



Boulogne-Billancourt, February 12th, 2015

Components of the compensation of Renault's Chairman and CEO for 2014 and long-term incentive plan for 2015

On February 11th, 2015, on a proposal from the Remunerations Committee, the Board of Directors of Renault:

- i. Assessed the achievement of the performance criteria for the variable portion of the Chairman and CEO's compensation for the year 2014, and
- ii. Decided the allocation of a long-term incentive plan for 2015 for the Chairman and CEO.

The Remunerations Committee worked with the help of a specialized consulting firm and its proposals were based on benchmarks of the CEO compensation packages granted in comparable companies of the CAC 40 and in foreign groups with a similar activity.

1. Components of the 2014 remuneration

On December 13th, 2013, on a proposal from the Remunerations Committee, the Board of Directors approved the following components of the Chairman and CEO's compensation for 2014:

- i. the amount of the fixed portion, unchanged compared with 2013 (*i.e.* Euro 1,230,000);
- ii. the terms of calculation and payment of the variable portion for 2014.

On February 11th, 2015, on a proposal from the Remunerations Committee, the Board of Directors evaluated the achievement of the performance criteria applicable to the variable portion of the Chairman and CEO's compensation for 2014.

For the record, the variable portion of the Chairman and CEO's compensation is a percentage of the fixed portion, which can be up to 150%, depending on achievement of the following performance criteria:

- Return on equity (to a maximum 10%);
- Operating margin (to a maximum 40%);
- Free cash flow (to a maximum 40%);
- A qualitative criterion relating to managerial qualities, based on the six following items: implementation of the French competitiveness agreement, quality of the environmental responsibility, R&D multi-annual strategy, CSR, partnerships, Alliance synergies (to a maximum 60%).

On February 11th, 2015, on a proposal from the Remunerations Committee, the Board of Directors decided that the financial criteria had been met to the tune of 90% and the qualitative criterion to the tune of 57,5%.

Thus, for the year 2014, the Board of Directors decided the variable portion of the Chairman and CEO's compensation would be 147.5% of his fixed remuneration, *i.e.* Euro 1,814,250 (compared to 112.6% of his fixed remuneration, *i.e.* Euro 1,384,980 for 2013).

The Board, on a proposal from the Remunerations Committee, also confirmed that the variable portion of his compensation would be paid as follows:

- variable portion paid in cash: the equivalent of 25% of the variable portion, *i.e.* Euro 453,563;
- variable portion to be received as a deferred payment in shares: the equivalent of 75% of the variable portion, *i.e.* Euro 1,360,687.

For the record, the shares received as part of the deferred payment of the variable portion for 2014 will not vest until 2019 and will be subject to the following conditions:

- i. the Chairman and CEO must still be present at Renault in 2019;
- ii. performance conditions based on the financial targets set for the variable portion of the Chairman and CEO's compensation, evaluated over the 2015, 2016 and 2017 period.

2. Long-term incentive plan for 2015

For the record, as from 2014, the Chairman and CEO is qualified for performance shares in the same capacity as the other Group executives, but subject to an additional performance target.

As authorised by the Extraordinary General Meeting of 30 April 2013 (fifteenth resolution), on February 11th, 2015, the Board of Directors, on a proposal from the Remunerations Committee, granted the CEO 100,000 performance shares for 2015.

For whatever purpose it may serve, we list below the ceilings which apply to the performance shares granted under the aforementioned authorisation:

- the total number of performance shares allocated cannot exceed 1.5% of the share capital over three years, *i.e.* 0.5% of the share capital per annum,
- the CEO cannot receive more than 15% of the total number of performance shares allocated.

The allocation of performance shares, according to the fifteenth resolution of the General Meeting held on 30 April 2013, does not imply any dilution for shareholders. The shares allocated by the company are treasury shares held by the Company in order to cover plans.

The number of shares vested will depend on the following performance criteria, evaluated over the period 2015, 2016 and 2017:

- free cash flow, for a third of the shares;
- the variation of the automotive operating margin, in percentage points, compared to a panel of car manufacturers with the same geographical and sectorial drivers (PSA auto, Fiat auto EMEA, VW Brand and Skoda Brand), for a third of the shares;
- an external criterion based on the total share return (TSR), in line with CAC 40 practices, for a third of the shares.

With the exception of the last criterion (TSR), which applies only to the CEO, the same criteria will apply to all recipients of performance shares.

For reasons of confidentiality, Renault is not disclosing the target figures for each of the criteria listed above. However, Renault will publish the percentage achievement of these criteria.

The CEO is obliged to retain 25% of the performance shares vested at the end of the acquisition period until the end of his term of office.