

GROUPE RENAULT

Corporate governance and remuneration update

APRIL 2019

01

Groupe Renault's strategy

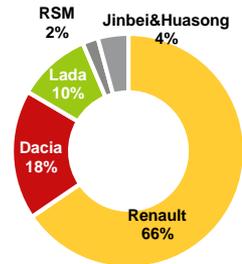
Overview of renault

Business description

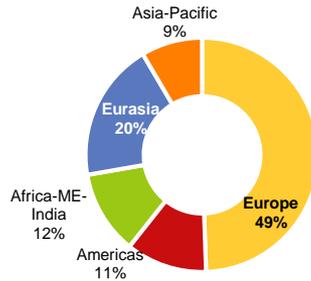
- Renault brand :World's leading French automotive brand and Europe's #2 automotive brand. Leader in EV in Europe.
- Sells a range of over 30 types of passenger cars and light commercial vehicles under four brands: Renault, Dacia, Lada and Renault Samsung Motors
- Created an Alliance with Nissan in 1999 that was joined by Mitsubishi in 2016; also maintains a strategic cooperation with Daimler
- Key figures in 2018:
 - €57.4 million in revenues
 - COP at 6.3% of Group revenues
 - 3.88 million vehicles sold, a new sales record
 - More than 12,500 points of sale in over 125 countries
 - Top 3 markets included France, Russia and Germany
- Founded in 1898; over 180,000 employees worldwide including AVTOVAZ

2018 sales volumes

BY BRAND

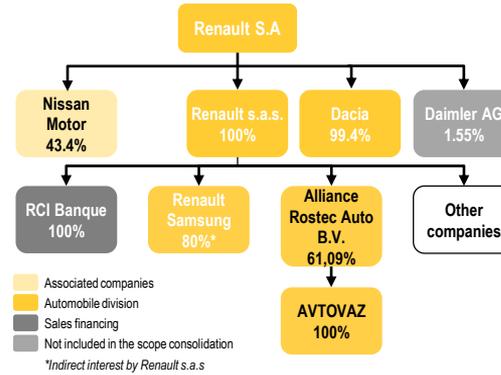


BY REGION

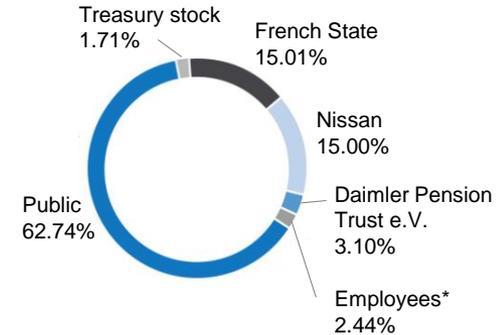


Structure of Renault (2018)

GROUP STRUCTURE



CAPITAL OWNERSHIP



Investment thesis

RENAULT'S EVOLUTION

A stronger, healthier group
 Sustainable, profitable growth
 Ready to address industry challenges
 Strong leverage in growing markets
Benefits for all stakeholders

KEY ASSETS

- 1 Alliance scale and technology
- 2 Regional diversity
- 3 Electric vehicle leadership
- 4 Global access expansion
- 5 LCV globalization
- 6 RCI Bank & Services

Strategy and performance highlights

DRIVE THE FUTURE: 2017 – 2022

Our 6-year Strategic Plan, *Drive the Future*, builds on the strong foundation of our last plan, *Drive the Change*, which resulted in record growth and operating profit, increased synergies through the Alliance with Nissan, empowered regions, expanded product mix and leadership in zero-emission vehicles in Europe

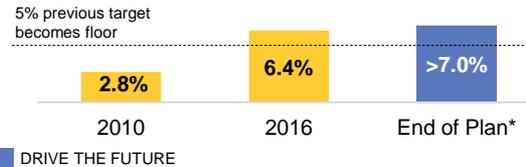
Key targets & objectives

- Now that Renault is a healthy, profitable, global company, *Drive the Future* is focused on delivering strong, sustainable growth benefiting from investments in key regions and products, leveraging Alliance resources and technologies, and increasing our cost competitiveness

