REGISTRATION
DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

2013

DRIVE THE CHANGE

RENAULT

SUMMARY

The elements of the annual financial report are identified by AFR sign.

✦ Global Reporting Initiative (GRI) directives

LABEL TRANSPARENCE
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This label recognizes the most transparent Registration Documents according to the criteria of the Annual Transparency Ranking.

REGISTRATION DOCUMENT 2013

INCLUDING THE ANNUAL FINANCIAL REPORT
APPROVED BY THE BOARD OF DIRECTORS ON FEBRUARY 12, 2014

This Registration Document is on line on the website
www.renault.com

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French version has been filed with the AMF (French Financial Markets Authority) on March 13, 2014.

✦ Global Reporting Initiative (GRI) directives

TOTAL STAFF

121,807

GROUP'S REVENUES
MILLION EUROS

40,932

COUNTRIES
REPRESENTED IN MORE THAN

120

THE **RENAULT** GROUP

1

The elements of the annual financial report are identified by AFR sign.

✦ Global Reporting Initiative (GRI) Directives

1.1 OVERVIEW OF RENAULT AND THE GROUP

1.1.1 KEY FIGURES ✦

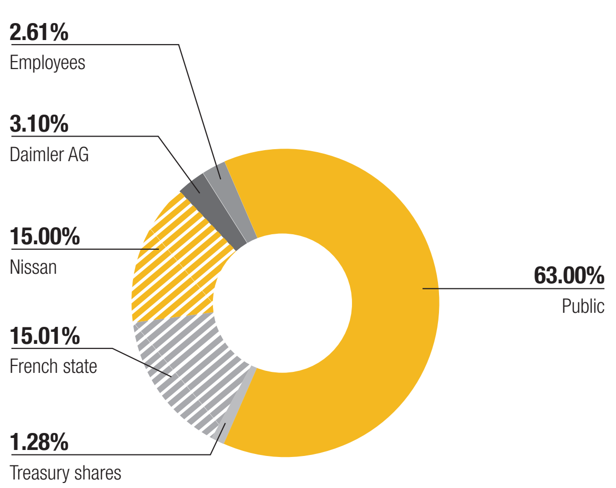
Three-year consolidated figures – published data[(1)]

(€ million)	2013	2012 RESTATED*	2012 PUBLISHED	2011 PUBLISHED
Revenues	40,932	40,720	41,270	42,628
Operating margin	1,242	782	729	1,091
Share in Nissan Motor net income	1,498	1,213	1,234	1,332
Renault net income	586	1,749	1,772	2,092
Earnings per share (€)	2.15	6.43	6.51	7.68
Capital	1,127	1,127	1,127	1,127
Shareholders' equity	23,214	24,564	24,547	24,567
Total assets	74,992	75,414	75,414	72,934
Dividends (€)	1.72[(2)]	1.72	1.72	1.16
Automotive cash flow[(3)]	2,914	2,573	2,577	2,910
Automotive net cash position	1,761	1,532	1,492	(299)
TOTAL STAFF AT DECEMBER 31	**121,807**	**127,086**	**127,086**	**128,322**

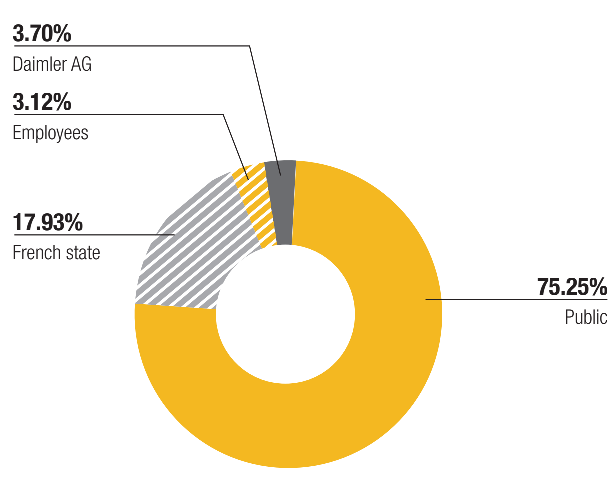
(1) This information is for reference only and is not always directly comparable year-on-year, since it may include changes in scope and/or accounting practices. See chapter 4, note 3 in the notes to the consolidated financial statements.
(2) Proposal to be submitted to the AGM on April 30, 2014.
(3) Excludes dividends received from associated companies.
* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

RENAULT SHAREHOLDERS AT DECEMBER 31, 2013

Breakdown of capital as a % of shares



Breakdown of capital as a % of voting rights



1.1.2 BACKGROUND AND HIGHLIGHTS

1898

Société Renault Frères was formed to manufacture motor vehicles, taking advantage of patents such as the first direct-drive transmission. Based in the Paris suburb of Billancourt, the Company achieved international renown through its success in motor sports, and initially specialized in the construction of passenger cars and taxis. During the First World War, it produced substantial volumes of trucks, light tanks and aircraft engines.

1922

Having expanded strongly in the passenger car and commercial vehicle markets, Renault became a limited company. Establishing production centers in France and abroad, Renault gradually emerged as the French market leader.

1945

The Company was nationalized in January, renamed *"Régie Nationale des Usines Renault"*, and concentrated on producing the 4CV.

1972

Renault 5 arrived on the market. It remains one of the Group's best-selling models ever.

THE 1980S

Through to the mid-1980s, Renault followed a strategy of diversification in the industrial, financial and service sectors, while at the same time growing its industrial and commercial activities internationally. But in 1984, the Company ran into financial difficulties. As a result, it concentrated on restructuring and refocusing on its core activities and returned to profit in 1987.

THE 1990S

In 1990, Renault became a limited company once again. In the same year, it signed an agreement for close cooperation with the Volvo group. In 1991, the two groups linked their automotive and commercial vehicle businesses *via* cross-shareholdings. This arrangement was unwound after plans to merge the two groups were shelved in late 1993.

On November 17, 1994 the French government opened Renault to outside capital, a first step towards privatization, which took place in July 1996.

In 1998, the year of its centenary, Renault opened the *Technocentre* in Guyancourt for its design and development teams, and a bodywork/assembly plant in Curitiba, Brazil.

The year 1999 marked the start of a new era in Renault's history with the signing of an Alliance with Nissan, on March 27 in Tokyo. In the same year, Renault acquired a new brand by taking a 51% stake in Romanian carmaker Dacia.

2000

Renault raised its stake in Dacia to 80.1% and acquired a new brand – Samsung Motors – in South Korea.

2001

Renault and Volvo joined forces to form the world's second-biggest truck manufacturer. Renault became the main shareholder in the Volvo group, with a 20% stake, after selling the Renault V.I./Mack group to Volvo.

2002

Renault and Nissan implemented the second stage of their Alliance, aimed at strengthening their equity ties and creating a joint strategic structure. Renault raised its stake in Nissan from 36.8% to 44.4%. At the same time, Nissan took a 15% ownership interest in Renault. The French government's ownership interest was reduced to 25.9% and then to 15.7% in 2003 by selling shares both to Company employees and on the market.

2003

This was the year of Mégane II. With five body styles (Scénic II, Grand Scénic, Mégane coupé-cabriolet, Mégane 4-door sedan and Mégane Sport Tourer) as well as the two models launched in 2002, a total of seven models were launched in 17 months. Mégane II became Europe's best-selling model.

2004

The year was marked by two major product launches: Modus and Logan. Modus is Renault's entry-level MPV. It was the first Renault-badged vehicle built on the B platform shared with Nissan, and the first vehicle in its class to score five stars in Euro NCAP crash tests. Logan, developed by Renault and manufactured and marketed by Dacia, offers excellent value for money. It has enjoyed great success since its launch, both on its domestic market of Romania, and on export markets. The car will be the spearhead of Renault's international expansion in the years ahead.

2005

At the Annual General Meeting on April 29, Carlos Ghosn was named Chief Executive Officer of Renault. Louis Schweitzer kept his position as Chairman of the Board of Directors. The Group pursued its international expansion with the development of industrial facilities for Logan in Russia, Colombia and Morocco. Renault signed an agreement with Mahindra & Mahindra to manufacture and market Logan in India from 2007. It launched two landmark products: Clio III, the eighth Renault vehicle to obtain five stars in Euro NCAP crash tests and "Car of the Year 2006", and the 2.0 dCi engine, the first diesel powerplant developed by the Renault-Nissan Alliance. Also this year, the Renault F1 Team scored a double win, taking the World Constructors' and Drivers' championship titles.

2006

On February 9, Carlos Ghosn announced Renault Commitment 2009, a plan based on three key commitments: quality, profitability and growth. The aim is to position Renault as Europe's most profitable volume automaker. For the second year running, the Renault F1 Team scored a double win with the new R26, taking the World Constructors' and Drivers' Championship titles. At the Paris Motor Show, Renault unveiled the Twingo Concept show car, and Koleos Concept, the first future crossover vehicle in the range.

2007

The product offensive began with the launch of New Twingo (produced in Slovenia) in May and of New Laguna (produced in France) in October. Both vehicles aim to achieve the highest standards of quality and reliability. In Korea, Renault Samsung Motors began production of QM5, a Koleos-based crossover vehicle, designed by Renault and developed by Nissan. Half of the total output is scheduled for export. Expanding its international presence, Renault founded new subsidiaries in Ireland and Scandinavia, increased its production capacity in Russia, and signed a memorandum of understanding for a future industrial complex in Morocco. In May, Renault launched the eco^2 label for its most ecological and economical vehicles. Eco^2 vehicles are produced in certified plants and emit less than 140g of CO_2 per km or run on biofuel. They also include at least 5% recycled plastics, and are 95% recyclable.

2008

The global economy was hit by a severe financial and economic crisis on an exceptional scale. In July, Renault put in place a new action plan aimed primarily at limiting inventories and cutting costs and investments in order to reflect new market realities. New business locations planned by the Renault-Nissan Alliance in Tangiers (Morocco) and in Chennai (India) were deferred or put on hold. To take advantage of the high growth potential of the Russian market, Renault is relying on its subsidiary Avtoframos, which produces Logan and sells a range of imported Renault vehicles, and also on its strategic partnership with AVTOVAZ. Renault signed several agreements to market electric vehicles, including one in Israel with Project Better Place, one in Denmark and one in Portugal. In October, Patrick Pélata was appointed Chief Operating Officer, reflecting Carlos Ghosn's decision to reinforce operational management through grassroots managerial practices and fast decision-making. All Renault industrial sites are now ISO 14001 certified. The vehicle range is undergoing a renewal with the launches of New Mégane, Kangoo, Koleos and Sandero.

2009

Renault pursued its crisis management plan by cutting its costs and operating capital requirements, through its Renault Voluntary Plan and the establishment of a crisis social contract (short-time working with no reduction in pay) in order to achieve a positive free cash flow. Carlos Ghosn is appointed Chairman of the Board of Directors, following the departure of Louis Schweitzer. Six new vehicles were launched: Grand Scénic III, Scénic III, Mégane III estate, Mégane Renault Sport, Fluence and Kangoo be bop. Renault confirmed its long-term vision of the automotive and zero-emission mobility by unveiling its future range of electric vehicles (Twizy Concept, ZOE Concept, Fluence Concept and Kangoo Concept) and its new brand baseline, “Drive the change”, at the Frankfurt Motor Show. An agreement was signed with the French government for the creation of a battery plant at Flins (France). The Renault-Nissan Alliance, which celebrated its 10th anniversary, aims to become the leading volume manufacturer of zero emission vehicles and has already entered partnerships with some 40 governments, local authorities and energy utilities all over the world. The foundations of the Tangiers plant were laid.

2010

Vehicle sales (PC+LCV) attained a record level of more than 2,625,000 units, benefiting the Group's three brands and all the Regions, particularly outside Europe.

New models were presented at the motor shows, including the Mégane CC and Wind convertibles at Geneva, the Latitude sedan at Moscow, the Kangoo Express Z.E. and Maxi, Trafic and Master at Hanover, the complete range of electric vehicles (Fluence Z.E., Twizy, ZOE Preview and Kangoo Z.E.), upper range models (Latitude, Laguna and Espace) and the DeZir concept car at Paris, giving practical form to the Group's new strategy in design, based on the life cycle.

In April the Alliance and Daimler signed a long-term strategic cooperation agreement on the future generations of Smart Fortwo and Twingo, the pooling of powertrains and collaborative work on light commercial and electric vehicles. The agreement was strengthened by cross shareholdings, with Daimler taking a 3.1% share in Renault and Nissan capital and Renault and Nissan each taking a 1.55% share in Daimler.

Renault paid back ahead of time €1 billion of the loan granted by the French government and sold its B shares in AB Volvo, generating a capital gain of €2 billion.

In Russia, the second phase of the Avtoframos plant was launched and the restructuring and recapitalization agreement was signed with AVTOVAZ. Sandero was launched on the Russian market.

Carlos Ghosn was re-elected as Chairman and Chief Executive Officer of Renault for a four-year period.

2011

The Company faced three major crises in 2011: the earthquake and tsunami in Japan in early March and its strong impact on supplies, the sovereign debt crisis in the euro zone and a case of attempted fraud.

In February, the Group launched its new strategic plan, Renault 2016 – Drive the Change.

Group PC+LCV sales, driven by international markets, totaled a record high of 2.72 million units. The Company met its commitment of €500 million in operational free cash flow, and net debt fell to the same level as in 1998. Renault made early repayment (in two installments of €1 billion) of the loan granted by the French government in April 2009.

At the Frankfurt Motor Show, Renault presented New Twingo and the new range of Energy engines. The first electric vehicles – Kangoo Z.E. and Fluence Z.E. – arrived on the market at the end of the year.

Following the attempted fraud case at the start of the year, Renault reviewed its system of corporate governance. It appointed a new Chief Operating Officer as well as an ethics manager. The Office of the CEO, the Audit, Risk Management and Organization department, and Group Human Resources now report directly to the Chairman and CEO.

2012

The Renault group faced contrasting market conditions in 2012. The global automotive market continued to grow, setting a new record, with almost 80 million vehicles sold, while the European market fell by a significant 8.6%. Against this backdrop, the Group sold 2.5 million vehicles, down 6.3% on 2011. The faster pace of international expansion did not offset weak sales in Europe.

For the first time in its history, the Group sold as many vehicles outside Europe as within Europe. Brazil and Russia are now the Group's second and third biggest markets. In 2012, Renault returned to India, selling a range of vehicles including Duster, which is a real success. The year also saw the production start-up of new vehicles (Lodgy and Dokker) at the Tangiers plant (Morocco), which opened at the start of the year.

In Europe, 2012 marked the start of a process to renew the range, with the launch of Clio IV, spearheading the new brand identity, and New Sandero.

In F1 racing, Renault illustrated its excellence in powertrain engineering with an eleventh World Championship Constructors' title. This expertise is subsequently passed on to the rest of the range.

Also in 2012, Renault strengthened its partnerships, launching a compact LCV – Citan – with Daimler and signing an agreement to take control of AVTOVAZ in Russia. An MOU was signed with the Algerian government to build an assembly plant.

The Group also completed its debt reduction process, in particular with the sale of its remaining shares in AB Volvo.

2013

In 2013, Clio IV was the third biggest selling vehicle in Europe, and the top seller in France. Captur, Renault's urban crossover, was released and was number-one in its category in France and Europe. ZOE, the first affordable full electric car, was also launched. Renault led sales of electric vehicles in Europe. Duster, voted car of the year in India, is the Group's best-selling vehicle since it was launched in 2010.

A contract for a new dynamic of growth and social development at Renault in France was signed in March.

Renault's success in Formula 1 continued, with a 12th Constructors' title.

Renault revealed the new electrified power unit, Renault Energy F1-2014, and uses its F1 know-how to continuously improve the efficiency of its volume-manufactured engines.

The return of the Alpine aux 24h du Mans confirmed the Group's sporting ambition.

The Initiale Paris concept car, which anticipates the model that will replace Espace, was unveiled at the Frankfurt Motor Show.

To support its international operations and optimize synergies with Nissan through the Alliance, Renault signed a partnership with Indomobil to expand its business in Indonesia, while the Renault-Nissan Alliance signed a deal with Mitsubishi Motors to pave the groundwork for extensive international cooperation. Renault presented its joint work with Nissan on the Common Module Family for the future vehicles of the Alliance. This will bring down engineering costs by 30%-40% per model on average.

At the end of the year, Renault and Dong Feng signed an agreement on Renault's manufacturing facilities in China.

The Group sold 2,628,208 vehicles in 2013 against 2,548,622 in 2012.

1.1.3 STRATEGIC OBJECTIVES ✦

See paragraph 1.6 Drive the change.

1.1.4 MAIN GROUP ACTIVITIES ✦

The Group's activities have been organized into two main business sectors, in more than 120 countries:

- Automotive: design, manufacturing and distribution of products through the sales network (including the Renault Retail Group subsidiary):
  - new vehicles, with three ranges – passenger cars, light commercial vehicles and electric vehicles – marketed under three badges: Renault, Dacia and Renault Samsung Motors (except electric vehicles, which are exclusive to Renault). Vehicles manufactured by Dacia and RSM may be sold under the Renault badge in some countries,
  - used vehicles, and spare parts;
  - Renault powertrains, sold B2B,
- Services: sales financing, leasing, maintenance and service contracts.

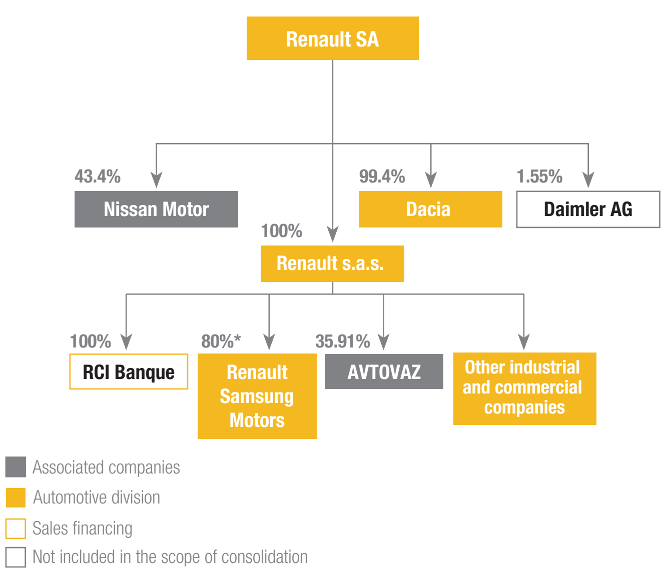
In addition to these two business lines, Renault has equity investments in the following two companies;

- Nissan;
- AVTOVAZ.

These holdings are accounted for in the Group's financial statements using the equity method.

STRUCTURE OF THE RENAULT GROUP ✦

Simplified organization chart at December 31, 2013 (as a% of shares issued)



** Company indirectly owned by Renault S.A.S.*

1.1.4.1 AUTOMOTIVE ✦

Renault designs, develops and sells passenger cars and light commercial vehicles.

Since the acquisition of Romanian carmaker Dacia and Samsung Motors' operating assets in South Korea, Renault has three Automotive brands: Renault, Dacia and Samsung.

RENAULT GROUP RANGES

Renault brand

For 115 years, Renault has been one of the manufacturers writing the history of the car. With a continuously renewed passion for mechanics, design and technological progress, over the years Renault has developed a unique personality, close to its customers, vibrant and daring, brilliantly captured in the expression "cars for living", which has stuck in people's minds.

In keeping with its reputation for innovation, Renault continuously renews its automotive product lines. The electric range is an obvious example, as well as equipment that makes everyday life easier, such as the best onboard connectivity in the market, or the glove box reinvented as a magic drawer.

Proud of its French roots, Renault is also accelerating its international expansion: Renault's vehicle range is designed to meet local needs as effectively as possible in all locations: Renault designs cars for every stage of life, to meet everyone's needs, suit everyone's pocket and fulfill everyone's passions.

With an energy demonstrated by the enduring success of its involvement in motor sport, Renault wants everyone to live life to the full: a life full of passion and at the same time, a life where every moment is made simpler and easier.

Passenger cars (PCs)

In the small car segment (A and B segments and passenger-carrying vans), Renault offers a wide range of complementary models: **Logan, Sandero, Twingo, Clio, Wind, Symbol, Pulse, Scala** and **Kangoo.**

The entry-level programme is now playing a key role in Renault's international development, primarily through **Sandero, Logan** and **Duster,** which are sold outside Europe under the Renault badge.

Through broad industrial deployment, Renault is able to produce these vehicles close to their main markets at the Group's plants in Russia, India, South America, **Romania,** North Africa and South Africa.

New **Sandero** and **Logan** are replacing their predecessors, opening the next chapter in the international success story of the two models by keeping the strengths that have made them so popular.

Affordable, roomy and robust, **Renault Logan** continued to enjoy huge success in 2013 in South America (accounting for almost 10% of sales in this Region) and Russia (almost 24% of sales for this country). Delivering unbeatable value for money, it is particularly attractive to buyers of family vehicles.

Sandero, with a modern design, spacious interior, reliability and value for money meets the needs of global customers, from young couples in Brazil to singles in Russia. The model accounts for **45%** of sales in Brazil and 20% of sales in Russia.

In the A segment of city cars, **Twingo II** remains the benchmark on its segment. Launched in January 2012, it was the first vehicle in the range to feature the new brand design identity. Twingo is celebrating its 20th anniversary in 2013 but it still looks as fresh and bold as it did on launch: cheery colors, an original customization programme and unrivalled modular design/functionality. A vehicle of exceptional reliability and flawless quality, with continuously upgraded engines that are on the cutting edge for low CO_2 emissions (85g for the Euro 5 diesel in January 2013), it remains No. 1 in its segment in France, with a **27.7%** segment share, and fourth in Europe **(6.7%)** in a fiercely competitive environment.

In the B segment, New Clio, launched at the Paris Motor Show in October 2012, has opened a new page in the Clio saga. One year on, **Clio IV** has been highly successful and looks set to keep its place in the top three bestsellers in Europe, taking 7.2% of the segment.

Building on the fundamentals inherited from the previous generations, **Clio IV** makes a fresh start with its sensual design and wide range of customized features, the R-Link multimedia tactile screen interface with a built-in navigation system, a rich array of equipment, and new engines combining dynamic performance with record-breaking fuel efficiency. The new Energy TCe 90 gasoline engine consumes just 4.3 l/100km and emits no more than 99g of CO_2/km, while the latest optimized version of the highly appreciated Energy dCi 90 attains an unequalled 3.2 l/100km.

The station wagon version, with its original shooting-brake styling, was successfully launched in February 2013, taking 31% and second place in the sub-B station wagon segment in Europe. This was followed, in March 2013, by an RS version with a turbocharged gasoline engine mated to an automatic transmission with the EDC dual-clutch system, offering unprecedented versatility in the sports car segment.

At the same time, the older generations of Clio live on, since Clio III Collection and Clio II are still present as Clio entry-level models in Europe and North Africa respectively, while Clio II, restyled to reflect Renault's new design identity, is marketed in Brazil and Argentina.

After the renewal of Clio, Renault continued its design offensive by releasing **Captur,** the first urban crossover in the range, on the market since April 2013. A distinctive vehicle, Captur offers the best of three vehicle styles: the expressive styling and driving position of an SUV, the interior space and modular design of a minivan, and the handling and drivability of a compact hatchback. In just a few months, by July 2013, **Captur** was already leading the B Crossover segment in Europe.

The first Renault vehicle manufactured on a Nissan platform, Renault **Pulse** delivers everything Renault needs to establish itself in the Indian market alongside Renault Duster. A small hatchback ideally suited to Indian conditions, it is positioned in a premium segment aimed at young, upwardly mobile, urban customers. The three-box variant, Renault **Scala,** based on the same platform, sets high standards in comfort with its features and size suited to young families.

The **Kangoo** modular van, launched in 2008, underwent a complete makeover in mid-2013. New Kangoo now has a new front end that expresses Renault's new brand identity. It also features a new central console and new engines – the 1.6 ENERGY 115 bhp diesel engine, and the 1.2 ENERGY 115 gasoline engine – offering some of the best fuel economy in the category. New Kangoo also has new equipment, including the R-Link navigation system. It still comes in two lengths, including Grand Kangoo, with a 5-seater and a 7-seater version, and is manufactured in Maubeuge (France). The previous version of Kangoo is still on the market and continues to be produced in Cordoba (Argentina).

2013 was an eventful year for **Scénic** and **Grand Scénic** with the launch of a new derivative in March: Scénic Xmod, which blends the exciting design of a crossover with the expertise of the benchmark maker of compact MPVs.

With a raised ride height, the Scénic Xmod has an expressive design that speaks the language of a crossover, with distinctive front and rear bumpers, body moldings, and chrome roof bars (on some trim levels).

On the inside, a fixed central console makes the driver feel like a pilot, with a driving position designed like a cockpit. The console, within easy reach, includes the Extended Grip lever and the multi-directional joystick for navigating the multimedia interface. The dash, with the Thin Film Transistor (TFT) digital display and the Renault R-Link connected touchscreen multimedia system, shows all the information the driver needs simply and visibly.

In time for the launch of Scénic Xmod, Scénic and Grand Scénic were also upgraded to feature Renault's new brand identity. Scénic held on to the No. 1 position in the European compact minivan market with a 16% share of the segment at end-December 2013.

Revealed at the Istanbul Motor Show in November 2012 and launched on the market in January 2013, **New Fluence** also features Renault's new design identity, with LED daytime-running lights for a dynamic, modern look.

New Fluence ships with a range of powertrains tailored to the needs of customers in the countries where it is sold, with two engines combining fuel efficiency with drivability, the new 1.6 16v 115 cv X-Tronic, delivering 156Nm of torque at 4,000rpm 156Nm, and the 1.6 dCi 130 diesel. Designed first and foremost for driving pleasure, the 1.6 dCi 130 is the most powerful diesel engine in its category. It delivers 130hp for cubic capacity of 1,598cc. By combining a low cubic capacity with a range of high-tech innovations, it cuts fuel consumption to just 4.6 l/100km over a combined cycle with emissions of just 119g of CO_2/km. It therefore carries the Renault eco^2 logo.

Fluence is also contributing to the Group's efforts in environmental protection, since it is available as an electric vehicle, **Renault Fluence Z.E.,** launched in Europe in fall 2011.

2013 was also an exciting year for Mégane, which adopted the new brand identity, revealed at the Frankfurt Motor Show, with a new bumper, new elliptical headlights and new daytime running lights that stretch along the side of the bumper. The Mégane range also pioneers the combination of the 130 bhp gasoline engine with the dual clutch EDC automatic gearbox, and has the latest equipment and advanced technology of the brand, such as the Renault R-Link multimedia system. The emblematic sports versions of Mégane have also been restyled with the Renault design identity. Apart from these aesthetic modifications, Mégane R.S. has been enhanced with the R.S. Replay function available on the R.S. Monitor 2.0. The GT trim is now available with the 2.0T Renault Sport 220 engine.

The Renault Group is continuing to invest in the revival of Alpine, its exceptional sports car marque.

Development of the first 21st century Alpine is now at an advanced stage and promises to deliver a highly gratifying driving experience.

Meanwhile the return of the Alpine marque to competition resulted in a maiden title at the 2013 European Le Mans Series.

The outstanding performance of the young Alpine team revived the marque's fame and promoted its image to an international customer base that shares a passion.

Koleos, launched in 2008, confirmed its role as the premium-vehicle spearhead of the Renault brand on international markets. A new Phase 3 was launched in September 2013. With a new front-end design incorporating the new brand identity, a spacious interior with quality finishing, new technology (the Renault R-Link multimedia system, reversing camera, and blind spot warning system), a new 2.0 l 143 bhp engine, and proven 4x4 technologies borrowed from Nissan, the Koleos Phase 3 SUV has been unanimously praised for its comfort, equipment and off-road properties.

With more than 250,000 units sold since the launch in 2008, the model is sold in around 60 countries. In 2013, on this particularly competitive SUV segment, Koleos notched up more than 47,000 sales, of which 82% outside Europe. In Eurasia, Latin America and China, it is Renault's main model in the higher market segments.

Attentive to quality and comfort in all its forms, **Latitude** is a large prestige saloon that places the emphasis squarely on passenger well-being, with its generous dimensions, comprehensive equipment, massaging driver's seat, and an original air treatment system using an ionizer for a purifying, relaxing effect. Latitude is a pure product of the Alliance, combining technical components from both Renault and Nissan to offer optimum drivability and a subtle road feel. It was developed in France and Korea, where it is built alongside Koleos at the Busan plant. Marketed around the world, Latitude reflects Renault's efforts to move upmarket internationally and enhance its image by targeting new customer groups.

Laguna III has sold more than 330,000 units since its launch in 2007. In 2013, Renault launched the Phase 3 incorporating new features, like R-Link, LED daytime running lights and automatic transmission for the 1.5 dCi engine. Laguna gained the latest automotive technologies developed for comfort and driving pleasure: the 4Control chassis with four-wheel steering, the Carminat TomTom® Live navigation system, and the Bose® Sound System. It also ships with efficient engines: on the hatchback, for example, 109g of CO_2/km for the 1.5 dCi 110 engine and 118g of CO_2/km for the 2.0 Energy dCi 130 and 150 engines. Renault's commitment to quality is underscored by a 3-year/150,000km warranty.

Sporty, elegant and efficient, with its 4Control chassis, Laguna coupé is also the most fuel-efficient coupé in its category, with the lowest CO_2 emissions (1.5 dCi 110 with 109g of CO_2/km). As a result of these efforts, Renault remains a key player in this body style segment, particularly in France, where Laguna coupé has been No. 1 for five consecutive years.

In the executive E segment, **Espace** continues to set the standard in the executive minivan segment as it has done for almost 30 years, with more than 1.3 million vehicles sold. It combines exceptional comfort at both front and rear with a modular layout creating bright, spacious conditions for comfortable and safe travel.

Espace IV phase 4 embodies contemporary design and French luxury, with dynamic design lines that showcase the new brand styling identity. The attractive, high-quality interior features Teflon® seat upholstery to protect every fiber without detracting from appearance, as well as liberating technologies fitted as standard on all versions (hands-free card, automatic parking brake, TomTom® Live connected navigation system, Bluetooth radio with audio streaming), a new built-in high-definition reversing camera and the biggest panoramic sunroof on the market.

In 2013 New Renault Espace added a new, seamlessly integrated and supremely comfortable video system, with two 7" (18cm) 16:9 screens. Each high tech screen has a separate video input, compatible with all formats (DivX, MPEG, MP3, etc.) for watching video from a DVD, USB or SD card, and new individual infrared headphones.

Committed to improving its environmental performance, Renault has invested in research to cut fuel consumption and CO_2 emissions, which has reduced emissions from the 2.0 dCi (manual transmission) to 150g/km, an improvement of 20g.

Like Laguna, Espace IV is built in France at Sandouville, the first Renault plant to obtain ISO 14001 certification (in 1998). Reaping the full benefits of the progress made by Renault in quality, the two models gained a manufacturer's warranty of three years/150,000km in 2008.

With more than 854,286 units sold worldwide in little over three years, Duster is the Renault group's bestselling model. Proof of its success, Duster has received 28 honors around the globe, including several "car of the year" awards. Manufactured at five plants and sold in more than 100 countries, Duster is a mainstay of the Renault group's international growth. In 2013, Duster went on sale in six new countries: UK, Ireland, Norway, Denmark, Cyprus and Malta.

Duster is now being restyled (at Pitesti initially) with a new interior and exterior design, building on its intrinsic qualities of roominess, versatility, off-road capabilities, and as always its affordable price tag.

As for technology, Duster has been fitted with the new H5ft 125 bhp gasoline engine, which, mated to a six-speed gearbox, consumes 6.3 l/100km with de CO_2 emissions of 145g. These new features were revealed at the 2013 Frankfurt Motor Show.

Light commercial vehicles (LCVs)

The Renault group continues to develop light commercial vehicles. The range is marketed under the Renault and Dacia badges, and through manufacturing partnerships with General Motors, Nissan, and Renault Trucks and, since late 2012, with Daimler on the Citan small van.

Renault has maintained its position as Europe's leading LCV brand – a position it has held since 1998 – with a European market share of 14.5% (at end-December 2013). Outside Europe, Renault's LCV sales volumes dipped 0.6% in a market that contracted by 1.7%.

Renault strives to satisfy its business customers by expanding the Pro+ specialized LCV network, as well as through agreements with independent coachbuilders to offer a wide array of transformed vehicles.

Renault's LCV range comprises vehicles from 1.6 to 6.5 metric tons and from 2 m^3 to 22 m^3, in gasoline, diesel and electric versions (Kangoo Z.E.).

In the small van segment (under 2 metric tons), **Kangoo** is the industry leader, and entered a new phase in 2013. New Kangoo features a new, more robust front end that visually incorporates the new brand identity. The model now offers two new engines, the 1.6 ENERGY 115 bhp diesel and the 1.2 ENERGY 115 bhp gasoline. New Kangoo offers three front seats, and the R-Link navigation system as options. The model still comes in three lengths and has three electric versions (Kangoo Z.E., the 2-seater Kangoo Maxi Z.E. and the 5-seater Kangoo Maxi Z.E.).

First-generation Kangoo is still built in Cordoba (Argentina) for South America.

In the van segment (between 2 and 6.5 metric tons), Renault is continuing its offensive with the support of new vehicles that were added to the range in 2010: **Trafic Phase 3** and **Master III.**

Since its launch at the end of 2001, **Trafic** has become the benchmark in the compact van segment (between 2.0 and 2.9 metric tons). Developed in partnership with General Motors, Trafic is produced at the Nissan plant in Barcelona (Spain). Trafic phase 3 comes with a 2.0 dCi 90,115 bhp engine and has cut CO_2 emissions to 180g/100km.

In 2013 Renault Trafic took a 14.8% share of the small van segment in Europe (at end-December).

In the large van segment, Renault continues to develop its **Master** range, launched in 2010. Available in front- and rear-wheel drive versions in four lengths and three heights, Master has a maximum authorized weight of 4.5 metric tons. The range comprises 350 versions and boasts a modern design and very comfortable cabin. In 2013, the M9T 2.3 dCi engine (100-150 bhp) could be fitted with Stop & Start and Electric Smart Management (ESM). Qualifying for the ENERGY label, this engine reduces fuel consumption by 1 l/100km compared with the Euro 5 2012 range. Master is manufactured at the Batilly plant (France).

Master is sold in 30 countries. The model consolidated its No. 3 position in the large van segment, with a segment share of 13% (including Renault Trucks sales). Master continued to make inroads in the Euromed-Africa Region, with more than 15,433 units sold in 2013. This includes confirming its No. 1 position in Algeria, where it took 47% of the large van segment.

Master 3 is also expanding in South America, where it is produced in the Curitiba plant (Brazil). It was released in Brazil in April and in Argentina in May. The model is the leader in its category, with more than 15,600 Master van and passenger-carrying van registered at end-December 2013.

Master 2 and Master 3 clocked up a total of 95,049 new registrations in 2013.

Dokker and **Dokker Van,** launched in late 2012, continued to grow in 2013 in Europe and internationally. Some 90,000 units have already been manufactured.

Dokker is a practical, versatile five-seater crew van. With a generous boot capacity and a simple modular configuration, it is ideally suited to customers looking for a mixed-usage vehicle, which can carry bulky items as well as transport a family in comfort.

Dokker Van, the small van version, caters to all the expectations of business customers. Reliable and robust, it offers among the best loading capacity in the segment, an innovative modular configuration and fuel economy.

Electric vehicles (EVs)

2013 was a key year for Renault in the electric vehicle market, with the release of **ZOE** in Europe. The new model will support an increase in our zero-emissions (Z.E.) sales volumes as well as our leadership of the European market.

At end-December 2013, we had sold more than 37,500 electric vehicles worldwide, including slightly more than **8,857** ZOEs.

Renault is the uncontested leader of the European market. Almost one in two electric vehicles sold in Europe is a Renault.

Worldwide, the Alliance has almost 64% of the electric vehicle market.

EV markets continued to grow strongly everywhere despite slower-than-planned infrastructure development. The global market is now 100,000 units. Electric vehicles are growing 10-20 times faster than hybrid cars in their day. The arrival of major rivals like VW and BMW vindicates our strategy and boosts awareness of electric vehicles.

France is now the third-biggest market for EVs, after the United States and Japan.

Building on its strong European base and uncontested leadership of the European electric vehicle market, in 2013 Renault began to concretize the expansion of its international electric vehicle strategy to all five continents. We need to expand fast in order to consolidate our image as the leader of all markets around the world.

In Latin America, through the subsidiaries and importers, Renault has made contact with numerous customers, including Fedex and national post offices in a majority of countries. The first contracts have been signed, in Colombia, Uruguay and Brazil. For example, Renault signed a partnership with Brazilian-Paraguayan power generator Itaipu, which will soon assemble **Twizy** in Parana State.

Projects are also being set up with governments and city councils, to promote electric vehicles and deploy the ecosystem of electric mobility, starting with recharging infrastructure. Renault and Nissan are partners in an ambitious scheme by the Ecuadorian government.

Renault continued to roll out Z.E. in Asia. After Hong Kong, where **Fluence Z.E.** holds 79% of the EV market, and **Kangoo Z.E.** was awarded a contract with the airport, 2013 saw the start of production and sales of the SM3 Z.E. in South Korea under the Renault Samsung Motors badge (November 1). A total of 398 SM3 Z.E. were sold in 2013, representing 72% market share. In Singapore, Kangoo Z.E. will be launched in 2014. In Japan, a Nissan-badged Twizy is on the road in autoshare schemes in Yokohama and Teshima. In 2014, Twizy will move in Macao and Kangoo Z.E. in Australia.

In **Dubai,** the police have incorporated two Twizy into their fleet. Given the enthusiastic response of Dubai residents, Twizy will be launched on the market in the United Arab Emirates in a few weeks' time.

The power of innovation symbolized by the electric car is a real advantage for the Renault brand in the Euromed Region. After Turkey with Fluence Z.E. phase 2, Romania with Kangoo Z.E. phase 1 and Saint Barthélemy with Twizy in 2012, in 2013 Reunion Island showcased the benefits of Z.E. vehicles in tourist destinations.

As part of the VERT Project, supported by ADEME, France's Environment and Energy Management Agency, Renault has been testing nine electric vehicles (three Fluence Z.E. and six Kangoo Z.E.) in corporate fleets on Reunion Island since 2012. The project tested the suitability of electric vehicles for a tropical island climate as well as the installation and use of charging stations with solar panels and electric storage batteries. That meant that the system for recharging Renault's Z.E. electric vehicles was Z.E. too. Renault's retail network on Reunion started selling Twizy in September 2013, soon to be followed by ZOE.

The Z.E. revolution is underway in Bulgaria too, initiated by our partner Omnicar, a logistics firm, which has just been delivered its first Kangoo Z.E.. Twizy has already dazzled 400 prospective customers at public presentations prior to the official market launch. 2013 ended with the launches of Kangoo Z.E. and Twizy in Morocco.

In 2014, in the Euromed Region, Renault will continue to roll out the Z.E. range by releasing Twizy in Turkey and Romania, ZOE in Morocco, and moving into the French Caribbean: Martinique, Guadeloupe and French Guiana.

In Europe, 2014 will be a year of growth, and Renault expects to reap the rewards of the enormous amount of work in European countries since 2011.

The occasional recharge cable, which will be available for ZOE in March 2014, will enable users to recharge their vehicles by plugging them into a household socket. This occasional charge solution is perfect for customers who want to be able to recharge their vehicles when they are away from their own homes, at a holiday home, hotel or friends'.

Public and private infrastructure projects are now being built and huge progress will be made in 2014, including the development of several motorway corridors in Europe, with fast charge stations.

The record level of satisfaction among our ZOE and Kangoo Z.E. customers is another positive sign, and we will be able to rely more and more on our customers to boost awareness and the image of our Z.E. range.

Dacia brand

Dacia is the Renault group's regional brand, present in Europe and the Mediterranean basin. In just eight years, it has established itself as a key player on the automotive market.

Present in 43 countries, from Europe to North Africa and Turkey, Dacia has experienced stronger growth than any other brand since its launch, multiplying sales by 7 between 2005 and 2012. In 2013 Dacia posted sales growth of 19.2% on 2012

For a brand that fulfills demand, success is not a question of years. In 2013, Dacia topped 2.4 million vehicles sold since 2004.

In 2013, Dacia's market share was almost 2.11% in Europe and 5.37% in Euromed.

In Europe, Dacia increased market share by 0.4 point on 2012. Dacia grew in all the large countries, achieving an exceptional 4% share of the Spanish market, an increase of 1.7 point on 2012.

In the Euromed-Africa Region, Dacia's market share improved by 0.22 point on 2012 to 5.37%. Dacia achieved outstanding results in Turkey, with 4.28% market share (up 0.63 point on 2012) and Algeria with 8.7% market share (down 1 point on 2012).

Dacia is the leading brand in Romania, with a 31.7% share of the PC+LCV market, and in Morocco, with 25.2%.

