

Compensation components for the 2019 financial year and compensation policies for the 2020 financial year for corporate officers

The Board of Directors of Renault, at its meeting held on February 13, 2020, upon recommendation of the Governance and Compensation Committee, approved:

- the achievement rate of the performance criteria applicable to the variable portion of the compensation for the 2019 financial year of Mr Thierry Bolloré, Chief Executive Officer until October 11, 2019, and of Ms Clotilde Delbos, interim Chief Executive Officer from October 11, 2019; and
- the compensation policies for the Chairman of the Board of Directors, the Chief Executive Officer and the interim Chief Executive Officer of Renault for the 2020 financial year.

I. Compensation components of the corporate officers for the 2019 financial year

It is reminded that the Annual General Meeting of June 12, 2019 approved the compensation policy of the Chief Executive Officer for the 2019 financial year, set by the Board of Directors' meeting of April 3, 2019 with regard to the following items in particular:

- annual fixed compensation of €900,000 (pro-rated);
- annual variable compensation, fully payable in cash, of up to 125% of the fixed compensation in the event that all of the performance criteria are fully achieved; and
- long-term compensation comprising the allocation of 50,000 performance shares.

Furthermore, the Board of Directors, at its meeting held on November 8, 2019 and upon recommendation of the Governance and Compensation Committee, decided on the financial terms and conditions of the departure of Mr Thierry Bolloré and approved the compensation components of Ms Clotilde Delbos (see the Release of the Board of Directors of November 12, 2019).

On February 13, 2020, upon recommendation of the Governance and Compensation Committee, the Board of Directors approved the achievement rate of the performance criteria determining the amount of the annual variable compensation of the Chief Executive Officer and of the interim Chief Executive Officer for the 2019 financial year as follows:

	Criteria	Weighting	Achievement	Payout rate
QUANTIFIABLE CRITERIA (0% to 100% of fixed compensation)	Group operating margin (Group OM)	40%	0%	<ul style="list-style-type: none"> • 0% if Group OM < Budget • 40% if Group OM = Budget Group OM was 6% in the 2019 budget and amounted to 4.8% for 2019.
	Group revenues	30%	0%	<ul style="list-style-type: none"> • 0% if Revenues < Budget • 30% if Revenues = Budget Revenues were €57,500 million in the 2019 budget and amounted to €55,537 million for 2019.
	Free cash flow (FCF)	30%	30%	<ul style="list-style-type: none"> • 0% if FCF < Budget • 30% if FCF = Budget FCF was €150 million in the 2019 budget and amounted to €153 million at December 31, 2019.
	Sub-total	100%	30%	

	Criteria	Weighting	Achievement	Payout rate
QUALITATIVE CRITERIA (0% to 25% of fixed compensation)	Contribution of Renault to the Alliance Medium-Term Plan (MTP)	8.33%	5.60%	<ul style="list-style-type: none"> Pursuing the standardisation policy (CMF approach – Common Module Family) Communalization of parts
	Quality of CSR and environmental commitments	8.33%	7.60%	<ul style="list-style-type: none"> Health and safety Extension of the Mobilize programme Compliance
	Monitoring of the multiyear agreement in France	8.33%	7.40%	<ul style="list-style-type: none"> Manufacturing volume France Capex Recruitment volume
	<i>Sub-total</i>	25%	20.60%	
	Total	125%	50.60%	

A. Annual variable compensation of Mr Thierry Bolloré as Chief Executive Officer for the 2019 financial year

The Board of Directors, after noting that the overall achievement rate of the performance criteria was 50.60% for the 2019 financial year and recalling that the annual fixed compensation of Mr Thierry Bolloré was a gross amount of €651,915 for his term of office during the 2019 financial year (gross annual amount of €900,000 pro-rated over the period from January 24 to October 11, 2019), decided to set the variable compensation of Mr Thierry Bolloré in respect of the 2019 financial year at a gross amount of €329,869.

Pursuant to the provisions of Article L. 225-100 III of the French Commercial Code (*Code de commerce*), the payment of this annual variable compensation is conditional upon the approval of the compensation components of Mr Thierry Bolloré in respect of the 2019 financial year by the Annual General Meeting to be held on April 24, 2020 (*ex-post say-on-pay*).