Strong revenue growth (€ in bn)



High level of operating profit

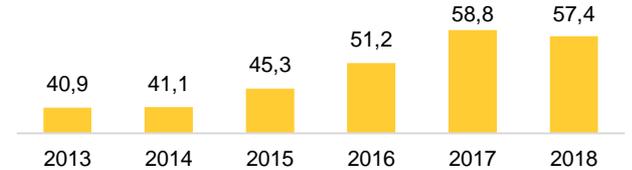


Four focus areas

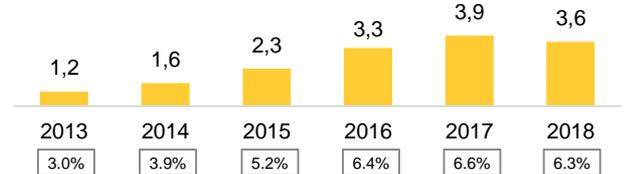
- Increase our competitiveness**
 - Benefiting from a product range across all segments
 - Improving costs thanks to efficiency all along the value chain
 - Attracting best talent and re-skilling our workforce
- Increase our geographic strength**
 - Extend and renew our global access range
 - LCV: from European leadership to top global player
- Provide the mobility of the future**
 - Continue to lead in electric vehicles
 - Provide connected, autonomous vehicles and mobility services
- Leverage our Alliance resources**
 - Produce 80% of Groupe Renault vehicles on common platforms
 - Share R&D investments and technologies

RECENT FINANCIAL RESULTS (€ in BN)