The success of the Dacia brand is based, among other factors, on unbeatable value for money, on an exact par with the requirements of our customers, and a level of vehicle quality/reliability that has been part of the brand's DNA right from the first models.

Dacia is attracting a new and very diverse customer base, with a large proportion of customers coming from the used vehicle market (all segments and brands).

Dacia Duster is a real success with its attractive design, space, reliability and off-road capabilities, all at an affordable price. The model has sold 407,575 units in three years on the market.

In early 2012, Dacia expanded its range with **Dacia Lodgy,** a vehicle with the interior space of a large C-segment minivan sold for the price of a B-segment minivan. This vehicle is a response to the needs of families who traditionally buy used vehicles. It was extremely well received by the network, customers and the press against a backdrop of difficult market conditions for minivan consumer sales in Europe.

In mid-2012, Dacia also launched Dokker and Dokker Van, an inexpensive compact LCV and a crew van, expanding the LCV offering of the Renault group.

At the end of the year, Dacia gained the new TCe 115 engine, symbolizing the excellence of the Renault group in powertrain technology. This 1,198cc engine combines drivability with limited fuel consumption (6 l/100km) and CO_2 emissions (135g/km).

Four emblematic Dacia models have received their first restyle, with the new **Dacia Logan, Sandero, Sandero Stepway** and **Duster.** This was a major challenge since the new models aim to combine “more” (equipment, features) and “better” (stronger and more attractive exterior design) qualities for the same price, while respecting the Dacia spirit: essential vehicles, on an exact par with the requirements of our customers.

Renault Samsung Motors brand

Renault Samsung Motors (RSM) sells five passenger cars (QM3, SM3, SM5, SM7 and QM5) in South Korea, covering the local B, C, D, E and SUV segments.

QM3, launched in December 2013, is a B-segment urban crossover derived from Renault Captur and designed exclusively for the South Korean market. The new model extends RSM’s range into the B segment. For Renault Samsung Motors, QM3 represents a first in several respects: it is the first model released in the B segment, the first model manufactured outside Korea to be sold in Korea, and the first model with the new brand identity.

SM3, launched in September 2002, was restyled in July 2009. A new phase 2 was launched in September 2012. New SM3 has enjoyed great success, with market share of 19.1% on the M1 segment and 19,200 sales in 2013.

SM5, an executive sedan, has enjoyed continuous success since its launch in 2001. The third generation SM5, launched in January 2010, was an immediate success. A new phase 2 called SM5 Platinum was launched in November 2012. SM5 sold 30,700 units in 2013, for a market share of 13.7% on the M2 segment in South Korea.

SM7, launched in November 2004, is a roomy sedan, with a luxurious, comfortable cabin. This executive vehicle, which ships with a V6 engine, incorporates the latest technology from the Renault-Nissan Alliance. The second generation All-New SM7 was launched in August 2011. It sold 3,600 units in South Korea in 2013.

QM5, launched in December 2007, is the first real crossover vehicle on the Korean market. Phase 2 was successfully brought to market in July 2011. It sold 5,350 units in 2013, taking a 3.9% share of its segment in South Korea.

SM3, SM5, SM7 and QM5 are manufactured at the Busan plant in South Korea.

In 2013 RSM sold 66,779 vehicles, of which 60,027 on its domestic market.

RENAULT POWERTRAIN RANGE

The powertrain business is one of the main sectors implementing industrial synergies in R&D with Renault’s partners (with Nissan as part of the Alliance or outside the Alliance). A dedicated department oversees this B2B business, both for exchanges of powertrain sub-systems with partners, and for related engineering. The aim of these synergies is to pool development costs, to absorb fixed production costs, to generate economies of scale in the industrial activities of Renault and its suppliers, and ultimately, to improve free cash flow at Renault.

Business to business powertrain Activity

Beyond the Alliance with Nissan, which enables the two manufacturers to share a range, manufacturing system and network of suppliers, B2B engineering seeks to: promote and market Renault Powertrain sub-systems through automotive cooperation projects (for example, with Daimler, AVTOVAZ, and General Motors-Opel) and sales to other parties. They enable our partners to benefit from Renault technology and give Renault access, where useful, to its partners’ developments and manufacturing capacity. This activity also serves as a basis on which to identify and set up one-off cooperation projects.

Advantages of Renault Powertrain

A modern powertrain range with low carbon emissions: Through its powertrain range, Renault is stating its ambitions to lead the way in reducing the eco-footprint of cars. The qualities of the Energy range have convinced our partners of the advantages of using our engines for their vehicles. Partnerships have been developed for both diesel and gasoline engines as well as for transmissions (more than 30% of Renault’s output is delivered to partners).

Renault’s image as a strong performer has been further reinforced by its 12th World Championship title in Formula-1. The Constructors’ title secured in the 2013 season confirms Renault’s continued dominance of Formula-1. The F1 engines are designed by engineering teams who share their expertise with the engineers developing the Energy range, thus ensuring the direct transfer of the best technologies to production vehicles.

Business to business organization

Operating as part of Renault powertrain engineering, this skilled department identifies opportunities, prepares product offerings, negotiates contracts and supports business activities during the development and industrial phases. Dedicated to customers, it liaises with all Renault engineering departments to ensure a fast response.

A dedicated website (www.powertrain.renault.com) promotes Renault’s powertrain range.

MAIN MANUFACTURING SITES

Renault has about 30 manufacturing sites for its automotive business. Based on a standard figure of 3,760 hours (one year’s production based on two eight-hour shifts a day, five days a week, for 47 weeks a year), production capacity utilization rates in 2013 were 87% globally and 61% in the Europe Region.

The Alliance and Renault’s strategic partnerships enable these manufacturers to share manufacturing facilities and therefore costs.

Renault-Nissan vehicles are manufactured at facilities shared with AVTOVAZ in Russia, and Daimler uses the plant in Maubeuge. Renault uses Nissan’s plants in Barcelona (Spain) and Rosslyn (South Africa) and Renault-Nissan have a common plant in India.

Main manufacturing sites by brand – 2013 production (units) ✦

2013	SITES	PRODUCTION *(units)*	VEHICLES OR COMPONENTS
RENAULT BRAND			
RENAULT SITES			
Europe			
France	Batilly	92,811	Master III(1)
	Choisy-le-Roi	190,762	Reconditioning of engines, transmissions, injection pumps and sub-assemblies Short-run machining
	Cléon	1,101,985	Engines, transmissions. Aluminum foundry: 11,900 metric tons
	Fonderie de Bretagne	25,400	Aluminum foundry (metric tons)
	Dieppe	5,217	Clio III Renault Sport
	Douai	115,429	Mégane III (coupé-cabriolet), Scénic III (5- and 7-seater)
	Douvrin (FM – Renault unit)	264,971	Engines
	Flins	129,884	Clio III phase 2, ZOE, Clio IV
	Le Mans/Villeurbanne	5,669,876	Front/rear suspensions, subframes, lower arms Aluminum foundry: 91,141 metric tons
	Maubeuge	137,175	Kangoo Z.E., Kangoo III(2)
	Ruitz	83,066	Automatic transmissions
	Sandouville	25,394	Laguna III (hatch, station wagon, coupé), Espace IV
Spain	Palencia	142,749	Mégane III
	Valladolid	124,944	Twizy, Clio III, Captur
		1,247,579	Engines
	Seville	789,298	Transmissions
Portugal	Cacia	649,169	Transmissions
Slovenia	Novo Mesto	93,733	Clio II phase 4, Twingo II, Wind
Euromed-Africa			
Morocco	Casablanca	66,545	Logan (I and II), Kangoo, Sandero (I and II)
	Tangiers	101,054	Lodgy, Dokker, Dokker Van, Sandero II
Turkey	Bursa	330,546	Symbol, Fluence incl. Z.E., Mégane, Clio IV
		1,611,759	Engines, transmissions, front/rear suspensions, subframes
Americas			
Argentina	Cordoba	117,081	Symbol, Clio II, Kangoo, Kangoo Express, Fluence Aluminum foundry: 4,476 metric tons
Brazil	Curitiba	292,241	Duster, Sandero, Logan (Renault), Master (II and III)(5)
		359,740	Engines
Colombia	Envigado	74,664	Duster, Sandero, Clio II, Logan (I and II)
Chile	Los Andes	352,079	Transmissions
Asia-Pacific			
Iran*	Teheran	33,407	Mégane II, Logan (Renault), Logan Pick-up(3)
		117,263	Front/rear suspensions, subframes and lower arms
India*	Chennai	80,344	Fluence, Koleos, Duster, Pulse, Scala
Eurasia			
Russia	Avtoframos	195,112	Duster, Mégane, Fluence, Logan (Renault), Sandero (Renault)
	AVTOVAZ*	204	Logan II (Renault), Sandero II (Renault)
NISSAN SITES			
Spain	Barcelona	67,517	Trafic II(4)
South Africa	Pretoria	6,401	Sandero
DACIA BRAND			
Romania	Pitesti	343,213	Duster, Logan (I and II, MCV), Sandero (I and II)
		2,934,772	Engines, transmissions, front/rear suspensions, axles, subframes, idler modules. Aluminum foundry: 16,701 metric tons
RENAULT SAMSUNG BRAND			
South Korea	Busan	132,541	SM3, Fluence, Latitude, SM7, Koleos
		115,542	Engines

(1) Batilly also manufactures Master for General Motors Europe and Nissan. These vehicles are sold under the name Movano for the Opel and Vauxhall brands, and Interstar for the Nissan brand.
(2) The Maubeuge site also builds Kangoo vehicles for Nissan, sold under the name Kubistar (a Nissan brand) and for Daimler, sold under the name Citan (Daimler brand).
(3) In partnership with the Iranian companies Pars Khodro and Iran Khodro.
(4) Nissan's Barcelona plant also manufactures compact vans marketed under the names Primastar and Vivaro by Nissan and Opel respectively.
(5) Renault's Curitiba plant also makes LCVs for Nissan.
** Partner plants.*

RENAULT GROUP DISTRIBUTION NETWORK

Organization of the distribution networks

The Renault group distributes vehicles under its brands through both primary and secondary distribution networks.

The primary network is contractually tied to Renault and comprises:

- dealers independent of the Renault group;
- branches belonging to Renault through its subsidiary Renault Retail Group (RRG).

The secondary distribution network is made up of Renault sub-dealers, generally small businesses with contractual ties to the primary network.

The main changes to the Renault group distribution network are as follows:

- developing and raising professional standards in networks on growth markets, primarily outside Europe;
- strengthening of the various brand identities, including in particular increased differentiation between the Dacia and Renault brands;
- adjustments to cater for the sale of new vehicles, including in particular the electric vehicle range.

	2012		2013	
NUMBER OF RENAULT SITES	**WORLD**	**O/W EUROPE**	**WORLD**	**O/W EUROPE**
Primary network	5,157	2,826	5,054	2,697
o/w RRG dealers and branches	*211*	*181*	*187*	*165*
o/w Pro+ dealerships	*416*	*318*	*521*	*390*
Secondary network	7,754	7,427	7,072	6,704
TOTAL RENAULT SITES	**12,911**	**10,253**	**12,126**	**9,401**

	2012		2013	
NUMBER OF DACIA SITES	**WORLD**	**O/W EUROPE**	**WORLD**	**O/W EUROPE**
Primary network	1,900	1,570	**1,967**	**1,629**

Renault Retail Group (RRG)

This wholly-owned subsidiary of Renault s.a.s. is the Group's biggest subsidiary by revenues (€6.8 billion in 2013) and workforce (10,416 employees at December 31, 2013).

Renault Retail Group has more than 220 sales and services outlets in 13 European countries: Austria, Belgium, Czech Republic, France, Germany, Ireland, Italy, Luxembourg, Poland, Portugal, Spain, Switzerland and the UK.

Its role is to directly distribute, on a profitable basis, Alliance products and services (Renault, Dacia and Nissan). The product range covers new vehicles, used vehicles and spare parts. It also includes services: servicing, powertrains, bodywork, express repairs (Renault Minute and Renault Minute body shops), short-term rental (Renault Rent), financing and brokerage.

In 2013, RRG sold more than 33.3% of the new vehicles marketed by Renault in France, and more than 22.6% for the other 11 European countries in which RRG operates (excluding RRG Ireland and France).

RRG manages the commercial presence of the Renault group in major cities and has put in place a strategy to meet the volume and profitability targets set out in Renault 2016 – Drive the Change.

In 2013, RRG confirmed its exemplary service quality, in France and the rest of Europe. RRG's service quality is based on impeccable treatment of customers across all the interfaces with the network reception, telephone and Internet. RRG focused on rolling out the C@RE concept, initially in France, with more than 40 showrooms upgraded to the Group's new standards.

RENAULT RETAIL GROUP FIGURES TO END-DECEMBER 2013	TOTAL FOR 12 EUROPEAN COUNTRIES*	O/W FRANCE
New vehicles *(units)*	243,934	143,705
Used vehicles *(units)*	165,748	115,952
Total, new and used vehicles *(units)*	409,682	259,657
Revenues** (€ million)	6,839	4,262

* *Excluding Ireland.*
** *From RRG management statements.*

Renault Pro+ dealerships

Renault has developed dedicated services for business customers under the Renault Pro+ banner.

In a clearly identified environment, Renault Pro+ provides a tailor-made service based on three main components:

- professional expertise, with specialized sales and after-sales teams who can provide all the services that business customers expect at a one-stop shop: sales, including sales of transformed vehicles, financing, maintenance, repairs, rentals, accessory sales; etc.
- displays of vehicles from the Renault range: cars, LCVs and transformed LCVs;
- a local base thanks to the extensive coverage of the Pro+ network.

In 2013, 105 new Pro+ dealerships were opened, bringing the total to 521 Pro+ dealerships in 36 countries.

The Renault Pro+ network continues to expand its coverage in Europe, and is gathering pace in other regions to support growing LCV sales. Now more than one-quarter of Pro+ dealerships are located outside Europe. Brazil opened 50 Pro+ dealerships between mid-2012 and end-2013, and Australia plans to open its first Pro+ sites in early 2014.

CASH MANAGEMENT IN THE AUTOMOTIVE BUSINESS

For Automotive, the Renault group has established a financial organization whose aims are to:

- automate the processing of routine cash inflows and outflows;
- meet the subsidiaries' refinancing requirements and pool surplus cash;
- centralize the handling of euro-denominated and foreign exchange transactions so as to optimize the management of currency, liquidity, interest rate, counterparty and country risk while reducing financial and administrative costs;
- centralize virtually all financing operations, including securities issuance, bank loans and credit agreements, at parent company level.

Within this framework, Renault's Financing and Treasury department, which is responsible for cash management and financing for the Group's industrial and commercial activities in Europe, has a specialized entity, Renault Finance, which manages the following:

- capital market trading, after intra-Group netting: forex, fixed income securities and short-term investments;
- foreign currency payments by French and European subsidiaries;
- foreign currency cash pooling for some subsidiaries.

For the euro zone, cash is centralized through a Renault SA IT platform that manages all subsidiaries' euro-denominated transactions and interfaces with the automotive sector's banks. Renault Finance is also involved in cash management arrangements covering foreign currency payments made by French and European subsidiaries.

Outside the euro zone, the cash flows of certain subsidiaries are accounted for centrally in Renault Finance's accounts.

Renault Finance

Renault Finance, a Swiss corporation based in Lausanne, is an active player on the forex and fixed income markets and the market for hedging industrial metals transactions. It operates within a strict risk management framework. Through its arbitraging activities, it can obtain competitive quotes for all financial products. The company is therefore Renault's natural counterparty for most automotive market transactions. By extending this service to the Nissan group, Renault Finance has become the Alliance's trading floor. It manages spot and forward foreign exchange transactions for both Renault and Nissan, hedging itself in the market accordingly. Renault Finance takes no risks on behalf of any entity in the Nissan or Renault groups.

Aside from financial market transactions, Renault Finance has been offering a number of services since 2008, including commercial and financial foreign currency payments for Renault and Nissan and a foreign currency cash pooling service for a number of Renault entities (Czech Republic, Denmark, Hungary, Poland, Romania, Sweden, Switzerland and the UK). Other foreign currency cash pooling services are currently being developed.

At end-December 2013, parent company net income was €86.2 million (compared with €49.8 million at end-December 2012), and total parent company assets amounted to €8,999 million (compared with €8,800 million at end-December 2012).

1.1.4.2 SALES FINANCING

RCI Banque, Renault's captive financing arm, finances sales of the Renault, Renault Samsung Motors (RSM), Dacia, Nissan, and Infiniti brands.

The RCI Banque group operates in 36 countries:

- in Europe: France, Austria, Belgium, Croatia, Czech Republic, Denmark, Estonia, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, and the UK;
- in the Americas: Argentina, Brazil, Colombia;
- in the Euromed Region: Algeria, Bulgaria, Morocco, Romania and Turkey;
- in the Eurasia Region: Russia and Ukraine;
- in Asia: South Korea.

At December 31, 2013, the RCI Banque group had total assets of €29,505 million.

The Group employed an average of 2,848 people over the year, of whom 46.4% in France.

In the countries in which the RCI Banque group operates, Sales Financing accounts for 34.6%* of new vehicle sales under the Renault and Nissan brands.

In its capacity as a brand financing entity, the Group is tasked with providing a complete range of financing and service solutions:

- customer activity (consumers and professionals):
  - credit for new and used vehicles,
  - leasing with purchase option,
  - hire purchase,
  - contract hire,
  - associated services, such as maintenance and warranty extension, insurance and assistance, fleet management and credit cards;
- network activities:
  - financing inventories of new and used vehicles and spare parts, and funding dealers' long-term financing operations,
  - managing and controlling risk,
  - securing the network's future by standardizing and regularly monitoring financial procedures,
  - acting as the network's financial partner.

In order to diversify its sources of financing, the RCI Banque group set up a savings plan in February 2012 aimed at the general public in France. This new activity was expanded in 2013, firstly in Germany where a savings passbook account and a term account were introduced at the beginning of the year, and in France, where a term account was introduced in July. The amounts collected totaled €4,333 million at December 31, 2013, limiting the need for market financing.

** Turkey and Russia were integrated into the consolidated scope in 2013. On the same scope as 2012, the proportion of new vehicles financed in 2013 was 36.7%, a ten-year high.*

1.1.4.3 ASSOCIATED COMPANIES, PARTNERSHIPS AND COLLABORATIVE PROJECTS ✦

NISSAN

Renault's shareholding in Nissan is described in detail in chapter 1.2 on the Renault-Nissan Alliance.

Nissan's market capitalization at December 31, 2013 was ¥3,996 billion, (€27,614 million) based on a closing price of ¥884 per share.

Renault holds 43.4% of Nissan's share capital. At December 31, 2013 the market value of the shares held by Renault totaled €11,985 million, based on a conversion rate of ¥114.7 for €1.

Renault accounts for its shareholding in Nissan using the equity method, as described in chapter 4, note 13 of the notes to the consolidated financial statements.

AVTOVAZ

The partnership with AVTOVAZ, Russia's leading vehicle manufacturer and owner of the LADA brand, moved on to another level on December 12, 2012, with the announcement of an agreement on increasing Renault and the Renault-Nissan Alliance's stake in AVTOVAZ progressively.

Under the terms of the agreement, the Renault-Nissan Alliance and the Russian public holding company Russian Technologies set up a joint venture – Alliance Rostec Auto b.v. – Alliance Rostec Auto b.v. holds 74.5% of AVTOVAZ as of December 31, 2013. By grouping the shareholdings of each partner in AVTOVAZ, it will act as a majority shareholder promoting long-term stability. This organization will make it easier for the three partners to take strategic decisions. It will also contribute to the process initiated by Renault, Nissan and LADA to build synergies and develop new products on the growing Russian market in the coming years.

The Renault-Nissan Alliance will invest RUB23 billion to raise its stake to 67.13% of the shares of Alliance Rostec Auto b.v. eventually (63.64% at end-December 2013).

Renault, which had already acquired 25% in AVTOVAZ in 2008, will invest RUB11.3 billion totally and plans to own 50.1% of Alliance Rostec Auto b.v. by 2014.

Transactions relating to the agreement completed in 2013 were:

- all AVTOVAZ shares owned by Russian Technologies, and Renault were transferred to Alliance Rostec Auto b.v. in March 2013;
- Alliance Rostec Auto b.v. bought AVTOVAZ shares held by Troika Dialog Investment Ltd.
- Renault bought some of Alliance Rostec Auto b.v. shares from Russian Technologies in March and June 2013;
- Renault s.a.s. and Nissan International Holding b.v. made a cash subscription for new shares in Alliance Rostec Auto b.v. in March and June 2013;
- Renault had spent RUB8.05 billion (€190 million) and raised its interest to 48.20% of Alliance Rostec Auto b.v. by end-2013.

Alliance Rostec Auto B.V. – Changes to ownership structure:

	RENAULT	NISSAN	RUSSIAN TECHNOLOGIES
At end-March 2013	44.26%	8.40%	47.34%
At end-June 2013	48.20%	15.44%	36.36%
Eventually	50.10%	17.03%	32.87%

The partnership between Renault, Nissan and AVTOVAZ is a first between three groups. It is unique in its ambitions, spanning production, integration and local content in a market set to become Europe's biggest. It will also bring the Renault-Nissan Alliance additional production capacity at a time when Renault sales in Russia are growing strongly. Russian sales rose 10.7% in 2013, with more than 210,000 units sold.

The transformation of AVTOVAZ continued in 2013, with Renault-Nissan Alliance and AVTOVAZ investing in the ramp-up of the B0 line, shared by the three brands, with Almera produced by AVTOVAZ for Nissan and the introduction in late 2013 of New Logan, which will be made for Renault from 2014 onwards. Various other projects were also launched, including the startup of production of a new line for K4 and H4 engines and gearboxes (J gearbox), with an annual capacity of 450,000 engines, for all three brands.

At the same time, the upgrade of the plant in Izhevsk continued, with the ramp-up of LADA Granta and the introduction of a new vehicle, which will be manufactured for Nissan from 2014 onwards.

When this process is complete, the Renault-Nissan Alliance and AVTOVAZ will have an annual production capacity in Russia of at least 1.7 million vehicles by 2016.

This progress supports the range renewal, with an ambitious product plan, including the creation of new LADA vehicle ranges adapted for the Russian car market. AVTOVAZ's product line has been rebuilt, based on economical vehicles, with the launches of LADA Granta in the economical car segment, LADA Largus derived from Logan MCV, and New Kalina in 2013. In the future, there will also be sedans and SUVs for the B and C segments. The new models will be based on AVTOVAZ or Renault-Nissan Alliance platforms.

Renault accounts for its shareholding in AVTOVAZ using the equity method, as described in chapter 4, note 14-A of the notes to the consolidated financial statements.

PARTNERSHIPS AND COLLABORATIVE PROJECTS

Strategic cooperation between Renault Nissan Alliance and Daimler AG

Please see Chapter "Strategic cooperation with Daimler AG" in Chapter 1.2.2.2.

Supplier relations and support ✦

In view of the current economic conditions, it is crucial for manufacturers and suppliers to collaborate closely in order to create value together. Renault's objective is to build performance as part of an equitable, educational, long-term partnership with suppliers.

✦ Global Reporting Initiative (GRI) Directives

To this end, Renault has put in place a policy to support suppliers worldwide, which involves:

- working closely with suppliers from the outset of projects, with the aim of meeting price and quality targets and cutting development times;
- sharing best industrial practices (regular meetings, expert assignments);
- optimising processes in order to help suppliers cut costs without reducing their margins;
- assisting suppliers to improve quality. More than 300 quality experts around the world are involved in quality assessments based on a single questionnaire, shared with Nissan. If the supplier's score is deemed inadequate, a quality expert from Renault (or Nissan, depending on location) will help the supplier to reach the required standard and thus become stronger. In 2013, the emphasis was on action plans to reduce the number of vehicle breakdowns attributable to suppliers;
- offering suppliers an opportunity to growth with the group. Renault's manufacturing facilities in other countries (Russia, China, etc.) and partnerships (Nissan, AVTOVAZ, Daimler) create opportunities for suppliers to expand into new markets or increase their volumes;
- cooperating on innovation. Beyond the research and advanced studies conducted internally and with Nissan, Renault works with suppliers on new joint innovations, sharing its strategic aims right from project design;
- raising suppliers' awareness of CSR. Renault has incorporated CSR criteria into its supplier referencing and selection processes, and regularly evaluates its suppliers' CSR performance. Renault also applies charters on best practices in customer-supplier relations.

To show the Group's appreciation of its suppliers, every year Renault presents Supplier Awards. The awards are given to suppliers that achieve highly in any of three priority categories for Renault – quality, innovation and CSR – irrespective of the supplier's size, country of origin or business sector. In 2013, twelve suppliers won awards for their outstanding achievements in one of those areas.

Finally, as part of efforts to strengthen supplier relations, in 2011 Renault and Nissan initiated a joint process for selecting preferred partners, known as Alliance Growth Partners (AGP). These are partners who have demonstrated their competitiveness and their ability to support the developments introduced by the two Alliance partners.

Light commercial vehicles

In the field of light commercial vehicles, Renault has several agreements with General Motors Europe, Nissan and Daimler.

Renault and General Motors Europe signed a framework agreement in 1996 that included a commitment to work together. The aim was for the two manufacturers to increase their market presence in Europe and share development costs.

In compact vans, Renault Trafic and Opel/Vauxhall (GM) Vivaro have been produced at the GM Europe plant in Luton (UK) since 2001 and the Nissan plant in Barcelona (Spain) since 2002. In March 2011, Renault and Opel/Vauxhall announced the locations of production sites for the next generation of Vivaro and Trafic. Opel/Vauxhall confirmed that the next generation Vivaro will be built in Luton. Renault will build the next generation Trafic as well as the upcoming high roof (H2) version of the Opel Vivaro at its Sandouville site. Production is expected to begin in the first half of 2014.

The offering in the large vans segment was renewed in 2010, with the launch of the new range of Renault Master and Opel/Vauxhall (GM) Movano, manufactured by Renault at its Batilly plant in France.

Movano is sold to GM as part of a supply agreement signed at the end of 2007.

New Master is also distributed by the Renault Trucks network under the terms of sales agreements entered into in 2009. These agreements are the continuation of agreements covering the distribution by Renault Trucks (AB Volvo group) of Mascott and the previous generation of Master.

Still as part of the Renault-Nissan Alliance, an agreement was signed to develop a van based on the new Renault Master called NV400. This vehicle has been sold by Nissan since end-2011. This project reflected the continuation of agreements implemented by the two companies in 2003 for the distribution by Nissan of Interstar (based on the previous generation of Master and replaced by NV400) and Primastar (a compact van based on Trafic).

As part of the strategic cooperation between the Renault-Nissan Alliance and Daimler announced on April 7, 2010, Renault and Daimler studied the development of a light commercial vehicle to expand the Mercedes range. Citan, the new urban LCV by Mercedes Benz, was developed by Renault on the basis of the Kangoo platform and is built exclusively alongside Kangoo and Kangoo Z.E. at the Renault plant in Maubeuge (France). Citan nevertheless maintains the visible features expressing the identity of the Mercedes brand, in both interior and exterior design. Citan has been sold by Mercedes since fall 2012.

Accelerating international expansion ✦

Various agreements have been entered into with local partners (manufacturers and local authorities).

In China

In the People's Republic of China, Renault strengthened its presence in the imported vehicle market, with more than 30,000 units sold in 2013, driven primarily by the success of Koleos and a range of hatchbacks, from Fluence to Talisman.

On December 16, 2013, Carlos Ghosn and Xu Ping, Chairman of Dongfeng Motor, signed an agreement to set up Dongfeng Renault Automotive Company (DRAC), a car manufacturing joint venture in China. The project was approved by the National Development and Reform Commission (NDRC) on December 2, 2013.

50-50 owned by the two partners, the new company will benefit from a total investment of CNY7.76 billion (€870 million). Under the terms of the deal between Dongfeng and Renault, the future plant will go into production in 2016. Annual capacity will be 150,000 vehicles in phase 1, and is expected to double after that. The plant will be located in Wuhan, capital of Hubei Province, and will cover an area of 95 hectares.

Each partner will contribute its expertise and know-how to ensure a successful collaborative arrangement, a source of major synergies, in research and development as well as in innovation and design. DRAC's product plan is initially for a new range of crossovers with the first models scheduled for release in 2016. The Group is also expanding its sales network, which is expected to increase from 92 dealerships in 2013 to 120 by 2016.

In Russia

Avtoframos sales grew by almost 11% in 2013, driven by the success of the vehicles manufactured mainly in Russia at the Moscow plant, which is now operating at full capacity. Avtoframos has been wholly owned by Renault since end-2012, when Renault acquired the shares held by Moscow City Hall.

The partnership with AVTOVAZ will give Avtoframos additional production capacity, including capacity at the plants in Togliatti and Izhevsk reserved for launches scheduled for 2014, including New Logan manufactured in Togliatti.

This extra capacity will enable Renault to continue to grow in Russia on the strength of Duster, Logan and Sandero and Renault's entry into the C segment.

In India

- In Chennai, the Alliance built its first joint production site as part of a joint venture (JV RNAIPL). Production of Nissan Micra started in 2010. In 2011 Renault started production of Fluence and Koleos, and in 2012 Pulse, Scala and Duster, which is currently enjoying great commercial success on the Indian market. In late 2013, Nissan launched the new premiums SUV Terrano, derived from Renault Duster.
- In the same region, RNTBCI, a joint venture between Renault and Nissan, has been providing services in engineering, purchasing and accounting since 2008.
- In August 2010 Renault changed the structure of its industrial and commercial partnership with Mahindra & Mahindra, selling its share in the MRPL joint venture to its partner. Renault also granted a license to Mahindra & Mahindra to produce and sell Logan in India under its own brand. The vehicle was restyled in 2011 and is now sold under the "Verito" name.

In Indonesia

In September 2013, Renault signed a partnership agreement with Indomobil – Indonesia's second-biggest carmaker, which has partnered Nissan since 1981 – to launch Renault in Indonesia. In this country, which has a population of 250 million, where less than 4% of people own a vehicle, the aim is to become one of the leading brands on the market, with the gradual launch, first of imported vehicles then locally assembled vehicles, covering the core market.

2013 was devoted to the first product launches (Duster, Koleos, Mégane RS) to make Renault known, and to developing a sales network in Jakarta and the rest of the Indonesian archipelago.

In Iran

Renault is maintaining its presence, while enforcing the legal constraints linked to the international sanctions applicable to this country. Production has been sharply reduced after sanctions were toughened in mid-2013, with the White House Executive Order of June 3, 2013.

Renault is working primarily with the X90 platform and the vehicle L90 (Logan). More than 300,000 Tondar (the local name for Logan) vehicles have been built since production began in 2007. Mégane is also assembled in Iran by the manufacturer Pars Khodro. More than 39,000 Mégane vehicles have been assembled since the start of cooperation in 2008.

The Iranian business, which has contracted sharply after the sanctions, was taken out of the Group's consolidated scope. That position will be adjusted in line with political and economic developments in relation to Iran.

In South Africa

Following a cooperation agreement entered into in May 2007, the Alliance invested ZAR 1 billion (€88 million) in the local assembly of vehicles from the Logan range (Pick-up and Sandero) at the Nissan plant in Rosslyn, starting in 2009. The pick-up is assembled by Nissan and sold under its own brand name. Sandero, which is also assembled by Nissan, is marketed by the Renault South Africa subsidiary, which has sold almost 28,000 units since production of this vehicle started.

In 2013, Renault s.a.s. signed an agreement with its historic South African commercial partner, Imperial Group, to transfer the majority of the shares in their joint subsidiary, Renault South Africa. Since December 1, 2013, Renault s.a.s has owned 40% of the shares in the subsidiary (compared with 51% previously) and Imperial 60% (compared with 49% before). The aim of this operation is to boost the expansion of the Renault group in this country, where its penetration is low. South Africa is the biggest car market on the African continent with 624,615 units sold.

In Morocco

The first production line of the Tangiers plant went into operation in 2012, producing 55,700 entry-level vehicles: Lodgy, Dokker and Dokker Van. In 2013 the second production line (Sandero II) started up. Production at the plant exceeds 100,000 vehicles in 2013, and come close to 200,000 in 2014. The Somaca plant in Casablanca also successfully started production of Logan II, Sandero II and Symbol made a record volume of 66,500 units.

In Algeria

In December 2012, Renault signed an agreement with the Algerian authorities to build an assembly plant in the region of Oran. Under the agreement, a joint venture, Renault Algérie Production, will be set up in partnership with *Société Nationale des Véhicules Industriels* (SNVI) and the National Investment Fund (FNI). Production at the plant is scheduled to start up in late 2014 with local assembly of New Symbol with the aim of building up to an initial capacity of 25,000 units/year, then gradually increasing local integration. In the future, manufacturing facilities including a sheet metal workshop and painting will be installed to raise capacity to 75,000 vehicles/year.

The environment

Renault Environnement, a wholly-owned subsidiary of Renault s.a.s., was founded in mid-2008. Its role is to develop new business around the themes of sustainable development and the environment, in line with Renault's eco^2 policy.

Renault Environnement has a joint venture with SITA Recyclage, a subsidiary of Suez Environnement, to develop the recycling of ELVs (end-of-life vehicles) and the marketing of re-used materials and parts.

Through its subsidiary GAIA and its equity investment in BCM, Renault Environnement recovers automotive parts (production scrap and end-of-line parts) and metallic waste from Group sites.

For more details, see chapter 2.3.

1.1.5 MANAGEMENT BODIES AT MARCH 1, 2014 ✦

STRENGTHENING OPERATIONAL MANAGEMENT

In September 2013, the Chairman and Chief Executive Officer and the Board of Directors adapted the organization of the Renault group by creating two new departments:

- a Competitiveness department, headed by the Chief Competitiveness Officer, tasked with facilitating the development of an attractive product range, enhancing the competitiveness of the product lines, optimizing costs, improving quality and boosting the profitability of the programmes;
- a Performance department, headed by the Chief Performance Officer, responsible for increasing market share and profitability of sales.

The CEO, Carlos Ghosn, has direct responsibility for strategic decisions, together with oversight of financial and legal matters, public affairs, Human Resources, audit, risk and organizational issues.

Renault's senior management bodies consist of two committees:

- the Group Executive Committee;
- the Operations Review Committee.

1.1.5.1 GROUP EXECUTIVE COMMITTEE

The Group Executive Committee (GEC) is responsible for the design and implementation of strategic policies and decisions.

These are reflected in the budget and Renault Plan, product planning, major investments, and plans for new strategic sites.

The Executive Committee has ten members:

- the Chairman and CEO;
- the Chief Performance Officer, and Sales and Marketing Director;
- the Chief Competitiveness Officer;
- the Executive Vice-President, Office of the CEO;
- the Executive Vice-President, Engineering, Quality and IS/IT Group;
- the Executive Vice-President, Human Resources;
- the Executive Vice-President, Product Planning, Programmes and LCV;
- the Executive Vice-President, Manufacturing and Supply Chain;
- the Chief Financial Officer;
- the Executive Vice-President, Chairman of Europe Region.

The Renault Executive Committee meets once a month and at seminars held twice a year.

1.1.5.2 RENAULT OPERATIONS REVIEW COMMITTEE

The Operations Review Committee is in charge of operational decisions and reviewing:

- business KPIs;
- free cash flow;
- profitability, programmes and planning;
- various reports: quality, electric vehicles, fixed costs, etc.

The Operations Review Committee has 16 permanent members:

- the 10 members of the Group Executive Committee;
- the Chairmen of the Eurasia, Americas, Euromed-Africa and Asia-Pacific Regions;
- the SVP, Group Control;
- the SVP, Purchasing.

The Operations Review Committee meets once a month for a whole day.

1.1.5.3 ORGANIZATION CHART AT MARCH 1, 2014

- ■ **Carlos Ghosn:** Chairman and CEO
- ■ **Marie-Françoise Damesin:** EVP, Human Resources
- **Christian Mardrus:** SVP, Alliance CEO Office
  Managing Director Alliance Global Logistics
- ■ **Mouna Sepehri:** EVP, CEO Office
- ■ **Thierry Bolloré:** Chief Competitive Officer
  - ■ **J. Michel Billig:** EVP, Engineering, I.S and Quality
    - **Christian Deleplace:** SVP, Expert Fellow
    - **Nadine Leclair**: SVP, Project Engineering
    - **Jean-Pierre Vallaude**: EVP Deputy, Engineering, I.S and Quality
  - ■ **Jose Vicente de Los Mozos Obispo:** EVP, Manufacturing and Supply Chain
    - **Christian Mardrus:** Alliance Global Logistics
  - ■ **Philippe Klein:** EVP, Product Planning , Programs and LCV
    - **Thomas Lane:** SVP, Product Planning
  - **Laurens Van Den Acker:** SVP, Corporate Design
  - **Christian Vandenhende:** SVP, Purchasing Renault; Alliance Global Purchasing
    Chairman and Managing Director, RNPO
- ■ **Jérôme Stoll:** Chief Performance Officer
  - **Nicolas Wertans:** SVP, Sales Worldwide
  - **Bruno Ancelin:** SVP, Managing Director Renault in Russia
    ♦ Chairman of Eurasia Region
  - **Denis Barbier:** ♦ SVP, Chairman of Americas Region
  - **J.Christophe Kugler:** ♦ Chairman of Euromed Africa Region
    - **Jacques Prost:** General Manager of Renault in Morocco
  - ■ **Stefan Mueller:** ♦ EVP, Chairman of Europe Region and Renault Retail Group
    - **Bernard Cambier:** SVP, Market Area France
    - **Jérôme Olive:** SVP, Manufacturing and Supply Chain Europe
  - **Gilles Normand:** ♦ Chairman of Asia-Pacific Region
    - **Jacques Daniel:** Joint Venture Project China
  - **Michael van der Sande:** SVP, Marketing
- ■ **Dominique Thormann:** EVP, Chief Financial Officer; CEO RCI Banque
  - **Clotilde Delbos:** SVP, Performance and Controling Groupe

■ **Member of the Group Executive Committee (CEG)**

♦ **Chairman of Region**

1.1.6 MAIN GROUP SUBSIDIARIES AND DETAILED ORGANIZATION CHART ✦

1.1.6.1 MAIN SUBSIDIARIES ✦

RENAULT S.A.S.

13-15, quai Le Gallo
92512 Boulogne-Billancourt Cedex (France)

Wholly owned subsidiary of Renault.

Business: design, manufacture, sale, repair, maintenance and leasing of motor vehicles (commercial, light commercial and passenger vehicles, tractors, farm machinery and construction equipment) as well as the design and production of parts and equipment used in connection with the manufacture and operation of vehicles. Also, all types of services relative to such activities and, more generally, all industrial, commercial, financial, investment and real-estate transactions relating directly or indirectly, in whole or in part, to any of the above purposes (see Article 3 of the articles of incorporation).

2013 revenues: €32,165 million.

Workforce at December 31, 2013: 33,735.

RENAULT ESPAÑA

Carretera de Madrid, km 185
47001 Valladolid (Spain)

99.78% owned by Renault s.a.s.

Business: manufacture and marketing, *via* its sales subsidiary Recsa, of Renault passenger cars and light commercial vehicles in Spain.

Plants in Valladolid, Palencia and Seville.

2013 revenues: €4,626 million.

Workforce at December 31, 2013: 7,875.

RENAULT DEUTSCHLAND

Renault-Nissan strasse 6-10
50321 Bruhl (Germany)

60% owned by Renault s.a.s. and 40% by Renault Groupe b.v.

Business: Renault and Nissan joint commercial organization in Germany.

2013 revenues: €2,120 million.

Workforce at December 31, 2013: 410.

OYAK-RENAULT OTOMOBIL FABRIKALARI

Barbaros Plaza C blok No 145 K/6
80 700 Dikilitas Besiktas
Istanbul (Turkey)

51.64% owned by Renault s.a.s.

Business: assembly and manufacture of Renault vehicles.

Plant in Bursa.

2013 revenues: €3,262 million.

Workforce at December 31, 2013: 5,739.

DACIA

Calea Floreasca
Nr. 133-137 – Sector 1
Bucharest (Romania)

99.43% owned by Renault.

Business: manufacture and marketing of motor vehicles.

Plant in Pitesti.

2013 revenues: €4,131 million.

Workforce at December 31, 2013: 14,098.

RENAULT ITALIA

Via Tiburtina 1159
Rome (Italy)

Wholly owned by Renault s.a.s.

Business: marketing of Renault passenger cars and light commercial vehicles.

2013 revenues: €1,399 million.

Workforce at December 31, 2013: 255.

REVOZ

Belokranska Cesta 4
8000 Novo Mesto (Slovenia)

Wholly owned by Renault s.a.s.

Business: manufacture of vehicles.

Plant in Novo Mesto.

2013 revenues: €655 million.

Workforce at December 31, 2013: 2,036.

RENAULT FINANCE

48, avenue de Rhodanie
Case postale
1002 Lausanne (Switzerland)

Wholly owned by Renault s.a.s.