B. Annual variable compensation of Ms Clotilde Delbos as interim Chief Executive Officer for the 2019 financial year

The Board of Directors, after noting that the overall achievement rate of the performance criteria was 50.60% for the 2019 financial year and recalling that the annual fixed compensation of Ms Clotilde Delbos was a gross amount of €83,307 for her term of office during the 2019 financial year (gross annual amount of €371,329 pro-rated over the period from October 11 to December 31, 2019), decided to set the variable compensation of Ms Clotilde Delbos in respect of the 2019 financial year at a gross amount of €42,153.

Pursuant to the provisions of Article L. 225-100 III of the French Commercial Code (*Code de commerce*), the payment of this annual variable compensation is conditional upon the approval of the compensation components of Ms Clotilde Delbos in respect of the 2019 financial year by the Annual General Meeting to be held on April 24, 2020 (*ex-post say-on-pay*).

II. Compensation policies for the corporate officers for the 2020 financial year

The Board of Directors, at its meeting held on February 13, 2020, upon recommendation of the Governance and Compensation Committee, set the compensation policies for the corporate officers for the 2020 financial year.

Pursuant to the provisions of Article L. 225-37-2 II of the French Commercial Code (*Code de commerce*), the compensation policy for each corporate officer for the 2020 financial year will be submitted for approval to the Company's Annual General Meeting to be held on April 24, 2020.

A. Compensation policy for the Chairman of the Board of Directors

Annual fixed compensation

The annual fixed compensation for 2020 remains at a gross amount of €450,000 payable in twelve monthly instalments (prorated, if relevant).

Annual variable compensation

The Chairman of the Board of Directors will not receive any annual variable compensation.

Multiyear variable compensation

The Chairman of the Board of Directors will not receive any multiyear variable compensation.

Exceptional compensation

The Chairman of the Board of Directors will not receive any exceptional compensation in 2020.

Long-term compensation

The Chairman of the Board of Directors will not receive any long-term compensation.

Compensation for directorship

The Chairman of the Board of Directors will not receive any compensation in respect of his office as director

Benefits of any kind

The Chairman of the Board of Directors benefits from two company cars, including one with driver.

Service provision agreements

No service provision agreement will be entered into between the Company and the Chairman of the Board of Directors.

Sign-on bonus

The Chairman of the Board of Directors does not receive any sign-on bonus.

Termination benefits

The Chairman of the Board of Directors does not benefit from any termination benefit, non-compete indemnity or top-up pension scheme.

B. Compensation policy for the Chief Executive Officer

The Board of Directors considered that Mr. Luca de Meo, through his background, experience and success in his previous functions, combines all of the qualities required to contribute to all aspects of Groupe Renault's development and transformation.

Competition for external recruitment of top executives in the global automotive market is intense. It is therefore essential to ensure that the total compensation of the Chief Executive Officer is attractive and competitive compared to the practices of comparable companies. Given the international profile and experience of Mr. Luca de Meo in the automotive industry, the Governance and Compensation Committee thus proposed total compensation based on the level of his previous compensation and the compensation allocated by CAC 40 companies and that of international groups in the automotive sector (Fiat Chrysler, General Motors, Ford, Honda, PSA, Daimler, BMW, Volkswagen, Volvo and Toyota), as well as the missions to be entrusted to him.

The benchmark study carried out in December 2019 by a specialized consulting firm in the context of the Chief Executive Officer's external recruitment process showed that the total compensation detailed below is lower than the median of each of the two panels mentioned above.

Annual fixed compensation

The annual fixed compensation of the Chief Executive Officer is set at a gross amount of €1,300,000, payable in twelve monthly instalments (amount that will be paid pro-rata temporis as of the effective start of Mr Luca de Meo's term of office scheduled for July 1, 2020).

Annual variable compensation

The amount of annual variable compensation may reach 150% of the fixed compensation paid if all of the performance criteria are fully achieved. The annual variable compensation is fully paid in cash.

For the 2020 financial year, the performance criteria set by the Board of Directors include four quantifiable criteria and three qualitative criteria. The Board has deemed these to be key indicators of Groupe Renault's performance.

The criteria and their weighting are shown in the tables below.

Quantifiable criteria for the 2020 financial year (0% to 100% of the fixed compensation)

Given the environmental challenges and new regulations, the criterion CO₂ emissions of passenger cars (CAFE regulation) has been added to the quantifiable criteria of the previous compensation structure. Achievement of this target in 2020 is a financial and reputational stake, and thus a priority objective for the Group. In addition, given the importance of generating cash (free cash flow), it has been decided to maintain the weighting of this criterion and, consequently, to reduce the weighting of Group revenues and operating margin criteria.