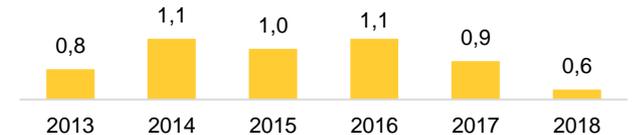
Group revenues



Group operating margin



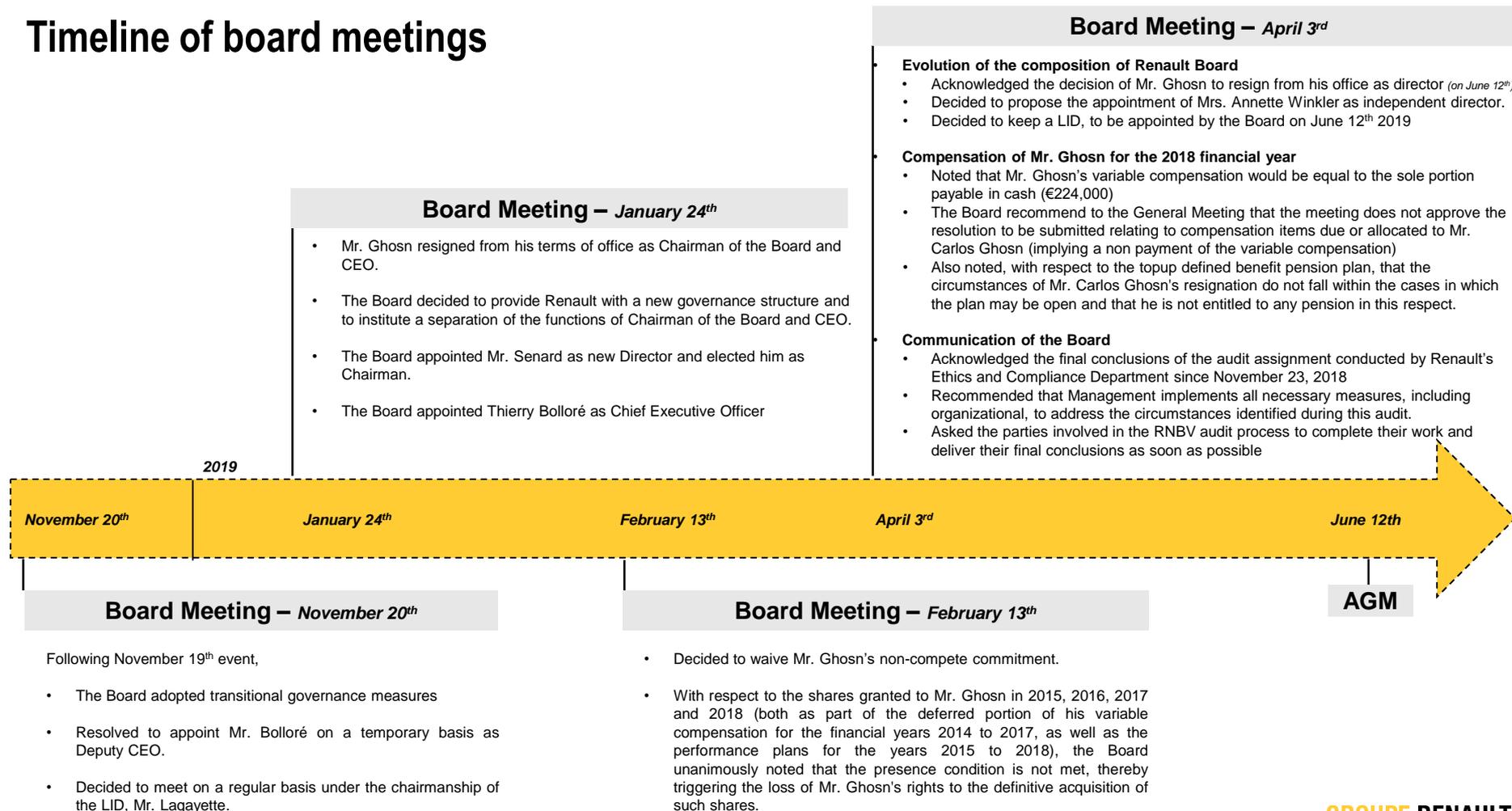
Automotive operational free cash flow



02

Groupe Renault's Board

Timeline of board meetings



Board charter – main objectives of the revision

New version adopted by the board of directors on March 15, 2019

- **Adaptation to the new governance structure providing for the separation of the offices of Chairman of the Board and Chief Executive Officer**
 - ✓ division of roles between the Chairman of the Board and the CEO, and
 - ✓ integration of specific missions of the Chairman, in particular within the Alliance, as decided by the Board of Directors on January 24, 2019
- **Integration of changes to the AFEP-MEDEF Code (last revision in June 2018)**
- **A more complete and precise wording**
 - ✓ operating rules of the Board of Directors and the Committees,
 - ✓ duties and operation of committees,
 - ✓ Directors' obligations in terms of confidentiality, and
 - ✓ rules for managing conflicts of interests.

Balanced and effective governance

The Board decided to institute a **separation of the functions of Chairman of the Board and CEO**

CEO

- ✓ Is appointed by the Board of Directors
- ✓ Direct the Company's activities
- ✓ Lead the Group's operational and functional departments
- ✓ Represent the Company in its relations with third parties.
- ✓ Coordinate for the company the Alliance's activities in the operational field



January 24th, 2019
The Board appointed Mr. Thierry Bolloré as CEO

Chairman

- ✓ Organize and lead the Board' work on which he shall report to the general meeting of the shareholders.
- ✓ Ensure that Renault's corporate bodies correctly operate
- ✓ Work to ensure that high-quality relations are maintained with Renault shareholders and contribute to promoting Renault's values and image among its staff and partners
- ✓ Other duties he shall perform in liaison with the CEO
 - be the contact person of Nissan and Mitsubishi in respect of any discussion regarding the organization and development of the Alliance
 - propose to the Board of Directors any new agreement or alliance that he/she deems useful for Renault's future;
 - be selected* as Renault's candidate for appointment to the management or administrative bodies of the Alliance and of its members



January 24th, 2019
The Board appointed Mr. Jean Dominique Senard as new Director and elected him as Chairman.

