**	**13,895**	**1,621**	**2,739**	**4,360**	**2,944**	**3,160**	**1,533**	**1,249**	**649**
Other debts represented by a certificate	4,539	4,529	749	1,377	2,126	1,638	549	228	3	(15)
Borrowings from credit institutions	5,727	5,728	450	2,344	2,794	2,044	277	605	8	-
Lease liabilities	69	68	5	15	20	20	19	4	1	4
Other interest-bearing	24,741	24,744	18,877	2,573	21,450	2,117	761	250	166	-
Total other financial liabilities	**35,076**	**35,069**	**20,081**	**6,309**	**26,390**	**5,819**	**1,606**	**1,087**	**178**	**(11)**
Future interest on bonds and other financial liabilities		1,872	69	501	570	475	342	249	116	120
Subordinated loans and Diac redeemable shares	886									
Derivatives on financing operations	353	(13)	17	(6)	11	(28)	(6)	9	1	-
Total debts and financial liabilities of the Sales Financing segment	**49,885**	**50,823**	**21,788**	**9,543**	**31,331**	**9,210**	**5,102**	**2,878**	**1,544**	**758**

Financial liabilities and debts of the Mobility Services segment

(€ million)	Balance sheet value	Total contractual flows	December 31, 2022 <1 yr 0 to 3 months	3 to 12 months	Total	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs
Other interest-bearing	9	9	-	2	2	6	1	-
Total other financial liabilities	**9**	**9**	**-**	**2**	**2**	**6**	**1**	**-**
Derivatives on financing operations	-	-	-	-	-	-	-	-
Total financial liabilities of the Mobility Services segment	**9**	**9**	**-**	**2**	**2**	**6**	**1**	**-**

23-E. Financing by assignment of receivables

Automotive segment-financing by assignment of receivables

Some of the Automotive segment's external financing comes from assignment of commercial receivables to non-Group financial establishments.

Details of financing by assignment of commercial receivables is as follows:

(€ million)	December 31, 2022 To non-group entities	To Sales Financing	December 31, 2021 To non-group entities	To Sales Financing
Assignment of Automotive receivables	1,555	244	1,373	181
Automotive network financing	-	7,662	-	4,876
Total assigned	**1,555**	**7,906**	**1,373**	**5,057**

The total amount of tax receivables assigned and derecognized in 2022 is €236 million, comprising €136 million of CIR receivables and €100 million of VAT receivables (€139 million of CIR receivables and €66 million of VAT receivables in 2021).

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 sheet at December 31, 2022.

The Automotive segment assigns its dealership receivables to the Sales financing segment. The total dealership receivables transferred to the Sales financing segment principally concerns Renault Group. The amounts are presented in Note 15-D.

Note 24 - Financial instruments by category, fair value and impact on net income

24-A. Financial instruments by category and fair values by level

IFRS 9 defines three categories of financial instruments:

- financial assets or liabilities at fair value through other components of comprehensive income;
- financial assets or liabilities 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 2022, no financial instruments were transferred between level 1 and level 2, or into or out of level 3.

(€ million)		December 31, 2022						
		Balance sheet value						
FINANCIAL ASSETS AND OTHER ASSETS	Notes	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	44,247	-	-	44,247		43,920 (1)	3
Automotive customer receivables	16	998	-	-	998		(2)	
Tax receivables (including current taxes due)	17	1,738	-	-	1,738		(2)	
Other receivables and prepaid expenses	17	2,826	-	-	2,826		(2)	
Derivatives on operating transactions of the Automotive segment	17	89	15	74	-			2
Derivatives on financing operations of the Sales Financing segment	17	434	83	351	-			2
Investments in unconsolidated controlled entities	17	102			-	102		
Investments in non-controlled entities	22	63	63	-	-			3
Marketable securities and negotiable debt instruments	22	587	141	446	-			1
Derivatives on financing operations of the Automotive segment	22	495	490	5	-			2
Loans and other	22	684	-	-	684		(2)	3
Cash and cash equivalents	22	21,774	3,912	164	17,698		(2)	1 & 3
Total financial assets and other assets		**74,037**	**4,704**	**1,040**	**68,191**	**102**	**43,920**	

(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.

(€ million)		December 31, 2022					
		Balance sheet value					
FINANCIAL LIABILITIES OTHER LIABILITIES	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	1,544			1,544	(1)	
Social liabilities	21	1,269			1,269	(1)	
Other liabilities and deferred income	21	7,492			7,492	(1)	
Trade payables	21	8,405			8,405	(1)	
Derivatives on financing operations of the Automotive segment	21	77	16	61			2
Renault redeemable shares	23	253			253	216 (2)	
Diac redeemable shares	23	15	15				1
Subordinated debts	23	871			871	759 (3)	
Bonds	23	23,462			23,462	23,436 (3)	
Other debts represented by a certificate	23	5,469			5,469	5,469 (3)	
Borrowings from credit institutions	23	7,583			7,583	7,561 (3)	
Lease liabilities in application of IFRS 16	23	622			622	622 (3)	
Other interest-bearing and non-interest-bearing borrowings	23	25,196			25,196	25,196 (3)	
Derivatives on financing operations of the Automotive segment	23	518	562	(44)			2
Derivatives on financing operations of the Sales Financing segment	23	353	318	35			2
Total financial liabilities and other liabilities		**83,129**	**911**	**52**	**82,166**	**63,259**	

(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 Group at December 31, 2022 for loans with similar conditions and maturities. The rates offered to Renault Group 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 correspond to Sales Financing receivables (€44,247 million at December 31, 2022, €39,209 million at December 31, 2021), loans and other (€684 million at December 31, 2022, €551 million at December 31, 2021), investments in non-controlled entities (€63 million at December 31, 2022 and €72 million at December 31, 2021) and certain cash equivalents, essentially term deposits (Note 22-A).