	Group operating margin (Group OM)	Free cash flow (FCF)*	Group revenues	CO ₂ emissions **
Weighting (as % of fixed compensation)	▪ 30% maximum.	▪ 30% maximum.	▪ 20% maximum.	▪ 20% if on target and maximum.
Payout rate	<ul style="list-style-type: none"> ▪ 0% if OM < Budget ▪ 24% if OM = Budget ▪ 30% if OM ≥ Budget + 0,2 points ▪ Linear interpolation if Budget < OM < Budget + 0,2 points 	<ul style="list-style-type: none"> ▪ 0% if FCF < Budget ▪ 24% if FCF = Budget ▪ 30% if FCF ≥ Budget + 50% ▪ Linear interpolation if Budget < FCF < Budget + 50% 	<ul style="list-style-type: none"> ▪ 0% if Revenues < Budget ▪ 16% if Revenues = Budget ▪ 20% if Revenues ≥ Budget + 2,5 % ▪ Linear interpolation if Budget < Revenues < Budget + 2,5% 	<ul style="list-style-type: none"> ▪ 0% if CO₂ > CAFE Objective ▪ 20% if CO₂ ≤ CAFE Objective

For reasons of commercial confidentiality, the Company does not disclose ex-ante target figures for these performance criteria. However, it will publish ex-post the rate of achievement of these criteria

* Before restructuring expenses.

** Based on the CAFE regulation for passenger vehicles registered in Europe.

Qualitative criteria for the 2020 financial year (0% to 50% of fixed compensation)

On the recommendation of the Governance and Compensation Committee, the Board of Directors decided to change the qualitative criteria in order to take into account the Alliance's new operating approach and the priority given to customer satisfaction and vehicle quality. Achievement of these three qualitative criteria directly contributes to the Group's performance.

	Renault-Nissan-Mitsubishi Alliance	Quality of CSR and environmental commitments	Customer satisfaction / Quality
Weighting (as % of fixed compensation)	<ul style="list-style-type: none"> 16.66% if on target and maximum 	<ul style="list-style-type: none"> 16.66% if on target and maximum 	<ul style="list-style-type: none"> 16.66% if on target and maximum
Indicators	<ul style="list-style-type: none"> Meetings of the Alliance Operating Board Implementation of leader/follower projects Formalization of the regional optimization plans Number of new partnership projects 	<ul style="list-style-type: none"> Health and safety (accident frequency rate) Gender pay-gap ratio Car recycling rate Maintaining good employee-employer relations worldwide and particularly in France (measured by the rate of commitment in the employee satisfaction survey) 	<ul style="list-style-type: none"> Incident rate Number of complaints per vehicle Customer satisfaction level

For the 2020 financial year only, in order to offer a competitive remuneration to the new Chief Executive Officer despite taking office at mid-year, Mr Luca de Meo will receive a variable compensation which will be equal to at least 100% of the fixed compensation paid in 2020 (pro-rated over the term of office in 2020).

It should be noted that pursuant to Article L. 225-100 III of the French Commercial Code (*Code de commerce*), payment of the annual variable compensation to the Chief Executive Officer for the 2020 financial year is subject to its approval by the Annual General Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Multiyear variable compensation

The Chief Executive Officer will not receive any multiyear variable compensation.

Exceptional compensation

The Chief Executive Officer will not receive any exceptional compensation in 2020.

Long-term compensation

Pursuant to the Company's compensation principles, a significant portion of the Chief Executive Officer's compensation consists of long-term compensation, the vesting of which is subject to performance criteria, to ensure alignment of the Chief Executive Officer's compensation with shareholder interests.

Long-term compensation takes the form of performance shares, allocated annually. The number of performance shares allocated to the Chief Executive Officer is expressed as an absolute number, rather than as a percentage of the salary, so that both upward and downward fluctuations in the share price will affect the total value of such long-term compensation.

The Chief Executive Officer receives performance shares under the same criteria as the other executives in the Group, subject to an additional performance criterion (total shareholder return -TSR) applied to him in his capacity as executive officer.

On the recommendation of the Governance and Compensation Committee, the Board of Directors of February 13, 2020 decided that 75,000 performance shares would be allocated to the Chief Executive Officer, representing the maximum number of performance shares that may be awarded in respect of the 2020 financial year.