Balanced and effective governance

The Board decided to **keep a Lead Independent Director (LID)** chosen among independent directors

LID main duties and responsibilities

- ✓ The Lead Independent Director chair the meetings of the Board in the absence of the Chairman
- ✓ Is consulted by the Chairman regarding the agenda of each meeting of the Board and the schedule of meetings
- ✓ Convene the Board in exceptional circumstances
- ✓ Ensure that the independent directors liaise with the other members of the Board and General Management
- ✓ Prevent conflicts of interest
- ✓ Have access to the work of all committees
- ✓ Assist the Chairman or the CEO in responding to shareholder's request, be available to meet some of them and inform the Board of shareholders' concerns regarding governance.
- ✓ Ensure compliance with the Board charter
- ✓ Report on the assessment of his duties once a year to the Board



Mr. Lagayette mandate cannot be renewed (tenure >12 years).
New LID to be appointed by the Board on June 12th 2019

Board structure and processes

The Board :

- ✓ considers a robust list of **criteria when evaluating candidates** for membership to achieve a balance of experience, skills, independence and diversity
- ✓ reviews the **composition of the specialized committees** of the Board, including the independence, skill sets of directors and appointment of the committee Chairman
- ✓ conducts a **regular self-assessment of its organization and operation**
- ✓ There are **four specialized committees**
 - the Audit, Risks and Ethics Committee;
 - the Appointments and Governance Committee;
 - the Compensation Committee; and
 - the (International, Industrial and Digital) Strategy Committee.
- ✓ Each of the four committees is chaired by an **independent director and comprised a majority of independent directors***

Renault's Board of Directors subject to the approval of the resolutions submitted to the 2019 AGM