These financial assets remain at historical cost. Investments in non-controlled entities also remain at historical cost, but in an exception to the general approach, if historical cost 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

(€ million)	Financial instruments other than derivatives: Instruments measured at fair value through profit and loss	Instruments measured at fair value through equity	Instruments measured at amortized cost (1)	Derivatives	Total impact on net income
Operating margin	-	-	(90)	15	(75)
Net financial income (expenses)	18	(4)	(109)	(67)	(162)
Impact on net income – Automotive segment	**18**	**(4)**	**(199)**	**(52)**	**(237)**
Operating margin	2	34	845	(190)	691
Impact on net income – Sales Financing segment	**2**	**34**	**845**	**(190)**	**691**
Total gains (losses) with impact on net income	**20**	**30**	**646**	**(242)**	**454**

(1) *Including financial liabilities subject to fair value hedges.*

For the Automotive segment, 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, 2022	December 31, 2021
Change in fair value of the hedging instrument	(373)	(128)
Change in fair value of the hedged item	383	122
Net impact on net income of fair value hedges	**10**	**(6)**

Hedge accounting methods are described in Note 2-X.

Note 25 - Derivatives and management of financial risks

25-A. Derivatives and netting agreements

25-A1. Fair value of derivatives and hedged notional values

The fair value of derivatives of the Automotive segment corresponds to their balance sheet value:

(€ million)	Balance sheet value			Financial commitment		
December 31, 2022	Assets	Liabilities	Nominal	< 1 yr	1 to 5 yrs	> 5 yrs
Cash flow hedges	2	(2)	225	225	-	-
Fair value hedge	-	-	-	-	-	-
Net investment hedge	-	-	-	-	-	-
Derivatives not designated as hedging instruments	424	495	21,775	19,763	2,012	-
Total foreign exchange risk	**426**	**493**	**22,000**	**19,988**	**2,012**	**-**
Cash flow hedges	5	(46)	-	-	-	-
Fair value hedge	-	-	-	-	-	-
Derivatives not designated as hedging instruments	66	69	3,213	1,544	1,669	-
Total interest rate risk	**71**	**23**	**3,213**	**1,544**	**1,669**	**-**
Cash flow hedges	72	65	958	351	607	-
Fair value hedge	-	-	-	-	-	-
Derivatives not designated as hedging instruments	15	14	305	305	-	-
Total commodity risk	**87**	**79**	**1,263**	**656**	**607**	**-**
Total Automotive	**584**	**595**	**26,476**	**22,188**	**4,288**	**-**

The fair value of derivatives of the Sales Financing segment corresponds to their balance sheet value:

(€ million)	Balance sheet value			Financial commitment		
December 31, 2022	Assets	Liabilities	Nominal	< 1 yr	1 to 5 yrs	> 5 yrs
Cash flow hedges	-	-	-	-	-	-
Fair value hedge	-	-	-	-	-	-
Net investment hedge	-	-	26	26	-	-
Derivatives not designated as hedging instruments	14	24	233	96	137	-
Total foreign exchange risk	**14**	**24**	**259**	**122**	**137**	**-**
Cash flow hedges	329	7	9,724	2,874	6,850	-
Fair value hedge	-	317	5,176	565	4,361	250
Derivatives not designated as hedging instruments	91	5	9,150	7,733	1,417	-
Total interest rate risk	**420**	**329**	**24,050**	**11,172**	**12,628**	**250**
Total Sales Financing	**434**	**353**	**24,309**	**11,294**	**12,765**	**250**

25-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 (French Banking Federation).

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

(€ million) December 31, 2022	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 segment	495	(333)	-	-	162
Derivatives on financing operations of the Sales Financing segment	434	(334)	-	-	100
Sales Financing receivables dealer (1)	374	-	(189)	-	185
TOTAL ASSETS	**1,303**	**(667)**	**(189)**	**-**	**447**
LIABILITIES					
Derivatives on financing operations of the Automotive segment	518	(333)	-	-	185
Derivatives on financing operations of the Sales Financing segment	353	(334)	-	-	19
TOTAL LIABILITIES	**871**	**(667)**	**-**	**-**	**204**

(1) *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 segment and the Sales Financing segment. The Mobility Services segment does not have any specific financial risks since it is financed by the Automotive segment.

25-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 segment

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 segment must maintain to finance their operations and development. The liquidity reserve is closely monitored by a monthly review and reported to the Chief Financia l Officer.

Renault SA handles most refinancing for the Automotive 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, 2022:

- An EMTN bond program with a €10 billion ceiling. This program has been registered with the AMF;
- A Shelf Registration bond program on the Japanese market with a ¥400 billion ceiling. This program has been registered with the Japanese stock market authorities (Kanto Local Finance Bureau);
- 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. On March 29, 2022 S&P affirmed the rating of BB+ with a negative outlook. Moody's upgraded the outlook from negative to stable while maintaining the rating at Ba2 on November 18, 2022. The Japanese ratings agencies R&I and JCR affirmed their ratings for Renault SA (R&I: A-, negative outlook on June 3, 2022; JCR: A-, stable outlook on November 22, 2022).

Renault SA maintained its access to the capital markets in 2022 with the issuance of two Samurai bonds. The first of this bonds was issued at the beginning of July 2022 with nominal value of ¥80.7 billion (€561 million) with a 3.5% interest rate and 3-year maturity. The second was issued in December 2022 with nominal value of ¥210 billion (€1.45 billion) with a 2.8% interest rate and 4-year maturity. Renault SA also maintained its access to short-term financing through use of its NEU CP (Negotiable European Commercial Paper) program.

In 2022, Renault SA reimbursed €2,010 million (Note 23-C) of the bank credit facility guaranteed by the French government. This credit facility of an initial €5 billion was set up in 2020 to cover liquidity requirements resulting from the Covid-19 pandemic. It was available until December 31, 2020, and three drawings totalling €4 billion were made on it during the second half-year of 2020. The principal outstanding at December 31, 2022 amounts to €990 million.

Renault SA also has confirmed credit lines opened with banks worth €3,430 million at December 31, 2022 (3,430 million December 31, 2021). These credit lines mature in more than one year and were undrawn at December 31, 2022 (and 2021). They form a liquidity reserve for the Automotive segment. The maturities of the Automotive segment's financial liabilities at December 31, 2022 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 Group'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).

At December 31, 2022, the Automotive segment have a liquidity reserve of €17.7 billion, sufficient to cover their commitments over a 12-month horizon. This reserve consists of €14.23 billion of cash and cash equivalents, and €3.43 billion of unused confirmed credit lines.

Liquidity risks –Sales Financing segment

The Sales Financing segment is very attentive to diversification of its sources of liquidity. In recent years Renault Group has diversified widely its sources of financing, 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.