Performance criteria will be measured over a cumulative three-year period (2020, 2021, and 2022).

Vesting of performance shares is also subject to a three-year presence condition starting from the date of the allocation by the Board of Directors.

The number of shares fully vested by the Chief Executive Officer out of the performance shares allocated to him will depend on the achievement of the following performance criteria:

Long-term performance criteria

	Total shareholder return (TSR)	Free cash flow (FCF) *	Percentage of models manufactured on the Alliance platforms (CMF)	Carbon footprint **
Weighting (as % of allocation)	▪ 20%	▪ 30%	▪ 30%	▪ 20%
Payout rate	<ul style="list-style-type: none"> ▪ 0% if TSR < benchmark ▪ 9% if TSR = benchmark ▪ 20% if TSR ≥ benchmark + 10%. ▪ Linear interpolation if benchmark < TSR < benchmark + 10%. 	<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%. 	<ul style="list-style-type: none"> ▪ 0% if CMF models < mid-term plan indicator ▪ 21% if CMF models = mid-term plan indicator ▪ 30% if CMF models ≥ mid-term plan indicator + 5% ▪ Linear interpolation if mid-term plan indicator < CMF models < mid-term plan indicator + 5%. 	<ul style="list-style-type: none"> ▪ 0% if average carbon footprint < Group target ▪ 14% if average carbon footprint = Group target ▪ 20% if average carbon footprint ≤ Group target - 2.5 points ▪ Linear interpolation if Group target - 2.5 points < average carbon footprint < Group target
<p>* Before restructuring expenses. ** Carbon footprint reduction target (CO₂ emissions) for Groupe Renault passenger cars and light commercial vehicles registered worldwide.</p>				

Compensation for directorship

The Chief Executive Officer is not a director. Therefore, he will not receive any compensation in this respect.

Benefits of any kind

The Chief Executive Officer benefits from two company cars and one company car with a driver. He may also benefit from an international healthcare coverage.

In 2020, the Chief Executive Officer benefits from a relocation assistance service similar to the assistance provided for Groupe Renault's employees recruited abroad (tax and administrative procedures, removal costs, assistance in looking for accommodation, temporary housing, etc.).

Service provision agreement

No service provision agreement will be entered into between the Company and the Chief Executive Officer.

Sign-on bonus

The Chief Executive Officer does not receive any sign-on bonus.

Termination benefit

The Chief Executive Officer is entitled to a severance payment equal to the average of the last two years' gross fixed and variable annual compensation, payable in one instalment within six months of the departure, in the event of dismissal at the initiative of the Board of Directors and subject to the achievement of performance conditions set by the Board of Directors.

This termination benefit will not be paid in the event of dismissal for serious or gross misconduct.

The total termination benefit and non-compete indemnity, in the event of implementation of the non-compete agreement (see below), may not exceed two years of annual fixed and variable compensation.

At its meeting held on February 13, 2020, the Board of Directors set the performance conditions for payment of the termination benefit. In order to receive this benefit, the following cumulative conditions should be met over the last two financial years preceding the departure (only one financial year in the event of departure during 2021):

- a minimum total achievement rate of 80% of the performance criteria for the annual variable compensation of the Chief Executive Officer;
- achievement of the Group's free cash flow target.

Non-compete indemnity

At its meeting held on February 13, 2020, the Board of Directors authorized the conclusion of a non-compete agreement with Mr Luca de Meo.

The Board of Directors considered that it is in Renault's interest to enter into this non-compete agreement which will protect Groupe Renault's legitimate interests, given the particularly competitive nature of the automotive market, the importance of the functions and the recognized skills of Mr Luca de Meo in this market, the means available to him, and the sensitive information he holds and to which he can have access.

Under this agreement, Mr Luca de Meo commits, as of the end of his term of office as Chief Executive Officer, not to engage, directly or indirectly, in an activity that competes with those of the Group, on his own behalf, on behalf of companies in the automotive design, construction and marketing sectors (mainly passenger cars and commercial vehicles), or on behalf of automotive suppliers.

Application of this clause is limited to:

- a period of twelve (12) months following the date on which Mr Luca de Meo effectively ceases to exercise his term of office;
- the countries of the European continent and Japan, as well as European and Japanese vehicle and equipment manufacturers.