BOARD OF DIRECTORS

 <p>Jean-Dominique Senard Chairman of the Board</p> <p>Ratification of the appointment proposed at next AGM</p> <p>I</p>	 <p>Thierry Derez CEO & Chairman, Covéa <i>Committees: (International, Industrial and Digital) Strategy</i> Date of Appointment: Feb 2018 Term Expires: 2020 AGM</p> <p>I</p>	 <p>Yu Serizawa President & Chairman, Forma Corporation <i>Committees: None</i> Date of Appointment: Dec 2016 Term Expires: 2021 AGM</p> <p>N</p>
 <p>Catherine Barba Founder, CB Group <i>Committees: Appointments and Governance; (International, Industrial and Digital) Strategy</i> Date of Appointment: June 2017 Term Expires: 2022 AGM</p> <p>I</p>	 <p>Pierre Fleuriot Former CEO, Credit Suisse France <i>Committees: Audit, Risk and Ethics, Compensation</i> Date of Appointment: June 2018 Term Expires: 2022 AGM</p> <p>I</p>	 <p>Pascale Sourisse Senior Executive Vice-President, Int'l Development, Thales Group <i>Committees: Audit, Risk and Ethics</i> Date of Appointment: April 2010 Term Expires: 2022 AGM</p> <p>I</p>
 <p>Frédéric Barrat Special Projects Planning Manager, Renault <i>Committees: (International, Industrial and Digital) Strategy</i> Date of Appointment: Nov 2016 Term Expires: Nov 2020</p> <p>E</p>	 <p>Richard Gentil Technician, Renault <i>Committees: (International, Industrial and Digital) Strategy</i> Date of Appointment: Nov 2012 Term Expires: Nov 2020</p> <p>E</p>	 <p>Patrick Thomas Vice-Chairman, Laurent Perrier <i>Committees: Compensation, Appointments & Governance (Chair)</i> Date of Appointment: April 2014 Term Expires: 2022 AGM</p> <p>I</p>
 <p>Miriam Bensalah Chagroun Vice-President and CEO, Les Eaux Minérales d'Oulmès <i>Committees: (International, Industrial and Digital) Strategy</i> Date of Appointment: June 2017 Term Expires: 2021 AGM</p> <p>I</p>	 <p>Benoît Ostertag Quality Process Leader, Renault <i>Committees: Audit, Risk and Ethics, (International, Industrial and Digital) Strategy</i> Date of Appointment: May 2011 Term Expires: 2021 AGM</p> <p>ES</p>	 <p>Martin Vial Commissioner for French State Holdings <i>Committees: Audit, Risk and Ethics, Appointments & Governance</i> Date of Appointment: Sept 2015 Term Expires: N/A</p> <p>F</p>
 <p>Thomas Courbe Representative of the French State <i>Committees: None</i> Ratification of the co-potation proposed at next AGM Date of Appointment: October 2018 Term Expires: 2021 AGM</p> <p>F</p>	 <p>Éric Personne Head of Commercial and Quality Reporting, Renault Retail Group <i>Committees: Compensation, Audit, Risk and Ethics</i> Date of Appointment: Nov 2012 Term Expires: Nov 2020</p> <p>E</p>	 <p>Yasuhiro Yamauchi Chief Competitive Officer, Nissan <i>Committees: (International, Industrial and Digital) Strategy</i> Date of Appointment: Feb 2017 Term Expires: 2022 AGM</p> <p>N</p>
 <p>Marie-Annick Darmailac VP, Corporate Social Responsibility, Vivendi <i>Committees: Appointments and Governance, Compensation (Chair)</i> Date of Appointment: June 2017 Term Expires: 2021 AGM</p> <p>I</p>	 <p>Olivia Qiu Chief Innovation Officer, Philips Lighting <i>Committees: Audit, Risk and Ethics, (International, Industrial and Digital) Strategy (Chair)</i> Date of Appointment: April 2016 Term Expires: 2020 AGM</p> <p>I</p>	 <p>Annette Winkler Appointment proposed to next AGM</p> <p>I</p>

I = Independent Director

N = Elected on proposal of Nissan Motor Co.

ES = Elected on proposal of the employee shareholders

□ = Independent director appointed in last three years

F = Appointed by the French State

E = Elected by employees

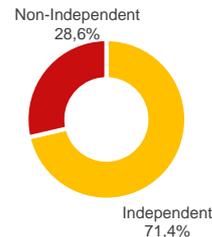
BOARD COMPOSITION GOVERNANCE

Renault will be administered by a Board of Directors with 18 members, including:

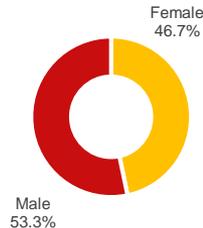
- 14 DIRECTORS appointed by the Shareholders' Annual General Meeting, of whom
 - 2 directors appointed upon proposal of Nissan and
 - 1 director appointed upon proposal of the employee shareholders
 - 1 director appointed upon proposal of the French State
- 1 DIRECTOR designated by administrative order and as representative of the French State
- 3 DIRECTORS elected by employees

KEY BOARD STATISTICS

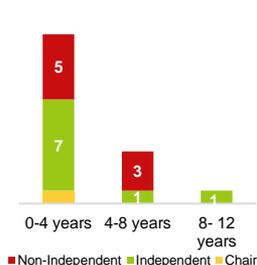
INDEPENDENCE*



DIVERSITY**



TENURE



*Pursuant to the recommendations of the AFEP-MEDEF Code, excluding the directors representing the employees or those representing the employee shareholders.