The Group took advantage of the favourable context early in the year to issue €750 million of debt with a term of 3.5 years as a part of EMTN program (Euro Medium Term Note Program). This operation generated an order book of over €4.5 billion from more than 180 investors. The Group also returned to the Swiss market, placing a CHF 110 million bond with 3-year maturity. In June, the bank successfully completed its first green bond issue, totalling €500 million. The proceeds of this issue will be used to finance or refinance electric vehicles and charging infrastructures. This operation demonstrated the Group's determination to promote the transition to electric mobility and fight climate change. In September, when the markets were still volatile, a €650 million 6-year bond was also issued. In November, when the market was particularly favourable, a €750 million 3-year bond was also issued.

On the securitization market, the Group placed approximately €700 million of securities backed by automotive loans made by its French subsidiary DIAC, and increased its private securitization in England by £100 million.

Against high volatility on the markets, collection of new savings was particularly resilient and competitive in terms of the cost of resources collected compared to market finance sources. Customer deposits increased by €2.1 billion over the year to €23.1 billion.

With these resources, as well as €4.4 billion of undrawn confirmed credit lines with banks, €4.6 billion of collateral eligible for the Central Banks' monetary policy operations, €5.8 billion of highly liquid assets (HQLA), RCI Banque is able to maintain its customer financing for–almost 11 months without access to external liquidities. At December 31, 2022, RCI Banque's liquidity reserve (for the Europe scope) amounts to €14.9 billion (€14.4 billion at December 31, 2021).

The RCI Banque group's issues and programs are credit-rated by several agencies. In 2022, S&P confirmed RCI Banque's rating of BBB- with a stable outlook, while Moody's affirmed its rating of Baa2 but changed the outlook from negative to stable on November 22, 2022.

25-B2. Foreign exchange risk

The Group made no major changes to its foreign exchange risk management policy in 2022.

The Group's exposure to foreign exchange risk principally concerns the Automotive segment.

Foreign exchange risks - Automotive segment

In the Automotive segment, fluctuations in exchange rates can affect the following financial aggregates: operating income (loss), financial income (expenses), share in net income (loss) of associates and joint ventures, shareholders' equity and net cash position.

The Performance and Control Department and the Financing and Treasury Department are in charge of rolling out and monitoring the Automotive segment's foreign exchange risk management policy.

Operating income

The Automotive segment sometimes hedges certain positions. Foreign exchange hedges on operating income and expenses must first be analysed by the Performance and Control Department and the Financing and Treasury Department, and then require formal authorization by the Chief Financial Officer or Chief Executive Officer, with monthly reporting of results to the Chief Finance Officer. Wherever possible, foreign exchange operations are mainly undertaken by the Group's trading room (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, 2022 based on the 2022 structure of operating results and cash flows, a 1% rise by the euro against all other currencies would have an unfavourable impact of €11 million on the Automotive segment's annual operating income (loss) after any hedging.

In 2022, to limit the foreign exchange risk exposure of its operating margin, the Automotive segment set up foreign exchange hedges of the Argentinian peso, Chinese yuan, and Turkish lira.

The principal exposure in 2022 concerned the pound sterling and the Chinese yuan, with a unfavourable impact of approximately €(15) million and favourable impact of approximately €11 million respectively in the event of a 1% rise by the euro against these currencies, after eventual hedging. The 10 largest exposures in absolute value and their sensitivities after hedging are presented below in millions of euros:

(€ million)		Annual net operating items	Impact of a 1% rise in the euro
Pound sterling	GBP	1,475	(15)
Polish zloty	PLN	735	(7)
Argentinian peso	ARS	486	(5)
Swiss Franc	CHF	477	(5)
Moroccan dirham	MAD	464	(5)
Mexican Peso	MXN	462	(5)
Indian Rupee	INR	(355)	4
Romanian leu	RON	(716)	7
Korean won	KRW	(994)	10
Chinese yuan	CNY	(1,355)	11

Financial income (expenses)

To avoid any exchange-related distortion of the 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 the Automotive segment's exposures to foreign exchange risks on financial income and expense items are aggregated and monitored by the Financing and Treasury Department, with monthly reporting to the Chief Financial Officer.

Intra-group financing flows in foreign currency 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 Financing and Treasury 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 a few tens of millions of euros, so that it cannot have a significant impact on Renault Group'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 2022 net income, a 1% rise in the euro against the Japanese yen would have decreased Nissan's contribution by €5 million. This impact corresponds only to the impact of the euro on the translation of Nissan's contribution to the Renault Group's consolidated statements. 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 Group 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 importance, the investment in Nissan is subject to a partial foreign exchange hedge amounting to ¥199.9 billion at December 31, 2022 (¥18.3 billion at December 2021) (Note 12-G). In 2022 the Group amended its management rule restricting hedging of its net investment in Nissan to its best estimate of the next three years of dividends in yen to be received from Nissan. The Group can now decide to hedge a higher amount of its exposure to foreign exchange risks through the share of equity held in Nissan than the above estimate, although it cannot exceed the share in yen of Nissan equity and its assessment of the liquidity risk on the yen. This foreign currency hedge is only a limited part of the investment in Nissan.

Net cash position

For the purposes of the partial hedge of the investment in Nissan, some of Renault Group's net financial indebtedness is denominated in yen. At December 31, 2022 a 1% rise in the euro against the yen would increase the net cash position of the Automotive segment by €14 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 instruments' 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 totally 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 favourable €14 million at December 31, 2022 (€1 million at December 31, 2021), explained by the yen bond issues that make up the partial hedge of the investment in Nissan (see Note 12-G).

The impact on net income of a 1% rise in the euro against other currencies would be an unfavourable impact of €5 million at December 31, 2022 (€2 million at December 31, 2021), 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, 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, 2022 RCI Banque group's consolidated foreign exchange position reached €12.7 million.

25-B3. Interest rate risks

The Group made no major changes to its interest rate risk management policy in 2022.

The Group's exposure to interest rate risk principally concerns the Sales Financing segment.

Interest rate risk - Automotive segment

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 segment's available cash is managed centrally by Renault SA as far as possible and invested by Renault Finance in the form of short term bank deposits and mutual funds approved as money market funds and meeting the criteria for classification as cash equivalents
- Long-term investments by the Automotive segment generally use fixed-rate financing

Interest rate hedging instruments for the Automotive segment are standard interest swaps that are adequately covered by hedged liabilities, such that no ineffectiveness is expected.

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 Group 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 department 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 (section 2) 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.

