



PRESS RELEASE

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RENAULT TRUCKS PLANS TO ADJUST ITS WORKFORCE IN FRANCE

After several years of strong demand where customers have massively renewed their truck fleets, Renault Trucks sees its business activities impacted by the global economic crisis post COVID-19, and by the slowdown in demand for industrial vehicles.

The manufacturer, a subsidiary of the Volvo Group, is planning to adjust its workforce in France to restore competitiveness and secure long-term growth.

The post Covid-19 economic crisis will have a strong and lasting impact on Renault Trucks' results.

Renault Trucks is anticipating a significant drop in the truck market in 2020 and does not expect economic activity to return to pre-crisis levels in the short- and medium term.

The company is already feeling the effects of the economic fragility of the transport sector and predicts a lasting slowdown in customer demand. The immediate consequence of this situation is a significant drop in revenue.

To offset this drop and be able to continue investing in its future, the French truck manufacturer is striving to cut costs.

Renault Trucks plans to adjust its organisation to lower market demand, while accelerating its transformation focusing on customer and driver experience and energy transition.

This could result in reducing its workforce by 463 positions in France. Only white-collar workers would be affected. In parallel, Renault Trucks is considering creating new jobs by insourcing certain activities, which would mitigate the scale of job losses.

« Adjusting our organization and reducing our costs is imperative for the sustainability of our business and that of our partners and suppliers », explains Bruno Blin, President of Renault Trucks SAS. « Our will is to rely solely on voluntary departure measures and internal redeployment, and thus not to make any forced layoffs. »

In order to achieve this objective, Renault Trucks management will work closely with the representative trade unions on a framework agreement for the planned workforce adjustment project in the form of a Collective Contractual Termination Scheme.

This project would also be accompanied by internal skills transfer and upskilling measures in order to allow the manufacturer to face the new challenges of its industry.

About Renault Trucks

Building on a legacy of more than a century of innovative French truck know-how, Renault Trucks supplies transport professionals with a range of vehicles (from 2.8 to 120 t) and services appropriate for distribution, construction and long-distance transport. Renault Trucks vehicles are sturdy and reliable with low fuel consumption enables them to deliver greater productivity and control operating costs. Renault Trucks distributes and maintains its vehicles via a network comprising more than 1,400 service outlets worldwide. The design and assembly of Renault Trucks vehicles, as well as the production of most components, is carried out in France.

Renault Trucks is part of the Volvo Group, one of the world's leading manufacturers of trucks, coaches and buses, construction equipment and power solutions for marine and industrial applications. The Group also provides comprehensive financing and servicing solutions. The Volvo Group employs around 104,000 people, has production facilities in 18 countries and sells its products across more than 190 markets. In 2019, the Volvo Group's net sales came to EUR 40.5 billion (432 billion SEK). The Volvo Group is a listed company headquartered in Gothenburg, Sweden. Volvo shares are listed on Nasdaq Stockholm.

For further information:
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