Business: capital market transactions (foreign exchange, interest rates, hedging of industrial metals transactions) for Renault and Nissan; interbank dealing for own account.

Total assets (consolidated) at December 31, 2013: €9,038 million.

Workforce at December 31, 2013: 31.

* *The individual revenue data are calculated and presented according to the standards used for the consolidated financial statements.*

RCI BANQUE

14, avenue du Pavé-Neuf
93168 Noisy-le-Grand Cedex (France)

Wholly owned by Renault s.a.s.

Business: holding company for the sales financing and customer services entities of Renault and Nissan. Inventory financing (vehicles and spare parts) for Renault and Nissan Europe.

Net financings in 2013: €11.4 billion.

Total assets (consolidated) at December 31, 2013: €29,505 million.

Workforce at December 31, 2013: 2,823.

RENAULT SAMSUNG MOTORS

17th floor, HSBC Building
25, Bongrae-Dong 1-Ga, Jung-Gu

Seoul 100-161 (South Korea)

79.79% owned by Renault group B. V.

Business: manufacture and marketing of motor vehicles.

Plant in Busan.

2013 revenues: €2,279 million.

Workforce at December 31, 2013: 4,387.

RENAULT UK

The Rivers Office Park
Denham Way, Maple Cross
WD3 9YS Rickmansworth
Hertfordshire (United Kingdom)

Wholly owned by Renault group.

Business: marketing of Renault passenger cars and light commercial vehicles.

2013 revenues: €1,043 million.

Workforce at December 31, 2013: 168.

RENAULT RETAIL GROUP (FRANCE)

117-199, avenue Victor-Hugo
92100 Boulogne-Billancourt (France)

Wholly owned by Renault s.a.s.

Business: trade, repair, maintenance and leasing of passenger cars and light commercial vehicles.

65 branches in France.

2013 revenues: €3,833 million.

Workforce at December 31, 2013: 6,820.

AVTOFRAMOS

Vorontsovskaya ulitsa, 35
109147 Moscow (Russia)

Wholly owned by Renault group.

Business: assembly, import, marketing and sale of Renault vehicles.

2013 revenues: €2,431 million.

Workforce at December 31, 2013: 4,904.

RENAULT DO BRASIL

1300 av. Renault, Borda do Campo
Estado do Parana, São José dos Pinhais (Brazil)

99.85% owned by Renault group.

Business: vehicle production and assembly, production of equipment, parts and accessories for vehicles.

2013 revenues: €3,494 million.

Workforce at December 31, 2013: 6,603.

RENAULT ARGENTINA

Fray Justo Santa Maria de Oro 1744
1414 Buenos Aires (Argentina)

Wholly owned by Renault group.

Business: manufacture and marketing of Renault vehicles.

2013 revenues: €1,850 million.

Workforce at December 31, 2013: 2,490.

RENAULT BELGIQUE LUXEMBOURG

Boulevard de la Plaine, 21
1050 – Brussels (Belgium)

Wholly owned by Renault s.a.s.

Business: importing vehicles and replacement parts for the Renault and Dacia brands to Belgium and the Grand Duchy of Luxembourg.

2013 revenues: €1,083 million.

Workforce at December 31, 2013: 204.

RENAULT ALGÉRIE SPA

13, route Dar-El-Beida
Zone industrielle Oued Smar
16000 – Algiers (Algeria)

Wholly owned by Renault s.a.s.

Business: marketing Renault and Dacia brand passenger cars and LCVs.

2013 revenues: €1,140 million.

Workforce at December 31, 2013: 429.

RENAULT MAROC (RENAULT MAROC COMMERCIAL)

44 Boulevard Khalid Ibnou Loualid
Ain Sebaa
20250 – Casablanca (Morocco)

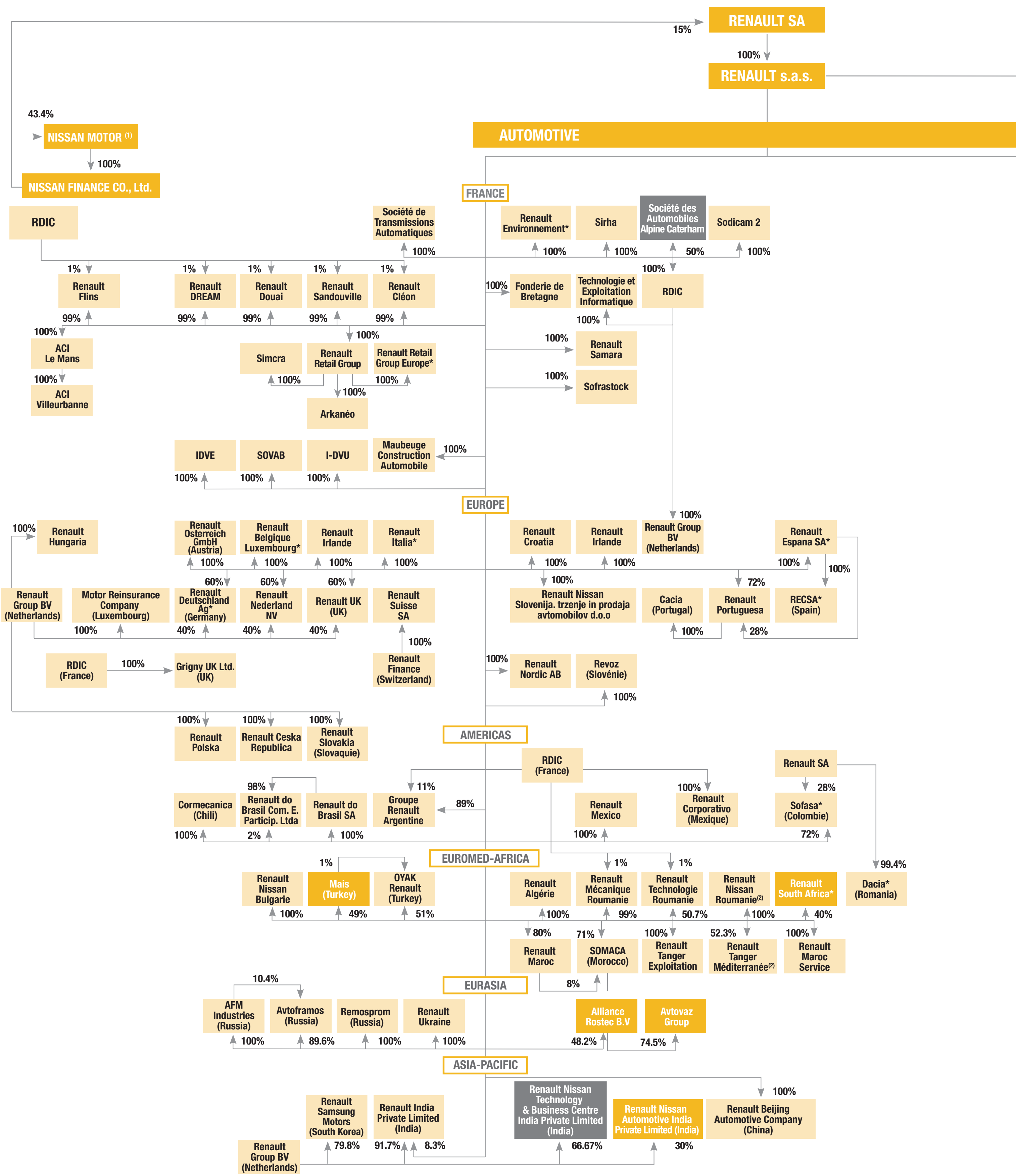
80% owned by Renault s.a.s.

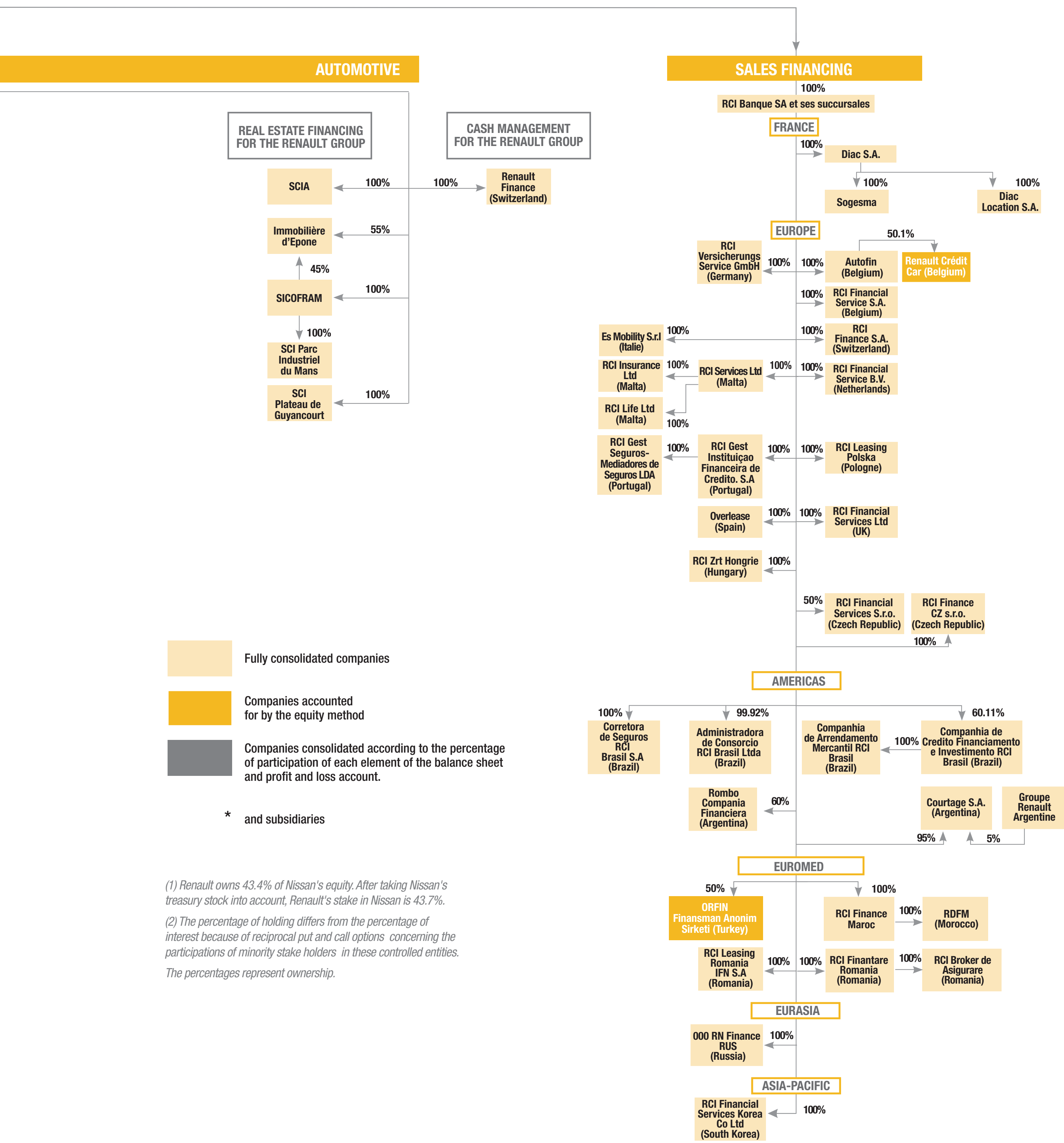
Business: importing and marketing Renault and Dacia brand vehicles.

2013 revenues: €532 million.

Workforce at December 31, 2013: 160.

1.1.6.2 DETAILED GROUP CONSOLIDATED ORGANIZATION CHART AT DECEMBER 31, 2013





(1) Renault owns 43.4% of Nissan's equity. After taking Nissan's treasury stock into account, Renault's stake in Nissan is 43.7%.

(2) The percentage of holding differs from the percentage of interest because of reciprocal put and call options concerning the participations of minority stake holders in these controlled entities.

The percentages represent ownership.

1.2 THE RENAULT-NISSAN ALLIANCE

On March 27, 1999 Renault acquired a 36.8% equity stake in Nissan, as well as Nissan's European finance subsidiaries, for ¥643 billion (approximately €5 billion or $5.4 billion at that time).

The main stages in the construction of the Alliance are described in chapter 1.2.2.1.

1.2.1 ALLIANCE OBJECTIVES ✦

1.2.1.1 VISION – DESTINATION OF THE RENAULT-NISSAN ALLIANCE

FOURTEEN YEARS OF COOPERATION AND SYNERGY

The Renault-Nissan Alliance is the auto industry's most productive and stable cross-cultural strategic collaboration. This unique partnership is a pragmatic, flexible business tool that can expand to accommodate new projects and partners worldwide. In particular, the Alliance has emerged in the past half-decade as an important buffer to protect partners during regional downturns, and it has accelerated Renault and Nissan's momentum in some of the world's fastest growing economies.

In 2013, the Alliance sold a record 8.26 million units worldwide, up 2.1% from the previous year. 2013 was the fifth straight year of sales growth for the Renault-Nissan Alliance. The total figure includes sales from the Alliance's five major brands – Renault, Dacia, Renault Samsung, Nissan and Infiniti – as well as Russia's AVTOVAZ Lada. The Alliance captured about 10% of the global market in 2012, ranking it fourth in volume terms behind Toyota, Volkswagen and General Motors.

ALLIANCE PRINCIPLES

The Alliance is based on trust, respect and transparency among all partners. It strives for "win-win" solutions that benefit partners and consumers. It seeks to maximize economies of scale while preserving the distinct identities of brands and corporate cultures.

OBJECTIVES

The Alliance pursues a strategy of profitable growth with three objectives that are meant to be sustainable over the long term:

- to be recognized by customers as being among the best three automotive groups in terms of the quality and value of its products and services in each region and market segment;
- to be among the best three automotive groups in key technologies, each partner being a leader in specific fields of excellence;
- to consistently generate a total operating profit that is among the top three automotive groups in the world, by maintaining a high operating margin and steady growth.

Since sales began in late 2010 to the end of 2013, the Alliance has sold more than 134,000 zero-emission vehicles globally, including Twizy, Renault's electric two-seater tandem. That is more than all of the other major global automakers combined.

STRATEGIC MANAGEMENT

Renault and Nissan, headquartered in Boulogne-Billancourt, France and Yokohama, Japan, respectively, have separate management structures. The responsibility for managing their activities lies with their respective Executive Committees, which are answerable to their individual Boards of Directors and their own shareholders.

In March 2002, the Alliance set up a strategic management company, incorporated under Dutch law and jointly and equally owned by Renault and Nissan. The aim was to establish a common strategy and manage all synergies. Renault-Nissan b.v. (RNBV) hosts the Alliance Board, chaired by Carlos Ghosn, its Chairman and CEO.

1.2.1.2 RENAULT'S MAJOR BENEFITS FROM THE ALLIANCE

RESEARCH AND ADVANCED ENGINEERING

Thanks to the Alliance, Renault is able to share development costs for new technologies with Nissan. Together, Renault and Nissan have a total research and development budget of about €5 billion.

The Alliance is the global automotive leader in sustainable mobility, having committed €4 billion in related projects since 1992. The Alliance helped accelerate both companies' development of zero-emission vehicles.

Pure electric vehicles

- The Alliance has the widest range of 100% electric vehicles (EVs) on the road.

- The Alliance's first EV – Nissan LEAF – went on sale in December 2010. Nissan LEAF is the world's best-selling EV and has won numerous international accolades, including "World and European Car of the Year 2011", as well as "Japan Car of the Year 2011-2012."
- In October 2011, Renault launched the Kangoo Z.E., the first electric commercial vehicle from the Alliance. Awarded "International Van of the Year 2012", Kangoo Z.E. won a bid for 15,000 units from a group of 19 French companies, including the French postal service. Renault Fluence Z.E., a family sedan, went on sale in December 2011. Twizy was launched in March 2012. Orders for the compact ZOE began in late 2012. ZOE has a range of 210km (NEDC).
- Nissan will launch its second zero-emission model, the e-NV200 van, in 2014.

Fuel-cell electric vehicles

The Alliance partners are also working on other technologies aimed at reducing CO_2 emissions, including hybrids, biofuel and hydrogen powered cars.

In January 2013, the Renault-Nissan Alliance, Daimler AG and Ford Motor Company announced a unique three-way agreement to accelerate the commercialization of fuel-cell electric vehicle technology. Together they will develop a common fuel cell stack and fuel cell system that can be used by each company in the launch of highly differentiated, separately branded FCEVs, which produce no CO_2 emissions while driving.

POWERTRAINS

The Powertrain Cross-Company Team (CCT), supported by the Alliance Powertrain Planning Office, has been leading the effort to increase efficiency and reduce diversity at the powertrain level since 2009. In 2011, co-owned and cross-exchanged engines and transmissions represented respectively 58% of total engines and 74% of total transmissions across the Alliance. In 2013, almost 80% of all powertrains were shared. This represented synergies of €670 million. Powertrain sharing also represented €1.8 billion in cross sales.

Increasing efficiency and meeting tough new emissions standards is also an important principle within the Alliance.

In 2013, the Alliance introduced two new co-developed engines: Energy dCi 110 and 130 and Energy TCe 115. The Energy dCi is among the most frugal in its class with fuel consumption of 4.3l/100km and 112g of CO_2/km. This diesel engine is fitted on the Renault Mégane and Scénic and the Nissan Qashqai. The Energy TCe 115 delivers enhanced driveability with pull-away and mid-range acceleration responde among the crispest in its class, plus significantly lower combined-cycle fuel consumption and CO_2 emissions at 6.1l/100km and from 90g/CO_2/km for Renault Mégane and from 99g/CO_2/km for Nissan. This gasoline engine is fitted on the same Renault and Nissan models.

Both the Energy dCi 110 and Energy TCe 115 are also fitted on the Daimler Citan city van while the dCi 110 is fitted on the Mercedes Benz A class.

Renault "J" gearbox production in India and China

In 2013, Renault-Nissan Alliance India Private Limited (RNAIPL), the Alliance plant in Chennai, India, as well as Dongfeng Nissan Engine Company (DNEC) in Huadu, China, began production of Renault's best-selling "J" five-speed manual gearbox. The localization of production in India and China helps relieve capacity constraints in Europe and also helps the Alliance minimize its foreign exchange exposure in those markets.

More than 90% of all Renault and Nissan cars sold in India are fitted with the gearbox, while the gearbox is fitted on 30% of Nissan's cars in China. The gearbox will also be fitted on Renault cars when Renault starts production in China in 2016.

Production of the "J" gearbox began in 1981 at the Renault Cleon plant in France. The gearbox, which sold about 2.7 million units in 2013, is fitted on Renault and Nissan vehicles, as well as Mercedes-Benz and LADA cars.

Alliance manufacturing facilities support Renault and Nissan expansion worldwide

Thanks to the Alliance, Renault and Nissan achieve economies of scale by producing vehicles together in seven countries around the world: Brazil, India, France, Russia, Spain, South Africa and South Korea. The RNBV Alliance Industrial Sourcing operation, created in 2009, identifies the best Alliance plants for producing vehicles in order to share existing plants and platforms to minimize costs and reduce the total delivery cost (TdC). The Group also identifies business opportunities for one partner through cross-manufacturing by the other partner in a new market.

India

India is a key pillar of the Alliance's strategic focus on new growth markets. The Chennai plant, inaugurated in 2010, is the first dedicated Alliance plant in the world and is home to the largest platform-sharing project in the Alliance. The plant produces the sub-compact Nissan Micra and Nissan Sunny sedan for global export, the Nissan Evalia multi-purpose van as well as the Nissan premium compact Terrano SUV. It also produces the Renault Koleos premium SUV, the Renault Fluence family sedan, the new compact Renault Pulse, the Duster SUV and the Scala premium sedan, all for the Indian market. The Koleos and the Fluence are completely knocked down (CKD) vehicles, while the rest are built from scratch at the plant. Renault also exports the Duster to other right-hand drive markets in Europe, Asia and Africa The Chennai plant also produces powertrains for the Alliance's vehicles produced in India, including Renault's best-selling "J" manual gearbox. The Alliance aims to make the Chennai workforce best-in-class compared to other Indian manufacturers. To reach this target, Chennai management has adopted the Alliance Integrated Manufacturing System (AIMS) and the Alliance Production Way which combines Renault-Nissan best practices and benchmarking while also helping to keep costs to a minimum.

Chennai is home to the Alliance's first jointly-owned technical center, Renault-Nissan Technology and Business Centre India Private Ltd. (RNTBCI). The center has fully integrated Renault and Nissan's operations, including engineering, purchasing, cost analysis, Human Resources, finance, information systems and administration. The center supports all developments for Indian activities, such as product and process engineering, manufacturing, as well as styling and support to special projects for Renault's design studios in Mumbai and Chennai. Renault was the first European manufacturer to set up a design team in India in order to design vehicles that meet the needs and aspirations of Indian customers.

The Alliance also operates a logistics platform in Pune, which manufactures components for Alliance plants worldwide.

Russia

Russia is one of the growth pillars for the Alliance in the next half-decade. In December 2012, the Alliance and state corporation Rostec (previously known as Russian Technologies) created a joint venture to control AVTOVAZ, Russia's leading automaker. According to the terms of the deal, Renault-Nissan will invest RUB23 billion in the joint venture to help modernize AVTOVAZ. The investment will give Renault-Nissan 67.13% of the joint venture in the future. The joint venture holds 74.5% of AVTOVAZ. The Alliance holds a 63.64% stake in the joint venture at the end of 2013, with Renault s.a.s. owning 48.20% and Nissan Holding International B.V. owning 15.44%.

The Alliance has four manufacturing bases in Russia: Togliatti, Moscow, St. Petersburg and Izhevsk. By 2016, the Alliance expects to have total production capacity of 1.6 million units in Russia, up from 1.1 million units in 2011.

Production at the new common production line at the Togliatti plant, the largest assembly plant in the world, began in April 2012 with the Lada Largus multi-purpose van. Later that year, Nissan Almera sedan rolled off the line. Five separate models from the three companies will soon be produced on the line, reducing costs while preserving the unique characteristics of each brand.

The Alliance is aiming for a market share of 40% in Russia by 2016, up from about 30% in 2013.

South Korea

In South Korea, the Renault Samsung plant in Busan produces Nissan vehicles – such as the previous-generation SM3 – for export to Russia and other countries.

In July 2012, the Renault-Nissan Alliance announced it would invest US$160 million in Korea to meet anticipated demand for the next-generation Nissan Rogue and accelerate growth of Renault Samsung Motors. Production of Nissan Rogue crossover in Busan, Korea, will begin in 2014, with an annual capacity of about 80,000 units.

Next-generation Rogue production in Busan gives more momentum to Renault Samsung Motors, which earlier that year launched the "RSM 2012 Revival Plan." The plan aims to achieve efficiency and cost competitiveness in Busan, while expanding RSM's vehicle lineup, which today consists of four models.

SALES & MARKETING

Joint media buying in Europe

Since 2009, Renault and Nissan have been using the same media purchasing agency in Europe – Omnicom-OMD.

Omnicom-OMD handles media purchasing for Renault in 24 countries in greater Europe and in 20 countries for Nissan. The combined budget was approximately €617 million in 2013.

Joint fleet contract

Thanks to the Alliance's wide product lineup and global sales footprint, Renault and Nissan were able to sign an exclusive fleet contract with the Paris-based nutritional food company Danone in 2012. Under this first-of-its-kind deal for the Alliance, the two companies will together provide 15,000 vehicles to Danone in 25 countries for at least five years.

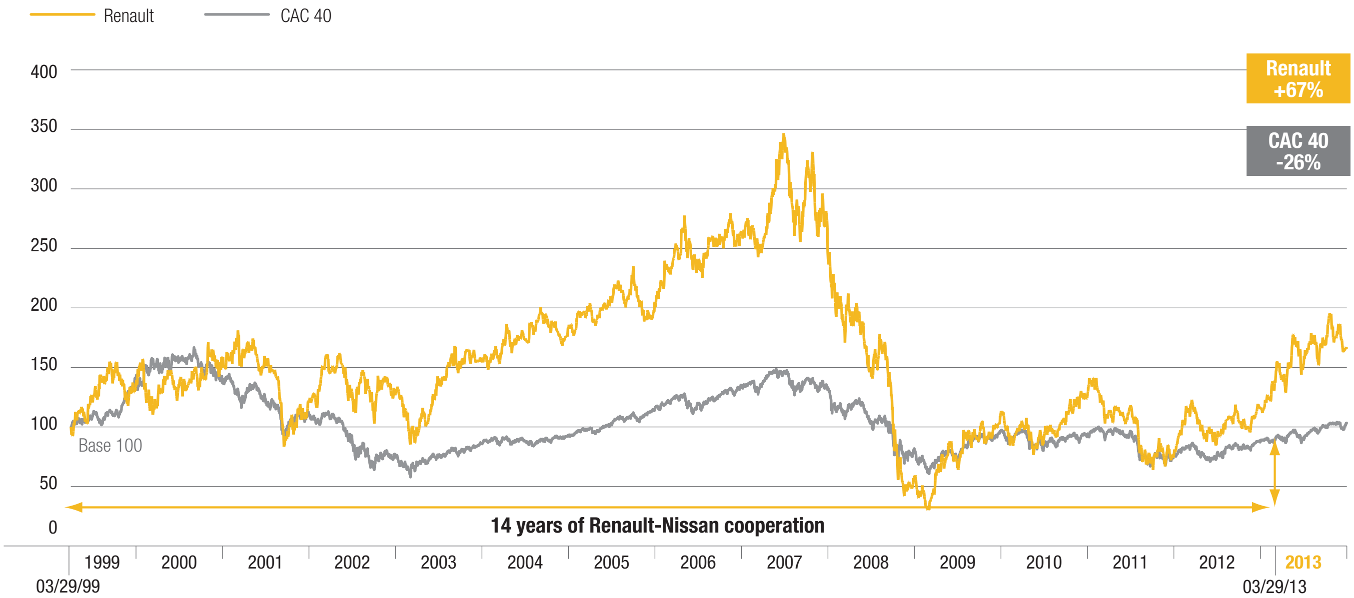
Danone fleet managers can select vehicles from four brands under the Renault-Nissan Alliance: Renault, Dacia, Nissan and Infiniti. The product range stretches from passenger cars in the A to the E segments and commercial vehicles, including electric models. The highest volumes will be in Russia, Mexico and France.

DIVERSITY

Refer to chapter 2 of this Registration document, paragraph 2.5.2.4.

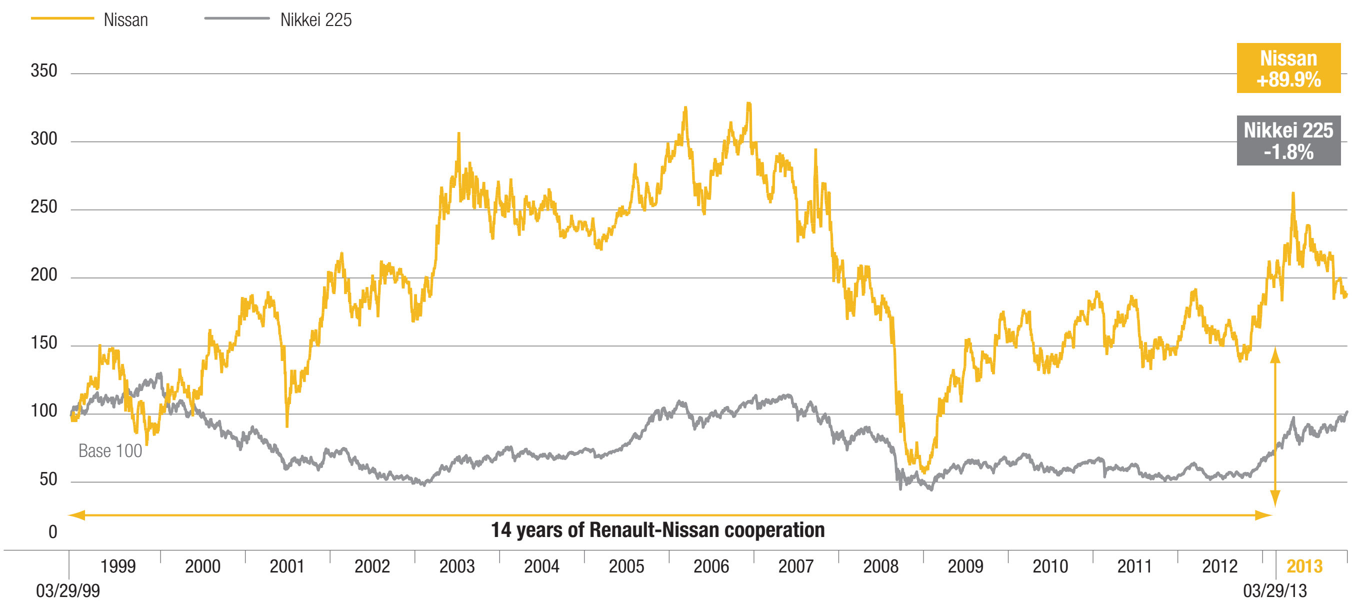
1.2.1.3 RENAULT AND NISSAN SHARE VALUE EVOLUTION SINCE 1999, THE ALLIANCE CREATION

Renault share price from March 29, 1999 to end-December 2013



Source: Reuters.

Nissan share price from March 29, 1999 to end-December 2013



Source: Reuters.

AUTOMAKERS MARKET CAPITALIZATION – MARCH 1999 VS DECEMBER 2013

(€ million)	MARCH 29, 1999	RANKING		DECEMBRE 31, 2013
Toyota	96,736	1	Toyota	152,837
Daimler	81,541	2	VW	92,867
Ford	59,848	3	Daimler	67,286
GM	52,518	4	BMW	54,671
Honda	39,961	5	Honda	54,155
VW	22,159	6	Ford	44,167
BMW	16,277	7	Hyundai	41,356
Fiat	13,522	8	GM	41,195
Nissan	**9,049**	**9**	**Nissan**	**27,592**
Renault	**8,393**	**10**	**Renault**	**17,285**
PSA	6,615	11	Fiat	7,435
Hyundai	678	12	PSA	3,349

Volvo has been taken out the list because of its focus on the industrial activity.

1.2.2 OPERATIONAL STRUCTURE OF THE ALLIANCE ✦

1.2.2.1 MAIN STAGES IN THE CONSTRUCTION OF THE ALLIANCE

In accordance with the principles set out in the initial agreement signed in March 1999, the Renault-Nissan Alliance entered its second phase in 2002 aimed at strengthening the community of interests between Renault and Nissan. Renault increased its equity stake in Nissan on March 1, 2002, from 36.8% to 44.3% by exercising the warrants it had held since 1999. At the same time, Nissan took a stake in Renault through its wholly-owned subsidiary, Nissan Finance Co., Ltd., which acquired 15% of Renault through two reserved capital increases, on March 29 and May 28, 2002. By acquiring a stake in Renault, Nissan gained a direct interest in its partner's results, as was already the case for Renault with regards to Nissan. Nissan also obtained a second seat on Renault's Board of Directors.

During this phase, the two companies also established Renault-Nissan b.v. and the Alliance Board which was tasked with defining the Alliance's strategy and developing a joint long-term vision.

Since the signing of the Strategic Cooperation with Daimler in April 2010, Renault's stake in Nissan is now 43.4% while Nissan's stake in Renault remains unchanged at 15%.

1.2.2.2 GOVERNANCE AND OPERATIONAL STRUCTURE

CREATION OF RENAULT-NISSAN B.V. (RNBV)

Formed on March 28, 2002, Renault-Nissan b.v. is a joint company, incorporated under Dutch law and equally owned by Renault SA and Nissan Motor Co., Ltd., and responsible for the strategic management of the Alliance.

RNBV decides on medium- and long-term strategy, as described below under "Powers of Renault-Nissan b.v." It bolsters the management of the Renault-Nissan Alliance and coordinates joint activities at a global level, allowing for decisions to be made while respecting the autonomy of each partner and guaranteeing a consensual operating procedure.

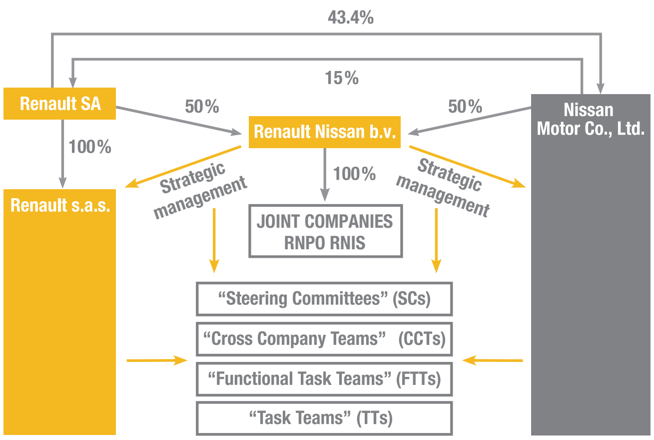
RNBV possesses clearly defined powers over both Renault SA and Nissan Motor Co., Ltd.

RNBV holds all the shares of existing and future joint subsidiaries of Renault SA and Nissan Motor Co., Ltd.

Examples include Renault-Nissan Purchasing Organization (RNPO), created in April 2001, and Renault-Nissan Information Services (RNIS), a common information systems company created in July 2002. RNPO was originally equally owned by Renault and Nissan until its shares were transferred to RNBV in June 2003.

In January 2014, the Renault-Nissan Alliance announced plans to study further convergence in four key functions: purchasing, manufacturing and logistics, R&D and Human Resources – in order to accelerate synergies and enhance performance. Each project will be headed by one single leader. This major next step in the evolution of the Alliance is expected to generate annualized synergies of 4.3 billion in 2016, up from an estimated €2.8 billion in 2013. The convergence projects are expected to be presented to the appropriate employee representation and corporate decision-making bodies for Renault in France and for Nissan in Japan, and confirmed by the end of the first quarter 2014 for implementation.

Alliance structure



POWERS OF RENAULT-NISSAN B.V.

RNBV implements the decisions made by the Alliance Board set up by Renault SA and Nissan Motor Co., Ltd.

RNBV has limited ***decision-making power*** with respect to Nissan Motor Co., Ltd. and Renault s.a.s. In order of importance, these are decisions that would be difficult for the two companies to take separately while ensuring that they would be able to pursue global implementation and thus take advantage of economies of scale. This decision-making power is limited to the following areas:

- adoption of three-, five- and ten-year plans (strategic company projects, with quantified data);
- approval of product plans (parts of strategic projects corresponding to the design, development, manufacture and sale of current or future products, vehicles and components);
- decisions concerning the commonization of products and powertrains (such as platforms, vehicles, gearboxes, engines and other components);
- financial policy, including:
  - rates of discount used for ROIC studies and hurdle rates, applicable to future models and investments,
  - risk-management rules and the policy governing them,
  - rules on financing and cash management,
  - debt leverage;
- management of common subsidiaries, and steering of Cross-Company Teams (CCT) and Functional Task Teams (FTT) including TT (Task Teams) creation, modification or disbandment. These groups operate in all the main sectors and areas of activity and are tasked with exploring new synergies between the two companies. Team managers report regularly to the Alliance Board on the progress made in their specific area of activity;
- any other subject or project assigned to RNBV on a joint basis by Nissan Motor Co., Ltd., and Renault s.a.s.

RNBV also has the exclusive ***power to make proposals*** on a range of decisions by the two operating companies, Nissan Motor Co., Ltd., and Renault s.a.s. These two entities are free to accept or reject these proposals. However, they can implement these decisions only if a proposal has been made by RNBV. The power of initiative of RNBV thus ensures that the two partners harmonize their policies.

The areas covered include:

- creation and scope of joint subsidiaries;
- supplementary financial incentive schemes;
- significant changes in scope, whether geographic or in terms of products, for total amounts of $100 million or more;
- strategic investments, *i.e.* investments other than product-related investments, amounting to $500 million or more;
- strategic cooperation between basis by Nissan Motor Co., Ltd., or Renault s.a.s. and other companies.

All other aspects relating to Renault SA and Nissan Motor Co., Ltd., whether operational, commercial, financial or labor-related, are managed independently by each company and the corresponding decisions will be taken independently by these companies' respective governing bodies. The two companies retain their autonomy of management, the identity of their respective brands, their employee-representative bodies and their employees. They are also responsible for their own results.

In May 2009, the organization of the Alliance was strengthened by the creation of a small, dedicated team who helps foster deeper, broader cooperation and to maximize the contribution of synergies to the performance of both partners. The team is focused on several priority areas including: purchasing, common platforms and parts, global logistics, IS/IT, the zero-emission business, as well as the battery business, A-segment vehicles and marketing communications.

This team reports directly to Carlos Ghosn and meets monthly at the Amsterdam offices of RNBV to review projects and make recommendations to the Alliance Board on new areas of synergies and business opportunity.

ALLIANCE & SUSTAINABILITY: ZERO-EMISSION LEADERSHIP

See chapter 1.2.1.2 paragraph Research and advanced engineering.

STRATEGIC ALLIANCES

The Alliance seeks out strategic alliances with other partners in order to increase economies of scale, to help accelerate growth in new regions and to fund research and development of next-generation powertrains and vehicles, including vehicles that meet or exceed tougher environmental requirements. Today the Alliance operates strategic collaborations with numerous automakers, including Germany's Daimler, China's Dongfeng Motor, and with regional manufacturers such as Ashok Leyland in India.

In 2013, the Alliances announced plans to explore a wide-ranging cooperation with Mitsubishi Motors, including shared products, technologies and manufacturing capacity. The decision to explore various projects together came about thanks to Nissan's existing relationship with Mitsubishi. The two companies have a joint venture co-developing kei or small cars for both brands in Japan.

As part of the agreement, Nissan and Mitsubishi are discussing the co-development of a new small-segment car for the global market, including an electric version. Meanwhile, Renault and Mitsubishi are studying the launch of Mitsubishi-badged sedans for the US market based on Renault vehicles, among other projects.

Cooperation with Daimler

In April 2010, the Alliance announced a strategic cooperation with luxury-car maker Daimler AG. This strategic cooperation is strengthened by cross-shareholdings, with Daimler holding a 3.1% share in Renault and Nissan capital and Renault and Nissan holding a 1.55% share in Daimler.

The partnership is managed by a Cooperation Committee which is co-chaired by Carlos Ghosn and Dieter Zetsche and made up of senior executives from the Alliance, Renault, Nissan and Daimler. The Governance Board, which meets nearly every month, ensures the implementation of the agreed projects and makes proposals for new ones. The cooperation is managed for the Alliance by RNBV.

Cooperation between the two companies has expanded significantly since they joined forces in 2010 and has also become more global in scope.

The first products of the 2010 Daimler and Renault-Nissan strategic cooperation are already on the road: in September 2012, Daimler released its Citan city van, which is based on Renault's Kangoo. The vehicle is produced in Renault's plant in Maubeuge, France, where Renault also produces its Kangoo light commercial vehicle.

The Citan, which accounts for about 25% of total production output in Maubeuge, also features a jointly developed Renault-Daimler four-cylinder, 1.5-liter diesel engine. A variant of this engine had its market introduction in the new Mercedes-Benz A-and B-Class models in 2012.

In October 2013, Nissan's premium brand Infiniti launched the Q50 sports sedan equipped with a jointly developed Nissan-Daimler four-cylinder, 2.2-liter diesel engine. A 2-liter gasoline version for the Q50 was unveiled at the Quangzhou motor show in China later that same year.

In addition, Renault and Daimler are also working on the next-generation Twingo and four-seat smart production in Novo Mesto, Slovenia. These small cars are now jointly developed on the basis of a shared architecture, but will remain independent products with an unmistakable brand identity. The cars will be launched in the second half of 2014.

Nissan and Daimler are also working on several bi-lateral projects, including joint production of Mercedes-Benz four-cylinder gasoline engines at Nissan's powertrain assembly plant in Decherd, Tennessee, USA. Production of the engines, which will be fitted on Mercedes-Benz and Infiniti models, will begin in mid-2014, with installed capacity of 250,000 units per year once full ramp-up is achieved. In addition, Nissan, Daimler and Ford Motor Co. are working on the development of a joint fuel-cell stack and system to accelerate the market-readiness of fuel-cell electric vehicles.

All partners are keeping an open mind, looking with fresh eyes at all potential new areas of collaboration. At the same time, the Renault-Nissan Alliance and Daimler will continue to study opportunities in areas such as exchanging benchmarks and best practices.

In 2013, Renault and Daimler received the prestigious Franco-German Business Award for their industrial cooperation. Awarded by the Franco-German Chamber of Commerce and Industry, the prize recognizes French and German companies that are benchmarks for cooperation in four areas: industrial cooperation, the environment, innovation and new technologies, and Human Resources.

THE ALLIANCE BOARD ✦

Role of the Alliance Board

The Alliance Board (AB) held its first meeting on May 29, 2002. AB is the decision-making body for all issues affecting the Alliance's future, and met nine times in 2013. The Alliance Board also convenes regular meetings for all top executives at both companies. The most recent meeting was in January 2014, when 200 senior executives met in Amsterdam for a two-day "Alliance Convention" where Carlos Ghosn announced plans for four new convergence projects in purchasing, manufacturing and logistics, R&D and Human Resources – in order to accelerate synergies and enhance performance.