**Pursuant to the French law, excluding the directors representing the employees

10
GROUPE RENAULT

Confidential C

Appointment of a new independent director

Mrs. Annette Winkler



Education:

- 1986 : PhD in Economics, University Johann Wolfgang Goethe – Frankfurt

Current positions:

- Member of the Supervisory Board of Mercedes-Benz South Africa (since January 2019)
- Director of L'Air Liquide S.A.*, member of the Remuneration Committee since May 2015, member of the Appointments and Governance Committee since May 2017)
- Member of the Counsel for Foreign Economic Affairs of the German Ministry for Economics

Former positions:

- Vice-President of Daimler AG*, Chief Executive Officer of Smart (until September 2018)
- Vice-President of Global Business Management & Wholesale Europe, DaimlerChrysler (2006-2010)
- Chief Executive Officer of DaimlerChrysler Belgium and Luxembourg (1999-2005)

(*) *Listed companies*

03

Remuneration

Fixed, variable and exceptional compensation items due or allocated to Mr. Ghosn for the 2018 financial year.

Key Element	Payout in 2018
Fixed Compensation	<ul style="list-style-type: none"> € 1,000,000 paid in cash
Variable Compensation	<ul style="list-style-type: none"> Achievement rate: 89.6% <ul style="list-style-type: none"> Cash : € 224,000 Deferred in shares: €0 - Presence condition is not met
Long-Term Incentives	<ul style="list-style-type: none"> Presence condition is not met
Non Compete Clause	<ul style="list-style-type: none"> The Board decided to waive Mr. Ghosn's non-compete commitment
Others	<ul style="list-style-type: none"> Director fees (€ 48,000) ; Perquisites (€ 5,610)

The Board recommend to the General Meeting that the meeting does not approve the resolution 10*

*With respect to the shares granted to Mr. Ghosn in 2015, 2016, 2017 and 2018 (both as part of **the deferred portion of his variable compensation** for the financial years 2014 to 2017, as well as **the performance plans** for the years 2015 to 2018), the Board unanimously noted that the **presence condition is not met**, thereby **triggering the loss of Mr. Ghosn's rights to the definitive acquisition of such shares**.*

*The Board of Directors also noted, with respect to the top up defined benefit pension plan (régime de retraite à prestations définies), that the circumstances of Mr. Carlos Ghosn's resignation do not fall within the cases in which the plan may be open and that **he is not entitled to any pension in this respect**.*

General principles relating to the compensation of the corporate officers

Market best practices that we follow

- ✓ Use **appropriate peer groups** (country based and sector based) to inform (but not dictate) compensation policy;
- ✓ Review performance criteria and only make modifications when there are material changes to our business strategy and in order to **maintain the alignment with shareholders**;
- ✓ Clear mention of a **cap for all variable elements**;
- ✓ **Set demanding performance conditions**;
- ✓ **Include CSR criteria** measurable and linked to strategic objectives;
- ✓ Have a long-term performance criterion **linked to shareholder return**;
- ✓ Subject long-term compensation plans to **minimum three-year vesting conditions**
- ✓ Obligation for the CEO to **retain 25% of the vested performance shares until the end of his office**;
- ✓ Implement **post-mandate vesting policy** for long-term incentives ;
- ✓ **Engage and meet regularly with shareholders**;
- ✓ Compensation Committee comprised of a **majority of independent Board members** and chaired by an independent non-executive director.

Practices we do not follow

- ✓ **Pay for failure**: pay variable components in the event of poor performance of the Group;
- ✓ Place a **disproportionate weight on short-term variable compensation** versus long-term variable compensation;
- ✓ **Overly weight qualitative criteria** in the annual variable compensation;
- ✓ Reward excessive or **inappropriate risk-taking**;
- ✓ **Have extraordinary severance payments** in addition to the two-year non-compete indemnity;
- ✓ Provide **excessive severance or sign-on arrangements to our executives**

Chairman remuneration policy for 2019

Element	Payment Terms	Terms	Performance Objectives
Fixed Compensation	<ul style="list-style-type: none"> 100% cash 	<ul style="list-style-type: none"> Equal to € 450,000 	<ul style="list-style-type: none"> Not applicable