Calculation of the individual segments' sensitivity to interest rates includes intersegment loans and borrowings.

For the Automotive segment, 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 favourable €97.9 million. Shareholders' equity would be unaffected.

For the Sales Financing segment, the overall sensitivity to interest rate risks in 2022 remained below the limit set by the RCI Banque group (€70 million at December 31, 2022). At December 31, 2022, a 100 base point rise in interest rates would have the following impacts on net income and shareholders' equity (before taxes):

- +€1.1 million for items denominated in Moroccan dirham;
- €(0.3) million for items denominated in Swiss francs;
- +€1 million for items denominated in pounds sterling;
- €(0.3) million for items denominated in Russian rouble;
- €(1.6) million for items denominated in euros;
- +€0.3 million for items denominated in Czech koruna;

The sum of the absolute sensitivities in each currency amounts to €7 million.

Fixed rate/floating rate breakdown of the Group's financial assets, after the effect of derivatives

(€ million)	December 31, 2022 Total	Automotive segment	Mobility Services	Sales Financing	December 31, 2021 Total	Automotive segment	Mobility Services	Sales Financing
Financial assets before hedging: fixed rate (a)	594	106	1	487	1,072	128	-	944
Financial assets before hedging: floating rate (a')	22,451	14,523	11	7,917	22,300	14,130	12	8,158
Financial assets before hedging	**23,045**	**14,629**	**12**	**8,404**	**23,372**	**14,258**	**12**	**9,102**
Hedges: floating rate / fixed (b)	-	-	-	-	-	-	-	-
Hedges: fixed rate / floating (b')	-	-	-	-	-	-	-	-
Hedges	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial assets after hedging: fixed rate (a+b-b')	594	106	1	487	1,072	128	-	944
Financial assets after hedging: floating rate (a'+b'-b)	22,451	14,523	11	7,917	22,300	14,130	12	8,158
Financial assets after hedging	**23,045**	**14,629**	**12**	**8,404**	**23,372**	**14,258**	**12**	**9,102**

Fixed rate/floating rate breakdown of the Group's financial liabilities, after the effect of derivatives

(€ million)	December 31, 2022 Total	Automotive segment	Mobility Services	Sales Financing	December 31, 2021 Total	Automotive segment	Mobility Services	Sales Financing
Financial liabilities before hedging: fixed rate (a)	32,583	12,046	7	20,530	31,157	12,503	5	18,649
Financial liabilities before hedging: floating rate (a')	29,737	1,619	2	28,116	29,358	2,925	3	26,430
Financial liabilities before hedging	**62,320**	**13,665**	**9**	**48,646**	**60,515**	**15,428**	**8**	**45,079**
Hedges: floating rate / fixed (b)	-	-	-	-	9,776	-	-	9,776
Hedges: fixed rate / floating (b')	188	188	-	-	6,537	256	-	6,281
Hedges	**188**	**188**	**-**	**-**	**16,313**	**256**	**-**	**16,057**
Financial liabilities after hedging: fixed rate (a+b-b')	32,395	11,858	7	20,530	34,396	12,247	5	22,144
Financial liabilities after hedging: floating rate (a'+b'-b)	29,925	1,807	2	28,116	26,119	3,181	3	22,935
Financial liabilities after hedging	**62,320**	**13,665**	**9**	**48,646**	**60,515**	**15,428**	**8**	**45,079**

25-B4. Equity risk

Since the sale of its shares in Daimler in March 2021, the Group's exposure to equity risks has been marginal.

25-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 Group's Purchases department to hedge part of its commodity risks using financial instruments. These hedges are subject to volume, duration, and price limits. The subsidiary Renault Finance can undertake metal operations on its own behalf, within strictly defined risk limits. Its positions are monitored and valued in real time and do not qualify as hedging. This activity cannot have a significant impact on Renault Group's consolidated results.

In 2022 Renault Group undertook hedging operations on base metals and precious metals, within the limits validated by the CEO of Renault SA.

The operations in progress at December 31, 2022 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 designated as hedging derivatives would have a positive impact of €96 million on other components of comprehensive income at December 31, 2022.

25-B6. Bank counterparty risk and credit risk on customer and dealer financing

Customer credit risk on Automotive receivables

The Automotive 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.

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 fulfil 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 the 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 unfavourable impact on its financial results and position.

An increase in the 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 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 segment 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 Renault Group 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. 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 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 2022. The bank counterparty risk borne by the Group through its shares in investment funds (UCITS) is incorporated into the risk of changes in value for those products, and monitored using specific rules.

Impairment and provisions established to cover counterparty risks

				Reversals			
(€ million)	*Notes*	December 31, 2021	Impairment or net impairment	For application	Of unused residual amounts	Other changes and reclassifications	December 31, 2022
Impairment of Sales Financing receivables	15	(1,028)	(384)	189	102	10	(1,111)
- impairment of financing for end-customers	*15*	*(953)*	*(360)*	*155*	*83*	*12*	*(1,063)*
- impairment of dealership financing	*15*	*(75)*	*(24)*	*34*	*19*	*(2)*	*(48)*
Impairment of receivables of the Automotive Segment [(1)]	16	(805)	(71)	7	59	9	(801)
Impairment of other receivables	17	(244)	4	-	-	(6,127)	(6,367)
Impairment of other financial assets	22	(3)	(3)	-	-	(22)	(28)
Provisions (commitments given)	20	12	13	(1)	(10)	(2)	12
Total coverage of counterparty risks		**(2,068)**	**(441)**	**195**	**151**	**(6,132)**	**(8,295)**

(1) Including €678 million of commercial receivables related to Iran at December 31, 2021 (€678 million at December 31, 2020).