As consideration for his non-compete obligation, Mr Luca de Meo will receive from the Company, during the period of application of the agreement (twelve months) and subject to there being no breach of this agreement, gross financial compensation corresponding to one year of gross annual compensation (fixed compensation and annual variable compensation paid in cash), payable in twelve monthly instalments. The gross annual compensation used for this calculation will be the one paid during the twelve months preceding the date of termination of the corporate office.

In accordance with the recommendation of the AFEP-MEDEF Code at the time of Mr Luca de Meo's departure, the Board of Directors of the Company will decide whether to apply this non-compete agreement and may unilaterally waive it. Furthermore, no compensation will be due in the event of retirement or if Mr Luca de Meo has reached the age of 65.

Top-up pension scheme

The Chief Executive Officer benefits from a top-up pension scheme identical to that arranged for the members of the Group Executive Committee (the so-called "Article 83" and "Article 82" plans).

a) Mandatory defined-contribution pension scheme (Article 83)

The contributions represent:

- 3.5% of the gross annual compensation between four and eight times the French Social Security cap (Band C), paid 2.5% by the Company and 1% by the Chief Executive Officer;
- then 8% of the gross annual compensation between eight and sixteen times the French Social Security cap (Band D), paid 5% by the Company and 3% by the Chief Executive Officer.

The total amount of the contributions (both Company's and officer's share) is capped at a lump sum equal to 8% of eight times the French Social Security Cap.

b) Optional defined-contribution pension scheme (Article 82)

The Chief Executive Officer will benefit from the new defined-contribution pension scheme that will be set up from May 1, 2020 for the benefit of the corporate officers and members of the Group's Executive Committee.

This new scheme provides for the payment by the Company to a third-party entity (an insurer) of contributions equal to 12.5% of the gross annual compensation (fixed and variable) actually received.

The contributions paid in this way do not benefit from any preferential tax or social security regime. For this reason, the Chief Executive Officer will receive a lump-sum indemnity equal to the amount of the contribution paid on his behalf to the insurer. Payment of this indemnity will be concomitant to the payment of the contribution to the insurer.

The contributions and lump-sum indemnity amounts will be dependent on the Company's performance insofar as the calculation basis includes the variable portion of the compensation which is related to the Group's results.

C. Compensation policy for the interim Chief Executive Officer (Mrs Clotilde Delbos)

It is reminded that upon the appointment of Ms Clotilde Delbos as interim Chief Executive Officer, the Board of Directors decided to maintain her employment contract as group CFO with Renault s.a.s. and the compensation related thereto, in view of the exceptional circumstances and the transitional nature of the situation. The compensation policy of Ms Clotilde Delbos in respect of her office as interim Chief Executive Officer was determined accordingly.

The compensation components of Ms Clotilde Delbos in respect of her employment contract are described in the release of the Board of Directors of November 12, 2019.

Annual fixed compensation

The annual fixed compensation of Ms Clotilde Delbos in respect of her office as interim Chief Executive Officer for 2020 remains at a gross amount of €371,329, payable in twelve monthly instalments (this amount will be paid pro-rated from January 1, 2020 until the end of the corporate office due to occur on June 30, 2020).

Ms Clotilde Delbos, who also benefits a gross annual fixed compensation of €528,671 under her employment contract with Renault s.a.s., will thus benefit from a total fixed compensation of €900,000 on an annual basis (an amount that will be pro-rated from January 1, 2020 and until the end of the corporate office on June 30, 2020).

Annual variable compensation

The amount of annual variable compensation may reach 150% of the fixed portion received in respect of her role as corporate officer if all the performance objectives are fully achieved. This variable compensation will be fully paid in cash.

For the 2020 financial year, the performance criteria set by the Board of Directors include four quantifiable criteria and three qualitative criteria. These are the same criteria as those applied to the annual variable compensation of the Chief Executive Officer.

The criteria and their weighting are shown in the tables below:

Quantifiable criteria for the 2020 financial year (0% to 100% of the fixed compensation)

Given the environmental stakes and new regulations, the criterion of CO2 emissions of passenger cars (CAFE regulation) has been added to the quantitative criteria of the previous compensation structure. Achievement of this target in 2020 is a financial and reputational stake, and thus a priority objective for the Group. In addition, given the importance of generating cash (free cash flow), it has been decided to maintain the weighting of this criterion and, consequently, to reduce the weighting of Group revenues and operating margin criteria.