Both Renault and Nissan continue to manage their business and perform as two separate companies. The operational management of each group remains in the hands of senior management accountable to their own Board of Directors.

Alliance Board members

As of November 2011, the Board is chaired by Carlos Ghosn, President and CEO of Renault and President and CEO of Nissan. The Alliance Board, who steers medium and long-term strategy, also includes four members from Renault (Mouna Sepehri, Jean-Michel Billig, Thierry Bolloré and Jérôme Stoll) and four from Nissan (Toshiyuki Shiga, Mitsuhiko Yamashita, Hidetoshi Imazu and Greg Kelly).

Other members of Renault's and Nissan's Executive Committees attend the Alliance Board. Decisions are officially approved by the Alliance Board at the end of the meetings.

As RNBV is a joint company incorporated under Dutch law, it has no Supervisory Board. Nevertheless, theRNBV managers can still be dismissed by the parent companies, Renault SA and Nissan Motor Co., Ltd.

2013 activities

With the support of the dedicated Alliance teams, the Alliance Board has formulated strategic recommendations focusing on several key directions:

- acceleration and increase of synergies: RNBV has a key role in optimizing the utilization of Renault and Nissan's manufacturing operations, especially in emerging markets. RNBV is consistently seeking logistic cost reduction opportunities across the Alliance;
- common Alliance projects and organizations: supporting the Alliance's international growth, RNBV drives the creation of common entities. In 2013, the Alliance created a common purchasing organization (CPO) with AVTOVAZ in Russia. RNBV also drives key projects aiming at enhancing the performance of both Renault and Nissan;

- common development organization for CMF-A vehicles: a common development organization for the most affordable category of cars in the Common Module Family, Renault-Nissan's unique, modular system of vehicle architecture, was established in 2012 headed by a dedicated Alliance Managing Director based in India. This marks the first all-new programme developed from the ground up by Renault s.a.s. and Nissan Motor Co., Ltd., teams working side by side from inception. In 2013, the Alliance announced that production from the CMF-A scope will begin in 2015 at the Renault-Nissan Alliance plant in Chennai, India;
- OEM partnerships: RNBV is a driving force for forging new partnership between the Alliance and other OEMs. The Alliance operates strategic collaborations with numerous automakers, including Germany's Daimler, China's Dongfeng, and with regional manufacturers such as Ashok Leyland in India. In 2013, the Alliance announced it was exploring a wide-ranging global product and technology partnership with Mitsubishi Motors;
- communications: RNBV supports the Alliance activities and businesses through targeted initiatives on high-profile events such as the Women's Forum and the World Economic Forum. The Alliance also supports high-visibility environmental conferences. In 2013, the Alliance was a partner of the Vienna conference sponsored by R20, the climate action group founded by former Governor of California Arnold Schwarzenegger. The Alliance communication team is also accelerating internal communications on the Alliance at both companies.

STEERING COMMITTEES (SCS)

The steering committees are tasked with defining the Alliance's cross-functional strategic operational priorities, submitting topics to the ABM that may be given priority status in the agenda and coordinating the activities of the Cross-Company Teams (CCTs), Functional Task Teams (FTTs) and Task Teams (TTs) that fall within the scope of the steering committees. They take operational decisions that are not within the scope of the CCTs, report on progress to the ABM and, wherever necessary, seek arbitration on and/or confirmation for decisions.

There are eleven SCs, each focusing on a different field, that support the CCTs and FTTs in the implementation of Alliance projects:

1. Planning	7. America
2. Product Development and Manufacturing	8. Europe
3. Sales and Services	9. Russia
4. Marketing and Communications	10. China
5 Africa	11 Asia and Pacific (excl. China)
6 Middle East and India	

CROSS-COMPANY TEAMS (CCTS)

The CCTs are working groups comprising staff and experts from both companies that are tasked with exploring possible areas of cooperation and synergy between Renault and Nissan, defining and concretely specifying projects and then monitoring the implementation of projects approved by the Board.

There are 17 teams working in the following areas:

1. Product Planning	9. EV
2. Light commercial vehicle	10. Korea
3. Research & Advanced Engineering	11. South Africa
4. Vehicle Engineering	12 India
5. Powertrain	13 Raw materials
6. Process Engineering	14 Corporate Sales
7. Manufacturing	15 Joint Marketing Research
8. Parts and Accessories	16 PR/Press/Coms
	17. Asean

The CCTs are headed by two co-leaders, one from Renault and one from Nissan.

The 17 CCTs report to the Alliance Board on the state of progress of their work and their results through the steering committees.

FUNCTIONAL TASK TEAMS (FTTS)

The FTTs are made up of experts from both Renault and Nissan and provide the CCTs with essential support in terms of benchmarking, the promotion of best practices and the harmonization of tools used in the support functions.

There are 16 FTTs that cover the following key areas:

1. Corporate Planning	9. Global Tax
2. Product Engineering Performance	10. Human Resources
3. Quality	11. Joint Events & Motor Shows
4. Industrial Strategy	12. Joint Agencies
5. Cost Management & Control	13. Marketing Organization
6. Joint Media Buying	14 Sales Expansion
7. Service Engineering	15 Customer Experience
8. Legal & Intellectual Property	16 Alliance Motorsport

TASK TEAMS (TTS)

As soon as a specific issue is identified, a Task Team (TT) is appointed to work on the issue within a certain timeframe.

There are currently two TTs working on the following topics:

1. Mexico	2. Brazil

1.2.3 THE STATUS OF SYNERGIES

Since the Alliance agreement was signed in 1999, Renault and Nissan have initiated cooperation programmes in a broad range of fields of activity. The synergies generated can be classified into two categories:

- structural cooperation;
- regional cooperation.

In 2010, the Alliance set an objective to maintain €1 billion in new synergies every year. In 2012, the Alliance posted record synergies of €2.7 billion, up 54% from the previous year. As in previous years, the major contributors to synergies were in the areas of vehicle engineering, powertrains, purchasing and logistics. The Alliance forecasts synergies of about €2.8 billion for 2013.

Synergies are derived from revenue increase, cost reductions and cost avoidance. Only new synergies – not cumulative synergies -- are taken into account every year. The Renault-Nissan Alliance expects synergies to continue to grow thanks to its new Common Module Family (CMF) approach and as it expands in emerging markets. Increased collaboration between the two partners in all areas, including non-engineering areas, is also expected to boost synergies.

1.2.3.1 STRUCTURAL COOPERATION

VEHICLE ENGINEERING

The sharing of platforms or engineering architecture and, more significantly, the sharing of major components is a key reason behind the Renault-Nissan Alliance's success. The two companies strive to maximize the number of platforms shared across multiple models whenever it makes sense from a cost and branding perspective

Platform sharing as usual

The B platform, one of the earliest common platforms, has been used by Nissan since 2002 starting with March (Micra in Europe) and Cube. Modus, unveiled in 2004, was the first Renault model to be built on the platform. Today this versatile platform also builds Nissan Sylphy and Tiida, as well as the new Renault Clio IV and Captur launched in 2013.

The main models built on the C platform are Renault Mégane, Scénic and Fluence, as well as Nissan Qashqai.

The current Nissan Micra released in 2010 was the first model to be built on the V-Platform, which can build about 1 million cars a year, and is also used to build the new Nissan Sunny, the Renault Pulse and Renault Scala in the Alliance factory in Chennai, India. It is also used to produce the Nissan Sunny in Thailand and China.

A new approach: the Common Module Family

Today the Renault-Nissan Alliance is going beyond platform-sharing with the adoption of a new approach called Common Module Family (CMF). CMF aims to double common parts and components in future Renault and Nissan ranges. By sharing the technical architecture among a wide variety of models, the Alliance is dramatically reducing costs, while increasing customer choice and quality. The approach cuts engineering costs by up to 40% and purchasing costs by up to 30%.

The new CMF approach is based on the "4+1 Big Modules" concept. The four modules – engine compartment, cockpit, front underbody and rear underbody – as well as the architecture for electrical and electronic components are designed to be combined in a variety of vehicles – compacts, sedans or SUVs – of the Renault and Nissan ranges.

The new Nissan X-Trail and Qashqai released in late 2013 are the first Alliance vehicles built using the CMF approach. The vehicles are built on CMF C/D, which covers large vehicles. The first Renault CMF vehicles to be released in late 2014 will also be based on CMF C/D.

The Alliance will extend CMF to other vehicle segments in the future, including affordable, small vehicles, such as those expected to be produced in Chennai, India starting in 2015. By 2018, CMF will represent 70% of the Alliance's total production.

Powertrains (engines and gearboxes)

See powertrain section in chapter 1.2.1.2.

RESEARCH AND ADVANCED ENGINEERING

Strengthening innovation

Renault and Nissan cooperate in strategic fields of research and advanced engineering in which they have common interests in order to optimize the allocation of their resources. By doing so, they are able to cover a broader range of potential technical solutions and accelerate work in order to achieve technology breakthroughs and bring new products to market.

Renault and Nissan have a technology plan [T] which is composed of four common pillars: safety, the environment-CO_2, life-on-board and dynamic performance. These four pillars determine the priority areas of investment for key technologies and innovations.

By using their unique strengths, international market knowledge and networks, the two companies are well positioned to increase their technological portfolio and deliver innovative solutions to place the Alliance among the best three automotive groups in key technologies.

In 2011, the Renault-Nissan Alliance opened a research office in the heart of Silicon Valley to capitalize on the region's world-class engineering talent and to stay ahead of trends. The center is mainly focused on research related to autonomous driving and connected cars.

QUALITY

Alliance Quality Charter ✦

The Charter precisely defines the joint quality directives and procedures; it is applied to all Alliance projects.

The Charter covers all the key quality processes: customer quality surveys, Group quality targets, quality control in the development of new models, production quality assurance, quality assurance of outsourced components, service quality assurance (sales and after-sales), quality of technical progress, and warranty policy and procedures.

The Charter brings Renault and Nissan closer together through the use of common quality tools, such as Alliance Vehicle Evaluation System (AVES), Alliance New Product Quality Procedure (ANPQP), Alliance Supplier Evaluation System (ASES) and the definition of the parts per million (PPM) targets for parts manufactured outside the Group. In particular:

- ANPQP, a quality measurement system developed for suppliers, has been extended to all new projects;
- AVES Standard (Alliance Vehicle Evaluation Standard) has been established as the only common and unique method for both Renault and Nissan to evaluate the quality of their final products, as well as those of their competitors, from the customer's preliminary point of view;
- ASES (Alliance Supplier Evaluation Standard) to evaluate the level of the quality management system of the supplier in terms of results and process.

Exchange of best practices

The Quality FTT studies best practices at Renault and Nissan in order to improve quality at both companies and to help them achieve their mid-term quality targets. The best practices are sourced from Japan, the United States and Europe and are implemented by both companies if necessary.

Activities by the Quality FTT in 2013 include:

- enhancing joint quality management on common platform models;
- comparison of processes and exchange of best practices in the following fields: perceived quality, field quality andelectrical vehicles.

PURCHASING

The Alliance has been able to make substantial cost savings by pursuing a joint purchasing strategy and building a network of common suppliers.

Renault-Nissan Purchasing Organization (RNPO)

The Renault-Nissan Purchasing Organization (RNPO), established in April 2001, was the first Alliance joint-venture company. RNPO initially managed about 30% of Nissan's and Renault's global annual purchasing turnover. Since April 2009, RNPO has accounted for 100% of all commodity purchasing across the Alliance. The geographical scope of RNPO has been extended to all regions where Renault and Nissan have production activities in an effort to respond to worldwide needs. As a joint Renault and Nissan procurement structure, RNPO helps to improve purchasing efficiency by using a global management system for purchases coming within the scope of the Alliance, while local purchasing departments work increasingly for both companies as a single purchasing organization. In 2013, the Alliance established a common purchasing organization with AVTOVAZ in Russia modelled on RNPO.

IS/IT

The Alliance has also been able to generate significant synergies from IS/IT.

Renault-Nissan Information Services (RNIS)

Renault-Nissan Information Services was established in July 2002 to operate all activities where IS/IT communization between Renault and Nissan adds value by improving performance and reducing costs. It covers planning, architecture and control functions, as well as common operations where expertise and best practices can be shared, or where it is possible to unify the negotiation power with major vendors in conjunction with RNPO. Since June 2009, under the management of the RNBV IS Managing Director and common CIO, Renault and Nissan have developed their collaboration in terms of architecture (standardization of operating systems and software packages, common solutions), IT planning and synergies (delivery of an Alliance standard workstation, common sourcing for infrastructure operations in Europe), project management office and IS synergies (portfolio optimization, common applications, offshore application maintenance and development and development tools standardization).

MANUFACTURING

Renault and Nissan have actively exchanged know-how in the area of production performance management since 1999. Both companies' manufacturing systems – Renault Production System (SPR) and Nissan Production Way (NPW) – are now fully aligned, allowing shop managers to benchmark directly against each other in all areas, including machining, engine assembly, stamping, welding, painting, trim and chassis in order to identify and deploy best practices in all Renault and Nissan plants. Each year, all Alliance plants are ranked according to QCTP (quality, cost, time and productivity) to evaluate their performance against each other. New challenges related to environmental targets (*eg* electric vehicle battery recycling and energy reduction) represent a new field for the exchange of best practices. As of 2013, Renault and Nissan have begun standardizing their manufacturing processes. By 2015, the Alliance will roll out the Alliance Production Way (APW) at all plants around the world where cross-manufacturing takes place. By 2017, all Renault and Nissan plants are expected to have adopted APW.

LOGISTICS

Major savings have been achieved over the past decade through logistics synergies. Until 2008, logistics synergies amounted to about €25 million a year. By 2009 those savings had doubled to more than €56 million and in 2012 reached €238 million (98% due to cost reductions). Synergies will exceed €260 million in 2013.

✦ Global Reporting Initiative (GRI) Directives

These savings have been made possible by the creation of Alliance Global Logistics within RNBV and the decision in 2009 to accelerate the convergence of Renault and Nissan in all logistics areas. Alliance Logistics Europe (ALE), created in November 2009 and merging the Renault and Nissan logistics teams under a single director in Europe, is a good example of this acceleration.

Combining logistics operations under the Alliance umbrella has enabled each company to benefit from each other's best practices, delivering huge economies of scale and addressing new projects with common logistics solutions (*eg* projects with partners like Daimler or AVTOVAZ). Cost reduction and synergies have been achieved while maintaining a good level of service to Renault and Nissan regions in close relationship with Renault and Nissan operations. This includes leadtime reliability, as well as the quality of parts and vehicle deliveries.

Below are some of the numerous common logistics activities:

- delivery of Dacia cars in UK: The Alliance is now using the same port of entry in UK (Port of Tyne) to bring Nissan and Dacia cars. From India, Dacia Dusters and Nissan Micras, which are produced in the Renault-Nissan plant in Chennai, use the same vessels. After inspection and fittings, those vehicles are loaded in shared Alliance trucks for shipment to UK dealerships. This reduces overall costs and complexity;
- combined Renault/Nissan/VAZ delivery flows in Russia: By bundling Renault, Nissan and Dacia volumes in Russia which enables to optimize load factor, reduce lead times and increase backflows, the Alliance will achieve significant cost reductions in coming years,
- Central & Eastern Europe tender: by combining Renault & Nissan cars flows in Central & Eastern Europe, logistics and purchasing teams could generate synergies through bundling effect and backflow optimisation. This led to more than €16 million in savings over three years, as well as a significant impact on free cash flow due to leadtime reduction;
- common standard packaging: the implementation of a common approach to the design of new packaging has reduced both costs and development times and has generated new opportunities for synergies through the consolidation of purchased volumes of future common packaging;
  - on inbound parts supply, best practice sharing on packaging optimisation, filling rate and delivery frequency helped increase the truck filling ratio to more than 70% and save close to €25 million in Europe in 2013,
  - on inter-regional parts, the International Parts Centers (IPC) cross-use helps support business expansion and purchasing strategies of both companies. For example, parts sourced in Mexico for Renault are delivered from Nissan's IPC in Mexico. Several Nissan IPCs deliver parts to Renault's factory in Korea as well. Meanwhile, Renault's Russia IPC delivers parts to Nissan;
- Tangiers: for Renault and Nissan exports from Tangiers, the ALE has created an integrated shipping schedule, implemented common ports of entry and assigned the same suppliers to distribute the cars in the markets they are destined for;
- global tender: Renault/Nissan organized a global tender driven by RNPO for maritime flows. The main actions undertaken by the Alliance included alignment of specifications, route optimization and bundling between Renault and Nissan. This led to a €12 million cost reduction for the Alliance in 2012;
- common logistics solutions in the Alliance's key emerging markets such as Russia, Brazil and India.

1.2.4 NISSAN'S STRATEGY AND RESULTS IN 2013

Nissan's financial statements are prepared under Japanese accounting standards, which differ from the standards used by Renault. The statements include intermediate operating totals and some Nissan-specific indicators. To measure the contribution to Renault's results, Nissan's financial statements are restated, as described in chapter 4, note 13 to the consolidated financial statements.

Nissan has production facilities in over 20 countries and regions. In fiscal year 2012, ended March 2013, Nissan sold a record 4,914,485 units worldwide, up 1.4% compared with the previous fiscal year. The company operates in Japan, the Americas, Europe, China and other overseas markets.

1.2.4.1 NISSAN'S STRATEGY AND GROWTH

FISCAL YEAR 2013 AFTER NINE MONTHS

On February 10, 2014, Nissan Motor Co., Ltd., announced cumulative financial results for the nine-month (April-December) period to December 31, 2013, and earnings for the third quarter of the fiscal year ending March 31, 2014.

Nissan reported the following pro forma financial results for the first nine months of fiscal year 2013 (based on foreign exchange rates of JPY 99.4/ USD and JPY 132.2/EUR, the average rates for fiscal year 2013 to date):

- net revenue of ¥7.9356 trillion ($79.8 billion, €60 billion);
- operating profit of ¥370.8 billion ($3.73 billion, €2.80 billion);
- ordinary profit of ¥337.9 billion ($3.40 billion, €2.56 billion); and
- net income of ¥274.1 billion ($2.76 billion, €2.07 billion).

In the nine months to December 31, 2013, Nissan sold 3,673,000 vehicles globally, a 1.0% increase year-on-year. For the third quarter, net income rose by ¥30 billion to ¥84.3 billion compared with the same three-month period of FY2012.

"Nissan has delivered a solid nine-month performance amid growing demand for new models in several key markets," said Nissan President and CEO Carlos Ghosn. "Sales in Japan and North America helped offset emerging market volatility and sluggish conditions in Europe. Based on its strong product line-up and current market demand, Nissan is maintaining its full-year earnings guidance."

Nissan's unchanged forecast for the fiscal year ending March 31, 2014, comes as the company launches models including the all-new Qashqai in Europe; the Datsun GO in India; the X-Trail, DAYZ ROOX and Skyline in Japan, and the Rogue in the US.

1.2.4.2 NISSAN'S 2013 CONTRIBUTION TO RENAULT'S RESULTS

CONTRIBUTION TO RENAULT'S CONSOLIDATED NET INCOME

Nissan's contribution to Renault's earnings was €1,498 million in 2013 compared with €1,234 million, in 2012, recorded in the financial statements as a share in net income of companies accounted for by the equity method.

(See chapter 4 note 13 to the consolidated financial statements.)

DIVIDEND PAYOUT

In June 2013, Renault received a dividend of ¥12,5 per share as a complement to the down-payment made in November 2012 for a total of €190 million.

In November 2013, Renault received a first dividend payment of ¥15 per share for fiscal year 2013 of €216 million.

1.2.5 ALLIANCE COMBINED SALES PERFORMANCE AND FINANCIAL INDICATORS ✦

1.2.5.1 ALLIANCE COMBINED SALES FOR 2013

The Renault-Nissan Alliance sold a record 8,264,821 vehicles in 2013, propelled by record sales in the car group's two largest markets, China and the United States.

Renault-Nissan's 2013 calendar-year sales, which include sales of Russia's AVTOVAZ, increased 2.1% from 2012. This marks the fifth straight year of sales growth. Together, Renault, Nissan and AVTOVAZ account for one in ten cars sold worldwide.

"Strong demand in the world's top markets more than offset anemic growth and declines elsewhere," said Renault-Nissan Chairman and CEO Carlos Ghosn. "We will always experience periods of regional instability, but we remain bullish: The auto industry is a long-term growth story – and the Renault-Nissan Alliance is well positioned to continue to play a major role in all major segments globally."

Renault group sold 2,628,208 units worldwide in 2013, up 3.1% from 2012. Sales in Europe rose 2.4% to 1,301,864 units despite a 1.7% decline in the overall market. Renault's European market share rose 0.4 percentage points to 9.5%, making it the fastest growing automotive group in Europe in 2013.

Renault continued to generate more than 50% of its sales outside of Europe for the second consecutive year with sales outside of the home continent totaling 1,326,344 units, up 3.8% from 2012.

Nissan Motor Corporation sold 5,102,979 units worldwide, up 3.3% – a record for the fourth straight calendar year. Nissan continued to generate more than one million units in its two biggest markets: China and the United States.

AVTOVAZ, owner of the iconic LADA brand, sold 533,634 vehicles globally, down 12.1% from 2012 amid the economic slowdown in Russia. The Renault-Nissan Alliance has a majority stake in AVTOVAZ, Russia's largest automaker, through a joint venture with state corporation RosTech (formerly known as Russia Technologies). Together, the Renault-Nissan Alliance and AVTOVAZ sell about one in three cars in Russia.

✦ Global Reporting Initiative (GRI) Directives

RENAULT AND NISSAN HIGHLIGHTS

The Alliance's top ten markets in 2013 were China, US, Russia, Japan, France, Mexico, Brazil, Germany, the UK and Turkey.

In China, the world's largest auto market, Nissan sold a record 1,266,167 units in 2013, up 17.2%. Nissan is the leading Japanese brand in China, with a 5.9% market share. Nissan's sales include Venucia, its local Chinese brand with partner Dongfeng Motor.

In December 2013, Renault announced it had received approval from Chinese authorities to start producing cars in China in 2016 through a joint venture with Dongfeng. The joint venture will establish a plant in Wuhan with production capacity of 150,000 units a year, with the potential to double that figure in the future.

In the United States, Nissan reported sales of 1,248,421 units for Nissan and Infiniti brand vehicles, up 9.4% compared with 2012. Nissan brand sales increased 10.8% to a record 1,131,966 units amid strong demand for several models including the Altima sedan, the Rogue crossover, the Versa compact car and the all-electric Nissan LEAF. Nissan and Infiniti together held a market share of 8.0% in the US in 2013, a 0.1 percentage point increase versus the prior year.

Despite the economic downturn in Russia, Renault's sales increased 10.7% to a record 210,099 units. Russia is Renault's third-largest market after France and Brazil.

Renault was Russia's leading foreign brand and second most popular brand in 2013 after Lada thanks to the popularity of its Duster SUV. Renault's market share stood at record 7.6%, up 1.1 percentage points. Nissan sold 154,996 units in Russia and its market share edged up 0.1 percentage points to 5.6%.

In its home market Japan, Nissan's sales grew 2.9% to 678,824 units, including mini-vehicles. Mini-vehicles jumped 21.3% to 185,929 units, a record for the second straight year. Nissan's market share in Japan was 12.6%, up 0.3 percentage points from 2012.

In France, Renault's home market, Renault's group sales totaled 547,693 units, down 0.7%. Renault had six vehicles among France's top ten passenger cars in 2013, including the compact Clio, the best-selling car in the country, and Captur, the most popular crossover. Renault's market share was 25.4%.

Mexico marked another bright spot for the Alliance in 2013. Nissan remained the number one brand in the country with sales rising 7.6% to 264,463 units, marking an all-time calendar year record. Nissan's market share stood at 24.9%, unchanged from 2012.

In India, a key strategic market for the Alliance in the future and home to its first dedicated Alliance plant, Renault's sales soared 83.1% to 64,368 units despite a 7.5% slump in the passenger car market. Renault's sales were boosted by the success of Duster, making Renault the leading European automaker in the market. Renault's market share in India stood at 2.6%, almost double that of 2012.

AVTOVAZ HIGHLIGHTS

AVTOVAZ, the maker of the iconic Lada brand, sold 456,309 vehicles in Russia in 2013. Together Renault-Nissan and AVTOVAZ sold 821,404 units in Russia in 2013, down 7.8% from 2012 as the overall economy slowed. The Alliance's market share, including AVTOVAZ, stood at 29.6%.

In December 2012, the Renault-Nissan Alliance created a joint venture with state corporation RosTech to take control of AVTOVAZ. Renault-Nissan will invest RUB23 billion in the joint venture to help modernize AVTOVAZ. The investment will give Renault-Nissan 67.13% of the joint venture in the future.

By 2016, the Alliance and AVTOVAZ are expected to have a production capacity of at least 1.7 million cars per year in Russia. Today their joint manufacturing complex in Togliatti is home to one of the largest platform-sharing programmes in the Renault-Nissan Alliance. The site – one of the world's largest car plants – already produces the LADA Largus and the Nissan Almera. Production will soon span five models across four brands – LADA, Renault, Nissan and Datsun.

Investments in this project will total about €400 million.

ZERO-EMISSION HIGHLIGHTS

The Renault-Nissan Alliance is the only automaker with a wide range of 100% electric vehicles (EVs) which can be charged with purely renewable energy.

In 2013, the Alliance sold 66,809 electric vehicles worldwide, up 52% from the previous year. Sales of the Nissan LEAF rose 77% to 47,716 units, while sales of Renault's four electric vehicle models – Kangoo Z.E., Fluence Z.E., ZOE and Twizy – grew 13% to 19,093 units.

In France alone, the Kangoo Z.E. small van sold 4,174 units, up 46% from 2012, representing about 12% of all Kangoo light commercial vehicles sales.

The Alliance's worldwide zero-emission market share in 2013 stood at 63%, including Twizy, Renault's two-seater urban commuter. LEAF was the world's best-selling EV with a market share of 45% in 2013. In Europe, Renault was the leader with a 38.6% share.

The Alliance sold a cumulative 134,383 zero-emission vehicles globally from December 2010 – when Nissan LEAF went on sale – until the end of 2013, more than all major automakers combined.

Nissan LEAF sold a cumulative 96,847 units during that period. On January 20, 2014, Nissan celebrated the sale of its 100,000th LEAF to a customer in the U.K.

Since the debut of Renault's first EV – the Kangoo Z.E. – in October 2011 until the end of 2013, the French automaker sold 37,536 zero-emission vehicles cumulatively.

Top 10 Alliance markets

	TOTAL SALES	MARKET SHARE *(%)*
China	1,300,324	6.1%
US	1,248,421	8.0%
Russia*	821,404	29.6%
Japan	682,592	12.7%
France	612,885	28.4%
Brazil	314,158	8.8%
Mexico	285,650	26.9%
Germany	218,693	6.9%
UK	205,334	8.1%
Turkey	164,001	19.3%

* *Including AVTOVAZ.*

Top 10 Renault markets

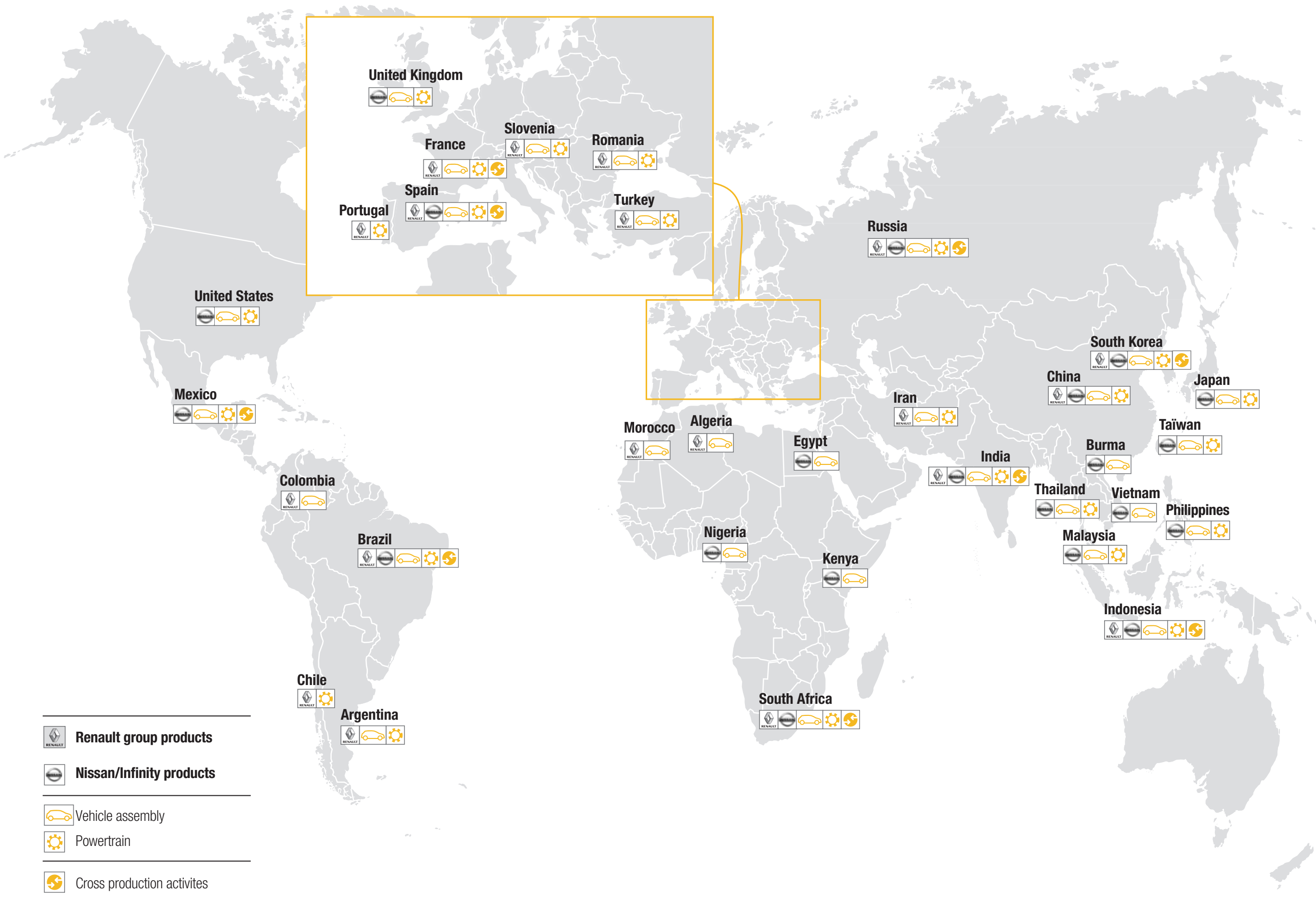
	TOTAL SALES	MARKET SHARE *(%)*
France	547,693	25.4%
Brazil	236,360	6,6%
Russia	210,099	7.6%
Germany	162,509	5.1%
Turkey	144,706	17.0%
Argentina	141,217	15.4%
Algeria	111,378	26.2%
Italy	101,387	7.2%
Spain	98,024	12.1%
Belgium & Luxembourg	77,353	13.0%

Top 10 Nissan markets

	TOTAL SALES	MARKET SHARE *(%)*
China*	1,266,167	5.9%
U.S.	1,248,421	8.0%
Japan	678,824	12.6%
Mexico	264,463	24.9%
Russia	154,996	5.6%
Thailand	128,171	5.1%
UK	98,187	7.4%
Brazil	91,551	5.3%
Canada	77,798	2.2%
Australia	76,869	6.8%

* *Including Venucia brand.*

Production sites ✦



1.2.5.2 VALUE OF JOINT OPERATIONS

Total sales by Renault to Nissan and purchases by Renault from Nissan amounted to an estimated €2,100 million and €2,200 million respectively as mentioned in chapter 4 of the consolidated financial statements. (NOTE 13 J).

1.2.5.3 FINANCIAL INFORMATION ON THE ALLIANCE

See chapter 1.3.2.3.

1.3 EARNINGS REPORT-2013

KEY FIGURES

		2013	2012 RESTATED*	CHANGE	2012 PUBLISHED
Worldwide Group registrations	*million vehicles*	2.63	2.55	3.1%	2.55
Group revenues	*€ million*	40,932	40,720	0.5%	41,270
Group operating profit	*€ million*	1,242	782	460	729
	% revenues	3.0%	1.9%	1.1pt	1.8%
Contribution from associated companies	*€ million*	1,444	1,475	(31)	1,504
o/w Nissan		*1,498*	*1,213*	*285*	*1,234*
o/w AB Volvo		-	*80*	*(80)*	*80*
o/w AVTOVAZ		*(34)*	*186*	*(220)*	*186*
Net income	*€ million*	695	1,712	(1,017)	1,735
Net income, Group share	*€ million*	586	1,749	(1,163)	1,772
Earnings per share	*€*	2.15	6.43	(4.28)	6.51
Operational free cash flow**	*€ million*	827	609	218	597
Automotive net cash position	*€ million*	1,761	1,532	229	1,492
Sales Financing, average loans outstanding	*€ billion*	24.2	24.0	0.8%	24.2

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

** *Operational free cash flow: cash flow (excluding dividends from publicly listed companies) minus tangible and intangible investments net of disposals +/- changes in the working capital requirement.*

OVERVIEW

The Renault group sold 2,628,208 vehicles in 2013, up 3.1% from 2012, in a global automobile market that grew by 3.9%.

Volumes outside Europe remained stable at 50.5%, with 1,326,344 vehicles sold. Excluding Iran, whose market was closed in July 2013, the Group increased its market shares in all Regions, with new models driving the improvement. The Renault group recorded the strongest market share growth among automakers in the European market, with a 0.4-point increase to 9.5%. The Group sold 1,301,864 vehicles in Europe, up 2.4%, despite the 1.7% decline in the European market.

Group revenues in 2013 came to €40,932 million, up 0.5%. **Automotive** contributed €38,775 million to revenues, an increase of 0.4% vs 2012(1), from a rise in registrations and despite a highly negative foreign currency impact. At the same time, the Group posted a positive price effect, reflecting its pricing policy aimed at improving the value of the Renault brand and offsetting the weakness of certain foreign currencies.

Group operating profit stood at €1,242 million, compared to €782 million in 2012(1), representing 3.0% of revenues (1.9% in 2012(1)).

Automotive operating profit increased €461 million(1) to €495 million, representing 1.3% of revenues. This improved result was achieved despite a negative foreign currency effect through pricing and cost controls.

Sales Financing contributed €747 million to Group operating profit, compared to €748 million in 2012(1). The cost of risk (including country risk) remained under control, at 0.42% of average performing loans, compared to 0.38% in 2012.

Other operating income and expense items came to -€1,276 million, mainly due to a provision of €514 million to cover the Group's entire exposure to Iran (already recorded in the first half), €488 million in provisions and impairment of assets, and €423 million in restructuring costs, primarily related to the competitiveness agreement signed in France. As a result, earnings before interest and taxes came to -€34 million, compared to €183 million in 2012(1).

The **contribution of associated companies,** mainly Nissan, came to €1,444 million in 2013, compared to €1,475 million in 2012(1) (which included a contribution from AB Volvo until September 2012).

Net income came to €695 million and Group share to €586 million (€2.15 per share compared with €6.43 per share in 2012(1)).

Automotive operational **free cash flow** in the period was positive at €827 million, including a positive €790 million change in the working capital.

At end-December 2013, total inventory (including the independent dealer network) represented 63 days of sales compared to 65 at end-December 2012.

(1) Restated to reflect the retroactive application of the IFRS 11 partnerships' and revised IAS 19' employee Benefits' standards.

The Automotive division's **net cash position** came to €1,761 million, up by €229 million vs December 31, 2012[(1)].

RCI Banque continued to diversify its refinancing through its retail savings account business, with net collected savings totaling €4.3 billion in France and Germany at end-December 2013.

A **dividend** of €1.72 per share, unchanged vs last year, will be submitted for approval at the next Shareholders' Annual General Meeting.

2014 OUTLOOK

The Group expects the European markets to stabilize. At the same time, growth in emerging markets, still driven by China, is more uncertain in the short term.

In this context Renault aims to:

- increase registrations and Group revenues (at constant exchange rates);
- improve Group operating profit and that of the Automotive division;
- achieve positive Automotive operational free cash flow.

1.3.1 SALES PERFORMANCE ✦

OVERVIEW

- In a global automotive market up 3.9% last year, the Group's sales of passenger cars and LCVs reached 2,628,208 vehicles – a rise of 3.1% compared to 2012.
- Market share **outside Europe** remained stable at 50.5%, with 1,326,344 units sold.
- Excluding Iran, where the market was partially closed in July 2013, the Group gained market share in all the Regions, helped by the popularity of its latest models.
- The Group recorded its highest progress in the **European** market, increasing its market share by 0.4 point to 9.5%. With 1,301,864 vehicles sold in Europe, the Group saw a 2.4% rise in sales, even though the European market fell by 1.7%.
- In 2013, the number of new financing contracts by **RCI Banque** rose 19% on 2012, thanks to the pursuit of its international development, the rise in the penetration rate on new vehicles and for the different Alliance brands (apart from RSM) and the increasing volumes of used-vehicle financing contracts.

The Renault group's top fifteen markets

SALES		SALES VOLUMES 2013* *(units)*	PC/LCV MARKET SHARE 2013 *(%)*	CHANGE IN MARKET SHARE ON 2012 *(points)*
1	France	547,693	25.4	+1.2
2	Brazil	236,360	6.6	-0.0
3	Russia	210,099	7.6	+1.1
4	Germany	162,509	5.1	-0.0
5	Turkey	144,706	17.0	+1.8
6	Argentina	141,217	15.4	+0.6
7	Algeria	111,378	26.2	+0.2
8	Italy	101,387	7.2	+0.9
9	Spain	98,024	12.1	+1.4
10	Belgium + Luxembourg	77,353	13.0	+0.5
11	United Kingdom	77,163	3.0	+0.6
12	India	64,368	2.2	+1.1
13	South Korea	60,027	4.0	+0.0
14	Morocco	47,030	38.9	+2.3
15	Netherlands	46,040	9.8	+0.3

* *Figures to end-December 2013.*
Source: Local statistical figures from registration offices and CCFA for France.

(1) Restated to reflect the retroactive application of the IFRS 11 partnerships' and revised IAS 19' employee Benefits' standards.

1.3.1.1 AUTOMOTIVE

Group sales worldwide by Region

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE (%)
GROUP	**2,628,208**	**2,548,622**	**3.1**
EUROPE REGION	**1,301,864**	**1,271,393**	**2.4**
Renault	1,011,422	1,040,777	-2.8
Dacia	290,442	230,616	25.9
AMERICAS REGION	**466,976**	**450,934**	**3.6**
Renault	460,841	445,169	3.5
Renault Samsung Motors	6,135	5,765	6.4
ASIA-PACIFIC REGION	**238,445**	**257,564**	**-7.4**
Renault	176,464	195,863	-9.9
Dacia	1,851	1,775	4.3
Renault Samsung Motors	60,130	59,926	0.3
EUROMED-AFRICA REGION	**388,922**	**360,923**	**7.8**
Renault	250,888	233,275	7.6
Dacia	137,247	127,648	7.5
Renault Samsung Motors	787	-	-
EURASIA REGION	**232,001**	**207,808**	**11.6**
Renault	231,879	207,808	11.6
Renault Samsung Motors	122	-	-

* *Preliminary figures.*

Europe

The Group sales rose 2.4% in a market that fell 1.7% and achieved its biggest increase in market share in the Region (up 0.4 point) to 9.5%.

The Renault brand was ranked third in the market for PC/LCV, with 7.4% market share. It retained its leadership of the LCV market for the sixteenth consecutive year, with a market share of 14.5%.

As the first brand to put four electric models on sale, Renault is the European leader with 37.0% market share and 15,074 units sold.

New Clio and Captur enabled Renault to take the top slot in the European B segment.

In ***France*** the Renault brand strengthened its leadership. New Clio is the best-selling vehicle in the country, with 119,367 new registrations, and Captur is the most popular cross-over of the B segment since its launch in 2013. The Group has five vehicles among France's top ten passenger cars.

The brand continued to dominate the LCV market with a share of 31.7% (-0.5 point), despite a 5.8% drop in new registrations.

Dacia was the fifth-largest brand in France, earning another 0.6 point to reach a market share of 4.3% due to the success of New Sandero, which became the third best-selling passenger car of the market.

In the ***UK,*** Group sales rose 37.3%, up 0.6 point, notably thanks to the launch of Dacia in January which recorded 17,146 new registrations and market share has reached 0.7%.

In ***Italy, Spain*** and ***Belgium,*** thanks to the success of new vehicles, the Group won market shares respectively 0.9 point, 1.4 point and 0.5 point.

In ***Germany,*** Group market share remains stable at 5.1%.

Outside Europe

Americas

The Renault group achieved records in sales, with 466,976 vehicles sold, and market share, which reached 6.7%.