6.6. Cash flows and other information

Note 26 - Cash flows

26-A. Other income and expenses with no impact on cash before interest and tax of continuing operations

(€ million)	2022	2021 (1)
Net allocation to provisions	(327)	(130)
Net effects of Sales Financing credit losses	93	(45)
Net (gain) loss on asset disposals	(273)	(464)
Change in fair value of other financial instruments	(28)	(32)
Net financial indebtedness	181	255
Deferred taxes	(28)	134
Current taxes	561	437
Other	109	85
Other income and expenses with no impact on cash before interest and tax	**288**	**240**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

26-B. Change in working capital before tax of continuing operations

(€ million)	2022	2021 (1)
Decrease (increase) in net inventories	(1,368)	920
Decrease (increase) in net receivables	(283)	125
Decrease (increase) in other assets	(481)	70
Increase (decrease) in trade payables	1,752	(556)
Increase (decrease) in other liabilities	784	(866)
Increase (decrease) in working capital before tax	**404**	**(307)**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

26-C. Capital expenditure of continuing operations

(€ million)	2022	2021 (1)
Purchases of intangible assets (2)	(1,243)	(1,114)
Purchases of property, plant and equipment (3)	(1,441)	(1,350)
Total purchases for the period	**(2,684)**	**(2,464)**
Deferred payments	44	(222)
Total capital expenditure	**(2,640)**	**(2,686)**

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).
(2) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.
(3) Excluding capitalized leased assets and right-of-use assets.

Note 27 - Related parties

27-A. Remuneration of Directors and Executives and Board of Management members

The table below reports the remuneration paid to the Chairman and CEO, the Chairman of the Board of Directors, Directors and Executives and members of the Board of Management (whose mission was unchanged throughout 2022). Amounts are allocated pro rata to expenses of the periods in which the functions were occupied.

(€ million)	2022	2021
Basic salary	7.9	7.7
Variable remuneration	13.5	13.4
Employer's social security charges	13.8	14.3
Complementary pension and retirement indemnities	7.2	2.7
Agreed indemnities and other components of remuneration	8.1	7.0
Total remuneration excluding performance share plans	**50.5**	**45.1**
Performance shares	4.2	4.7
Total remuneration of the Chairman and members of the Board of Management	**54.7**	**49.8**

The maximum possible amount of Directors' fees was €1.5 million in 2022 (€1.5 million in 2021).

27-B. Renault Group's investments in associates

Details of Renault Group's investments in Nissan and in other companies accounted for under 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 Renault 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 €211 million in 2022 (€280 million in 2021), an automotive receivable of €39 million, a sales financing receivable of €96 million and no financing commitment at December 31, 2022 (respectively €58 million, €272 million and €14 million at December 31, 2021).

In 2020 Renault 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 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 Group and Nissan expatriates.

In 2022, the Renault Group's expenses with this company amounted to approximately €89 million (€120 million in 2021).

In Renault Group's financial position at December 31, 2022, the balances of transactions between Renault Nissan Global Management and Renault Group consist mainly of operating receivables amounting to €75 million (€80 million at December 31, 2021) and operating payables amounting to €25 million (€45 million at December 31, 2021).

Note 28 - Off-balance sheet commitments, contingent assets and liabilities, assets pledged and received as collateral

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 automobile 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, assets pledged as collateral

28-A1. Ordinary operations

The Group is committed for the following amounts:

(€ million)	2022	2021
Assets pledged as collateral by Sales Financing segment (1)	9,710	7,111
Financing commitments in favour of customers (2)- Sales Financing segment	4,208	3,400
Financial guarantees given by Sales Financing segment (3)	305	29
Other financial guarantees given (4)	425	399
Commitments related to supply contracts (5)	4,280	924
Firm investment orders	1,126	847
Lease commitments (6)	97	90
Other financing commitments (7)	354	48
Other commitments (8)	993	181
Other assets pledged as collateral	43	5

(1) Assets pledged as guarantees by the Sales Financing segment for management of its liquidity reserve are presented in Note 28-A4.
(2) Financing commitments in favour of customers by the Sales Financing segment will give rise to cash outflows mostly during less than 6 months following the year-end.
(3) Financial guarantees given by the Sales Financing segment will give rise to cash outflows amounting to €305 million during the 5 years following the year-end.
(4) Other financial guarantees given mainly concern administrations.
(5) These commitments included minimum payment obligations to suppliers when the Group has made a firm commitment for collection and payment. The principal new commitments in 2022 concern lithium and nickel, and electricity supplies.
(6) Lease commitments comprise commitments relating to leases signed but not yet effective at the year-end which cannot be included in the statement of financial position as assets in progress, leases that are outside the scope of IFRS 16 and leases exempt from the accounting treatment prescribed by IFRS 16 (Note 2-L).
(7) Other financing commitments comprise commitments taken as a part of lithium and nickel supply agreements.
(8) Other commitments include commitments made in contracts signed as part of the new partnership to design and produce the digital architecture for the Software Defined Vehicle, commitments concerning acceleration of the Group's digitization, and share subscription commitments.

Multi-year supply commitments will give rise to cash outflows over a period of 12 years starting from the 2022 year-end. The maximum payable within one year is €485 million at December 31, 2022 (€300 million at December 31, 2021). Irrevocable commitments at December 31, 2022 were essentially made to secure raw material supplies.

28-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.

On December 19, 2019 Renault s.a.s. received notification, interrupting the limitation period, of a tax reassessment on transfer prices in 2016, and an additional notification was received on June 24, 2021 concerning the years 2017 and 2018. On December 21, 2022, the French tax authorities issued a proposed reassessment for the year 2019 relating to a further inspection covering the period 2019-2020, also interrupting the relevant limitation period. Renault Group is challenging the most significant amounts of these notifications, and no provision has been recognized in the financial statements at December 31, 2022 in connection with this matter.

RESA (Renault España SA) was notified in late 2020 of a €213 million tax reassessment for transfer prices, which Renault Group is contesting. A procedure for amicable settlement between France and Spain was begun in 2021. No provision has been recognized in connection with this notification, since Renault Group considers that it has good chances of winning its case. A deposit of €213 million was paid to the Spanish tax authorities (€135 million in 2020 and €78 million in 2021), recognized in non-current financial assets and presented in cash flows from investing activities (under Decrease (Increase) in loans of the Automotive segment) in the consolidated cash flow statement. The Spanish tax authorities are currently conducting an inspection of the years 2017 to 2020.

Disposals of subsidiaries or businesses by the Group generally include representations and warranties in the buyer's favour. At December 31, 2022, the Group has 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 regulation authorities in progress at December 31, 2022 concern illegal agreements and the level of vehicle emissions in Europe.

In the ongoing "emissions" affair in France, in which a formal legal investigation was opened on January 12, 2017 at the request of the Paris public prosecution office, Renault s.a.s. was officially placed under investigation for deceit on June 8, 2021.