	Group operating margin (Group OM)	Free cash flow (FCF)*	Group revenues	CO₂ emissions **
Weighting (as % of fixed compensation)	▪ 30% maximum.	▪ 30% maximum.	▪ 20% maximum.	▪ 20% if on target and maximum.

Payout rate	<ul style="list-style-type: none"> ▪ 0% if OM < Budget ▪ 24% if OM = Budget ▪ 30% if OM ≥ Budget + 0,2 points ▪ Linear interpolation if Budget < OM < Budget + 0,2 points 	<ul style="list-style-type: none"> ▪ 0% if FCF < Budget ▪ 24% if FCF = Budget ▪ 30% if FCF ≥ Budget + 50% ▪ Linear interpolation if Budget < FCF < Budget + 50% 	<ul style="list-style-type: none"> ▪ 0% if Revenues < Budget ▪ 16% Revenues = Budget ▪ 20% if Revenues ≥ Budget + 2,5% ▪ Linear interpolation if Budget < Revenues < Budget + 2,5% 	<ul style="list-style-type: none"> ▪ 0% if CO₂ > CAFE Objective ▪ 20% if CO₂ ≤ CAFE Objective
<p><i>For reasons of commercial confidentiality, the Company does not disclose ex-ante the target figures for these performance criteria. However, it will publish the achievement rate of these criterion at the end of the performance cycle.</i></p> <p><i>* Before restructuring expenses.</i></p> <p><i>** Based on the CAFE regulation for passenger vehicles registered in Europe.</i></p>				

Qualitative criteria for the 2020 financial year (0% to 50% of fixed compensation)

Upon recommendation of the Governance and Compensation Committee, the Board of Directors decided to change the qualitative criteria in order to take into account the Alliance's new operating approach and the priority given to customer satisfaction and vehicle quality. Achievement of these three qualitative criteria directly contributes to the Group's performance.

	Renault-Nissan-Mitsubishi Alliance	Quality of CSR and environmental commitments	Customer satisfaction / Quality
Weighting <i>(as % of fixed compensation)</i>	<ul style="list-style-type: none"> ▪ 16.66% if on target and maximum 	<ul style="list-style-type: none"> ▪ 16.66% if on target and maximum 	<ul style="list-style-type: none"> ▪ 16.66% if on target and maximum
Indicators	<ul style="list-style-type: none"> ▪ Meetings of the Alliance Operational Board ▪ Implementation of leader/follower projects ▪ Formalisation of the regional optimisation plans ▪ Number of new partnership projects 	<ul style="list-style-type: none"> ▪ Health and safety (accident frequency rate) ▪ Gender pay-gap ratio ▪ Car recycling rate ▪ Maintaining good employee-employer relations, worldwide and particularly in France (measured by the rate of commitment in the employee satisfaction survey) 	<ul style="list-style-type: none"> ▪ Incident rate ▪ Number of complaints per vehicle ▪ Customer satisfaction level

It should be noted that pursuant to Article L. 225-100 III of the French Commercial Code, payment of the annual variable compensation to the interim Chief Executive Officer for the 2020 financial year is subject to its approval by the Annual General Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Multi-year variable compensation

The interim Chief Executive Officer will not receive any multi-year variable compensation.

Exceptional compensation

The interim Chief Executive Officer will not receive any exceptional compensation in 2020.

Long-term compensation

Pursuant to the Company's compensation principles, a significant proportion of the interim Chief Executive Officer's compensation consists of long-term compensation, the vesting of which is subject to performance criteria, to ensure alignment of the interim Chief Executive Officer's compensation with shareholder interests.

Long-term compensation takes the form of performance shares, allocated annually. The number of performance shares allocated to the interim Chief Executive Officer is expressed as an absolute number, rather than as a percentage of the salary, so that both upward and downward fluctuations in the share price will affect the total value of such long-term compensation.

The interim Chief Executive Officer receives performance shares under the same criteria as the other executives in the Group, subject to an additional performance criterion, the total shareholder return (TSR), applied to her in her capacity as executive officer.

At its meeting of February 13, 2020, and on the recommendation of the Governance and Compensation Committee, the Board of Directors decided that 27,500 performance shares would be allocated to the interim Chief Executive Officer for the 2020 financial year, representing the maximum number of performance shares that may be awarded in respect of the 2020 financial year.