CEO remuneration policy for 2019

Element	Payment Terms	Terms	Performance Objectives
Fixed Compensation	<ul style="list-style-type: none"> 100% cash 	<ul style="list-style-type: none"> Equal to € 900,000 	<ul style="list-style-type: none"> Not applicable
Variable Compensation	<ul style="list-style-type: none"> 100% cash 	<ul style="list-style-type: none"> Maximum annual bonus of 125% of base salary <ul style="list-style-type: none"> Financial performance objectives: 100% of base salary Managerial performance objectives: 25% of base salary 	<ul style="list-style-type: none"> Financial performance objectives: 100% of base salary <ul style="list-style-type: none"> Group operating margin: 40% Groupe Revenues: 30% Free cash flow: 30% Managerial performance objectives: 25% of base salary <ul style="list-style-type: none"> Renault's contribution to Alliance MTP : 8,33% Quality of the environmental & CSR commitments: 8,33% Monitoring of competitive agreement in France: 8,33%
Long-Term Incentives	<ul style="list-style-type: none"> Performance shares subject to three consecutive years of performance conditions and a presence condition with Renault Subject to holding of 25% shares until the end of office 	<ul style="list-style-type: none"> Cap on long-term incentive awards set at 50,000 performance shares, contingent on achievement of performance objectives Performance is measured over a 3-year cumulative period (2019, 2020 et 2021) 	<ul style="list-style-type: none"> Performance objectives: 100% of target award <ul style="list-style-type: none"> TSR vs. average of TSR for Euro Stoxx excluding Financials and TSR for Euro Stoxx Automobile & Parts: 10% Free cash flow: 30% Alliance platforms: 30% Electric vehicles: 30%

CEO remuneration policy for 2019

Demanding performance conditions applicable to :

Annual variable compensation

	CRITERIA	WEIGHTING	PAYOUT RATE
Quantifiable criteria	Group operating margin (Group OM)	40%	<ul style="list-style-type: none"> 0% if Group OM < Budget 40% if Group OM ≥ Budget
	Group revenues	30%	<ul style="list-style-type: none"> 0% if Group revenues < Budget 30% if Group revenues ≥ Budget
	Free Cash Flow (FCF)	30%	<ul style="list-style-type: none"> 0% if FCF < Budget 30% if FCF ≥ Budget
	<i>Sub-total</i>	<i>100%</i>	
Qualitative criteria	Renault's contribution to the Alliance Mid-Term Plan (MTP)	8.33%	<ul style="list-style-type: none"> Pursuing the standardization policy (CMF (Common Module Family) approach) Communalization of parts
	Quality of CSR and environmental commitments	8.33%	<ul style="list-style-type: none"> Health and safety Extension of the Mobiliz program Compliance
	Monitoring of the multiyear agreement in France	8.33%	<ul style="list-style-type: none"> Manufacturing volume France Capex Recruitment volume
	<i>Sub-total</i>	<i>25%</i>	
Total		125%	

Long-term compensation: Performance shares

	CRITERIA	WEIGHTING	PAYOUT RATE
Quantifiable criteria	Total Shareholder Return (TSR) ¹	10%	<ul style="list-style-type: none"> 0% if TSR < Benchmark 4.5% if TSR = Benchmark 10% if TSR ≥ Benchmark + 10% Linear interpolation if Benchmark < TSR < Benchmark + 10%
	FCF	30%	<ul style="list-style-type: none"> 0% if FCF < Budget 21% if FCF = Budget 30% if FCF ≥ Budget + 20% Linear interpolation if Budget < FCF < Budget + 20%
	Models manufactured on the Alliance platforms	30%	<ul style="list-style-type: none"> 0% if Percentage of CMF models < MTP indicator 21% if Percentage of CMF models = MTP indicator 30% if Percentage of CMF models ≥ MTP indicator + 5% Linear interpolation if MTP indicator < Percentage of CMF models < MTP indicator + 5%
	Electric vehicles sales volume	30%	<ul style="list-style-type: none"> 0% if Electric vehicles sales < Budget 21% if Electric vehicles sales = Budget 30% if Electric vehicles sales ≥ Budget + 5% Linear interpolation if Budget < Electric vehicles sales < Budget + 5%
		100%	