In July 2021 Renault Group paid bail of €20 million (included in the balance sheet) to guarantee its representation throughout the proceedings and to cover payment of any damages and fines. It also issued a €60 million bank guarantee on October 8, 2021 to cover compensation for any prejudice identified. Renault Group denies having committed any offence. All Renault Group vehicles are, and always have been, type-approved in accordance with applicable laws and regulations. The potential consequences of the next steps in these ongoing proceedings cannot be reliably estimated, and no provision was recognized in connection with this matter at December 31, 2022 (nor at December 31, 2021).

Approximately 80% of the Group's 2022 sales were subject to CO2 emission regulations, principally in the European Union but also notably in the United Kingdom, South Korea and Brazil.

In 2020,2021 and 2022, the three members of the Alliance - Renault, Nissan and Mitsubishi Motors Corp. – signed agreements to pool their CAFE (Corporate Average Fuel Economy) targets for the European Union. The potential noncompliance penalties payable to the authorities concerned are determined at the level of the group formed by the Alliance's three automakers. Renault did not recognize any provision in connection with the EU CAFE regulation at December 31, 2022 (nor at December 31, 2021 and December 31,2020).

Renault Group confirmed in a press release of January 17, 2022 that it had achieved its CAFE targets for passenger vehicles and light commercial vehicles in 2021 (these results are due to be consolidated and officialized by the European Commission in the next few months). Based on the estimates available for 2022, the 2022 targets should also be met.

A provision of €10 million was recognized for CAFE penalties payable for 2022 in South Korea (€11 million in 2021), raising the total provision for the years 2019 to 2022 to €45 million.

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.

The Group establishes provisions for its products recycling under regulatory requirements, when the practical organization of recycling operations is defined. In France, the "AGEC" law of February 10, 2020 to fight waste and promote a circular economy was adopted to extend industrial operators' legal responsibility for management of their waste. Renault Group's obligation was increased by this law and its implementing decree 2022-1495 which applies to all vehicles on the road. A study is in progress to determine the amount of the obligation. No provision was recognized in connection with this matter at December 31, 2022.

On 15 March 2022, the European Commission conducted inspections at the premises of companies and associations active in the automotive sector located in several EU Member States. In parallel, the European Commission has sent out formal requests for information to several companies active in the automotive sector. The investigation concerns possible anticompetitive collusion in relation to the collection, treatment and recovery of end-of-life (ELV) cars and vans, relating in particular to (i) the compensation of ELV collection, treatment, and recovery companies, and (ii) the use of data relating to the recyclability or recoverability of ELVs in advertising materials.

Renault was one of the companies visited on 15 March 2022. In parallel, Renault has received a request for information from the UK Competition and Markets Authority (CMA), which is investigating similar conduct. Renault has replied to the European Commission's and the CMA's requests for information.

The possible consequences of the ongoing investigation cannot be reliably estimated at this stage and no provision in connection with this matter has been recorded at December 31, 2022.

28-A3. Share purchase commitments given

When the Group grants put options to minority shareholders to sell their investments in fully consolidated companies, a liability corresponding to the option is recognized, with a reduction in shareholders' equity – non-controlling interests' share.

Put options granted by the Group to minority shareholders concern Banco RCI Brasil S.A, Rombo Compania Financiera, RCI Colombia S.A and RCI Financial Services s.r.o. The consequences for the financial statements are explained in Note 18-H.

Partnership agreements were signed in 2018 with Oyak in Turkey, including perfectly symmetrical put and call options for non-controlling investments, entitling Renault s.a.s., 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.a.s.'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 Group that could lead to Oyak's put option exercised without Renault Group being able to object. Consequently, no liability was recognized at December 31, 2021 or December 31, 2022 in connection with these options.

28-A4. Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, the Sales Financing segment has access to the monetary policy operations of the European Central Bank (ECB) and the Bank of England (BOE).

To benefit from European Central Bank monetary policy operations, the segment has provided guarantees to the Banque de France (under France's central collateral management system 3G - Gestion Globale des Garanties) in the form of assets with book value of €8,907 million at December 31, 2022 (€7,111 million at December 31, 2021). These assets comprise €7,647 million of shares in securitization vehicles and €1,260 million of sales financing receivables (€6,628 million of shares in securitization vehicles, €3 million of euro bonds and €480 million of sales financing receivables at December 31, 2021). The financing provided by the Banque de France against these guarantees amounts to €3,250 million at December 31, 2022 (€3,738 million at December 31, 2021).

To benefit from Bank of England monetary policy operations, the Sales Financing segment has provided guarantees to the Bank of England's TFSME (Term Funding Scheme for SMEs) in the form of assets with book value of £712 million (€803 million) consisting of a self-subscribed securitization program and a bond. The financing received from the Bank of England against these guarantees amounts to €465 million at December 31, 2022. All assets provided as guarantees to the Banque de France and the Bank of England remain in the balance sheet.

28-B. Off-balance sheet commitments received, contingent assets and assets received as collateral

(€ million)	2022	2021
Buy-back commitments received by the Sales Financing segment (1)	6,506	5,958
Financial guarantees received	3,390	3,001
Including Sales Financing segment (2)	*3,250*	*2,851*
Assets received as collateral	2,811	2,763
Including Sales Financing segment (2)	*2,736*	*2,757*
Other commitments received	162	94

(1) *Commitments received by the Sales Financing segment for dealership sales by Nissan and other entities for repurchase of leased vehicles at the end of the lease.*

(2) *In the course of its sales financing activity for new or used vehicles, the Sales Financing segment has received financial guarantees from its customers amounting to € 3,250 million and assets pledged by customers as collateral amounting to € 2,736 million at December 31, 2022(€2,851 million and €2,757 million respectively at December 31, 2021) (Note 15-E).*

Off-balance sheet commitments received concerning confirmed opened credit lines are presented in Note 25-B1.

Commitments received – share purchase options

The Group has a call option to increase its investment in Whylot to 70% and take control of the company by 2023 (Note 3). This option is conditional on Whylot achieving certain objectives, and is not exercisable at December 31, 2022. No liability is recognized in connection with this commitment.

The Group holds derivative instruments to subscribe to future capital increases by Verkor, without taking control of the company. No liability is recognized in connection with this commitment.