In ***Brazil,*** in line with the overall market that fell by 1.6%, the Group saw its sales slump by 2.2%. This was partly due to the closure of the Curitiba plant for two months at the start of the year for extension work to increase its capacity. Sandero and Duster continued to sell well.

In ***Argentina,*** the Renault brand was ranked second of the market and sales rose by 18.9% to 141,217 units, thanks to the popularity of Clio, Duster and Sandero. Market share stood at 15.4% (+0.6 point).

Asia-Pacific

Having managed to break into the Indian market, Group sales in the Asia-Pacific Region recorded total progress of 28.9% compared to 2012 – except for Iran, where the market was closed since July.

In ***India,*** in a passenger car market that slumped 7.5%, Renault recorded an 83.1% rise in sales due to the success of Duster (over 51,400 units), which became the best-selling SUV in the C segment. The Renault brand recorded market share of 2.6% – almost double that of 2012. Renault became the top European automaker on the Indian market. The brand continued to deploy the expansion of its dealer network, and had 125 dealerships at the end of 2013.

In ***South Korea,*** Renault Samsung Motors ended the year by recording seven consecutive months with better sales results than those for 2012. Overall sales stabilised, with 60,027 new registrations, an increase of 0.2%.

In ***Iran,*** where the market has been closed since July, Renault sold about 64,500 fewer vehicles than in 2012.

Euromed-Africa

With 388,922 vehicles sold, the Renault group set a sales record and increased its market share in most of its markets of the Region.

In ***Turkey,*** Renault is the brand which increased the most in market share (+1.2 point) reaching 12.7%. It remained the leading brand in the passenger car market, with a share of 14.6% (up 1.5 point), thanks to the success of New Symbol, New Clio, and Fluence, which were all the top sellers in their respective segments.

The Dacia brand reached a 4.3% market share (+0,5 point) thanks to the success of Lodgy (leader of its segment) and Dokker.

In ***Algeria,*** in a market down 2.6% overall, the Group sold more than 100,000 vehicles for the second consecutive year (111,378 units) and reached market share of 26.2%, a rise of 0.2 point. Renault is the second-ranked brand due to the popularity of New Symbol and New Clio, which was the best-selling vehicle in the B segment. Dacia moved up to become the country's third-ranked brand, thanks to the success of Logan and Duster.

Eurasia

The Renault group set a new record, with more than 232,000 vehicles sold, and won over 7.1% market share for the first time.

In ***Russia,*** the Group's third-biggest market, the Renault brand set records for both sales, with 210,099 vehicles (up 10.7%), and 7.6% market share (up 1.1 point), whereas the market as a whole fell 5.9%. It was the leading foreign brand and the second-ranked brand on the Russian market, behind Lada. One reason was the success of Duster, the most popular SUV in the country in 2013.

Group sales by brand and by type

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE (%)
GROUP	**2,628,208**	**2,548,622**	**3.1**
BY BRAND			
Renault	2,131,494	2,122,892	0.4
Dacia	429,540	360,039	19.3
Renault Samsung	67,174	65,691	2.3
BY VEHICLE TYPE			
Passenger cars	2,293,049	2,211,794	3.7
Light commercial vehicles	335,159	336,828	-0.5

* *Preliminary figures.*

Sales of the **Renault brand** rose by 0.4% compared to 2012. With 2,131,494 units sold, Renault accounted for 81.1% of Group sales.

Sales of the **Dacia brand** went up by 19.3% to 429,540 units, due in large part to the popularity of Duster and the updated Logan/Sandero range. Dacia offers the youngest range in Europe (less than two years old since Lodgy was launched) and accounted for 16.3% of Group sales.

In 2013, **Renault Samsung Motors** increased its sales by 2.3%. The recovery plan of the dealer network and the product range, launched in South Korea in 2012, is starting to show results. After five difficult months at the start of the year, RSM recorded seven consecutive months with better results than those for 2012.

1.3.1.2 SALES FINANCING

PENETRATION RATE ON NEW VEHICLES FINANCED AND SERVICES

In 2013, the number of new financing contracts rose 19% on 2012.

The increase resulted from:

- the continued international development of RCI Banque, notably with the consolidation of the Turkish and Russian subsidiaries;
- the rise in the penetration rate on new vehicles financed in numerous countries and for the different Alliance brands (apart from Renault Samsung Motors);
- the strategy on increasing volumes of used-vehicle financing contracts, initiated in 2011. Volumes rose 6% in 2013.

RCI Banque pursued its international development in 2013, in line with the development of the Alliance brands. The share of international business (outside Europe) now accounts for 38% of total new-vehicle financing contracts, compared with 29% in 2012.

RCI Banque financing performance

	2013	2012	CHANGE (%)
Number of financing contracts (*thousands*)	**1,161**	**976**	**+18.9**
• including UV contracts *(thousands)*	189	178	+6.2
New financing contracts *(€ billion)*	**11.4**	**10.8**	**+5.5**
Average loans outstanding *(€ billion)*	**24.2**	**24.2**	**0**

RCI Banque services performance

	2013	2012	CHANGE
Number of services contracts *(thousands)*	1,756	1,311	+34%
Penetration rate on services	**62.7%**	**57.5%**	**+5.2pt**

Developing the sales of services contributes to customer satisfaction, fosters loyalty towards the Alliance brands and increases the profitability of RCI Banque. As such, it is a strategic activity for the Group.

RCI BANQUE NEW FINANCING CONTRACTS AND AVERAGE LOANS OUTSTANDING

In a contracting automotive market, and for the same scope as in 2012, RCI Banque benefitted from the momentum of the Alliance brands. The penetration rate on vehicles financed grew 1.7 point pro-forma on 2012 to 36.7%, the Group's best performance in the last ten years. This rate corresponds to the ratio of the number of RCI financings and the number of cars sold.

With the consolidation in 2013 of the new subsidiaries in Turkey and Russia, whose penetration rate vehicle financing is lower than the Group average, RCI Banque's penetration rate on vehicle financing stood at 34.6%, down 0.4 point on 2012.

Penetration rate on new vehicle registrations financed by RCI Banque, by brand

	2013 *(%)*	2012 *(%)*	CHANGE *(points)*
Renault	35.2	36.6	-1.4**
Dacia	33.5	33.0	+0.6
Renault Samsung Motors	47.5	57.8	-10.3
Nissan	32.5	29.1	+3.4
Infiniti*	33.8	-	+33.8
RCI Banque	**34.6**	**35.0**	**-0.4**

* *Infiniti brand consolidated in 2013.*
** *On a like-for-like basis (excl. Turkey and Russia), a 1.4 point increase for the Renault brand.*

Penetration rate on new vehicle registrations financed by RCI Banque, by Region

	2013 *(%)*	2012 *(%)*	CHANGE *(points)*
Europe	35.1	33.9	+1.2
Americas	42.7	37.1	+5.6
Asia-Pacific	47.4	57.3	-9.9
Euromed-Africa	26.0	26.3	-0.3**
Eurasia*	25.0	-	+25.0
RCI Banque	**34.6**	**35.0**	**-0.4**

* *Eurasia Region (Russia) consolidated in 2013.*
** *On a like-for-like basis (excl. Turkey and Russia), a 1.5 point increase in Euromed-Africa.*

In the **Europe Region,** RCI Banque offset the downturn in the automotive market through the good performance of Alliance registrations, and through an increase in the penetration rate new vehicles financed and a rise in financing contracts for used vehicles. Overall, new financing contracts in Europe increased 4.4% on 2012.

In the **Americas Region** (Brazil, Argentina), marked by a contraction in the Brazilian market and strong growth in Argentina, RCI Banque continued to grow, with a 42.7% penetration rate on vehicles financed. Brazil was confirmed as the number-two contributor in terms of the number of new vehicle financing contracts.

In the **Asia-Pacific Region** (South Korea), despite fierce competition from banking networks in 2013, RCI Banque posted a strong performance with a 47.4% penetration rate on financing.

Bolstered by growth in the Turkish market, the number of RCI Banque new vehicle financing contracts in the **Euromed-Africa Region** (Romania, Morocco and Turkey) nearly tripled, to 58,167. The penetration rate on new vehicles financed was stable at 26.0%. Turkey, consolidated by RCI Banque in 2013, is already the number-eight contributor to new-vehicle financing contracts.

The penetration rate on financing in the **Eurasia Region** (Russia), consolidated by RCI Banque in 2013, came to 25.0%. Russia is already the number-three RCI Banque subsidiary on new-vehicle financing contracts.

INTERNATIONAL DEVELOPMENT AND NEW ACTIVITIES

RCI Banque is pursuing its **international expansion** by supporting the market development of Alliance brands. The share of non-European business continues to increase, now accounting for over one-third of financing contracts (35%, compared with 26% in 2012).

In Turkey, the joint venture between RCI Banque and Oyak completed its first full year of business, with a 25.0% penetration rate on vehicle financing and a total 37,970 contracts financed.

In Russia, the financing bank in partnership with Nissan and Unicredit started up activity in November. It will make a strong contribution to the growth of RCI Banque group by supporting Alliance sales in this strategic market.

Following the successful launch in France of the **ZESTO savings plan** in 2012, RCI Banque continued its policy of diversifying financing sources in 2013, successfully extending its savings deposit business to Germany. At end-December, total deposits amounted to €4.3 billion, of which €784 million in term deposit accounts. RCI Banque has thus positioned the savings business as a major lever for refinancing its automotive loan activity.

RCI Banque has in two years become a services operator for electric-vehicle **battery rental** in 19 countries for the Renault and Nissan brands. At end-2013, the number of batteries in service totaled over 31,000 (with five marketed models: Kangoo Z.E., Fluence Z.E., Twizy, ZOE for Renault and Leaf for Nissan).

Find out more at **www.renault.com**

1.3.1.3 SALES AND PRODUCTION STATISTICS ✦

RENAULT GROUP – WORLDWIDE SALES

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE *(%)*
Twingo	84,637	103,502	-18.2
Wind	394	1,663	-76.3
Clio	462,047	366,364	26.1
ZOE	8,857	68	-
Thalia	16,238	61,749	-73.7
Modus	5,114	30,413	-83.2
Captur/QM3	95,014	-	-
Pulse	4,791	6,217	-22.9
Logan	257,540	323,772	-20.5
Sandero	354,961	299,918	18.4
Lodgy	43,506	29,359	48.2
Mégane/Scénic	302,516	403,845	-25.1
Fluence (incl. Z.E.)/SM3/Scala	134,810	135,862	-0.8
Duster	376,672	297,616	26.6
Laguna	18,327	30,074	-39.1
Latitude/SM5/Safrane	38,835	41,879	-7.3
Koleos/QM5	52,862	57,333	-7.8
Espace	8,369	12,695	-34.1
SM7/Talisman	3,844	5,660	-32.1
Kangoo (incl. Z.E.)	146,723	168,700	-13.0
Dokker	51,840	2,910	-
Trafic	61,717	67,155	-8.1
Master	88,814	89,774	-1.1
Other	9,780	12,094	-19.1
TOTAL WORLDWIDE GROUP PC/LCV SALES	**2,628,208**	**2,548,622**	**3.1**

* *Preliminary figures.*

*Twizy***	*3,025*	*9,016*	*-66.4*

** *Twizy is a quadricycle and therefore not included in Group automotive sales.*

RENAULT GROUP – EUROPEAN SALES

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE *(%)*
Twingo	82,117	97,262	-15.6
Wind	360	1,557	-76.9
Clio	313,747	271,259	15.7
ZOE	8,846	68	-
Thalia	825	4,557	-81.9
Modus	5,111	30,409	-83.2
Captur/QM3	86,804	-	-
Pulse	-	-	-
Logan	17,667	29,010	-39.1
Sandero	122,036	72,510	68.3
Lodgy	34,481	27,613	24.9
Mégane/Scénic	266,002	337,885	-21.3
Fluence (incl. Z.E.)/SM3/Scala	6,448	10,458	-38.3
Duster	84,693	100,275	-15.5
Laguna	18,049	29,528	-38.9
Latitude/SM5/Safrane	585	2,076	-71.8
Koleos/QM5	8,428	15,386	-45.2
Espace	8,368	12,686	-34.0
SM7/Talisman	-	-	-
Kangoo (incl. Z.E.)	86,859	98,624	-11.9
Dokker	31,507	1,107	-
Trafic	54,848	61,051	-10.2
Master	54,664	56,504	-3.3
Other	9,419	11,568	-18.6
TOTAL EUROPEAN GROUP PC/LCV SALES	**1,301,864**	**1,271,393**	**2.4**

* *Preliminary figures*

*Twizy***	*2,999*	*9,011*	*-66.7*

** *Twizy is a quadricycle and therefore not included in Group automotive sales.*

RENAULT GROUP – INTERNATIONAL SALES

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE *(%)*
Twingo	2,520	6,240	-59.6
Wind	34	106	-67.9
Clio	148,300	95,105	55.9
ZOE	11	-	-
Thalia	15,413	57,192	-73.1
Modus	3	4	-25.0
Captur/QM3	8,210	-	-
Pulse	4,791	6,217	-22.9
Logan	239,873	294,762	-18.6
Sandero	232,925	227,408	2.4
Lodgy	9,025	1,746	-
Mégane/Scénic	36,514	65,960	-44.6
Fluence (yc Z.E.)/SM3/Scala	128,362	125,404	2.4
Duster	291,979	197,341	48.0
Laguna	278	546	-49.1
Latitude/SM5/Safrane	38,250	39,803	-3.9
Koleos/QM5	44,434	41,947	5.9
Espace	1	9	-88.9
SM7/Talisman	3,844	5,660	-32.1
Kangoo (yc Z.E.)	59,864	70,076	-14.6
Dokker	20,333	1,803	-
Trafic	6,869	6,104	12.5
Master	34,150	33,270	2.6
Other	361	526	-31.4
TOTAL INTERNATIONAL GROUP PC/LCV SALES	**1,326,344**	**1,277,229**	**3.8**

* *Preliminary figures.*

Twizy	*26*	*5*	-

** *Twizy is a quadricycle and therefore not included in Group automotive sales.*

RENAULT GROUP – WORLDWIDE PRODUCTION BY MODEL(1)

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES *(units)*	2013*	2012	CHANGE *(%)*
Twizy	*2,288*	*11,325*	*-79.8*
Twingo/Wind	83,875	101,508	-17.4
Clio	458,302	393,228	16.5
ZOE	9,969	446	-
Thalia	10,195	51,779	-80.3
Modus	-	31,193	-
Captur/QM3	117,517	-	-
Logan	212,734	183,216	16.1
Sandero	369,022	294,339	25.4
Other Logan	17,761	46,168	-61.5
Duster	323,299	287,953	12.3
Lodgy	34,254	41,455	-17.4
Dokker	56,705	8,901	-
Mégane/Scénic	278,188	377,685	-26.3
Fluence (incl. Z.E.)/SM3/Scala	120,212	150,084	-19.9
Laguna	17,902	27,703	-35.4
Latitude/SM5	37,550	40,162	28.5
Koleos	51,606	54,957	-6,1
Espace	7,494	12,931	-42.0
SM7/Talisman	3,805	3,768	1.0
Kangoo (incl. Z.E.)	172,316	195,072	-11.7
Master	108,300	117,190	-7.6
Other	27,039	13,594	92.6
GROUP GLOBAL PRODUCTION	**2,518,045**	**2,433,332**	**3.5**
o/w produced for partners:			
GM (Master)	13,834	13,039	6.1
Nissan (Mercosur/Korea)	31,010	43,818	-29.2
Daimler (Citan)	17,687	14,099	25.4
PRODUCED BY PARTNERS FOR RENAULT			
Nissan (incl. India)	154,262	98,228	57.0
Others (GM, Iran, AVTOVAZ)	33,611	113,786	-70.5

* *Preliminary figures.*
(1) *Production data concern the number of vehicles leaving the production line.*

GEOGRAPHICAL ORGANIZATION OF THE RENAULT GROUP BY REGION – COUNTRIES IN EACH REGION

At December 31, 2013

EUROPE	AMERICAS	ASIA-PACIFIC	EUROMED-AFRICA	EURASIA
Metropolitan France	**Northern Latin America**	Japan	**Eastern Europe**	Russia
Austria	Colombia	South Korea	Bulgaria	Armenia
Germany	Costa Rica	India	Moldova	Azerbaïjan
Belgium-Lux.	Cuba	Iran	Romania	Belarus
Denmark	Ecuador	Saudi Arabia	Turkey	Georgia
Spain	Honduras	Gulf States		Kazakhstan
Finland	Mexico	Iraq	**Africa**	Kyrgyzstan
Greece	Nicaragua	Israel	Algeria	Uzbekistan
Ireland	Panama	Jordan	Morocco	Tajikistan
Iceland	El Salvador	Lebanon	Tunisia	Turkmenistan
Italy	Venezuela	Pakistan	Egypt	Ukraine
Norway	Dominican Rep.		Sub Saharian African countries	
Netherlands		**Asean**	South Africa	
Portugal	**Southern Latin America**	Brunei	Madagascar	
United Kingdom	Argentina	Cambodia	Libya	
Sweden	Brazil	Indonesia		
Switzerland	Bolivia	Laos	**French overseas departments**	
Albania	Chili	Malaysia	**West Indies and Indian Ocean**	
Bosnia	Paraguay	Philippines	Guadeloupe	
Cyprus	Peru	Hong Kong	French Guiana	
Croatia	Uruguay	Singapore	Martinique	
Hungary		Thailand	Saint Martin	
Macedonia		Viet Nam	St Pierre and Miquelon	
Malta		Australia	Réunion	
Montenegro		New Caledonia	Comoro Islands	
Baltic States		New Zealand	Seychelles	
Poland		Tahiti	Mauritius	
Czech Rep.				
Serbia		**China**		
Slovakia				
Slovenia				

1.3.2 FINANCIAL RESULTS ✦

OVERVIEW

(€ million)	2013	2012 RESTATED*	CHANGE	2012 PUBLISHED
Group revenues	**40,932**	**40,720**	0.5%	**41,270**
Operating profit	**1,242**	**782**	460	**729**
Operating income	(34)	183	(217)	122
Financial result	(282)	(321)	39	(266)
Contribution from associated companies	**1,444**	**1,475**	(31)	**1,504**
o/w Nissan	*1,498*	*1,213*	*285*	*1,234*
Gain from the disposal of AB Volvo A shares	-	924	(924)	924
Net income	**695**	**1,712**	(1,017)	**1,735**
***Automotive ope*rational free cash flow**	**827**	**609**	218	**597**
Automotive net cash position	**1,761**	**1,532**	229	**1,492**
Shareholders' equity	23,214	24,564	(1,350)	24,547

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

1.3.2.1 COMMENTS ON THE FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT ✦

Operating segment contributon to Group revenues

	2013					2012 RESTATED*				
(€ million)	Q1	Q2	Q3	Q4	YEAR	Q1	Q2	Q3	Q4	YEAR
Automotive	7,736	11,647	7,483	11,909	38,775	8,852	10,701	7,804	11,255	38,612
Sales Financing	529	529	515	584	2,157	519	550	513	526	2,108
TOTAL	**8,265**	**12,176**	**7,998**	**12,493**	**40,932**	**9,371**	**11,251**	**8,317**	**11,781**	**40,720**

	CHANGE 2013/2012 RESTATED*				
(%)	Q1	Q2	Q3	Q4	YEAR
Automotive	-12.6	8.8	-4.1	5.8	0.4
Sales Financing	1.9	-3.8	0.4	11.0	2.3
TOTAL	**-11.8**	**8.2**	**-3.8**	**6.0**	**0.5**

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

The **Automotive division's contribution** to revenues was €38,775 million, up 0.4%, despite a negative exchange rate effect of 4.1 points, reflecting the substantial devaluation of a basket of currencies and in particular the Argentine peso, the Brazilian real, the Iranian rial, the Russian ruble, and the Indian rupee. This trend was mainly attributable to:

- increased new vehicles sales, resulting in a positive volume effect of 1.6 point;
- a positive geographic mix of 0.7 point and a neutral product mix;
- a positive price effect of 1.3 point, reflecting the pricing policy instituted by the Group to enhance the value of the Renault brand and offset the weakness of certain currencies;
- other Group sales (including powertrain components and vehicles to partners), which had a positive impact of 1.1 point.

By Region (excluding other businesses):

- Europe accounted for 0.3 point of the decrease in revenues;
- International[(1)] operations contributed 0.5 point, despite the negative exchange rate effect.

(1) Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.

Operating segment contribution to Group operating profit

(€ million)	2013	2012 (RESTATED*)	CHANGE	2012 (PUBLISHED)
Automotive division	**495**	**34**	**461**	**-25**
% of division revenues	*1.3%*	*0.1%*	*1.2pt*	*-0.1%*
Sales Financing	**747**	**748**	**-1**	**754**
TOTAL	**1,242**	**782**	**460**	**729**
% of Group revenues	*3.0%*	*1.9%*	*1.1 pt*	*1.8%*

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

The **Automotive division's** operating profit increased by €461 million to €495 million (1.3% of its revenues), owing mainly to:

- the *Monozukuri* plan, which reduced costs by €714 million (including the €86 million decrease in raw materials costs);
- the positive mix/price/enhancement effect of €276 million. Combining to produce this result were a virtuous pricing policy in Europe linked to sales performance of new models, and higher prices in international[1] markets aimed at offsetting the negative exchange rate effects of certain currencies;
- an increase in volumes, which had a positive impact of €121 million;
- an €18 million reduction in overheads.

These positive effects made up for a negative exchange rate effect of €619 million, stemming mainly from the devaluation of the Argentine peso, the Russian ruble, and the Iranian rial.

Renault group – research and development expenses*

(€ million)	2013	2012 (RESTATED*)	CHANGE	2012 (PUBLISHED)
R&D expenses	1,793	1,863	70	1,889
Capitalized development expenses	-732	-764	32	-764
% of R&D expenses	*-40.8%*	*-41.0%*	*0.2%*	*-40.4%*
Amortization	751	790	39	790
GROSS R&D EXPENSES RECORDED IN THE INCOME STATEMENT	**1,812**	**1,889**	**77**	**1,915**

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

The contribution of **Sales Financing** to the Group operating profit was €747 million, compared with €748 million in 2012[2]. This stability was notably related to the €31 million negative exchange rate effect stemming from the devaluation of the Brazilian real and the Argentine peso. The cost of risk (including country risk) remained under control, at 0.42% of the average outstanding loans, compared with 0.38% in 2012. A cost of risk remaining below the structural threshold is a reflection of the sound approval policy initiated in 2009 and efficient collection management.

Other operating income and expenses showed a net expense of €1,276 million, compared with an expense of €607 million in 2012. This net expense consisted mainly of:

- a complementary provision of €514 million registered in the first-half to cover all exposure in Iran;
- depreciation of assets amounting to €488 million for various vehicle programmes;
- restructuring charges amounting to €423 million, related mainly to the competitiveness agreement signed in France;
- €153 million in capital gains on disposals.

After recognizing other **operating income** and expenses, the Group reported negative operating income of €34 million, compared with positive operating income of €183 million in 2012[2].

The net financial result showed a net charge of €282 million, compared with a net charge of €321 million in 2012[2].

Renault's **share in associated companies** generated a gain of €1,444 million, including:

- €1,498 million from Nissan (compared with €1,213 million in 2012[2]);
- -€34 million from AVTOVAZ (compared with €186 million in 2012).

Current and deferred taxes showed a charge of €433 million (compared with €549 million in 2012[2]), including a charge of €443 million for current taxes and €10 million in net income from deferred tax assets.

Net income came to €695 million, compared with €1,712 million in 2012[2]. Net income, Group share, amounted to €586 million (compared with €1,749 million in 2012[2]).

Shareholders' equity fell down €1,350 million to €23,214 million, impacted by translation adjustments, notably on the yen.

(1) Regions excluding Europe: Americas, Asia-Pacific, Euromed-Africa and Eurasia.
(2) Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.

AUTOMOTIVE FREE CASH FLOW AND NET CASH POSITION

Automotive free cash flow

(€ million)	**2013**	**2012 (RESTATED)***	**CHANGE**	**2012 (PUBLISHED)**
Cash flow	2,914	2,573	342	2,577
Change in the working capital requirement	790	918	(128)	922
Tangible and intangible investments net of disposals	(2,543)	(2,654)	111	(2,674)
Leased vehicles and batteries	(334)	(228)	(107)	(228)
OPERATIONAL FREE CASH FLOW	**827**	**609**	**218**	**597**

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

In 2013, the Automotive division reported positive **free cash flow** of €827 million, resulting from:

- cash flow of €2,914 million;
- a negative change in the working capital requirement of €790 million;
- tangible and intangible investments net of disposals of -€2,543 million, stable compared with 2012 (-€2,654 million) and in line with the Plan's objective of under 9% of revenues;
- a €334 million increase in leased vehicles and batteries.

This free cash flow net of dividend payments (-€105 million) and diverse transactions such as the increase in the Group's equity interest in AVTOVAZ through the Alliance Rostec Auto B.V. accounted for the €269 million increase in **the Automotive division's net cash position,** which stood at €1,761 million on December 31, 2013.

Tangible and intangible investments net of disposals by operating segment

(€ million)	**2013**	**2012 (RESTATED*)**	**2012 (PUBLISHED)**
Tangible investments (excluding capitalized leased vehicles and batteries)	1,914	1,916	1,936
Intangible investments	827	900	900
o/w capitalized R&D	732	764	764
Total acquisitions	2,741	2,816	2,836
Disposal gains	(198)	(162)	(162)
TOTAL AUTOMOTIVE DIVISION	**2,543**	**2,654**	**2,674**
TOTAL SALES FINANCING	**8**	**11**	**11**
TOTAL GROUP	**2,551**	**2,665**	**2,685**

* *Restated to reflect the retroactive application of IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

Total gross investment was down slightly in 2013, compared with 2012; the breakdown was 60% in Europe and 40% in the rest of the world:

- in Europe: investment went mainly to the development and the adaptation of the industrial equipment linked to the renewal of the B range (Captur), the C range (Scénic Xmod, new brand identity), the D range (New Espace), the future Twingo project and the renewal of the LCV range (New Trafic);
- outside Europe: investments mainly concerned the Entry range (Morocco, Romania, Russia and South America), modernization and capacity increases (mechanical components and vehicles).

Net CAPEX and R&D expenses

(€ million)	2013	2012 (RESTATED*)	2012 (PUBLISHED)
Tangible and intangible investments net of disposals (excluding capitalized leased vehicles and batteries)	2,551	2,665	2,685
Capitalized development expenses	(732)	(764)	(764)
Other	(272)	(145)	(145)
NET INDUSTRIAL AND COMMERCIAL INVESTMENTS(1)	**1,547**	**1,756**	**1,776**
% of Group revenues	3.8%	4.3%	4.3%
R&D expenses	**1,793**	**1,863**	**1,889**
o/w billed to third parties	(277)	(313)	(319)
NET R&D EXPENSES(2)	**1,516**	**1,550**	**1,570**
% of Group revenues	3.7%	3.8%	3.8%
NET CAPEX AND R&D EXPENSES (1) + (2)	**3,063**	**3,306**	**3,346**
% of Group revenues	*7.5%*	*8.2%*	*8.1%*

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and the revised IAS 19 "employee benefits" standards.*

Automotive division net cash position

	12/31/2013	12/31/2012 (RESTATED*)	12/31/2012 (PUBLISHED)
Non-current financial liabilities	(6,837)	(6,355)	(6,276)
Current financial liabilities	(3,449)	(3,680)	(3,802)
Non-current financial assets – other securities, loans and derivatives on financial operations	368	348	348
Current financial assets	975	1,150	1,150
Cash and cash equivalents	10,704	10,069	10,072
NET CASH POSITION	**1,761**	**1,532**	**1,492**

* *Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.*

CASH POSITION AT DECEMBER 31, 2013

In 2013, the **Automotive** contracted nearly €2.4 billion in medium-term loans and has thus refinanced its 2013 bond repayments as well as part of those falling due in 2014. In 2013, Renault once again confirmed its access to the euro, yen (Samurai bond) and yuan (Dim Sum bond) markets. The Automotive division's cash reserves stood at €14.1 billion at end-December 2013. These reserves consisted of:

- €10.7 billion in cash and cash equivalents;
- €3.4 billion in undrawn confirmed lines of credit.

At December 31, 2013, RCI Banque had available liquidity of €7.5 billion, consisting of:

- €4.1 billion in undrawn confirmed lines of credit;
- €2.5 billion in central-bank eligible collateral;
- €0.9 billion in cash.

1.3.2.2 CONSOLIDATED FINANCIAL STATEMENTS

Refer to chapter 4.2 of this Registration document.

1.3.2.3 FINANCIAL INFORMATION ON THE ALLIANCE

The purpose of the financial data in this section is twofold: to broadly quantify the economic significance of the Renault-Nissan Alliance through key performance indicators, and to make it easier to compare the assets and liabilities of the two groups. The data of both groups comply with the accounting standards applied by Renault in 2013.

The characteristics of the Alliance mean, among other things, that Renault and Nissan's assets and liabilities cannot be combined. Consequently, these data do not correspond to a consolidation as defined by generally accepted accounting principles and are not certified by the statutory auditors.

Information concerning Renault is based on the consolidated figures released at December 31, 2013, while the information concerning Nissan is based on the restated consolidated figures prepared for the purposes of the Renault consolidation, covering the period from January 1 to December 31, 2013 whereas Nissan's financial year-end is March 31.

KEY PERFORMANCE INDICATORS

The preparation of the key performance indicators under Renault accounting policies takes into account restatement of figures published by Nissan under Japanese Accounting Standards into IFRS. Additionally, the following treatments have been performed:

- reclassifications have been made when necessary to harmonize the presentation of the main income statement items;
- restatements for harmonization of accounting standards and adjustments to fair value applied by Renault for acquisitions of 1999 and 2002 are included.

Revenues 2013

(€ million)	RENAULT	NISSAN[(1)]	INTERCOMPANY ELIMINATIONS	ALLIANCE
Sales of goods and services of the Automotive segment	38,775	70,912	(3,246)	106,441
Sales Financing revenues	2,157	4,987	(149)	6,995
REVENUES	**40,932**	**75,899**	**(3,395)**	**113,436**

(1) Converted at the average exchange rate: EUR 1 = JPY 129.7.

The Alliance's intercompany business mainly consists of commercial transactions between Renault and Nissan. Those items have been eliminated to produce the revenue indicator. Their value is estimated on the basis of Renault's 2013 results.

The **operating margin, the operating income and the net income** of the Alliance in 2013 are as follows:

(€ million)	OPERATING MARGIN	OPERATING INCOME	NET INCOME[(2)]
Renault	1,242	(34)	(803)
Nissan[(1)]	3,748	3,794	3,623
ALLIANCE	**4,990**	**3,760**	**2,820**

(1) Converted at the average exchange rate for 2013: EUR 1 = JPY 129.7.
(2) Renault's net income is adjusted to exclude Nissan's contribution and Nissan's net income is similarly adjusted to exclude Renault's contribution.

Intercompany transactions impacting the indicators are minor and have therefore not been eliminated.

For the Alliance, the operating margin is equivalent to 4.4% of revenues.

In 2013, the Alliance's **research and development expenses,** after capitalization and amortization, are as follows:

(€ million)	
Renault	1,812
Nissan[(1)]	3,042
ALLIANCE	**4,854**

(1) Converted at the average exchange rate for 2013: EUR 1 = JPY 129.7.

BALANCE SHEET INDICATORS

Condensed Renault and Nissan balance sheets

Renault at December 31, 2013

ASSETS *(€ million)*	
Intangible assets	3,282
Property, plant and equipment	10,973
Investments in associates (excluding Alliance)	806
Deferred tax assets	396
Inventories	3,162
Sales financing receivables	23,650
Automotive receivables	970
Other assets	6,024
Cash and cash equivalents	11,661
TOTAL ASSETS EXCLUDING INVESTMENT IN NISSAN	**60,924**
Investment in Nissan	14,068
TOTAL ASSETS	**74,992**

SHAREHOLDERS' EQUITY AND LIABILITIES *(€ million)*	
Shareholders' equity	23,214
Deferred tax liabilities	121
Provisions for pension and other long-term employee benefit obligations	1,558
Financial liabilities of the Automotive segment	9,761
Financial liabilities of the Sales Financing segment and sales financing debts	24,017
Other liabilities	16,321
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**74,992**

Nissan at December 31, 2013 (1)

ASSETS *(€ million)*	
Intangible assets	4,636
Property, plant and equipment	34,803
Investments in associates (excluding Alliance)	2,918
Deferred tax assets	810
Inventories	9,657
Sales financing receivables	35,219
Automotive receivables	3,532
Other assets	7,458
Cash and cash equivalents	5,059
TOTAL ASSETS EXCLUDING INVESTMENT IN RENAULT	**104,092**
Investment in Renault	1,617
TOTAL ASSETS	**105,709**

SHAREHOLDERS' EQUITY AND LIABILITIES *(€ million)*	
Shareholders' equity	35,153
Deferred tax liabilities	4,694
Provisions for pension and other long-term employee benefit obligations	1,775
Financial liabilities of the Automotive segment	402
Financial liabilities of the Sales Financing division and sales financing debts	41,851
Other liabilities	21,834
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**105,709**

(1) Converted at the closing rate at December 31, 2013: EUR 1 = JPY 144.7.

The values shown for Nissan assets and liabilities reflect restatements for harmonization of accounting standards and adjustments to fair value applied by Renault for acquisitions made in 1999 and 2002, mainly concerning revaluation of land, capitalization of development expenses, and pension-related provisions.

Balance sheet items have been reclassified where necessary to make the data consistent across both groups.

Nissan's restated balance sheet includes the securitized items presented off-balance sheet in Nissan's financial statements under Japanese GAAP.

Purchases of property, plant and equipment by both Alliance groups for 2013, excluding leased vehicles and batteries, amount to:

(€ million)	
Renault	1,918
Nissan(1)	4,076
ALLIANCE	**5,994**

(1) Converted at the average exchange rate for 2013: EUR 1 = JPY 129.7.

Based on the best available information, Renault estimates that the impact of full consolidation of Nissan on its shareholders' equity calculated under current accounting policies would result in:

- a maximum 5-10% decrease in shareholders' equity – Group share;
- a €21 billion increase in shareholders' equity – minority interests' share.

1.4 RESEARCH AND DEVELOPMENT

At Renault, R&D is a source of innovation that contributes to the competitiveness and long-term strategy of the company. With more than €1,5 billion invested in 2013, Renault is showing its determination to meet automotive industry challenges and to converge with major technological and social trends.

Research and development expenditure *

	2013 ***	2012	2011	2010	2009
Net R&D expenses (*€ million) **	1,516	1,570	1,637	1,567	1,531
Group revenues (€ million) as publ*ished*	40,932	41,270	42,628	38,971	33,712
R&D spend ratio	3.7%	3.8%	3.8%	4.0%	4.5%
R&D headcount, Renault group	16,426	17,037	17,278	17,854	17,881
Renault group patents	620	607	499	304	362

* *All R&D expenditure is incurred by Automotive.*
** *= R&D expenses – R&D expenses billed to third parties and others.*
*** *Group Turnover in restated value.*

1.4.1 R&D HIGHLIGHTS IN 2013

The most recent R&D results can be seen on our latest vehicles and subsystems:

VEHICLES	POWERTRAIN COMPONENTS
CAPTUR	TCe 130 engine
SCÉNIC XMOD fitted with Extended Grip traction control	
QM3 in South Korea (Korean version of Captur)	
SM3 Z.E. in South Korea	

1.4.1.1 VEHICLES

CAPTUR: TRAVELLING COMFORT

The new urban *crossover* Renault Captur has two particularly useful innovations for everyday motoring:

- a large "*Easy Life*" storage drawer, the first glove box accessible from the driver's seat. With an 11-liter capacity for storing everyday items such as laptops, cameras and handbags, the *Easy Life* drawer is an original solution that is more attractive and practical than a regular glove box. It is also equipped with customizable LED lighting (depending on trim);
- "Zip Collection" seat covers that can be unzipped and washed in the machine. No need to remove seat stains or clean the seats inside the car itself, which makes sprucing the car up for resale that much easier. The front seat shells can be washed with a simple swipe of the sponge, as can the sides of the trunk and the removable, reversible floor, so transporting dirty objects is no problem.

Renault Captur also boasts original two-tone body paint that differentiates the roof, pillars and wing mirror shells from the rest of the body, a personalizable feature that is particularly appreciated by some customers.

QM3 is the South Korean version of Captur, with all the same innovations.

SCÉNIC XMOD: COMBINING PRACTICALITY AND PLEASURE

Scénic Xmod is the first vehicle in the range to feature the new Extended Grip system.

An advanced traction control function, Extended Grip is an upgraded anti-skid system enabling the car to grip the road confidently in difficult driving conditions involving snow, mud and sand. Drivers manually activate the thumb wheel on the center console to choose the assistance level required, "Road", "Loose Ground" or "Expert".

SM3 Z.E. IN SOUTH KOREA

Launched in South Korea in October, the Renault Samsung Motors-badged SM3 Z.E. uses the same technology and charging equipment as Renault Fluence Z.E. Produced at the Busan plant, it is the first electric car in the intermediate segment in the South Korean market.

1.4.1.2 POWERTRAIN COMPONENTS

TCE 130

The *Energy* range was extended with a new engine in 2013, the TCe 130, a more powerful version of the *Energy* TCe 115 taking over from the 1.4-liter TCe 130. Developing 130hp at 5,500rpm and 205Nm from as low as 2,000rpm, the latest-generation 1.2-liter direct-injection turbo offers the performance of a normally-aspirated 2-liter powerplant, making it ideal for use on major roads. "*Energy*" technology reduces fuel consumption by 15% to 20%, or a full 1 l/100km, compared with its predecessor.

EXTENDED GRIP, AN ADVANCED YET BROADLY AFFORDABLE TECHNOLOGY

- **The default "Road" mode, for use on hard road surfaces (dry, wet or icy), corresponds to a conventional anti-grip system setting. It reconnects automatically above 40kph if another mode has been selected between times.**
- **Drivers select "Loose Ground" mode to hand over drive-wheel management to the Extended Grip system, which automatically works on engine torque and the brakes to allow the front wheels to skid more. The M&S (*Mud and Snow*) tires clear the mud or sand from the road surface to gain a firmer grip and keep moving forward.**
- **In "Expert" mode, drivers get total control over torque, deciding on the car's acceleration while the system controls the brakes. Extended Grip is systematically combined with Mud and Snow tires featuring a special tread that is more effective on mud, sand and soft snow.**

1.4.2 R&D: PERFORMANCE AND INNOVATION

The determination to sharpen the Company's competitive edge has led all sectors to rethink their work, including upstream activities. Engineering as a whole is vital to the Company's competitiveness. In 2013 engineering policy directions were redefined and new impetus was imparted to boost development with a view to enhancing performance and value creation. The Engineering reports to the Competitiveness Department which has been created in September 2013.

1.4.2.1 GROUP IT QUALITY ENGINEERING DEPARTMENT

NEW ORGANIZATION STRUCTURE FOR IT QUALITY ENGINEERING

Engineering was comprehensively reorganized in 2013 with two main objectives in mind:

- improve the performance of our plants while safeguarding our advantages;
- strengthen the appeal of our products and the creation of value.

To meet the first objective, production engineering as a whole came under the control of Group Manufacturing and Supply Chain to bring it all the necessary industrial performance resources.

The second objective led to the introduction of a new organization structure for product engineering, and more globally, for all engineering, quality and IT activities, to bring the Company a product engineering entity (PC/LCV) aimed at reaching the highest performance levels:

- engineering is a "project manager", responsible for developing automotive products in terms of quality, cost, lead times and features;
- quality is responsible for ensuring the quality and reliability expected by customers, from the R&D phase through to the end of product life;
- IT is responsible for maintaining and developing all necessary Group IT tools and data, in coordination with Nissan, as part of the synergies implemented between the two Alliance members.

ENGINEERING

The new organization structure is based on:

- a department in charge of all project coordination. The Project Engineering department groups all the players involved in coordinating engineering projects, from vehicles, powertrains and platforms to systems and hybrid technologies. It is tasked with ensuring that engineering, in this phase of development, creates value for the customer. To ensure the global performance of projects, it handles upstream project framework and coordinates the development of projects in terms of quality, cost, lead times and features with the support of a Project Management Office, responsible for the consolidation and operational monitoring of all projects in the range plan. This approach strengthens and improves project management;

- an entity dedicated to the production of new ideas and the coordination of innovations. The Engineering Innovation department operates in project mode so as to more rapidly integrate innovations in the range through the systems and functions, thereby reducing time to market;
- three functional departments responsible for designing, developing and validating systems, vehicles and powertrain components: the Vehicle Engineering, Powertrain Engineering and Systems Engineering departments. This last department was set up to roll out Group-wide the policy of the same name. The aim of the functions is to standardize and develop modules with a view ultimately to strengthening their contribution to the creation of value;
- an entity grouping a set of services and resources contributing to design efficiency. The Tests & Services Engineering department includes technical documentation, modeling and digital simulations, regulatory watch and vehicle homologation, materials engineering, vehicle and powertrain prototypes both physical and digital, and vehicle, powertrain and systems testing;
- an entity in charge of all engineering business activities contributing to Renault's profitable growth. The new Engineering Partnership and Business Development department groups the sales and purchasing of components, systems, modules and parts and the sales and purchasing of engineering services involved in strategic partnerships or for third-party customers. The department was created in response to the strong growth in these activities over the last two years, a testament to the quality of, and the trust of the automotive industry in, the Group's R&D.