Performance criteria will be measured over a cumulative three-year period (2020, 2021, and 2022).

Vesting of performance shares is also subject to a three-year presence condition starting from the date of the allocation by the Board of Directors.

The number of shares fully vested by the interim Chief Officer out of the 27,500 performance shares allocated to her will depend on the achievement of the following performance criteria:

Long-term performance criteria

	Total shareholder return (TSR)	Free cash flow (FCF) *	Percentage of models manufactured on the Alliance platforms (CMF)	Carbon footprint **
Weighting (as % of allocation)	▪ 20%	▪ 30%	▪ 30%	▪ 20%
Payout rate	<ul style="list-style-type: none"> ▪ 0% if TSR < benchmark ▪ 9% if TSR = benchmark ▪ 20% if TSR ≥ benchmark + 10% ▪ Linear interpolation if the benchmark < TSR < benchmark + 10%. 	<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%. 	<ul style="list-style-type: none"> ▪ 0% if CMF models < mid-term plan indicator ▪ 21% if CMF models = mid-term plan indicator ▪ 30% if CMF models ≥ mid-term plan indicator + 5% ▪ Linear interpolation if mid-term plan indicator < CMF models < mid-term plan indicator + 5%. 	<ul style="list-style-type: none"> ▪ 0% if average carbon footprint < Group target ▪ 14% if average carbon footprint = Group target ▪ 20% if average carbon footprint ≤ Group target - 2.5 points ▪ Linear interpolation if Group target - 2.5 points < average carbon footprint < Group target
* Before restructuring expenses.				
** Carbon footprint reduction target (CO ₂ emissions) for Groupe Renault passenger cars and light commercial vehicles registered worldwide.				

Compensation for directorship

The interim Chief Executive Officer is not a director. Therefore, she does not receive any compensation in this respect.

Benefits of any kind

The interim Chief Executive Officer will not receive any other benefits in respect of her term of office.

Ms Clotilde Delbos benefits from certain benefits in kind in respect of her employment contract with Renault s.a.s.

Service provision agreement

No service provision agreement will be entered into between Renault S.A. and the interim Chief Executive Officer.

Sign-on bonus

The interim Chief Executive Officer does not receive any sign-on bonus.

Termination benefit

The interim Chief Executive Officer does not benefit from any termination benefit.

Renault S.A. non-compete agreement

Renault S.A. will not sign a specific non-compete agreement with Ms Clotilde Delbos in respect of her corporate office. It is however specified that Ms Clotilde Delbos is bound by a non-compete agreement in respect of her employment contract.

Top-up pension scheme

The interim Chief Executive Officer's pension scheme, in respect of both the corporate office and the employment contract, is similar to that of members of the Group's Executive Committee (the so-called Article 82 and Article 83 plans).

a) Mandatory defined-contribution pension scheme (Article 83)

Until April 30, 2020, the contributions represent 8% of the gross annual compensation between eight and sixteen times the French Social Security cap (Band D), paid 5% by the Company and 3% by Ms Clotilde Delbos.

As from May 1, 2020, the contributions correspond to:

- 3.5% of the gross annual compensation between four and eight times the French Social Security cap (Band C), paid 2.5% by the Company and 1% by Ms Clotilde Delbos;
- then 8% of the gross annual compensation between eight and sixteen times the French Social Security cap (Band D), paid 5% by the Company and 3% by Ms Clotilde Delbos.

The total amount of the contribution (employer's and employee's share) is capped at a lump sum equal to 8% of eight times the French Social Security cap.

b) Optional defined-contribution pension scheme (Article 82)

The interim Chief Executive Officer will benefit from the new optional defined-contribution pension scheme that will be set up from May 1, 2020 for the benefit of the corporate officers and members of the Group's Executive Committee.

This new system provides for the payment by the Company to a third-party entity (an insurer) of contributions equal to 12.5% of the gross annual compensation (fixed and variable) effectively received.

The contributions paid in this way do not benefit for any preferential tax and social security conditions. For this reason, the interim Chief Executive Officer will receive a lump-sum indemnity equal to the amount of the contribution paid on her behalf to the insurer. Payment of this indemnity will be concurrent with payment of the contribution to the insurer.

The contributions and lump-sum indemnity amounts will be dependent on the Company's performance insofar as the calculation basis includes the variable portion of the compensation which is related to the Group's results.

* *
*