The agreement for the sale by Renault Group of its investments in Renault Russia and the AVTOVAZ Group, which took place on May 15, 2022, gives Renault Group an option to buy back its investment in Lada Auto holding (the parent company of AVTOVAZ), exercisable during three 90-day periods starting on May 15, 2024, 2026 and 2028. The exercise price of this option is one rouble, plus a commitment by Renault Group to make a cash contribution to AVTOVAZ over 4 years, of an amount to be determined at Renault Group's discretion by reference to the sum of non-refundable subsidies received from the Russian State, cash contributions to assets and/or the share capital of AVTOVAZ, and the accumulated profits of the AVTOVAZ Group calculated under IFRS between the date of Renault's sale of its investment in AVTOVAZ and the date at which the repurchase option is exercised.

The amount of this contribution will determine the ownership interest acquired by Renault Group (between 51% and 67.69%). A €400 million contribution will automatically give the Group a 51% investment.

The derivative corresponding to this option has nil value at December 31, 2022.

Note 29 - Subsequent events

Renault Group has annouced on february, 06th 2023 the signing of a binding framework agreement defining the principles of a new governance structure and the rebalancing of cross-shareholdings between Renault Group and Nissan. The two companies plan to conclude a new agreement by March 31, 2023 that will replace the current agreements governing the Alliance. The new agreement would be effective for an initial period of 15 years.

Renault Group would transfer 28.4% of Nissan shares into a French trust, where the voting rights would be "neutralized" for most of the decisions, but the economic rights (dividends and shares' sale proceeds) would still entirely benefit to Renault Group until such shares are sold. Renault Group and Nissan would retain a 15% cross-shareholding, with a lock-up obligation, as well as a standstill obligation. They would both be able to freely exercise the voting rights attached to their 15% direct shareholding, with a 15% cap. Renault Group would instruct the trustee to sell the entrusted Nissan shares if commercially reasonable for Renault Group in a coordinated and orderly process, but it would have no obligation to sell the shares within a specific pre-determined period of time. The Alliance Operating Board would remain the coordination forum.

This announcement has no impact on the consolidated financial statements as at December 31, 2022.

Note 30 - Consolidated companies

30-A. Fully consolidated companies (subsidiaries)

Renault Group's interest (%)	Country	December 31, 2022	December 31, 2021
Renault SA	France	Consolidating company	Consolidating company
AUTOMOTIVE			
France			
Renault s.a.s.	France	100	100
Alpine Racing SAS	France	100	100
Auto Châssis International (ACI Le Mans)	France	100	100
ACI Villeurbanne	France	100	100
Fonderie de Bretagne (2)	France	-	100
Ingénierie de la Division des Véhicules Electriques (IDVE)	France	100	100
Ingénierie de la Division des Véhicules Utilitaires (IDVU)	France	100	100
Manufacture Alpine Dieppe Jean Rédélé	France	100	100
Maubeuge Construction Automobile (MCA)	France	100	100
Mobilize Ventures	France	100	100
ReKnow University (1)	France	100	100
Renault Développement Industriel et Commercial (RDIC)	France	100	100
Renault DREAM (RDREAM)	France	100	100
Renault ElectriCity	France	100	100
Renault Retail Group et ses filiales	France	100	100
Renault Samara (France)	France	100	100
Renault SW Labs sas	France	100	100
Société Immobilière pour l'Automobile (SCIA)	France	100	100
Société Immobilière de Construction Française pour l'Automobile et la Mécanique (SICOFRAM) et sa filiale	France	100	100
Société Immobilière d'Epône	France	100	100
Société Immobilière Renault Habitation (SIRHA)	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 de Transmissions Automatiques (STA)	France	100	100
Société de véhicules Automobiles de Batilly (SOVAB)	France	100	100
SODICAM 2	France	100	100
Sofrastock International	France	100	100
Technologie et Exploitation Informatique (TEI)	France	100	100
The Future is NEUTRAL (anc. Renault Environnement)	France	100	100
Europe			
Renault Deutschland AG and subsidiaries	Germany	100	100
Renault Österreich GmbH	Austria	100	100
Renault Belgique Luxembourg	Belgium	100	100
Renault Industrie Belgique (RIB)	Belgium	100	100
Renault Nissan Bulgaria EAD	Bulgaria	100	100
Renault Nissan Hrvatska SARL (2)	Croatia	-	100
New H Powertrain Holding (1)	Spain	100	-
RT Powertrain Spain (1)	Spain	100	-
Renault España Comercial SA (RECSA) and subsidiaries	Spain	100	100
Renault España SA	Spain	100	100
Renault Hungária Kft. (2)	Hungary	-	100
Renault Irlande	Ireland	100	100
Renault Italia and subsidiary	Italy	100	100
Motor Reinsurance Company	Luxembourg	100	100
Renault Group 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
Alpine Racing Ltd.	United Kingdom	100	90
Renault UK	United Kingdom	100	100

Automobile Dacia	Romania	99	99
Renault Commercial Roumanie SRL	Romania	100	100
Renault Mecanique Roumanie SRL	Romania	100	100
Renault Technologie Roumanie SRL	Romania	100	100
Renault Slovensko Spol. S Ro	Slovakia	100	100
Renault Nissan Slovenija DOO (2)	Slovenia	-	100
Revoz D.d.	Slovenia	100	100
Renault Nordic AB and subsidiary (2)	Sweden	-	100
Renault Finance	Switzerland	100	100
Renault Suisse SA	Switzerland	100	100
Africa & Middle East			
Renault Algérie spa	Algeria	100	100
Renault Commerce 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	98	98
Americas			
Renault Argentina SA and subsidiaries	Argentina	100	100
Renault do Brasil Comercio e Participacoes Ltda.	Brazil	100	100
Renault Do Brasil SA	Brazil	100	100
Industria de Conjuntos Mecanicos Aconcagua SA (Cormecanica)	Chile	100	100
Renault Centro de Servicios Compartidos SAS	Colombia	100	100
Sociedad de Fabricación de Automotores SA (SOFASA)	Colombia	100	100
Renault México SA de CV	Mexico	100	100
Asia Pacific			
Vehicule Distributors Australia Pty Ltd.	Australia	100	100
Jiangxi Jianling Group Electric Vehicule Co., Ltd.	China	50	50
Jiangxi Jianling Group Electric Vehicule Sales Co., Ltd.	China	50	50
Kunming Furui Electric Vehicles Sales Service Co., Ltd.	China	50	50
Renault Beijing Automative Co., Ltd.	China	100	100
Renault Korea Motors Co., Ltd	South Korea	53	80
Renault India Private Ltd.	India	100	100
Renault Treasury Services Pte. Ltd.	Singapore	100	100
Eurasia			
CJSC Renault Russia (2)	Russia	-	100
OYAK Renault Otomobil Fabrikalari	Turkey	52	52
Renault Goup Otomotiv Anonim Sirketi (1)	Turkey	100	-
Renault Ukraine	Ukraine	100	100
SALES FINANCING			
France			
Bipi Mobility France	France	100	100
Diac SA	France	100	100
Diac Location SA	France	100	100
RCI Banque SA	France	100	100
Europe			
RCI Versicherungs-Service GmbH	Germany	100	100
RCI Financial Services SA	Belgium	100	100
Autofin SA	Belgium	100	100
Bipi Mobility SL	Spain	100	100
Overlease SA	Spain	100	100
RCI ZRT	Hungary	100	100
Bipi Mobility Italy S.R.L	Italy	100	100
ES Mobility S.R.L.	Italy	100	100
RCI Insurance Ltd	Malta	100	100
RCI Life Ltd	Malta	100	100
RCI Services LTD	Malta	100	100
RCI Usluge d.o.o (1)	Croatia	100	-
RCI Financial Services b.v.	Netherlands	100	100
Bipi Mobility Netherlands B.V. (1)	Netherlands	100	-
RCI Leasing Polska Sp. z.o.o.	Poland	100	100
RCI Gest Seguros - Mediadores de Seguros, Lda	Portugal	100	100
RCICOM, SA	Portugal	100	100
RCI Finance SK S.r.O. (1)	Slovakia	100	100