AN ORGANIZATION STRUCTURE WITH AN INTERNATIONAL FOCUS

The new organization structure also aims to take full advantage of the worldwide network of global engineering centers (RTxs). Responsibilities are clearly delineated between corporate and the RTxs, with these last contributing to the knowledge of local markets, local sourcing and production life and having varying degrees of responsibility in the development of a vehicle, module, function or skills center in a given technical field (see chapter 1.4.4.1). Naturally, corporate is responsible for coordinating the whole to ensure global performance.

The new structure retains the fundamental guiding principles of the project platforms and product-process convergence, which remain vital to performance.

The system is also underpinned by a refocus on core business activities. An engineering function focused on its core business is able to delegate activities falling outside of this scope to better skilled and/or more competitive partners. The regular use of specialized partners in non-core business activities is organized through work packages, with regular and independent partners committing to results and long-term competitive costs as part of a medium-term collaborative view and responsible for upskilling to meet the commitments. These activities are coordinated by corporate engineering.

UNIFYING INJECTION SYSTEMS WITHIN THE ALLIANCE

Increasingly stringent environmental standards, the rise in engine power and torque, the reduction of fuel consumption, and the improvement of driving pleasure are all leading to the development of more sophisticated and complex engine control systems.

New engine control systems have to fully control engine operation and bring customers a flexible, brisk and smooth engine that starts up in all weather conditions. They also have to reduce pollutant emissions and fuel consumption. In addition, these systems interact with other vehicle systems including the onboard power network, Electronic Stability Control and Stop&Start to increase safety and driving pleasure.

Given this growing complexity, Renault and Nissan powertrain engineering teams have started to work together and pool new engine control systems (electronic control unit, injectors, ignition coils, spark plugs, sensors) for new vehicle platforms (the Common Module Family).

In 2013 these efforts led to a 50% reduction in the diversity of gasoline injection control units, as part of the switch from Euro 5 to Euro 6, with a direct impact on the cost of injection systems.

QUALITY

The new organization structure aims to strengthen the cross-cutting work of the Quality department, built on three pillars:

- a Quality Assurance unit grouping quality assurance engineers from all programmes;
- central quality management organized into three parts:
  - a Customer Quality department grouping all customer data, including warranty claims and customer survey analysis. The aim is to facilitate the continuous improvement of Quality results in order to rank Renault among the very best across all fields on a lasting basis,
  - an Alliance Vehicle Evaluation Standard (AVES) department, in line with priorities in perceived quality,
  - an organization and performance department;
- six departments per function: engineering, production engineering, manufacturing, logistics, purchasing, and light commercial. These departments round out the existing network of Regions, plants and other functions.

IT

In the main new development, a Renault IT department has been created to ensure local management at a time of significant change for the Group, consistent with the strategic policy directions of the Alliance.

The department is tasked with:

- implementing at Renault the Alliance IS/IT strategy drawn up by Alliance CIO;

- supplying all the IT services at the Renault group with the service quality required by Group users;
- providing support for the strategy and the performance of the functions;
- continuously improving the performance of the IT function by reducing costs and adapting resources at global level.

1.4.2.2 PERFORMANCE RESOURCES

STANDARDIZATION

In 2013 Renault pursued its standardization policy based on a strategy of sharing platforms with Nissan and on the introduction of modular design.

The rollout of modular design is well underway with 94 modules (out of a long-term 110) introduced in six waves. At end-December 2013, 56 modules – 19 of which in 2013 – will have gone into the advanced development phase with a view to definite or almost-definite future launch. Savings are in line with the objectives set for all contractual modules:

- an average 40% reduction in parts diversity and as much as 80% for some parts;
- an average 35% reduction in initial outlay;
- a considerable decrease in unit costs, over 20% on average, by optimizing design and increasing volumes per reference.

A final wave will be launched in 2014 to reach the mark of 110 modules, covering over two-thirds of the value of the vehicles.

In other noteworthy news, the module design process is now part of the Renault design system and V3P (see below).

The standardization level of each new project is systematically controlled by setting a "carry over carry across" (COCA) objective (for parts that are reused or cross-functionalized right from the start) and through monitoring at each project milestone.

The Common Module Family (CMF) approach is a new phase in standardization, for Renault and for the Alliance. The guiding principles of the CMF approach are to:

- standardize what the customer does not see (underbody) and bring customers diversity in what they do see (upper body);
- determine the right sizing and the right level of associated features;
- take advantage of the economies of scale of the Alliance (number of vehicles and geographical coverage) to increase competitiveness, with the Alliance having sold 8 million vehicles worldwide in 2013.

The CMF leads not just to the pooling of parts or a platform, but also to standardized architecture zones, called "big modules", made up of pre-assigned volumes, positions and interfaces of a group of major components. Four big modules exist in terms of physical architecture – engine compartment, cockpit, front underbody and rear underbody – along with a big module for the electric and electronic architecture (interconnected with the components of the other big modules). With these basic building blocks, we can devise multiple combinations and build CMFs applying to several range segments or platforms, allowing for more product diversity and better cost control.

The CMF approach can be used to address all cost items, including synergies, volume sharing, economies of scale and shared risk as part of the Alliance, in terms of:

- component purchasing: 20% to 30% reduction of costs at Alliance level;
- investments: 30% to 40% reduction of costs in product and process engineering, with variations between Nissan and Renault.

The CMF generates an "Alliance parts bank" big enough to build a diverse product range meeting customer needs as closely as possible. This is achieved through the support of the Renault Nissan Purchasing Organization (RNPO) and the procurement power of an Alliance that sold 8 million vehicles in 2013.

Renault aims to implement this approach in the compact and family-car segments (C and D), followed by city cars (A segment) and versatile vehicles (B segment) in 10 countries on five continents.

ECONOMIES OF SCALE

Renault has its own experience in pooling parts and initial modules with its own vehicles:

- **before the Alliance was formed, Renault produced several bodies on a single platform, notably with Mégane I from 1995-1996: six bodies (B, D, J, L, K, E 64);**
- **followed by standard architecture for the engine compartment (CMO 2010/Engine compartment 2010) and electric/electronic architecture (Media Nav);**
- **more recently, a number of parts (radio, navigation, steering wheel-mounted controls) were pooled for 10 Renault group models (1.3 million vehicles) in the B and Entry segments.**

By sharing their B segment platforms, Renault and Nissan have since 2002 pooled components to a level of 60% in terms of underbodies and engine compartments on 25 vehicles:

- **8 Renault bodies: Clio III and Clio III Estate, Modus, Grand Modus, Clio IV, Clio IV Estate, ZOE, Captur;**
- **17 Nissan bodies: Micra 3, Cube 2, Cube 3, Note 1, Juke, Bluebird Sylphy, Livina, Grand Livina, Tiida (Versa), Tiida Latio (Versa Sedan), Wingroad, AD-Van, NV 200, Leaf, New Tiida H/B, New Sylphy/Sentra.**

While component sharing for the C platform is considerably lower than the 60% for the B platform, it forms the basis for several models and remains a symbol of sharing:

- **17 Renault bodies: Mégane II (B, C, T, R, E, L, K), Mégane III (B, D, J, R, E, K), Kangoo II (L0, L1, L2), Fluence/SM3.**

V3P: VALUE-UP PRODUCT PROCESS PROGRAMME

Following the 2012 rollout of Renault's new engineering development approach, V3P, the approach in 2013 was centered on vehicle projects in the C and D segments. In addition to implementation, the focus was on feedback for each project at the end of four phases: upstream, optimization, development, and industrialization. Eight sets of feedback were analyzed in 2013. The recurring problems identified are being processed with a view to providing continuous assistance to Renault players working on current projects by enabling them to benefit from solutions found for previous projects. In parallel, an approach on analyzing and increasing robustness at each milestone is focusing on the most complex aspects and the toughest objectives so as to be able to pass the milestone in the next development phase.

QUALITY – DURABILITY

Quality is a major component in the Renault – Drive the Change plan and maintaining quality over time remains a priority objective. Durability is tested in particular via EDAU tests on durability in appearance and use, which reproduce everyday vehicle handling over a two-month period equivalent to three years in the life of a vehicle.

ADAC REPORT

The report produced by ADAC (Allgemeiner Deutscher Automobil-Club) is one of our most important external indicators, especially in Europe, for the reliability of one- to six-year-old vehicles. The survey compiles vehicle breakdowns for all makes and all models on German highways.

In the latest report, published in April 2013, Twingo was rated as a leader in its category, scoring the best performance by a Renault model in each of the six model years, underlining its durability. Scénic also posted a strong performance, with consistently strong results for all models produced since 2009.

In 2013 perceived quality became a new lever in the Group's quality strategy. A systematic "perceived quality" review is made at each major project milestone. Also, no fewer than 16 exterior and interior geometry and methodology projects are underway. We are working day to day to improve our design standards in the medium term, notably in reducing gaps and enhancing flush mounting. Real-life results are already visible on Clio IV, which has made a real leap forward on quality.

CLIO IV JUDGED BY CUSTOMERS

A survey carried out with the first Clio IV customers in France shows that they appreciate the perceived quality of the products. Interior and exterior finish quality were rated as "Very good" by over 55% of respondents, with no negative opinions. Only the quality of the interior materials received a somewhat mixed reception, with 47% "Very good" ratings.

We are continuing our policy on improving durability and perceived quality in our current development projects with a view to ensuring customer satisfaction in all our markets.

INNOVATIONS AND PARTNERSHIPS

The innovation process was revised in 2013 to more robustly integrate innovation in projects and to factor in standardization plans and systems management early on in the development process. New criteria on brand values were taken into account so that innovation makes a better contribution to strengthening brand image. In addition, process synchronization work was finalized for pre-projects, the aim being to list the innovations to be factored in to the development of each vehicle project.

Three highlights can be noted in terms of the organization and running of partnerships:

- a framework agreement was signed with France's national scientific research center CNRS (see below) to smoothen out contracting with research laboratories;
- a process is being implemented with Nissan on identifying, right from the product demand phase, innovations that could be co-developed without the partners doing the same work twice;
- Renault's strong commitment to the French automobile platform (PFA), aimed among other things at unifying the research work of manufacturers and national laboratories while benefitting from public financing (through the French government's "Investissements d'avenir" investment plan). In addition to its presence and responsibilities as part of the PFA, Renault notably focused on the project for a vehicle consuming 2 l/100km or less, with some ten collaborative initiatives having been organized to that end, some of them in the form of joint innovation contracts with our partners.

COLLABORATIVE TOOLS

Renault employees now make habitual use of collaborative tools such as online chats and virtual audio and video conferences, with more than 16 million virtual dialogue sessions per month, three times more than in 2012.

In 2013, through training and tutoring, the emphasis was on collaborative work via virtual communities as part of cross-cutting projects and initiatives. Engineering has gained a firm grasp of these resources and remains by far the biggest user.

The rollout of the Renault's company social network, *My Declic*, begun in June 2012, continued in 2013, with the number of users reaching 16,400 in December 2013, twice as many as at end-2012.

1.4.3 TECHNOLOGY PLAN

Renault's technology plan remains the backbone of Research and Advanced Studies, structured into quantified, planned and prioritized projects. Projects are grouped into six priority subject areas: innovative architectures, electric vehicles and their ecosystem, internal combustion/eco[2] vehicles, onboard comfort and reassurance, new services, and affordable costs

The objective of 15 innovations a year in the second part of the Renault – Drive the Change plan was confirmed in 2013, as was the strategy of strong links between innovations and brand identity. As such, the priority topics logically remained the same. As part of this continuity, existing projects are moving ahead and new ones being introduced.

1.4.3.1 INNOVATIVE ARCHITECTURES

It is in this field that Renault has undoubtedly marked automotive history, as seen with R16, Espace, Scénic and Twizy.

The legacy is being continued with new projects:

- in 2013 Renault revealed a concept car, Twin Z, previewing the styling of a future city car. Drawing its inspiration as much from Twingo as from the Renault 5, two superminis that broke new ground in ways that truly marked their time, Twin Z is a rear-wheel drive car with a rear-mounted engine. This architecture enabled the wheels to be pushed out to the car's extreme corners to provide it with a solid grounding and large platform, resulting in outstanding cabin space in relation to its compact footprint;
- Renault is preparing a broadly affordable vehicle consuming just 2 l/100km. The objective is to reduce vehicle mass and drag by 30% while maintaining cost price. A demonstration vehicle planned for 2014 will herald a number of innovations, including the use of new materials and the integration and adaptation of functions – such as the powertrain – to the new vehicle mass, along with an adapted body, with no impact on roominess, functionalities or styling.

1.4.3.2 ELECTRIC VEHICLES AND THE ECOSYSTEM

Renault is a pioneer and leader in this expanding market with a range of zero-emission vehicles that makes a clean break on CO_2 emissions.

The Company is focusing on increasing battery range and keeping costs down, through work on battery chemistry, cooling management, increased capacity and durability regardless of vehicle use conditions, and reduced charging times.

1.4.3.3 INTERNAL COMBUSTION VEHICLES

To respond to the planet's energy and environmental challenges, Renault has set an objective to significantly reduce CO_2 emissions.

In first-half 2013 the Renault group was the European leader on low CO_2 emissions in passenger car sales, with an average 115.9 g/km of CO_2 (Source: AAA DATA). The average CO_2 emissions for the entire Renault group range were reduced by nearly 10 grams between 2012 and first-half 2013, falling from 125.5 g/km to 115.9 g/km. The objective is to go under the 100 g/km mark in 2016 with the integration of the electric vehicle.

THE AWARD-WINNING ALMA PROJECT

France's PREDIT programme on land transport research and innovation this year awarded an Innovation prize to the collaborative project ALMA (Architecture for Low Mass) in the competitive manufacturing category. The award acknowledges the scientific results achieved in a key PREDIT area, "Transport Industry Competitiveness", coordinated by the Ministry for Industrial Renewal. In practical terms, the results lead to a 110kg weight cut for a C segment car, through the use of innovative architectures and materials.

Examples:

- **polymers were used for the seats, enabling the integration of floor-linked functions;**
- **51kg was shed by using new high-performance steel solutions that reduce thickness;**
- **new thermoplastic and hybrid solutions were employed, including for side openings, favoring cutting that enables the integration of functions;**
- **high-temperature thermoplastic was used in the engine compartment instead of aluminum;**
- **mass was also reduced through the use of composite components in the suspension system.**

Renault partners in the ALMA project: Arcelor Mittal, Ecole Normale Supérieure de Cachan, Faurecia, L&L Products, Mecacorp, Plastic Omnium, Promold and SARA Composite.

To maintain a high level, Renault has committed to the 2 l/100km project (see above), which will be ecological, economical and connected. Four priority objectives are involved:

- the reduction of energy consumption. We are exploring several paths, including weight reduction, improved aerodynamics, reduced friction and improved efficiency for energy-consuming accessories such as air conditioning;
- improved efficiency for conventional engines and transmissions;
- to take things up a notch, the use of hybrid drive trains and electric power;

- connectivity, key to reducing energy consumption. Eco-driving assistance and informed navigation – traffic management to avoid jams – can reduce consumption by around 25%.

While these are not the only priorities, they are the most important in the 2 l/100km vehicle project.

1.4.3.4 ONBOARD COMFORT AND REASSURANCE

Renault's brand identity is an invitation to R&D to stimulate innovation in every area that helps to make driving a pleasant and relaxing experience. Renault projects in this field focus on several types of breakthrough: in technologies, in use, and in business models. The aim is to make new functions in comfort and well-being available to everybody. These breakthroughs are to be simple, intuitive, affordable and customizable, in line with the brand image.

Example: the "*Smart Objects*" project aims to make cars more intuitive and user-friendly by extending the possibilities of in-car multimedia devices, at two levels:

- the driver and the vehicle: with near field communication tagging, the vehicle is able to identify its owner in all locations (office, home, etc.), while connected services are secure at all times. In addition, connected IP cameras enable remote vehicle control;
- nomad devices and the vehicle: smartphones and other mobile devices are becoming real extensions of the in-car multimedia system (diary, navigation, multimedia library, etc.).

The aim is to reinvent interaction between motorists and their vehicles by integrating the entire set of communicating technologies and make the car a connected product in its own right.

Another example, this time concerning light commercial vehicles, is the "Flexible Cargo" project, aimed at improving onboard comfort through the personalization and optimization of load areas. The idea is to develop a number of "small extras" that are extremely practical to use. The load area consists of a "bird cage" structure covered in standardized, smooth plastic panels, contoured in vehicle assembly. This structure can be used to pre-equip the load area, making it easy for customers to personalize it in line with their needs. A prototype shown to a panel of customers proved an overwhelming success!

The NEXT TWO autonomous vehicle, Renault's exploration of broadly affordable hyper-connected car travel.

The prototype reflects Renault's vision of the autonomous vehicle for 2020, a combination of semi-driverless operation that frees up time for motorists and hyper-connectivity to use that time to the full and invent the accompanying lifestyle:

- freeing up time through semi-driverless operation at an affordable cost;
- using that time to the full with in-car hyper-connectivity.

1.4.3.5 NEW SERVICES

Society is changing, with the advent of new technological possibilities and new lifestyles and social relations. Collaborative work and interaction are on the increase, as are networks and communities, and non-stop connectivity is becoming a more important need. Electronic technology is changing across all fields. At the crossroads of these two major trends, the automobile also has to change. In particular, in addition to real-time information it has to provide continuity of use in each of the different environments of the driver and passengers.

Example: the advanced urban mobility platform, or PAMU. This project consists in developing an automated valet service. The vehicle is designed to function in driverless mode in a controlled environment with no passengers on board. The car functions autonomously between the parking/charging area and the meeting point designated by the user.

Implementation of the service hinges on four main systems:

- a computer-controlled chassis system;
- an environment perception system;
- a vehicle localization and navigation system;
- an off-board supervision system.

A prototype based on Fluence Z.E. has been produced and tested in partnership with the Yvelines General Council, UTC, ENSTA, IFSTTAR, Mobileye, Bosch, Acumine, Tecris and Viveris.

1.4.3.6 AFFORDABLE COSTS

Making mobility accessible to all means deploying a range of modules, components and systems with an emphasis on simplification and standardization, both of which make vehicles more affordable (see above).

1.4.4 LONG-TERM TARGETS

Upstream of the technology plan, the Research Plan (plan [R]) is aimed at establishing breakthrough target values, setting out road maps to achieve those values – by identifying the requisite scientific and technical knowledge – and, ultimately, acquiring the key knowledge required to make the breakthroughs in question. In short, target values pave the way for clean breaks in terms of technology and use.

Example: in-car technologies for mobility.

Cars are becoming increasingly "intelligent" through the combination of three sets of functionalities made possible by the development and integration of a range of technologies:

- driving is increasingly automated. Tasks already assisted by driving aids will gradually require less and less driver input, at least during journey phases (context-based delegation). This change will become affordable through progress in sensors, actuators, control algorithms, and systems engineering. Examples include the widespread availability of automatic parking functions and pedestrian-detection emergency braking systems;
- vehicles and occupants are connected to the outside world. Connectivity brings motorists connected services (apps designed for cars) while providing safe driving conditions. Examples here include fleet management and predictive maintenance. Connectivity also improves mobility conditions. Journey management, either by driver or in-car automation, is to become context-based and predictive through the use of information provided by communication resources. The automobile can now be connected to any number of information sources or "smart" resources, as seen in variable speed limiter systems based on traffic conditions, in which the speed limiter setting is automatically adjusted to actual conditions;
- cars are being integrated in a global system of mobility and transport modes. Automated and connected cars are becoming a sub-system of a global system of means of transport using web technologies that optimize the multimodal use of transport resources. Local and decentralized supervision will coexist with centralized management and supervision. Examples include a back office for optimized global traffic management and an inter-modality management system.

A number of conditions have to be fulfilled for this future to take real-life form, including regulations, infrastructure, interoperability, and collaborative work between the automotive industry and public authorities. But that future is taking form, as seen in France with the PFA automotive industry platform.

And Renault is part of the development, especially in the use of smart technology to improve motorists' lives, freeing up their time and helping them to use it better. "Non-productive" time in traffic jams is estimated at an average 45 minutes a day at under 5kph in agglomerations, while parking in large cities takes an average 20 minutes per trip. The response lies in hyper-connectivity (Bluetooth, WiFi, 2G, 3G and 4G), which makes the car a place for living, similar to houses and offices, and a linked-up hub in an open system. Just as R-Link, based on Android, is open to "external" apps, tomorrow's cars will be directly in the cloud.

Examples: include smart diaries, TV, web radio, Internet, video conferences, online ticket booking, local contacts, social networks contacts.

1.4.5 SKILLS, PROFESSIONS, EXPERTISE AND PARTNERSHIPS

1.4.5.1 INTERNATIONAL

Renault engineering has several decentralized entities (RTx) located close to the Company's target markets. South Korea, Romania, Brazil, India and Russia make up a worldwide network supported by corporate teams in their growth and upskilling.

Tasks are clearly broken down between corporate and RTx:

- corporate is responsible for developing platforms, powertrain components and initial vehicles or new-generation powertrain components (known as "mother" and "grandmother" components) and the module policy. Corporate is responsible for the upstream phase;
- the RTX entities contribute to knowledge of local markets, local sourcing and production life. Their role is to adapt brand products locally to the needs and expectations of new customers and to local regulatory and economic constraints. They have varying responsibilities in the development of vehicles, modules, functions or skills centers in a given technical field.

RTR: UPSKILLING AND DELEGATION

Renault Technology Romania (RTR) focused on skills improvement in 2013. Set up in Romania in 2006, the engineering center is now responsible for the development of the Entry range, having managed the renewal of Logan, Sandero and Sandero Stepway.

Taken over officially in July 2011 at the end of the design phase, the Logan project illustrates the Franco-Romanian collaborative effort following Duster development in 2010. Before the transfer, a team of Romanian engineers worked on the project in France and Romania over an 18-month period. Once the project was fully handed over to RTR, it was led to completion in Romania, again over an 18-month period, watched over by supervisors from central engineering in France and locally in Romania.

RTR today coordinates the international rollout of the new Entry range at six plants, with the cooperation of the other local engineering centers (RTX) and corporate teams.

1.4.5.2 NEW DESIGN AND VALIDATION RESOURCES

The technical centers and test resources are the main components of the global engineering system and key to the performance, quality and competitiveness of Renault R&D. In 2013 an investment plan worth around €30 million was focused in particular on simulation and R&D tools and the improvement of worldwide test resources, continuing on from previous years.

NEW IMMERSIVE INTERACTIVE 3D SIMULATOR AT THE TECHNOCENTRE

As part of its digital validation strategy, in 2013 Renault engineering in France equipped the Technocentre in Guyancourt, France with an all-new immersive, interactive 3D simulator with the highest resolution quality currently available. The simulator features Cave Automatic Virtual Environment (CAVE™) technology with 70 million 3D pixels and considerable computing power, measured in tens of Teraflops. The new resource is used to observe and interact with a scale-one digital vehicle, outside and in, and analyze all details in real time using digital databases from design and engineering. The aim is to continuously improve the perceived quality and ergonomics of future Renault vehicles.

DIGITALLY CONTROLLED SCALE-ONE MILLING MACHINE FOR PROTOTYPES

The Technocentre invested in new prototyping equipment in 2013 in the shape of a digitally controlled milling machine that, in a world first, creates scale-one vehicle aerodynamic models in a single go.

The new resource also produces large molds for units and models and can mill several parts in batches at the same time for cabin/livability models. The investment was made to shorten development times and prepare even further ahead for vehicle development.

STRENGTHENING WORLD ENGINEERING R&D RESOURCES

The larger part of this year's investments in conventional vehicle and powertrain design and development were made in equipment used to optimize friction and test benches for 4x4 vehicles at the Lardy and Aubevoye sites, with the upgrading of 'world' facilities to meet new pollution standards and vehicle testing linked to the reduction of development times.

In electric vehicles, after substantial investments in 2008-2012, Renault in the Paris region now has a sizeable testing infrastructure for validating electric components and sub-assemblies.

These resources cover all specific components and systems, power electronics, batteries and the Group's electric drivetrain.

INTERNATIONAL DEVELOPMENT OF J GEARBOX

The J gearbox, produced in six countries in multiple versions and shipped to over 30 assembly plants on four continents, is an ideal illustration of Renault's international development strategy. After 30 years of production, the 50 millionth unit was produced in 2012. In 2013 it arrived in two new Renault markets: India, with production approval given in January, and China, where a few months later the first models came out of the Dongfeng Nissan Engine Company (DNEC) plant, to be fitted on Nissan cars sold in China.

THE "FABLAB" COLLABORATIVE CREATIVITY SPACE

The FabLab, opened at the Technocentre in 2013, is a space dedicated to experimenting and following through on new ideas. It is a place where people can come together and talk, presenting, debating and improving fresh ideas and projects. It is also a place where ideas can take physical form, using a range of fast prototyping tools, including 3D printers. The FabLab is an informal and productive venue.

1.4.5.3 THE EXPERTISE NETWORK

The expertise network, launched in January 2010, is organized into 50 strategic expertise areas, 35 of which are now overseen by a "leader expert".

INTERNAL/EXTERNAL NETWORK

The internal network of strategic expertise areas has grown, from 122 experts at end-October 2012 to 141 at end-December 2013, and from 343 to 408 consultants over the same period.

The external skills network also grew over the same timeframe, to some 850 entities. The objective is to have the best external skills for benchmarking, sharing R&AE work – with Nissan as well as other carmakers, including PSA (eg engine consortium) – developing co-innovation projects (as we do with equipment suppliers), accelerating upskilling in core activities, and promoting Renault interests with national and international bodies, including the ACEA, IEA and UN. As part of France's PFA automotive industry platform, the expertise network helps to prepare technical automotive committee meetings though strong commitments to developing projects such as the 2 l/100km car. The network's links with regulatory bodies are used to help build regulation and keep the Company informed of any future changes, the aim being to get a head start on the requisite technical characteristics. The network addresses long-anticipated standards and regulations (EuroNCAP, CO_2, vehicle emissions) as well as changes in these regulations, an example being the European directive introduced in September 2013 reducing the share of biofuels in alternative energies.

ONE NETWORK, MANY ROLES

By building strategic policy directions, the expertise network has, since 2010 and working with Nissan, helped to establish scenarios on sharing best practices and pooling purchases of the raw materials used in automotive production. The plan, part of the Raw Materials Cross Company Team, generated gains of several tens of millions of euros for Renault in 2012 and 2013.

Technical and economic road maps, drawn up under the responsibility of leader experts for key areas including product strategy, regulations and competitiveness, give the Company the necessary visibility on the timing of the introduction of product, process and service innovations and on development costs and the accompanying gains. The road maps address the major breakthroughs to be taken into account over the long term, and are informed by the main priorities in the Research and Innovation plans. They also support the Company's work on achieving low CO_2 emissions, a field in which Renault was the European leader in first-half 2013 with an average 115.9 g/km (value based on 100% of vehicles sold).

The expertise projects guiding and underpinning company strategy involve on a cross-functional basis all of the players concerned on work to improve features and optimize the architecture and production of vehicles. In 2013, eight such projects were presented, their conclusions helping to upgrade technical policies and applied rapidly to programmes.

Projects in the Research and Innovation plan, coordinated by Renault Research and Innovation, are informed by priority technological focuses. As part of the development of synergies with Nissan, additional topics proposed by Renault and Nissan leader experts will be shared starting in 2014.

Coordinated by the leader experts, the Design Review process, mirroring that of Nissan, serves to increase the number of innovations developed in projects while supervising their quality level. In terms of vehicles, a considerable number of innovations introduced in 2012 and 2013 (in areas including multimedia and safety) will contribute to improving features and onboard comfort. In powertrains, a range of innovations integrated in 2012 and 2013 (including reduced friction) will lead to extra reductions of several g/km of CO_2 on the next generation of engines.

In production life, the expertise network is involved in drawing up scenarios on the replacement of components and systems to offset disruptions in supply from our suppliers, resulting from industrial accidents or major natural catastrophes.

The expertise network is also responsible for devising solutions to sharpen the Company's competitive edge. Savings of several million euros can be generated in the approval and design phase by using simulations rather than heavy, physical tests and by introducing automatic optimization techniques applied to vehicle mass reduction, and in manufacturing by adapting anti-corrosion treatment and supervising the introduction of precious metals in post-treatment processes.

In terms of labor, the expertise network helped to draft the Renault group competitiveness agreement signed in March 2013.

In parallel to the work carried out with the corporate teams, the expertise network is also involved as early as necessary in support for the Regions, for example by drawing up recommendations on adapting existing vehicles to local customer needs or local regulations (for example, on fuel consumption and CO_2 emissions), as well as improving fleet sales.

As planned, benchmarking on the introduction and performance of the expertise network was carried out in 2013 with several groups and entities, including Eurocopter, Safran, Plastic Omnium, Faurecia and Cartier. The exercise endorsed the policy directions taken internally on the structure of the network, the definition of strategic areas based on core-activity analysis, and above all on the assignments and responsibilities allocated to the network. This benchmarking can also be used to fuel the plan on improving the operation of the expertise network (for example, through showcase events).

The expertise network will continue to be rolled out in 2014, particularly in the sales functions. Work on contributing to the development of the Regions will also be stepped up. Expertise network operation will be strengthened through the introduction of processes formalized in 2013, including career paths, performance appraisals, showcase events and job grading, that will be fully integrated in the Company's HR processes.

1.4.5.4 SCIENTIFIC AND TECHNICAL PARTNERSHIPS ✦

INNOVATION AND PARTNERSHIPS

R&D collaboration contracts are an essential component of research activities. They contribute to skills development and cost-sharing while acting as a lever to speed up the pace of innovation. This can be seen in the figures for 2013 (figures at December 31, 2013):

Collaboration contracts: 97		CIFRE agreements: 102
European contracts: 33	French contracts: 64	

Here are a few examples from the portfolio of projects:

- Elibama (European Li-ion Battery manufacturing for electric vehicles) led by Renault;
- Powerful (Powertrain of Future light-duty vehicles) led by Renault;
- Atmo (development of deNox system modeling tools to design Euro 6 and Euro 6+ exhaust lines) led by Renault;
- Asap (ultrasound welding control) led by Renault;
- Voiesur (Vehicle Occupant Infrastructure, studies into safety of road users – LAB (EIG with PSA)) led by Renault;
- Udrive (European naturalistic Driving and Riding for Infrastructure & Vehicle safety and Environment – LAB (EIG with PSA)) partnered by Renault.

LINTERMAC PROJECT WINS AN AWARD

In addition to ALMA (see above), the PREDIT land transport research and innovation programme recently awarded a prize in the Energy and Environment/Technologies category to the linterMAC project focused on modeling the flame/wall interface in spark-ignition engines, and as part of which Renault is the partner of IFP Energies Nouvelles.

COMPETITIVENESS CLUSTERS

The main competitive clusters in which Renault is strongly involved remain Mov'eo and System@atic in and around Paris, and ID4Car in western France.

One of the remits of the competitiveness clusters is to bring together large groups with small and medium enterprises and academic institutions as part of collaborative research projects. Through the clusters, Renault leads or partners several certified projects, namely:

- Alma (Architecture for Low Mass & Aerodynamic drag – weight reduction) led by Renault;
- LaBS (Lattice Boltzmann Solver digital tool) led by Renault;
- Cineli (interoperable electric induction charger) led by Renault;
- Simcal (modeling of calendar ageing of electric energy storage systems on board road vehicles) in which Renault is a partner;
- Bicnanocat (ionic bombardment processes for nano-catalyst design) in which Renault is a partner;
- Osccar NO_x (tools for simulating and understanding NO_x reduction catalysis) led by Renault.

Alongside these collaborative projects, Renault is proactively involved in the way these clusters work, notably participating in the organizational bodies of the clusters, including the Board of Directors and offices, scientific and operational committees, and members and coordinators of strategic activity areas.

In 2013, to meet growing expectations on support for innovative small and medium enterprises, Renault with the Mov'eo cluster implemented regular reviews of the innovations devised by the businesses in the cluster. Following the reviews, partnerships may be formed between the business and Renault to develop innovation. Three partnerships with businesses are currently under review.

STRATEGIC AGREEMENTS

Renault-CNRS framework agreement

Following a year of scientific, strategic and legal discussions, Renault and CNRS signed a new framework agreement on May 15, 2013 for a three-year period.

The strategic project between Renault and France's largest research institute fosters the emergence of new solutions in sustainable mobility.

Renault and CNRS have signed some 100 contracts involving nearly 100 CNRS laboratories across France (in Lyon, Lille, Montpellier, Clermont, Rouen, Paris, Orléans, Bordeaux, Poitiers, Grenoble, Rennes and Strasbourg) since early 2010. Over one-third of the contracts governing these collaborative projects are for multi-year periods, including CIFRE.

The majority of the projects concern the sciences of engineering and systems and notably focus on combustion, material fatigue, and thermal and aero-acoustic fields (analysis and prediction of aerodynamic-origin noise).

The new framework agreement confirms the continuation of current projects with CNRS laboratories and also fosters the exploration of new collaborative and innovation research areas in the coming years. For Renault and CNRS teams, these new fields will include neuroscience, virtual reality, ergonomics, new materials, and catalysis.

CEA: several R&D agreements

On June 24, 2010 Renault and the French Alternative Energies and Atomic Energy Commission (CEA) entered a research and development agreement to work together in the field of clean vehicles and sustainable mobility for all. Since then, Renault and CEA have worked on a number of joint research projects in a number of areas, including new energies for transport, the electrical and electronic architecture of the future, and smart charging and discharging networks.

Also in 2010, a second agreement was signed on new generations of batteries for electric vehicles. In 2011 joint project teams were set up, including the creation of a joint laboratory at the CEA in Grenoble staffed by a permanent team of Renault researchers. The activities of this joint laboratory cover all areas relating to Li-ion batteries, from the development and benchmarking of active materials to breakthrough scenarios. In July 2012 the initial agreement between Renault and CEA was partially extended to LG Chem, world leader in Li-ion batteries and supplier for ZOE and Twizy. The aim is to make a new step forward in the development of the next generation of batteries. To that end, new materials are being jointly developed and assessed with a view to significantly increasing the energy density of the cells of the batteries while reducing their cost.

Daimler: co-research and co-development

Renault and Daimler are involved in a project to develop a small car and also work together upstream in:

- European projects:
  - Elibama (European Li-ion battery advanced manufacturing for electric vehicles), on mass production processes for Li-ion batteries and electric components,
  - WIC2IT (Wireless inductive charging to interpolation testing), on contactless charging;
- fuel-cell powertrains. Research continues as part of a cooperation agreement between the Renault-Nissan Alliance and Daimler, with Nissan taking a headlining role for the Alliance;
- processes (materials, specifications, use), in which synergies, collaborative work and dialogue have been identified between Renault and Daimler, as well as with Nissan;
- more future-looking topics such as driverless cars, where discussions are underway.

PSA-Renault Research and Study economic interest grouping

The PSA-Renault Research and Study economic interest grouping (a form of cooperative venture) houses the cooperation projects between the two manufacturers in shared fields of interest. Historically, the two main areas of study were linked to the LAB, set up in 1969 and focused on accidentology, biomechanics and human behavior, and the GSM, set up in 1980 and working in biofuels, diluted gasoline combustion, modeling and reducing diesel pollutant for Euro 7, engine/motor optimization for hybrid vehicles, and low-power internal-combustion engines.

The PIA RAMSE3S project, led by GSM, was confirmed in 2013. The project covers a work programme of a little over three years for a total €17 million.

In 2012 the PSA-Renault economic interest grouping extended its scope of cooperation to include electro-technical aspects and efforts to make vehicles lighter. These directions took real-life form in 2013 through the presence of Renault and PSA, under the PSA-Renault economic interest grouping, at the materials technological research institutes (Jules Verne and M2P).

INVESTING IN THE FUTURE

The main economic programmes launched in 2010 included a €35 billion programme on investments for the future. Since then, Renault has submitted several key high-tech projects on the following subjects:

- vehicles of the future: mobility systems, charging infrastructure, combustion drivetrain, lighter vehicles, aerodynamics and structure;
- the circular economy: recycling;
- the digital economy: software engineering.

Renault has submitted projects concerning key strategic areas for the Company, with the contract process underway with ADEME. The projects include HYDIVU (a hybrid diesel drivetrain for an urban light commercial vehicle), BADDGE (a second-generation Li-ion battery) and COCTEL (optimal design of an electric drivetrain).

Not only has Renault committed as leader or partner in these major technological projects, it has also become involved in initiatives to create the research structures qualified to take up these major challenges for the country. These are partnership-based research structures such as the IRTs (technology research institutes) and IEEDs (institutes of excellence in carbon-free energies), these latter now going under the name of ITSEs (institutes for the energy transition).

Renault is placing particular emphasis on two structures studying the materials of the future (the Jules Verne and M2P IRTs), and the SystemX IRT on systems engineering. These three institutes started up in 2013.

Renault is playing an active role in the VeDeCom project on zero-carbon communicating vehicles and their mobility, selected in 2012 by France's *Commissariat général aux investissements d'avenir* (General commission for investments in the future). The institute, grouping some 45 industrial and academic partners, aims to bring about the sustainable breakthroughs necessary to increase the energy efficiency of individual transport. The objective is to significantly cut energy consumption while eliminating pollutant emissions, primarily in and around cities.

BRGM: a competitive edge in procurement

Renault and the BRGM office of geological and mining research entered a strategic partnership agreement in 2010. Since the agreement was signed:

- regular, multiple and structured exchanges have been put in place, making it possible to react proactively to the fast pace of events on the strategic metals market: crisis in the supply and pricing of rare earths since summer 2010, analysis of the impact of new commodity-backed financial products and index funds (ETP, ETF) on price volatility;
- joint R&D projects are underway, including the ANR ESPEER project on the analysis of commodities flows in the French economy, with a particular focus on copper (thesis submitted in December 2013);
- the partnership is also involved in high-level working groups: Renault membership of the scientific committee for the European project Eurare (rare earths), contribution to the European network Era-Min and a day event organized by ADEME in June 2013 on commodities, appointment by the French Ministry of Industry (COMES) of Renault (as chair) and BGRM (as vice-chair) of a working group asked to submit a report and recommendations on identifying the needs of French industry in terms of strategic commodities, with the dissemination to all French companies of a tool for analyzing exposure to strategic metals, adapted from an approach developed by Renault with the support of BRGM (http://www.dgcis.gouv.fr/secteurs-professionnels/industrie/chimie/metaux-strategiques).

1.5 RISK FACTORS ✦

The Renault group makes every effort to control the risks inherent in its various activities – namely financial risk, operational risk and legal risk. This chapter details the main risks, together with the procedures put in place by the Company to reduce their likelihood and severity. However, as the Group expands internationally, enters into new partnerships, and becomes more IT-dependent – and as new malicious behaviors emerge – existing risks are aggravated and new ones created. These factors can increase the severity of potential crises and the damage they may cause.

Risk management, which is essential for any global manufacturing Company, needs to be reinforced and made proactive. It is therefore an integral part of the Group's operational management procedures.

The Group adopts a three-pronged approach to risk management:

- at Group level, the Risk Management department (DMR) provides methods and an overall view of major risks and how they should be prevented and handled. It does this, in particular, by monitoring them using risk-mapping techniques and implementing preventive measures in high-risk areas;
- at a cross-functional level, the Group's Prevention and Protection department is responsible for identifying and handling risks linked to the protection of assets, sensitive Group information and corporate personnel based outside France. It is also responsible for implementing crisis management procedures, in liaison with corporate communication. The Quality, Internal Control and Risk Management departments provide advice, methods and coordinating expertise for the management of operational processes and risks with other Group departments;
- in all entities involved in business-critical processes, experts are appointed to identify and prioritize risk control solutions and oversee their implementation.

1.5.1 FINANCIAL RISK

1.5.1.1 GROUP'S OVERALL FRAMEWORK FOR CONTROLLING FINANCIAL RISK

For the Automotive sector, the management of market risk focuses mainly on the Central Cash Management and Financing department of Renault and Renault Finance, whose main activities are described at the end of chapter 1.1.4.1 of this Registration document.

Securities trades executed by companies in the RCI Banque group are intended solely to hedge risks related to sales financing and inventories held by the Company's distribution networks. Most of these trades are made by the RCI Banque trading room, which plays a pivotal role in refinancing the RCI Banque group under the overall Group-wide governance policy.

Monitoring and control tools exist both for each individual entity and at consolidated level. The results of these controls are reported on a monthly basis.