04

Agenda

Resolutions proposed to the AGM vote

RESOLUTIONS ON FINANCIAL STATEMENTS

- Approval of annual and consolidated financial statements for the 2018 financial year
- Allocation of net profits for the 2018 financial year and dividend payment
- Statutory Auditors' report on the information used to determine the compensation for participating shares

RESOLUTIONS ON RELATED-PARTY AGREEMENTS

- Approval of the Statutory Auditors' special report on related-party agreements and undertakings
- Approval of the second amendment to the Master Cooperation Agreement entered into between Renault, Nissan, Daimler, RNBV and Mitsubishi, dated October 3, 2018

RESOLUTIONS ON APPOINTMENTS

- Ratification of the co-optations of Mr. Thomas Courbe and Mr. Jean-Dominique Senard as Directors
- Appointment of Mrs. Annette Winkler as Director

RESOLUTIONS ON CORPORATE OFFICERS' COMPENSATION

- | Mr. Ghosn: | Mr. Senard: | Mr. Bolloré: |
|---|--|--|
| <ul style="list-style-type: none">• Approval of the compensation components for 2018• Approval of the compensation policy for 2019 | <ul style="list-style-type: none">• Approval of the compensation policy for 2019 | <ul style="list-style-type: none">• Approval of the compensation policy for 2019• Approval of the non-compete agreement entered into with Mr. Bolloré (related-party agreement)• Approval of Mr. Bolloré's top-up pension scheme (related-party agreement) |

RENEWAL OF THE AUTHORIZATIONS FOR THE SHARE BUYBACK PROGRAM

- Authorization granted to the Board of Directors to buy-back shares
- Authorization granted to the Board of Directors to reduce the Company's share capital by cancelling treasury shares

RENEWAL OF THE AUTHORIZATION TO ALLOCATE FREE PERFORMANCE SHARES

- Authorization granted to the Board of Directors to allocate free existing or new Company shares to employees and to corporate officers of the Company and of Groupe Renault companies, waiving shareholders' preferential subscription rights

05

CSR

Corporate social responsibility (CSR)

TWO HEADINGS & FIVE COMMITMENTS



OUR CSR AMBITION

MOBILIZE

FOR INCLUSION & SUSTAINABLE MOBILITY

Groupe Renault's objective is to contribute to a more inclusive and more responsible society, to ensure sustainable mobility for all, aware of the need to preserve the planet and to generate value for all stakeholders.

- Inclusion:** help everyone to find their place in the company and have the means to develop themselves.
- Sustainable mobility:** to enable everyone to travel more safely and with a reduced environmental footprint.

To fulfill its commitments, the Group relies on sound fundamentals: its proactive management of risks and opportunities and its ambitions in terms of governance and ethics.

GROUPE RENAULT KEY FACTS & FIGURES FOR 2018

335 CSR initiatives
worldwide

8 Foundations
worldwide
(+3 in 2018)

5,600 employees
invested in
"Renault Mobilize Solidaire"
mutual savings fund (FCPE)

Carbon footprint
-17.9%
from 2010-2018
worldwide

5 international partnerships
ONU Femmes France - HeForShe
Handicap International
Paris 2018 Gay Games
Global Road Safety Partnership
Ellen McArthur Foundation

100% electric
European leader
in sale of E.V. for the
6th consecutive year

CSR GOVERNANCE

- ✓ CSR reports to the Communication Department
- ✓ the Group's CSR approach is supported by the various Group departments, particularly the Plan, Environment and Human Resources departments.