RCI Finance CZ, s.r.o.	Czech Republic	100	100
RCI Financial Services s.r.o.	Czech Republic	50	50
RCI Lizing d.o.o. (1)	Slovénia	100	100
RCI Broker De Asigurare	Romania	100	100
RCI Finantare Romania S.r.L.	Romania	100	100
RCI Leasing Romania IFN SA	Romania	100	100
RCI Financial Services Ltd	United Kingdom	100	100
RCI Bank UK Limited	United Kingdom	100	100
Bipi Mobility UK Limited (1)	United Kingdom	100	100
RCI Finance SA	Switzerland	100	100
Africa & Middle East			
RCI Finance Maroc	Morocco	100	100
RDFM S.A.R.L.	Morocco	100	100
Americas			
Courtage SA	Argentina	100	100
Rombo Compania Financiera SA	Argentina	60	60
Administradora de Consorcio RCI Brasil Ltda	Brazil	100	100
Banco RCI Brasil SA	Brazil	60	60
RCI Brasil Servicios e Participaçoes Ltda	Brazil	100	100
Corretora de Seguros RCI do Brasil SA	Brazil	100	100
RCI Colombia, SA Compania de Financiamento	Colombia	51	51
RCI Servicios Colombia SA	Colombia	100	100
Asia Pacific			
RCI Financial Services Korea CO, Ltd.	South Korea	100	100
RCI Insurance Service Korea Co, Ltd. (1)	South Korea	100	100
Eurasia			
LLC RNL LEASING	Russia	100	100
AVTOVAZ			
AVTOVAZ and subsidiaries (2)	Russia	-	68
MOBILITY SERVICES			
France			
Class & co sas (2)	France	-	100
Elto Holding	France	100	100
Glide.io	France	100	100
Renault Mobility As an Industry	France	100	100
Europe			
Elto DACH GmbH	Germany	51	51
Elto BeLux	Belgium	51	51
Elto Iberia Sociedad Limitada	Spain	60	60
Coolnagour Limited t/a iCabbi	Ireland	100	100
Taxi Alliance Software Ltd. (1)	Ireland	97	-
Elto Italy S.r.l.	Italy	100	100
Coolnagour UK Limited	United Kingdom	100	100
Elto UK	United Kingdom	100	100
Flit Technologies Ltd.and subsidiaries	United Kingdom	93	74
SCT Systems Limited t/a DiSC	United Kingdom	100	100
Americas			
Original Software LTDA	Brazil	100	100
iCabbi Canada, Incorporation	Canada	100	100
iCabbi USA, Incorporation	USA	100	100
Asia Pacific			
iCabbi Australia PTY LTD	Australia	100	100

(1) *First consolidated in 2022 (Note 3-A)*
(2) *Sold or merged and deconsolidated in 2022.*

30-B. Companies consolidated based on the percentage interest in each balance sheet and income statement item (joint operations)

Renault Group's interest (%)	Country	December 31, 2022	December 31, 2021
Renault Nissan Technology & Business Center India Private Limited (RNTBCI) (1)	India	67	67

(1) *The Group holds 50% of the voting rights of the Indian company RNTBCI.*

30-C. Companies accounted for under the equity method (associates and joint ventures)

Renault Group's interest (%)	Country	December 31, 2022	December 31, 2021
AUTOMOTIVE			
Renault Algérie Production	Algeria	49	49
Mobility Trader Holding Gmbh	Germany	3	3
ToKai 2 GmbH	Germany	15	15
EGT New Energy Automotive Co, Ltd.	China	25	25
Renault Brilliance Jinbei Automotives Company Ltd.	China	49	49
Boone Comenor Metalimpex	France	33	33
Alliance Mobility Company France (2)	France	-	50
HyVia	France	50	50
INDRA INVESTISSEMENTS SAS	France	50	50
ToKai 1	France	15	15
Verkor	France	24	24
Whylot	France	21	21
Renault Nissan Automative India Private Limited	India	30	30
Alliance Mobility Company Japan (2)	Japan	-	50
Groupe Nissan	Japan	44	44
Beyonca HK Limited (1)	Hong Kong	14	-
Alliance Ventures B.V.	Netherlands	40	40
Motorlu Araclar Imal ve Satis AS (MAIS)	Turkey	49	49
SALES FINANCING			
Mobility Trader Holding Gmbh	Germany	5	3
Renault Crédit Car SA	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			
FerroVaz GmbH (2)	Germany	-	34
CSC Armenia-Lada (2)	Armenia	-	34
JSC OAT (2)	Russia	-	40
MOBILITY SERVICES			
Elto France	France	40	40
Car Sharing Mobility Services SL	Spain	50	50

(1) *First consolidated in 2022 (Note 3-A)*
(2) *Sold and deconsolidated in* 2022

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 2022 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).