For each entity, financial risks are monitored at three levels:

- first-level control: carried out by line personnel through self-monitoring and by each business line manager through formalized monitoring;
- second-level control: carried out by internal auditors under the authority of the entity's Chief Executive;
- third-level control: carried out by control bodies (Renault Internal Audit or external firms commissioned by it). These third-level control organizations carry out a critical, independent analysis of the quality of the control system. The statutory auditors also contribute to this analysis under the terms of their engagement.

Because RCI Banque is chartered as a credit institution, it is required to implement a special internal control system that meets the requirements of the French prudential supervisor.

Information on the analyses carried out to measure the sensitivity of financial instruments can be found in note 25-B to the consolidated financial statements.

1.5.1.2 LIQUIDITY RISK

AUTOMOTIVE

Risk factors

Automotive must have sufficient financial resources to finance the day-to-day running of the business and the investment needed for its expansion. The Group was a net lender at December 31, 2013 to the amount of €1,761 million (net lending position of €1,492 million at December 31, 2012). Automotive needs to borrow regularly from banks and on capital markets to refinance its gross debt and ensure liquidity. This creates a liquidity risk if markets are frozen during a long period or credit is hard to access.

Management procedures and principles

Under its centralization policy, Renault raises most of the refinancing for Automotive in the capital markets, mainly through long-term financial instruments (bonds and private placements), short-term financing such as commercial paper, or in the form of financing obtained from public or parastatal institutions.

To this end, Renault has an EMTN bond programme for a maximum of €7 billion.

Under this programme, Renault has issued one euro bond in 2 blocks totaling €900 million. Renault also completed a three-year offshore yuan issue in April 2013, totaling 750 million, strengthening its presence in this new refinancing market for Renault.

Renault also has an issue programme under the Shelf Registration scheme on the Japanese market. Renault SA issued two bonds for a total amount of ¥87.6 billion in June and November 2013.

Renault received €400 million in additional funding from the EIB.

The contractual documentation covering these financing arrangements, including bank finance, contains no clauses that could affect the continued supply of credit as a result of changes in either Renault's credit rating or its financial ratios. Some types of financing, particularly market financing, are covered by standard market clauses (*pari passu*, negative pledge, cross default).

Renault also has a commercial paper programme for a maximum €2.5 billion. The total outstanding at December 31, 2013 was €64 million.

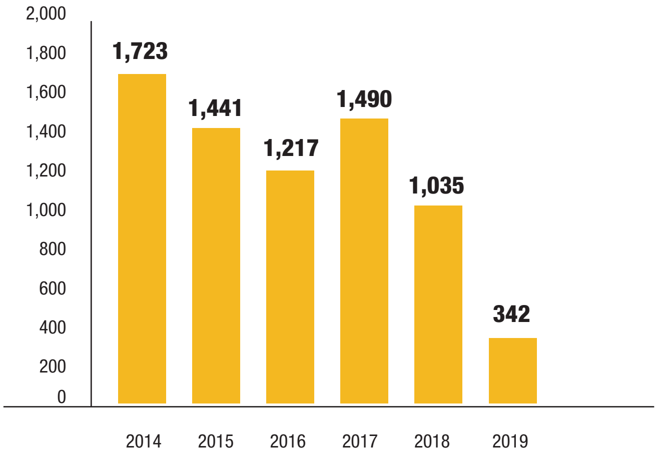
Renault SA issuance programme at December 31, 2013

ISSUER	PROGRAMME	MARKET	AMOUNT
Renault SA	Euro CP	France	€2,500 m
Renault SA	Euro EMTN	Euro	€7,000 m
Renault SA	*Shelf documentation*	Japan (Samurai)	¥150,000 m

The graph below shows the maturity schedule for Renault SA bonds and equivalent debt, which account for most of Automotive's long-term financial liabilities. A maturity schedule of Automotive's financial liabilities is included in note 23-C to the consolidated financial statements.

Assuming a constant balance sheet structure, medium-term refinancing requirements in 2014 will consist of €1,723 million for maturing bond issues and equivalent debt and €64 million for maturing commercial paper

Renault SA – Maturity schedule for bonds and equivalent debt at December 31, 2013 (1)



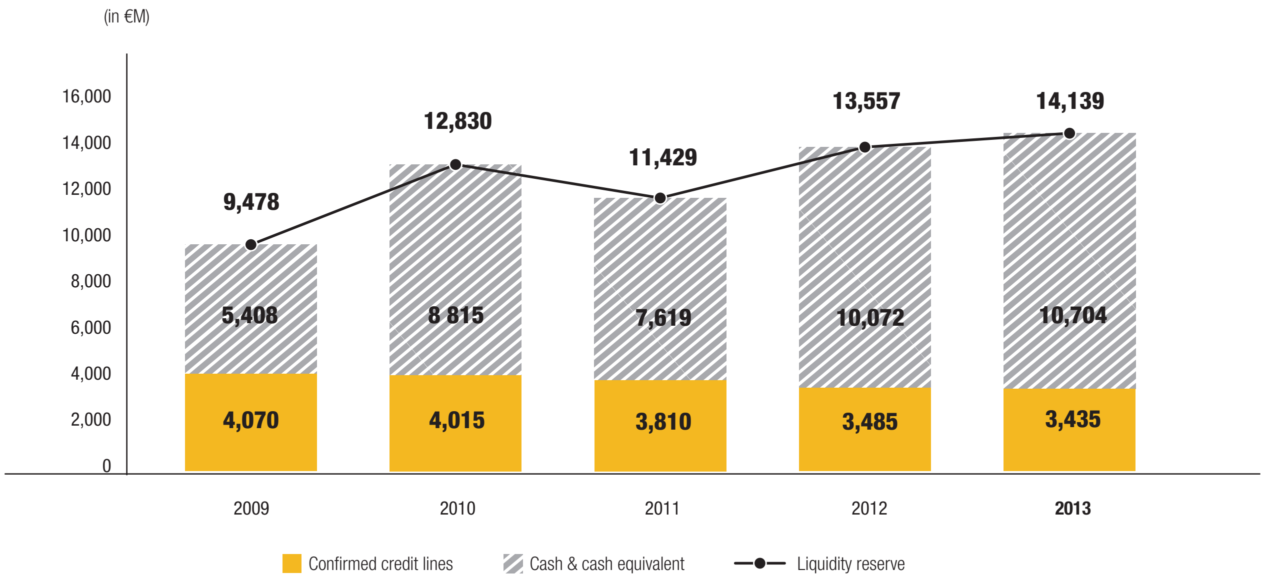
(€ million)

(1) Nominal amounts valued at December 31, 2013.

Renault also has confirmed credit lines opened with banks worth €3,435 million, maturing at various times up to 2018. None of these credit lines was used in 2013. These confirmed credit lines form a liquidity reserve for the Automotive segment.

The contractual documentation for these confirmed bank credit facilities contains no clause that might adversely affect credit availability or continuation as a result of a change in Renault's credit rating or financial ratio compliance.

Renault – Liquidity reserve at December 31, 2013



In view of its available cash and committed credit lines not drawn at the reporting date, Automotive has sufficient financial resources to honor its commitments for the next 12 months.

SALES FINANCING

Risk factors

Sales financing depends on access to financial resources for its business activities. Restricted access to banking and financial markets would force it to scale down its financing activities and/or lead to an increase in the cost of financing arrangements.

At all times, and especially during challenging periods, RCI Banque must have sufficient financial resources at its disposal to support the expansion of its business. To this end, RCI Banque applies strict internal standards.

Management procedures and principles

Liquidity risk is closely monitored on a regular basis. The static liquidity position has always been positive in recent years, indicating an excess of long-term sources over uses. The level is currently similar to that of previous years. Accordingly, RCI Banque grants loans using funds raised several months previously, thus maintaining a stable financial margin.

After launching ZESTO, a savings passbook account aimed at personal savers, in France in 2012, the Group pursued its strategy of accessing household savings and started under the Renault Bank Direkt brand an activity in deposit-collection in Germany, now offering a passbook savings account and term accounts. Deposits collected in France and Germany over the year rose by €3.4 billion (of which almost €0.8 billion in term deposits) to a total of €4.3 billion, generating 52% of new financing in Europe. This diversification has reduced the Group's reliance on market funding, which totaled €3.1 billion, down sharply on the previous year (€5.0 billion in 2012).

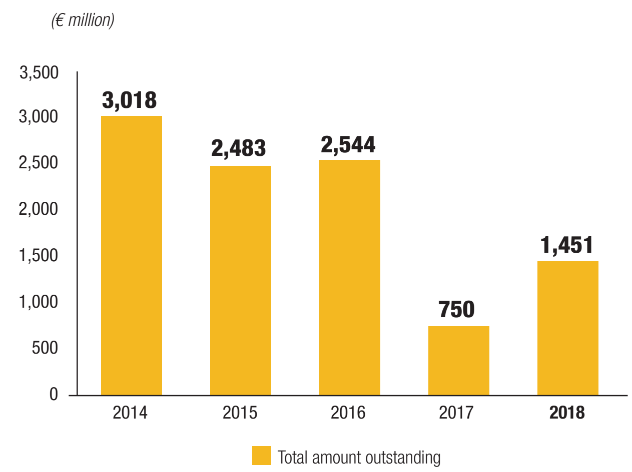
On the bond market, while pursuing its strategy of diversifying its sources of funding, the RCI group raised the equivalent of €2.1billion by issuing debt in both traditional markets (two debt issues and one tap in euro and one debt issue in Swiss francs), and less common markets. After seven years' absence, RCI Banque returned to the sterling market, issuing GBP300 million of debt, as well as issuing debt in US dollars for the second time (USD600 million). The Group's subsidiaries have also regularly issued debt on their domestic markets in Argentina, South Korea and most of all Brazil: after the first debt issue in 2011, the Brazilian subsidiary confirmed its capacity to access local liquidity, increased its investor base, and issued the equivalent of €1,4billionBRL.

In the structured finance segment, in response to investors' desire for a more simplified approach, RCI Banque restructured its German securitization programme. The single master trust set up in 2007 was replaced by two separate securitization vehicles. One vehicle placed €800 million in floating-rate securities with investors, while the other vehicle was used for issues self-underwritten by RCI Banque, and eligible as collateral for the European Central Bank's (ECB) open market operations. The German securitization programme thus replicates the structure implemented in France in 2012.

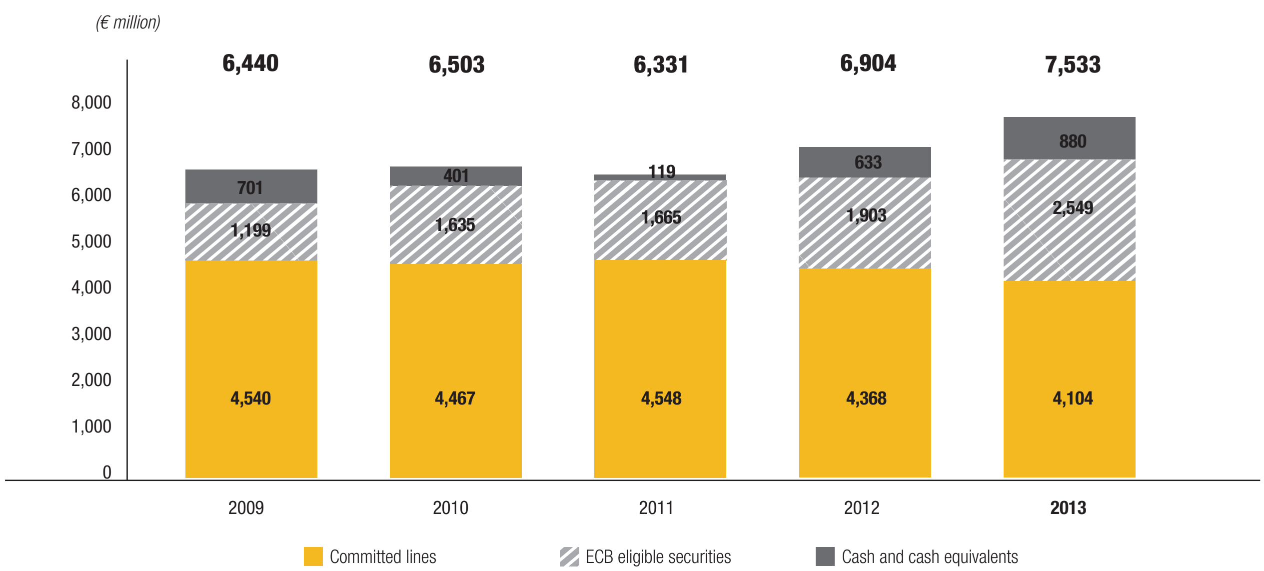
These long-term funds, together with €4.1 billion in undrawn committed bank credit lines and €2.5 billion in collateral eligible for the ECB's open market operations, secure the continuity of RCI Banque's commercial activity for almost 12 months without outside funding sources.

In a complex and volatile environment, the conservative financial policy adopted by the Group in recent years has proved particularly justified. This policy protects each entity's commercial margin while securing refinancing for its business activities. It is defined and implemented at a consolidated level by RCI Banque, and applies to all Group financing entities.

RCI Banque group – Maturity schedule of bond issues at December 31, 2013

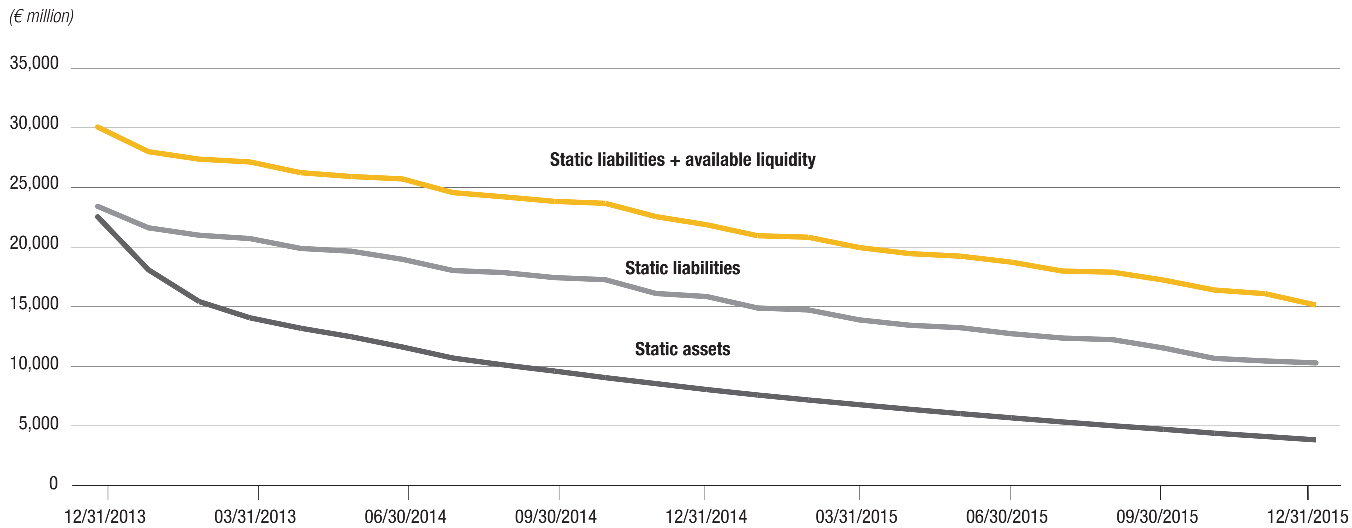


RCI Banque group – Securities available for sale at December 31, 2013



** Centralized refinancing scope: Western Europe + Poland + Czech Republic + Romania + Slovenia + Nordic Countries + South Korea.*

RCI Banque Group – Liquidity position at December 31, 2013



Static assets and liabilities: lending and borrowing transactions that take place on the assumption they will not be renewed.

RCI Banque Issuance programme at December 31, 2013

ISSUER	PROGRAMME	MARKET	AMOUNT
RCI Banque	Euro CP	Euro	€2,000m
RCI Banque	Euro MTN	Euro	€12,000m
RCI Banque	CD	France	€4,500m
RCI Banque	BMTN	France	€2,000m
Diac	CD	France	€1,000m
Diac	BMTN	France	€1,500m
Rombo Compania Financiera SA	Bond Programme *	Argentina	ARS 1000m
RCI Financial Services Korea Co. Ltd.	Bond Issues *	South Korea	KRW 865bn
CFI RCI Brasil	Bond Issues *	Brazil	BRL 1700m

* *Locally rated.*

The RCI Banque group's programmes are focused on five issuers: RCI Banque, Diac, Rombo Compania Financiera (Argentina), RCI FS K (South Korea) and CFI RCI Brazil.

RCI Banque

							SECURITIZATION – PUBLIC ISSUES
COUNTRY				**FRANCE**	**ITALY**		**GERMANY**
CEDING ENTITY	**DIAC SA**	**DIAC SA**	**DIAC SA**	**DIAC SA**	**RCI BANQUE SUCCURSALE ITALIANA**	**RCI BANK NIEDERLASSUNG**	**RCI BANK NIEDERLASSUNG**
Collateral concerned	Auto loans to customers	Auto loans to customers	Auto loans to customers	Receivables independent dealers	Auto loans to customers	Auto loans to customers	Auto loans to customers
Asset SPV	CARS Alliance Auto Loans France FCT Master	CARS Alliance Auto Loans France F 2012-1	CARS Alliance Auto Loans France V 2012-1	FCT Cars Alliance DFP France	Cars Alliance Warehouse Italy SRL	CARS Alliance Auto Loans Germany FCT	CARS Alliance Auto Loans Germany V2013-1
Start date	May-2012	June-2012	November-2012	July-2013	June-2012	December-2011	December-2013
Maximum term of fund	August-2030	September-2021	February-2024	July-2023	December-2029	May-2024	December-2024
Initial purchase of receivables	€715m	€867m	€826m	€1,020m	€777m	€1,793m	€977
Credit enhancement as of the initial date	Cash reserve for 1% Over-collateralization of receivables 15%	Cash reserve for 1% Over-collateralization of receivables 13%	Cash reserve for 1% Over-collateralization of receivables 13.5%	Cash reserve for 1% Over-collateralization of receivables 20.35%	Cash reserve for 2% Over-collateralization of receivables 14.5%	Cash reserve for 1% Over-collateralization of receivables 12.7%	Cash reserve for 1% Over-collateralization of receivables 12%
Receivables purchased as of 12/31/2013	**€615m**	**€281m**	**€756m**	**€1,041m**	**€709m**	**€607m**	**€911m**
	Class A rating: AAA €516m	**Class A** rating: AAA €190m	**Class A** rating: AAA €656m	**Class A** rating: AAA €750m	**Class A** rating: AAA €619m	**Class R** rating: AAA €547m	**Class A** rating: AAA €800m
	Class B Not rated €92m	**Class B** Not rated €102m	Class B Not rated €109m		**Class B** Not rated €137m	**Class S** Not rated €18m	**Class B** rating: A €57m
Notes in issue (including any units held by RCI Banque group)						**Class T** Not rated €62m	**Class C** Not rated €52m
Period	Revolving	Fixed Term	Fixed Term	Revolving	Revolving	Revolving	Revolving
Nature of transaction	retained	market	market	retained	retained	retained	market

In 2013, the RCI Banque group carried out a number of securitization transactions using special purpose vehicles, relating to dealer receivables in France and to loans to end customers in Germany. Some of these transactions were underwritten by RCI Banque SA, making the resulting securities eligible as collateral with the ECB.

All the Group's securitization transactions meet the 5% economic capital requirement referred to in Article 122a of European Directive 2006/48/EC.

In addition, and as part of the Group's efforts to diversify its refinancing, some transactions were completed by conduit. Since these issues were private, their terms and conditions are not disclosed in the above table. Securitization transactions were completed in relation to customer loans in the United Kingdom and Italy as well as leasing receivables and dealer receivables in Germany. At end-December 2013, the total amount of financing secured through securitization by conduit was €2,007 million.

Receivables assigned under these transactions were not moved off the balance sheet. Accordingly, the amount of sales financing receivables maintained on the balance sheet was €7,680 million December 31, 2013 (€8,814 million at end-December 2012), i.e.,:

- securitization transactions placed on the market: €1,948 million;
- retained securitization transactions: €2,972 million;
- private securitization transactions: €2,760 million.

The fair value of these receivables at December 31, 2013 was €7,792 million.

A liability of €3,602 million has been recognized under "Other debt evidenced by certificates", corresponding to securities issued as part of these securitization transactions. The fair value of this liability at December 31, 2013 was €3,643 million.

The difference between the amount of receivables assigned and the amount of the aforementioned liability corresponds to the required credit enhancement in respect of these transactions and the share of securities retained by RCI Banque group, which constitute a liquidity reserve.

RATING RENAULT GROUP

	AGENCY	RATING	OUTLOOK	REVISION	PREVIOUS RATING
	Moody's	Ba1/NP	Stable	12/13/2011	Baa1/P2 perspective positive
	S&P	BB+/B	Stable	11/03/2010	BB/B stable
	Fitch	BB+/NR	Positive	09/18/2013	BB+/NR stable
	R&I	BBB+	Stable	03/31/2009	A/NR negative
Renault	JCR	A-	Stable	12/09/2011	BBB+
	Moody's	Baa3/P3	Stable	01/18/2013	Baa2/P2 negative
	S&P	BBB/A2	Negative	10/25/2012	BBB/A2 stable
RCI Banque	R&I	BBB+/a-2	Stable	12/09/2011	A/a1 negative

Renault SA's credit rating was changed in September 2013 by Fitch from 'stable' to' positive'.

Following the economic downturn in Europe, particularly in France, S&P placed the credit ratings of French banks under review in October 2012. RCI Banque's ratings were confirmed at BBB/A2, and the outlook was lowered from stable to negative.

In January 2013, Moody's completed a review of European automotive captive banks it started in late 2012 as part of a broader review of the entire sector, which resulted in an average downgrade of the banking system. RCI Banque's intrinsic rating was lowered from "C-/baa2" to "D+/baa3", and the long-term and short-term ratings were cut from "Baa2/P2" to "Baa3/P3". All the outlooks were stable.

For the first time Moody's raised the possibility of systemic support from the French government should the need arise. The agency's statement offered assurance that RCI Banque's long-term rating would remain at Investment Grade well into the future.

Any downgrade in these ratings could limit and increase the cost of access to capital markets.

1.5.1.3 CURRENCY RISK

AUTOMOTIVE

Risk factors

Automotive is naturally exposed to currency risk through its industrial and commercial activities. Currency risk arising on these activities is monitored through Renault's Cash Management and Financing department from the automotive branche.

Management procedures and principles

Foreign currency transactions are carried out by Renault Finance on currencies tradable on global markets. Exchange rate fluctuations may have an impact in six areas:

- operating margin;
- working capital requirement (WCR);
- net financial income;
- share in the net income of associated companies;
- shareholders' equity;
- net financial debt.

Impact on operating margin: the Automotive segment's main exposure to currency risk is operating margin. The exposures shown below represent yearly flows with the net result of inflows and outflows in the same currency. Operating margin may be affected by exchange-rate fluctuations in operating flows. Currency hedges must be formally authorized by the Finance department or senior management. Once such hedges have been put in place, their results must be reported to senior management. In 2013, the Group set up a currency hedge to partly cover Renault Samsung Motors' purchases in yen, and a currency hedge to partly protect Renault Argentina against the risk of increase in US dollar against the Argentine peso.

The Group estimates that a 1% appreciation in the euro against all other currencies would have a negative impact of €68 million on its annual operating margin for 2013, excluding WCR items.

Renault – Operational yearly net flows in currency at December 31, 2013 and impact on operating margin

Main exposure in 2013 was focused on the Russian ruble, amounting to a sensitivity of around €16 million for every 1% rise in the euro. The main exposures and sensitivities are shown in the table below, in millions of euros: with a minimum of 5 million.

CURRENCY		IMPACT OF 1% EURO APPRECIATION
Russian rouble	RUB	(16)
Algerian dinar	DZD	(9)
Pound sterling	GBP	(9)
Argentinian peso	ARS	(9)
Chinese yuan	CNY	(5)

Working capital requirement: like the operating margin, the WCR is sensitive to exchange rate fluctuations. Currency hedges must be formally authorized by the Finance department or senior management. Once hedges have been put in place, reports must be submitted to senior management on the results. In 2013, the Group partially hedged currency risk on the Turkish lira payables of Oyak-Renault, whose proprietary currency is the euro.

Net financial income: the key principle of the Group's management policy is to minimize the impact of currency risk on net financial income. All Group currency risk exposures affecting net financial income are aggregated and monitored by the Central Cash Management and Financing department and reported on a monthly basis to the Chief Financial Officer.

Investments by Automotive subsidiaries are partly financed through equity injections. Other financing requirements are usually met by Renault SA in local currency. Foreign currency funding provided by Renault is hedged in the relevant currencies, thereby ensuring that exchange rate fluctuations do not distort net financial income.

When local circumstances prevent Renault from refinancing a subsidiary under reasonable conditions, that subsidiary may call on external sources of funding, under the control of the Renault's Central Cash Management. Where external financing in non-local currencies is necessary, it is closely monitored by the parent company. Cash surpluses recognized in countries not pooled at parent company level are usually invested in local currency under the supervision of Central Cash Management.

Renault Finance may also engage in foreign exchange transactions for its own account within strictly defined risk limits. Its foreign exchange positions are monitored and marked to market in real time. Such proprietary transactions, intended chiefly to maintain the Group's expertise on financial markets, involve only very short-term exposures not exceeding a few tens of millions of euros, and are managed in such a way as to avoid material impacts on Renault's consolidated financial statements.

Share in the net income of associated companies: on the basis of their contributions to 2013 net income, a 1% rise in the euro against the Japanese yen or the Russian ruble would have decreased Nissan's contribution by €15 million and AVTOVAZ's by €0.3 million.

These impacts correspond only to the impact of euro fluctuation on the contribution these entities make to Renault relative to their operating currency; it excludes the inherent impact of euro fluctuations on the entities' own financial statements, given that those two groups both do a more or less significant level of eurozone business that Renault has no control over.

Shareholders' equity: equity investments in currencies other than the euro are not usually hedged. This may lead to translation adjustments, which the Group recognizes in shareholders' equity. However, the size of the investment in Nissan is such that Renault's share of Nissan's net worth has been partially covered by a specific foreign exchange hedge for an amount of ¥111.8 billion at December 31, 2013, with maturities out to 2016. The nature and amount of each transaction are indicated in note 13-G to the consolidated financial statements. These transactions consist of ¥27 billion in private placements and ¥84.8 billion in yen-denominated bonds issued on the Japanese market.

Financial debt: as stated above, a portion of Renault's financial debt is denominated in yen in order to cover part of the Company's investment in Nissan. A 1% increase in the value of the euro against the yen would reduce Automotive's net debt by €8 million. Moreover, Automotive net financial debt may be affected by currency fluctuations on subsidiaries' financial assets and liabilities denominated in their home currency.

An analysis carried out to measure the sensitivity of financial instruments to currency risk can be found in note 25-B-2 to the consolidated financial statements.

SALES FINANCING

Risk factors

The consolidated foreign exchange position of RCI Banque has always been very small.

Management procedures and principles

No foreign exchange positions are permitted in connection with refinancing activity: RCI Banque's trading room systematically hedges all relevant cash flows.

Sales financing subsidiaries are required to refinance in their domestic currencies and therefore have no foreign exchange exposure.

However, there may be residual or temporary forex positions related to timing differences in flows of funds; such positions are inevitable when managing cash in multiple currencies. Any such positions are monitored daily and systematically hedged.

At December 31, 2013, RCI Banque group's consolidated foreign currency position totaled €0.7 million.

Group consolidated FX position K€ 31 December, 2013

CURRENCY		
Swiss franc	CHF	62
Pound sterling	GBP	184
Hungarian forint	HUF	41
Polish złoty	PLN	115
Moroccan dirham	MAD	24
Turkish lira	TRY	19
Romanian leu	RON	169
Other		21
RCI, TOTAL (SUM OF ABSOLUTE VALUES)		**635**

1.5.1.4 INTEREST RATE RISK

AUTOMOTIVE

Risk factors

Interest rate risk can be assessed in respect of debt and financial investments and the payment terms set out in the relevant indenture (*i.e.* fixed or variable rate). Detailed information on these debts is set out in note 23 to the consolidated financial statements.

Management procedures and principles

For Automotive, the interest rate risk management policy is underpinned by two principles: long-term investments are generally financed at fixed interest rates, while liquidity reserves are generally built up at floating rates. Further, yen-denominated financing to hedge Nissan's net worth is taken out at fixed rates.

Automotive's financial liabilities totaled €10,283 million at December 31, 2013. A maturity schedule of Automotive's financial liabilities can be found in note 23-C to the consolidated financial statements. Of these liabilities, €772 million is denominated in yen (¥111.8 billion).

Automotive held €10,704 million in cash and cash equivalents at December 31, 2013. As far as possible, Automotive's available cash is pooled centrally by Renault SA. It is then invested in short-term bank deposits through Renault Finance.

Finally, Renault Finance also trades for its own account in interest rate instruments within strictly defined risk limits. The resulting positions are monitored and marked to market in real time. This activity carries very little risk and has no material impact on the Group's results.

Financial assets and liabilities by maturity and type of rate at December 31, 2013

		LESS THAN 1 YEAR	MORE THAN 1 YEAR	TOTAL
	Fixed rate	59	173	232
Financial Assets	Floating rate	11,368	64	11,432
		11,427	**237**	**11,664**
	Fixed rate	1,776	6,157	7,933
Financial liabilities before hedging	Floating rate	1,246	680	1,925
		3,022	**6,837**	**9,858**
	Fixed rate/Floating	391	3,862	4,253
Hedgings	Floating rate/Fixed	293	0	293
		684	**3,862**	**4,546**
	Fixed rate	1,333	2,305	3,638
Financial liabilities after hedging	Floating rate	1,689	4,532	6,220
		3,022	**6,837**	**9,858**

Sensitivity to interest rate risk at December 31, 2013

	IMPACT ON FINANCIAL INCOME BEFORE TAXES *in €M*	IMPACT ON SHAREHOLDERS' EQUITY BEFORE TAXES *in €M*
Impact of a 100bp rise in interest rates	**+55.1**	**+1.3**
Impact of a 100bp fall in interest rates	**(55.1)**	**(1.4)**

SALES FINANCING

Risk factors

The Renault group's exposure to interest rate risk mainly arises on sales financing activities carried out by RCI Banque and its subsidiaries. In this context, the aggregate interest rate risk represents the impact of a change in interest rates on the future gross financial margin.

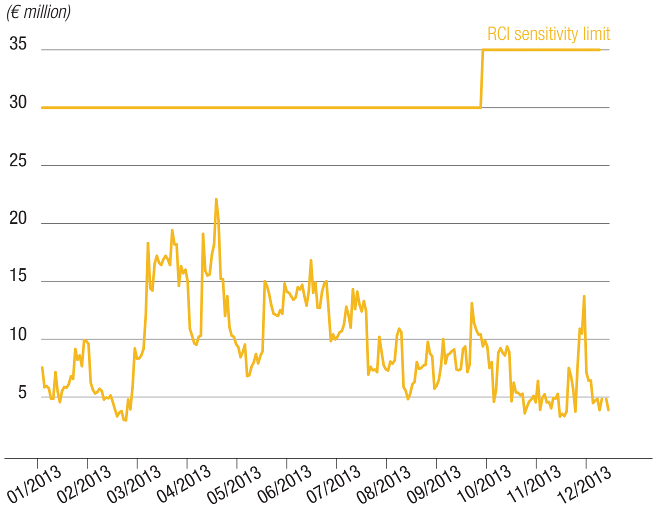
Management procedures and principles

Interest rate risk is monitored on a daily basis by measuring sensitivity to each currency, management entity and asset portfolio. A single set of methods is used by the entire RCI Banque group to ensure that interest rate risk is measured in a consistent manner across the entire scope of consolidation.

The sensitivity of the commercial asset portfolio is monitored daily and systematically hedged. Each subsidiary aims to hedge its entire interest rate risk in order to protect its commercial margin. However, a slight degree of latitude is permitted in risk hedging, reflecting the difficulty of adjusting the borrowing structure so that it exactly matches the structure of financing to customers.

Movements in RCI Banque's consolidated exposure to interest rate risk over 2013 show that sensitivity to interest rate risk, measured by the impact of a 100-basis point rise or fall in interest rates on the Group's results, was limited.

RCI Banque group – Daily sensitivity to interest rate movements (2013)



The solidity of the balance sheet can also be measured in terms of market risks (interest rate, exchange rate and counterparty risk), which are very low and monitored daily on a consolidated basis.

In 2013, RCI Banque's sensitivity to interest rate risk remained below the €30 million limit set by the Group till 10/15/2013 and €35 million since.

At end-December, an interest rate rise of 100 basis points would have had the following impact:

- -€0.7million in euros;
- +€0.6 million in Swiss francs;
- +€0.5 million in sterling;
- +€0.4 million in BRL;
- +€0.7 million in MAD.

In absolute terms, the total sensitivity of all the currencies amounts to €3.87 million.

1.5.1.5 COUNTERPARTY RISK

RISK FACTORS

In managing currency risk, interest rate risk and payment flows, the Group enters into transactions on the financial and banking markets for the placement of its liquidity which may give rise to counterparty risk.

MANAGEMENT PROCEDURES AND PRINCIPLES

Management of counterparty risk incurred by Group entities is fully coordinated and uses 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 counterparty risk.

Some Group companies have significant exposure to counterparty risk owing to the nature of their business. These companies are monitored daily to ensure that they comply with authorized limits by counterparties, in accordance with specific internal control procedures.

The Group produces a consolidated monthly report that encompasses all its bank counterparties, organized by credit rating. This report provides a detailed analysis of compliance with limits in terms of amount, term and type, as well as a list of the main exposures.

Special attention is paid to deposit counterparties, unless this is impossible. Deposits are made essentially with major network banks in order to spread risks and mitigate systemic risk. Furthermore, the deposits are made on an overnight basis or on very short term so that funds can be reallocated swiftly if a counterparty comes under stress.

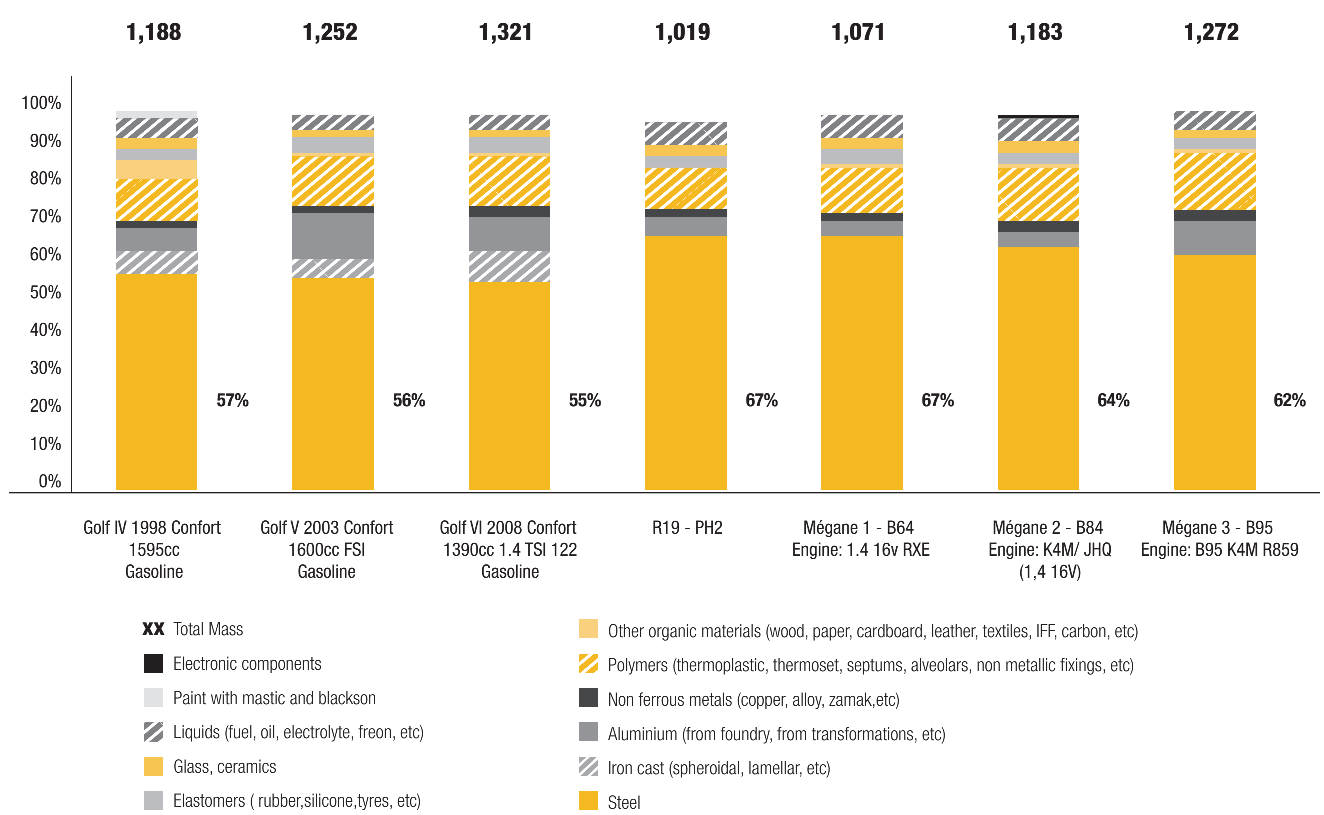
In 2013, the Group suffered no financial loss as a result of the failure of a banking counterparty.

The Group does not trade in the credit derivatives market.

1.5.1.6 COMMODITY RISK

Renault uses a wide variety of materials in its vehicles, mainly consisting of organic materials (including in part elastomers and polymers), ferrous metals, non-ferrous metals and glass.

The following chart shows how the weight distribution of various categories of material has evolved over different generations of vehicles in the same range (R19 and Mégane I, II and III).



RISK FACTORS

Commodity risk is first and foremost a form of price risk. The Group's aim in managing this risk is to:

- accept price rises only if they are economically justified;
- take advantage of all economically justified price falls.

Supply risk in respect of commodities, and in particular certain metals and rare earths, platinum group metals, etc., is a strategic issue for the Alliance.

MANAGEMENT PROCEDURES AND PRINCIPLES

The guidelines that buyers apply to price increases and decreases are set by an ad hoc committee, the Raw Material and Currencies Committee (RMCC). Furthermore, an Operational Material Committee was formed by the Senior Vice-President, Purchasing of the Renault-Nissan Purchasing Organization (RNPO) at the end of 2010. The committee meets once a month to review all opportunities to reduce the impact of commodities on Renault's earnings. The committee also ensured that the fall in market commodity prices in 2013 was reflected in falls in the purchase price of commodities.

Price rises and cuts are subject to a prior authorization process, which either ensures that the guidelines are observed or explicitly authorizes waivers following a detailed review.

Under certain conditions, price indexing agreements may be used to automate increases and decreases according to a mechanism that is defined and shared with suppliers.

Renault's Purchasing department can use derivatives to hedge risk on indexed commodities. Hedging is limited to purchases by the Purchasing department of Renault and RNPO for Renault projects throughout the world. Hedges are linked to physical purchases to meet the needs of the relevant production sites.

The Group relies on Renault Finance to execute these hedging transactions in the markets. Renault Finance tracks the metals markets and monitors market values on a daily basis. It uses over-the-counter cash-settled swaps to hedge commodities. As the Alliance's dealing room, Renault Finance has extended this trading and monitoring activity to meet the needs of the Nissan group.

These transactions are authorized by senior management, subject to limits in terms of volume, maturity and price thresholds. They are covered by monthly reports detailing the performance of hedges and hedged items. Proposals to hedge commodities are discussed by the Chief Financial Officer and the Senior Vice-President of Purchasing before being submitted to the Chairman and CEO, who is the only person with decision-making powers in this area.

Non-indexed commodities (for example steel, rubber and plastic) account for around 80% of the materials used in vehicle manufacture, compared with just 20% for indexed commodities.

In 2013, Renault Finance hedged purchases of aluminum, lead, copper, palladium and platinum on behalf of RNPO. These hedges covered a maximum of 70% of monthly volumes and were put in place from January onwards whenever financial market prices fell below thresholds approved by the Chairman and CEO.

The RMCC also implements a methodology developed by Renault since 2010 to objectively establish the criticality of mineral commodities based on the following:

- supply risks and cost variations;
- importance and impact for Renault (depending on the volumes consumed and purchase prices).

This criticality matrix has helped identify those metals to which the Alliance is most exposed and develop strategies to reduce their use and recycle and/or replace them. Renault is also jointly tracking a list of ten critical metals with Nissan under the aegis of the Raw Material Cross Company Team.

Moreover, the criticality analysis method developed by Renault is becoming a benchmark. In September 2011, France's Interministerial Committee for Strategic Metals (COMES) asked Renault to oversee an industry-wide working group to identify and assess the needs of French industries for strategic commodities. All industry sectors now have access to a tool for self-diagnosing exposure to commodity risk. This tool can form the basis of an overall approach to risk management, with public authorities providing support in respect of any priority areas for action that might be identified.

1.5.2 OPERATIONAL RISK

1.5.2.1 SUPPLIER RISK ✦

RISK FACTORS

Parts from suppliers account for 57% of the total vehicle cost price. As such, the technical, logistical and financial performance of Renault's suppliers is critical to the Group's business. Any failure on the part of suppliers, whether in relation to the quality of parts delivered, logistical problems, deteriorating financial health or reputational loss, has a considerable impact on both production at Renault plants and the smooth running of projects.

Volumes purchased from key suppliers across the entire Group are weighted as follows:

- TOP 1: 5%;
- TOP 5: 16%;
- TOP 10: 25%.

METHODOLOGY

Risk is mainly managed in four ways:

- by drawing up and issuing standards that serve as a benchmark;
- by detecting non-conformity with standards;

✦ Global Reporting Initiative (GRI) Directives

- by applying a “filter” to sourcing processes to help buyers identify non-compliant suppliers;
- by taking corrective action if a major or critical non-conformity is detected in relation to a supplier.

STANDARDS AND DETECTION OF NON-CONFORMITY

Operational and financial risk

Financial analysis is undertaken by a worldwide network of Renault Nissan analysts using a matrix of criteria shared by Renault and Nissan.

Such analyses are completed annually for suppliers considered strategic using a list of criteria including, in particular, the risk of supply shortages. They are also completed whenever new purchases are made from non-strategic suppliers.

Buyers rate parts suppliers for operational and strategic risk annually using a grid that includes criteria linked to company management, competitiveness and investment capacity, future-proofing of technology and dependence on Renault.

Risk of natural disaster: Business Continuity Plan

Renault and Nissan learned lessons from efficient intervention by teams tasked with restarting the supply chain for Group production sites following the natural disasters that occurred in Japan and Thailand in 2011.

As a result of this learning, all suppliers considered for a given project are reviewed to assess their back-up solutions in the event of a natural disaster. Suppliers located in high-risk areas must undertake to have at their disposal two sites in different countries or propose an alternative that will enable them to resume supplies in less than four weeks. They must also ensure that their own supply chain meets this requirement.

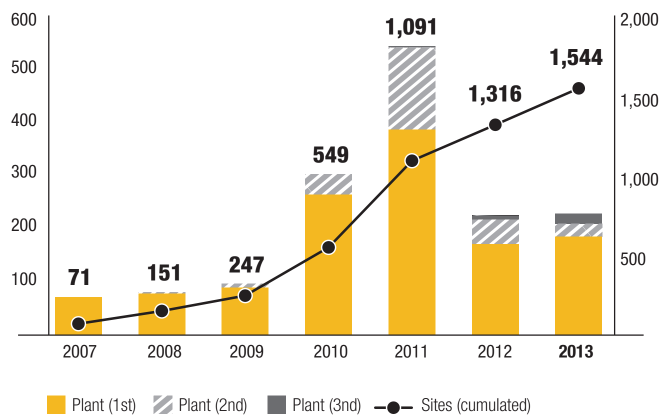
CSR risk ✦

Renault has established a number of CSR standards for its suppliers (see chapter 2.2.3.1), which serve as a reference framework for the Group’s CSR assessments.

The Group carries out two complementary types of assessment. Priority is given to assessing suppliers using a risk mapping based on an evaluation of risks arising from the manufacturing process (safety, working conditions and the environment) combined with country risk information (on respect for human rights, corruption, environmental risk, political risk, etc.) supplied by the agency OEKOM :

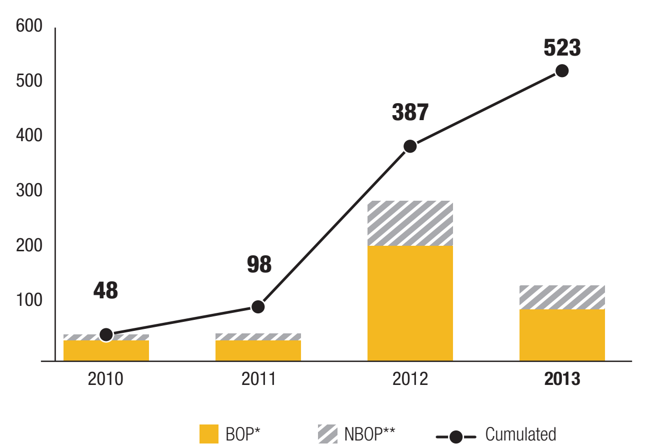
- the first type of assessment is based on field observation at production sites. Such assessments are carried out in-house by Renault experts (1,544 had been completed by end December 2013), and include questions on working conditions and the environment;
- the second type of assessment is based on CSR management at supplier groups and carried out by a third party. Groups are selected on the basis of purchasing volumes or the risk arising from their production activities; 523 groups, representing 74.5% of Renault’s 2013 revenue, have already been assessed. The assessment questionnaire includes questions on environmental management, working conditions and human rights, ethics and supply chain management. While Renault has outsourced analysis of the questionnaire to an external specialist, the Group accepts all official rankings proposed by suppliers. An equivalence scale has been established to facilitate the use of this information.

Annual assessments of supplier sites (by number) at 31 December 2013



Suppliers are regularly assessed, as Renault wants to have the most recent data. Those who obtained insufficient results will be reevaluated following their action plan. In both cases of re-evaluation, the result only counts once: the year of the last evaluation. That’s why values from former years can change over time.

Annual assessments of groups (by number)



** Bought out parts*
*** Non bought out parts*

At end December 2013, 95% of high-risk suppliers (based on a combination of process and country risk) had been assessed and all necessary action plans were either in progress or had been completed.

All information arising from these assessments is made available to the Group’s buyers via an online platform.

An action plan is requested whenever a supplier’s score does not meet Renault’s requirements, irrespective of the reason. Furthermore, where a critical non-conformity is suspected or confirmed during an internal assessment, an external audit may be required, along with an action plan to address the non-conformity.

The Purchasing Sustainable Development department carries out monitoring to ensure that action plans are properly rolled out and requests practical proof of implementation. Once an action plan has been completed, the relevant site or group is reassessed.

The opinion of the Purchasing Sustainable Development department is communicated to buyers in the form of a "Go/No go" decision. If a buyer wishes to use a supplier with a poor CSR ranking, he/she must obtain an action plan against which the supplier will be monitored until the minimum acceptable CSR score is achieved.

Quality risk

Suppliers' quality management systems are assessed by more than 300 quality experts worldwide via a shared audit with Nissan based on the ISO TS 16 949 standard. All new suppliers are assessed before being accepted, as are all suppliers responsible for a mass production quality defect.

All suppliers failing to achieve the required minimum rating are supported by quality experts until they reach this level. All suppliers must have a positive quality rating before they can be accepted.

At end 2013, 230 assessments had been completed, 30% of which involved re-rating a supplier after an improvement plan had been put in place.

Capacity risk

Other types of risk (capacity risk, logistical risk, etc.) are handled by operational purchasing departments. In the event of an established failure, these departments implement replacement solutions, sometimes within very short timescales, using the supplier base to ensure continuity of supply.

The following points are regularly examined via operating performance reviews: engineering excellence, ability to respond to demand in terms of volume, quality, costs and lead times, and appropriate logistical capability.

Suppliers' ability to deliver projected volumes of parts to Group production sites is continually audited using the "capacity benchmarking" process.

The capacity benchmarking process is the Renault group's standard process for managing its capacity over a two-year time horizon.

Capacity requirements are calculated down to individual component level on the basis of weekly volumes to be met by the industrial system (encompassing both suppliers and production sites).

The scope and frequency of capacity surveys may vary in line with capacity risks and opportunities identified by the Renault group.

After being assessed by the Renault group, responses to the capacity survey from suppliers and production sites are used to validate the capacity benchmarking process.

The capacity survey is carried out via a global information system (DCP@Renault).

Every year, almost 10,000 parts are examined in this way.

FILTERING AND RESPONDING TO NON-CONFORMITIES

Information on supplier risk is made available to buyers via computer systems and used for sourcing purposes. Risk ratings are incorporated into supplier comparison and selection tools (the Alliance Sourcing Committee Sheet). This ensures that any non-conformities are immediately visible to buyers.

Including in particular financial and strategic ratings, undertakings to resume production following a natural disaster, quality ratings, CSR commitments (signature of the Declaration of Fundamental Employee Rights/DDSF, the agreement on CSR guidelines, etc.) and CSR scores obtained via assessments.

Suppliers identified as being at risk are presented at bimonthly Risk Committee Meetings. The committee, which has a wide-ranging remit, is chaired by the Purchasing department and brings together all affected functions: finance, legal, financial control, logistics, communication, public affairs and HR. It decides on the measures to be adopted to ensure long-term security of supply.

1.5.2.2 GEOGRAPHICAL RISK

RISK FACTORS

The Group has an industrial and/or commercial presence in many countries, some of which carry various risks: GDP volatility, economic and political instability, social unrest, regulatory changes, payment collection problems, fluctuations in interest and exchange rates, lack of foreign currency liquidity, and foreign exchange controls. For example, Renault faces difficulties in repatriating funds from Iran, and has noted a hardening of regulations in Argentina resulting in delays in intra-group transfers.

MANAGEMENT PROCEDURES AND PRINCIPLES

All decisions to set up manufacturing operations form part of an overall Group growth strategy that factors the risk of instability into an overall industrial approach.

The Group also seeks to continually increase local integration at its production facilities so as to make them more competitive in the local market. The geographical distribution of Renault's industrial and commercial investments outside Europe helps diversify the Group's risk, since GDP and solvency trends vary from region to region.

With regard to industrial investment, to which the Group does not hedge its exposure as a rule, the cost of risk is taken into account when calculating the expected return on investment. An exception is Iran, where Renault's investments are partially guaranteed by a credit insurer.

With regard to trading flows, the Group hedges against the risk of non-payment for most payments originating from high-risk countries. The main exceptions are sales to Renault subsidiaries and countries where hedging is not available; in the latter category, the risk is chiefly concentrated in Iran (arrangements for provisioning this risk are detailed in chapter 4, Note 6-E to the consolidated financial statements. The two main hedging instruments used are bank guarantees (documentary credits, standby letters of credit and first-demand guarantees issued by top-tier banks) and guarantees from credit insurers. Residual country risk is regularly monitored.

In order to centrally manage the risk of non-payment and put in place hedges on competitive terms, the Group has designed a "hub and spoke" invoicing system. Manufacturing subsidiaries sell their export production to Renault s.a.s., which sells it on to trading subsidiaries and independent importers, granting them supplier credit. The associated risk is managed by the parent company. Some sales between countries covered by customs agreements do not use this system. In such cases, the exporting subsidiary is responsible for managing its risks, with business support provided by the parent company.

1.5.2.3 RISKS ARISING FROM ECONOMIC CONDITIONS

RISK FACTORS

Europe: the Group's activities are still heavily dependent on this market (in terms of volumes, revenue and profit). The Company has therefore put in place the following arrangements to safeguard against any additional market risk.

Furthermore, the Russian, Brazilian and Argentinian markets represented sales of 210,000, 236,360 and 141,217 in 2013, respectively 8%, 9% and 5,4% of total Renault sales.

MANAGEMENT PROCEDURES AND PRINCIPLES

Europe

In anticipation of long-term stagnation in the European market, the Renault group has:

- created a Europe Region, managed by a Regional Management Committee consisting of representatives of all business functions and chaired by an Operations Director and member of the Group Executive Committee. The region has its own business plan to ensure that it contributes to Group profitability;
- defined ambitious strategic objectives to regain market share in the European market, with a focus on customers and profit;
- adjusted the organizational structure of the Europe Region (particularly as regards sales and manufacturing) to foster increased sharing and pooling of resources;
- implemented the French competitiveness plan ("Contract for Renault's renewed growth and employee development in France" dated March 13, 2013), which aims to dramatically improve the competitiveness and output of French manufacturing sites between now and 2016;
- carried out coordinated joint action to control the full distribution cost of vehicles.

As part of its international development strategy, the Group is also expanding its activities in other markets (principally in the emerging BRIC markets) to offset any unfavorable trends in its core European markets.

Brazil and Argentina

The Company has phased in the following arrangements to safeguard against market risk and, in particular, foreign exchange risk:

- the Americas Region, created several years ago, is managed by a Regional Management Committee consisting of representatives of all business functions and chaired by an Operations Director and member of the Renault Management Committee. The region has its own business plan to ensure that it contributes to Group profitability;
- all vehicles sold in Brazil and more than 95% of those sold in Argentina are produced in Mercosur countries with high integration rates so as to reduce the impact of exchange rates on the cost of sales;
- with the same aim in mind, efforts are made to balance trade across production and sales between Brazil and Argentina, and inventory is kept to a minimum;
- in Argentina, purchases in US dollars are partially hedged against foreign exchange risk for periods up to one year.

1.5.2.4 RCI BANQUE CUSTOMER AND NETWORK RISK

RISK FACTORS

Risk factors depend on the quality of customer credit.

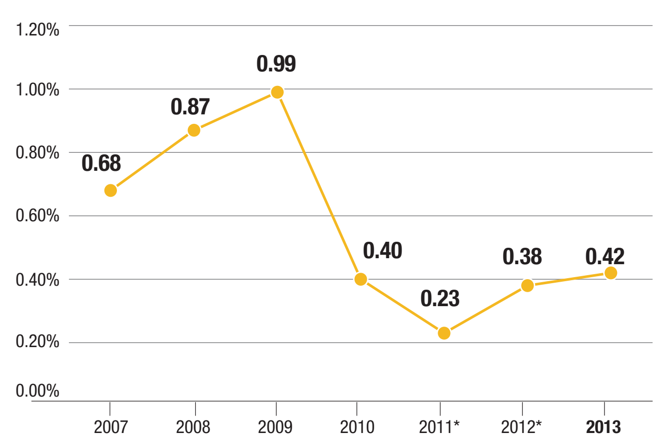
MANAGEMENT PROCEDURES AND PRINCIPLES

Credit is scored and monitored by customer type (Customers and Network).

Procedures for granting loans to retail and corporate customers are based on credit scoring systems and external database searches. Disputes are managed on a case-by-case basis, in accordance with strict procedures that comply with regulatory requirements laid down by credit institutions' supervisory authorities. The aim of these procedures is to quickly recover outstanding amounts or repossess the vehicles, either amicably or through the courts.

Financing is granted to the network on the basis of an internal rating system that takes into account the financial position of dealers. A policy of standardizing the rules for network risk has been in place for several years. This has made it possible to strengthen risk monitoring and provisioning. Since 2002, the cost of risk has reflected a conservative policy that takes into account new European regulations on vehicle distribution as well as the downturn in economic conditions.

RCI Banque: total cost of risk (% of total average loans outstanding) including country risk



*Average loans outstanding excluding operating lease contracts.

"Average loans outstanding" refers to the average amount of capital (excluding manufacturer and network contributions but including spreadable distribution costs) owed by customers and/or the network over a given period (eg a month or a year).

Overdue delinquent loans outstanding and doubtful loans outstanding are excluded from the metric, since it covers only loans on which interest is currently being charged. Delinquent outstandings that are not yet due and non-delinquent outstandings are included.

After reaching a historic low of 0.38% in 2012, the cost of risk remained under control, at 0.42%, in 2013, below the historical structural level for the Group.

This cost of risk correspond to provisions for non-recoverable outstanding and doubtful loans as well as abandoned outstanding loans and provisions for country risks.

This is translated into the account for a charge of 101,6 MEUR en 2013, corresponding to 0.42% of total average loans outstanding.

1.5.2.5 DISTRIBUTION RISK

RISK FACTORS

The types of risk to which Renault is exposed depends on the type of distribution channel involved:

- at commercial import subsidiaries, the main risks relate to the use of sales and marketing resources;
- at importers, the main risk relates to their financial health;
- within the network of proprietary distribution subsidiaries, which in Europe are grouped together under the umbrella of Renault Retail Group, Renault's risks primarily relate to decentralization and the diversity of these entities;
- the financial health of dealer networks is also a source of risk.

Another risk related to the Group's commercial activities is the risk of customer default.

MANAGEMENT PROCEDURES AND PRINCIPLES

Import subsidiaries

Central and local systems and procedures have been put in place to enable the Group's import subsidiaries to control financial assistance paid to the network and monitor its cost.

In some countries, independent auditors carry out inspections to ensure that subsidiaries can substantiate the assistance they receive.

Furthermore, an annual internal control self-assessment has been put in place using a tool designed in conjunction with the Internal Control department.

In 2007, the Sales and Marketing department began rolling out a tool for the payment and monitoring of financial assistance provided to the network (Planet).

Importers

Hedging of commercial risks is included in the contracts that Renault signs with importers.

Such hedging may be:

- undertaken by the importer by issuing banking instruments (documentary credits, first demand guarantees and standby letters of credit);
- taken out by Renault in the form of export credit insurance policies.

Hedging instruments must be put in place before trading activity with importers begins.

European distribution subsidiaries (Renault Retail Group)

Internal control at the Group's distribution subsidiaries (Renault Retail Group) is based on a set of standards and procedures. Annual self-assessments are carried out using internal control quality tools developed by RRG Internal Control in conjunction with the Internal Audit department, which carries out regular audits to verify that the system is operating effectively.

Dealer network

Renault and RCI Banque jointly monitor the financial position of dealerships in countries in which RCI Banque operates. A dealer rating system is used to prevent and limit the risk of default. In other countries, Renault puts in place a credit monitoring system.

Risk Committee Meetings are held monthly in countries in which RCI Banque operates. For Central Europe, a Risk Supervision Committee meets at head office every four months to review monthly operating reports on the network's financial position and the status of receivables.

Default risk is transferred to RCI Banque in those geographical regions in which RCI has special purpose vehicles to carry risk arising on the network and personal customers. If RCI Banque cannot handle this risk, Renault either carries it directly or transfers all or part of the risk to local banks.

In 2007, a reporting system was introduced as part of the credit management system, including indicators for monitoring Automotive's trade receivables. These tools improve the monitoring and management of payment terms and help manage customer risk and portfolio quality more effectively.

1.5.2.6 INDUSTRIAL RISK

RISK FACTORS

The Group's exposure to industrial risk is potentially significant as a result of the production of certain models and components being concentrated at one or two sites (see the table of manufacturing sites in chapter 1.1.4.1) and the interdependence of its production facilities. For the past 20 years, in consultation with its insurers, the Company has therefore adopted an ambitious and rigorous prevention policy which is now applied at all production sites. This policy covers personal safety as well as property security and business continuity.

MANAGEMENT PROCEDURES AND PRINCIPLES

For many years, the Group has endeavored to reduce the risk of fire, explosion and machine breakdown, giving priority in this effort to production sites, as well as engineering and testing centers and the most strategically important logistics platforms. Most existing plants have achieved a high level of prevention and protection, recognized via the "Highly Protected Risk" (HPR) rating, an international standard awarded by insurance companies that verify the application of prevention and protection rules every year (and systematically for all new projects) across more than 50 sites. More than 90% of the insured capital within the industrial, engineering and logistical scope covered by the Renault group's general insurance programme has received the "Highly Protected Risk" rating from the Group's insurers, in recognition of efforts made and in line with the HPR programme rollout plan. This high degree of control over risks, which is recognized by insurers, has a direct positive impact on the terms at which the Group is able to buy insurance cover.

Risks related to natural disasters such as storms, flooding, typhoons (mainly in South Korea) and earthquakes (particularly in Romania, Chile, Turkey and Maroco) are incorporated into the Group's prevention policy.

The prevention policy is supported, in particular, by a specialized central team that works with the Group's insurers to define and update standards for worldwide application, as well as taking part in all projects to modernize or extend existing plants or open new ones. This France-based central team is supported by regional hubs in Spain, Romania and South America, as well as a network of field teams at each production site.

1.5.2.7 ENVIRONMENTAL RISK

RISK FACTORS

Alongside the systems and policies (described in chapter 2.4, "Environmental Dimension") put in place to reduce the environmental impact of vehicles in the design, manufacture, operation and recycling phases, environmental risk at Renault also covers environmental impacts arising from malfunctioning facilities, harm to individuals, and pollution caused by past activities.

MANAGEMENT PROCEDURES AND PRINCIPLES

Although Renault has no high environmental risk facilities, it has put in place a management system to guard against environmental risk. This system is ISO 14001 certified and has, since 2005, been integrated into the Renault Production Way in the form of instructions on the management of chemical products and waste at workstations.

A team of business specialists coordinates the tasks performed by the system. These specialists are supported at each production site by a network of local teams. Techniques and structures for identifying risks, quantifying their impact, organizing prevention and protection, and defining controls are implemented at all the Group's manufacturing sites.

Methods and tools have been defined for every stage of the environmental risk management process: risk identification, choice of prevention and/or protection solutions, management and training procedures, and a scorecard of impact data that is checked by the statutory auditors.

1.5.2.8 IT RISK

RISK FACTORS

The Renault group's business depends in part on the smooth running of the Group's IT systems. These are under the responsibility of the Information Systems department (DI-R), which has put in place a security policy, technical architecture and processes to combat risks associated with the following:

- partial destruction of the Group's data center, which hosts around 3,000 IT applications. Redundancy is built into the 11 applications that support strategic business processes so that they can restart in less than a week in the event of an incident. It would take several months to restart all the Group's IT applications;
- cyber crime: computerized attacks on Renault, for example in response to events widely reported in the media such as site closures, or simply with the aim of deriving benefit (through the resale of information, blackmail, etc.). Such attacks aim to steal or corrupt sensitive data (i.e. confidential or personal information), crash applications or the Group's entire intranet network, and deface web sites. All companies, including those in the manufacturing sector, are targeted by such attacks. Furthermore, the Renault group's exposure to such threats is likely to increase with the development of connected vehicles, with attacks targeting in-vehicle systems (both Renault and partner applications);
- industrial espionage targeting sensitive data;
- non-compliance with legislation governing IT-related activities: protection of personal data, professional secrecy, the Act on confidence in the digital economy, etc.

The occurrence of these types of risks can adversely affect the Group's brand image as well as its financial position and/or competitive advantage.

MANAGEMENT PROCEDURES AND PRINCIPLES

Risks are controlled, in particular, through the following:

- the IT Risk Committee, which is chaired by a member of the Renault Management Committee and coordinated by Group IT Security, under Renault's Information Systems department (DSIR), in conjunction with the Information Management Programme department. This committee consists of representatives from the business lines (business information systems security managers – RMSSIs) and Risk Management department;
- management of data security within each business by the designated RMSSI;
- committees coordinated by Renault Group IT Security, which carry out checks at operational level to verify the effective application of IT security procedures, in line with the information systems security policy and best practice;
- a process for defining security requirements, which must be able to adapt as technologies evolve (an example being the development of cloud-based offerings). This process is used within IT projects, depending on the criticality of the applications and data used;
- a high level of protection for the Group's IT network, such that resources can safely be used not only by suppliers and partners but also by entities based in high-risk countries;
- awareness-raising activities;
- compliance checks carried out jointly by Renault's Information Systems department and Prevention and Protection department (D2P).

Key IT security projects carried out in 2013 covered the following areas:

- maintaining the inventory of applications supporting strategic Group processes, to ensure that those applications can be restarted as a priority in the event of an incident;
- maintaining the inventory of systems hosting confidential data (types A and B) and personal information;
- security support for strategic international partnership projects (Russia, China, Algeria, etc.);

- project support in drawing up contracts with suppliers for the purchase of “cloud” services;
- actions to improve intranet and mobile handset security;
- work to detect advanced attacks on sensitive areas of the Company;
- intrusion testing on systems installed in connected vehicles;
- periodic vulnerability testing on around 750 machines supporting Renault applications accessible via the Internet;
- coordination of the Group’s network of security correspondents within its various business lines;
- tooling and training to support a new process for integrating security into projects.

1.5.2.9 INSURING AGAINST OPERATIONAL RISK

Within the Renault group, protection against operational risk has three facets:

- high-impact, low-probability risks are transferred to the insurance and reinsurance markets;
- common risks that are statistically known and whose financial impact can be predicted are provisioned by the Group, unless there is a legal requirement to insure them;
- the Group negotiates global insurance policies that provide Group-wide cover.

The Insurance department conducts negotiations and directly entrusts financially solvent insurers with these worldwide programmes. In 2013, two programmes were renegotiated and placed jointly with Nissan, thereby becoming Alliance programmes (“Property damage and business interruption” and “Transportation and storage”). The Insurance department is directly involved in defining the Group’s prevention and protection policy. As such, the nature and scope of cover is determined via a preliminary risk analysis of operating entities. This approach is used for the following types of risk:

- “Transportation and storage of vehicles in depots”: the Alliance buys a capacity of €220 million per claim in four lines from around ten insurers, with deductibles of €100,000 per claim for damage to vehicles in depots and €45,000 per claim involving overland or air shipment;
- “Property damage and business interruption”: the Alliance buys a capacity of €1.5 billion per claim in five lines from around ten insurers with sub-limits on some types of claim, in particular natural disasters and machinery breakdown. Consequential operating losses are assessed at Group-wide level. Deductibles for the Group’s manufacturing activities amount to €5 million per claim. Deductibles for commercial activities amount to €8,000 per claim;
- “Civil liability”: the Group buys a capacity of €100 million in two lines covering general civil liability and civil liability related to products, the environment and repairs made by Renault Retail Group’s sales subsidiaries.

Renault’s insurers partially reinsure these worldwide programmes with Motor Reinsurance Company (MRC), a captive insurance company wholly owned by the Group. Renault’s policy is to reinsure high-frequency risks through its captive and pool low-frequency high-impact risks on the insurance market by contracting with outside insurers. This policy has enabled the Group to keep the cost of insurance services from outside insurers almost constant, despite the Group’s continuous expansion in international markets.

MRC mainly operates as follows:

- “Transportation and storage of vehicles in depots”: MRC covers up to €10 million per incident, with a maximum total annual commitment of €25 million. The Group has decided to cover certain depots exposed to natural hazards, such as storms or hail, in particular in Slovenia, Brazil, Spain and Algeria;
- “Property damage and business interruption”: €18 million per incident, subject to a maximum total annual commitment;
- “Civil liability”: up to a maximum total annual commitment of €2.3 million;
- “Group employee benefits”: subject to a maximum total annual commitment of €7.5 million.

Finally, some risks, such as defects covered by manufacturer’s warranties and vehicle recall campaigns, are not insured.

The reasons for keeping deductibles high include the Group’s consistent policy of prevention, and a desire to make each risk-bearing sector more accountable.

A plan to extend MRC’s operations to include risks associated with purchases of the Group’s receivables is being studied. No significant changes to the risk transfer policy are planned for 2014.

1.5.3 OTHER RISKS

1.5.3.1 LEGAL AND FISCAL RISKS

RISK FACTORS

Legal and arbitration proceedings

In the normal course of its business, the Group is involved in various legal proceedings. Generally, all known legal disputes in which Renault or Group companies are involved are reviewed at the year-end. After seeking the opinion of the appropriate advisers, the Group sets aside any provisions deemed necessary to cover the estimated risk.

In the last twelve months, there have been no government, court or arbitration proceedings (including any pending or potential proceedings of which the issuer is aware) that could have or have recently had a material impact on the financial position, the activities or the results of the Group.

Joint venture risk

The Group has entered into joint venture agreements with other companies of international standing or state-owned companies. In each of these entities, the Group exercises a predominant or significant influence, and these operations do not involve any particular associated risks.

Regulatory changes

Renault has to abide by all laws applicable to companies, and seeks to adopt a faultless attitude. It requires subsidiaries to comply with local regulations in countries in which the Company operates. To safeguard against risks arising from regulatory changes, Renault is engaged in ongoing dialog with national and regional authorities responsible for specific regulations applicable to products in the automotive industry.

On September 14, 2004, the European Commission issued a proposed directive amending Directive 98/71 on the protection of designs and models. The proposal calls for the abrogation of protection of spare parts under design law. This proposal was approved by the European Parliament, with an amendment providing for a five-year transition period. However, the proposal has yet to be adopted by the European Council of Ministers owing to the co-decision process for the adoption of EU directives. As such, the transition period has not yet begun and existing Member State legislation still applies to designs and models. The sale of copies of spare parts after this date could have a negative impact on Group earnings, given that around 1.5% of Renault's revenue arises from the sale of so-called captive parts, which are protected under design law.

Granting of licenses for industrial property rights

The Group may use patents held by third parties under licensing agreements negotiated with those parties.

Every year, Renault s.a.s. files several hundred patents (see chapter 1.4) some of which are covered by fee-paying licenses granted to third parties.

As part of the sale of Renault V.I. to Volvo, Renault granted the Volvo group a license to use the Renault brand name in an agreement signed on January 2, 2001 for commercial vehicles (3.5 tonnes and over). This is a perpetual worldwide license and is used by the Volvo group at its own risk.

MANAGEMENT PROCEDURES AND PRINCIPLES

The risks identified above are controlled by implementing prevention policies in the realms of health and safety at work, the industrial environment, intellectual and industrial property rights in relation to vehicle safety, the quality of the Group's products and services, and legal protection for the Group's operations.

From a legal standpoint, internal control in respect of these risks is based on two main guidelines:

- reporting, which relies on the networking of the legal function within the Renault group via a dual system of both hierarchical and functional reporting;
- the precautionary principle, which stems from two factors:
  - each member of the legal function has a highly developed sense of responsibility and is used to working on a cross-functional and ethical basis at all times,
  - legal teams are brought in at a very early stage for major cases and play a proactive role in solving subsequent disputes.

RESEARCH TAX CREDIT

The research tax credit, or CIR, introduced by the French government applies to a portion of the Group's R&D spend in France. The average basis of assessment adopted in recent years to compute the CIR (i.e. €800 million) is approximately 50% of total R&D outlays. The CIR tax rules apply to this basis.

Naturally, there is a risk of tax inspection. To mitigate it, we endeavor to scrupulously follow the recommendations made by the authorities and our auditors. Provisions are set aside for potential risk.

1.5.3.2 RISK ARISING FROM PENSION LIABILITIES

Renault operates in countries in which, as a rule, pension systems are publicly run. Renault's liabilities in this respect consist primarily of retirement compensation, as specifie in note 20 to the consolidated financial statements.

These liabilities may be sensitive to changes in the parameters used to calculate them (funding, labor characteristics, interest rates, etc.).

MANAGEMENT SYSTEMS AND POLICIES

These pension commitments are monitored as part of centralized risk management, based on regular valuations, and any significant change to the plan undergoes a process of approval by the CEO.

Over the past ten years, the Group's policy has been to avoid implementing new defined-benefit plans, in favor of defined-contribution plans, which by nature do not generate actuarial liabilities.

1.6 DRIVE THE CHANGE ✦

The Renault 2016 – Drive the Change plan, unveiled on February 10, 2011, is built on Renault's ambition of making sustainable mobility accessible to all. This ambition is embodied in the brand signature, Drive the Change.

The Renault group's strategic plan covers a six-year period.

Renault 2016 – Drive the Change is designed to meet two objectives:

- deliver growth for the Group;
- generate sustainable free cash flow.

With, for the 2011-2013 period:

- more than 3 million vehicle sold in 2013;
- a minimum of €2 billion in cumulative operational free cash flow.

To achieve these objectives, the Renault group makes use of seven key drivers:

- a continuing policy of innovation;
- a robust product plan;
- a strengthened Renault brand;
- the excellence of our network in managing customer relations;
- optimized R&D and investment expenditures;
- reduced costs;
- steady positions in Europe and international expansion.

Midway through the plan, at end-2013, the following results are noteworthy:

- the Renault group surpassed its objective for 2011-2013, with €2.5 billion in cumulative free cash flow.

SUCCESS OF THE NEW RENAULT AND DACIA VEHICLES

The renewal of the Renault range is off to a good start. New Clio is No. 1 in France and No. 3 in Europe. Captur is the best-selling crossover in France and No. 1 in its segment in Europe. A pioneer in zero-emissions mobility, Renault has kept its word by bringing to market a complete range of electric vehicles.

A BETTER-BALANCED GEOGRAPHIC MIX

On the international front, the Group has increased its penetration of its main markets. The proportion of total sales outside France rose from 38% in 2010 to more than 50% in 2013. Brazil and Russia have become, respectively, the Group's second- and third-largest markets. The unique positioning of the M0 range is paying off, as the popularity of Duster, the Group's best-selling car in 2013, is demonstrating.

INITIATIVES IN 2014-2016

CONTINUING RENEWAL OF THE PRODUCT RANGE

- The Renault group is going to step up the renewal of its range, beginning in the autumn of 2014 with new Twingo and new Trafic, then with the successors to Espace, a new D segment vehicle and the successors to Megane and Scénic. These vehicles will be based on the common Alliance platform with 3 million vehicles for the C and D segments.
- At the same time, the Group is going to increase its market coverage with a comprehensive range of crossovers and an entry range vehicle (A-entry) for India and Latin America as well as new models of light commercial vehicles (pick-ups) for international marketing.

INTERNATIONAL EXPANSION AND FRESH AMBITIONS IN EUROPE

- Following a successful start, the Group is aiming for a market share above 8% in Brazil and Russia and above 5% in India.
- China is a priority for the coming years. A plant with a capacity of 150,000 vehicles a year is being set up at Wuhan, and a range of products based on the C and D segment crossovers is planned.
- In Europe, the Renault brand's aim is to reclaim its second-place ranking among full-line manufacturers with a renewed range of connected, user-friendly and environmentally responsible vehicles. Meanwhile, the Dacia brand will seek to reinforce its leadership in its category.

✦ Global Reporting Initiative (GRI) Directives

STRENGTHENING COMPETITIVENESS

- The Renault group is counting, first, on scale effects and a boost in competitiveness from the sharing of platforms and architectures (CMF), which will apply to more than 80% of future launches, and second, on standardized modules, which will make up two-thirds of the value of future vehicles.
- More local sourcing and better use of industrial capacities will round out the strategy aimed at controlling vehicle costs.
- The Group will reap the benefits of the competitiveness plans signed in France and Spain and the additional volumes supplied by its partners.
- Altogether, the Group expects to achieve a 100% utilization rate for its capacities in Europe by the end of the plan (calculated on the basis of the standard definition: two shifts per day).

SYNERGIES IN THE ALLIANCE

Development of synergies in the Alliance will contribute to the Renault group's profitability. The projects aimed at convergence in purchasing, engineering, manufacturing and logistics as well as human resources are expected to yield at least €4.3 billion from synergies at the end of 2016.

CONTROLLING CAPITAL INVESTMENT

This strategy implemented in the framework of the Alliance and its partnerships increases the number of upstream projects while keeping the ratio of R&D + CAPEX to revenues under 9%.

TWO OBJECTIVES AT THE END OF PLAN

At the end of the plan, the Renault group is aiming to achieve the following objectives[1]:

- €50 billion[2] in revenues, comprising vehicle sales, related services, and sales to partners, based on a constant scope;
- sustained profitability, with an operating margin exceeding 5% of revenues and positive free cash flow each year.

The Group has set ambitious and realistic objectives to be reached at the end of the Drive the Change plan (measured in 2017):

- revenues of €50 billion[3] ;
- operating margin exceeding 5% of revenues, with a positive free cash flow each year.

"The strategy defined in the first phase of our Drive the Change plan has produced results. Thanks to these gains, the Renault group has all the resources needed to implement an ambitious and realistic second phase," said Renault's Chairman and CEO Carlos Ghosn.

(1) Measured in 2017, the first year of the plan's full effect. Excluding consolidation of AVTOVAZ
(2) Based on exchange rate assumptions agreed upon by the banks in early 2014.
(3) Based on exchange rate assumptions agreed upon by the banks in early 2014.

1.7 POST BALANCE SHEET EVENTS

None

IN THREE YEARS, BETWEEN 2010 AND 2013, THE GROUP HAS REDUCED BY

10%

THE CARBON FOOTPRINT PER SOLD VEHICLE*

* *See details chapter 2.4.2.1 Energy and Climate change and appendice 2.8.2.1*

CSR: **SUSTAINABLE MOBILITY**

2

The elements of the annual financial report are identified by AFR sign.

✦ Global Reporting Initiative (GRI) Directives

2.1 RENAULT, A RESPONSIBLE COMPANY COMMITTED TO SUSTAINABLE DEVELOPMENT

2.1.1 THE RENAULT GROUP VISION

"No large company can focus solely on economic performance without paying attention to what is going on around it. Our responsibility – and our interest – is to get involved in environmental issues, as well as in the corporate and social life of the countries where we operate.

CARLOS GHOSN, RENAULT CHAIRMAN AND CEO

WE WANT TO ENSURE THAT SUSTAINABLE MOBILITY IS A DRIVER OF WORLDWIDE DEVELOPMENT AND PROGRESS FOR EVERYONE.

The cornerstones of Renault's approach to corporate, social and environmental responsibility consist in lessening our environmental footprint throughout the "lifecycle", making sensible use of natural resources, protecting the health of road-users, local communities and employees, developing skills, and applying the principle of equal opportunities based on merit. These fundamental principles reflect the Group's capacity for openness to the world and its determination to respond to society's expectations.

Mobility is vital to economic development and social cohesion. In addition to being a source of freedom and pleasure, it serves a practical purpose and promotes social inclusion. But it can also lead to accidents and impact on health and the environment, presenting major challenges on a global scale. Our industry accepts its share of responsibility in improving everyone's quality of life.

The challenge facing Renault – a responsible carmaker and pioneer of sustainable mobility for all – involves developing mobility solutions accessible to the greatest number, designing innovative technologies such as electric vehicles with zero emission during use, and consuming energy and raw materials frugally. We also have to support changes in behavior and practices, and invent suitable economic models that not only contribute to the Company's long-term future but that generate value-added for stakeholders.

A company is above all a group of women and men whose motivation and skills are essential sources of competitiveness. That is why Renault pays close attention to developing its human capital. Throughout the world, we make it a priority to provide a motivating workplace, training courses that are in line with the Company's needs as well as employees' aspirations, and fair rules of recognition designed to boost individual and collective performance. Wherever we operate, we support initiatives to promote education and diversity, both in higher education and among younger people, particularly through our Foundations.

In line with our priorities and values, we have set seven goals corresponding to the most demanding international standards of corporate social responsibility (CSR):

- apply ethical rules strictly at all levels and pursue fair business practices; and guarantee our suppliers' commitment to CSR;
- create motivating employment conditions, in compliance with fundamental rights, that attract and promote employees in all countries; and encourage diversity and equal opportunity;
- ensure employability by developing future skills;
- reduce our environmental footprint throughout the vehicle's lifecycle, and from one generation to the next, by incorporating the principles of the circular economy into our processes, products and services;
- contribute to public health objectives: to reduce road deaths, particularly in developing countries, and do our utmost to protect the health of employees, users and local communities;
- offer innovative mobility solutions accessible to the greatest number;
- support responsible economic and social development in the countries where we operate by pursuing initiatives in the fields of education and access to mobility that are aimed at local communities.

2.1.2 CSR IS A DEEP-ROOTED TRADITION

Renault did not wait until the 1990s and the emergence of the concept of sustainable development to act responsibly towards the societies and ecosystems in which it operates. Initiatives concerning employee welfare, society and the environment have long been engrained in the Company.

2013

- ● Contract for a new dynamic of Renault growth and social development of Renault in France.
- ● Global framework agreement on social, employment and environmental responsibility.
- ✱ Renault contributes to the "Positive Economy" report commissioned by the French president. The Renault-Nissan Alliance takes part in the "third industrial revolution" in the Nord-Pas de Calais region *(see 2.2.6)*.
- ■ In Europe, the Group's passenger cars emit an average 114.8 g/km of CO_2.
- ■ Renault's carbon footprint is 10% lighter than in 2010.
- ✱ Captur is the 15th Brand vehicle (since 2001) to obtain a five-star EuroNCAP rating.

2012

- ✱ Renault Spain Foundation for sustainable mobility.
- ✱ Creation of Mobiliz Invest (a social enterprise investment fund) *(see Sustainable Mobility 2.5.2.1)*
- ■ Clio IV fitted with an Energy dCi 90 engine: certified emissions of 83g CO_2/km.
- ■ Tangiers plant, designed on the basis of carbon-neutral technologies with zero industrial effluent discharges.

2011 2013

- ■ Launch of the electric range: Kangoo Z.E, Fluence Z.E., Twizy, ZOE.

2011

- ● Skills and Employment Planning Agreement, designed to adapt the Company's skills to its strategy requirements and develop employability *(see Chapter 2.2.)*.

2010

- ■ Renault is a founding partner of the Ellen MacArthur Foundation for the circular economy.
- ✱ Instituto Renault do Brasil to implement CSR initiatives in Brazil.

2009

- ✱ Sustainable Mobility Institute, Renault-ParisTech.
- ● The "Crisis-Period Labor Deal" establishes a welfare maintain the jobs and pay of employees placed on short-time working

2008

- ■ Creation of Renault Environnement and acquisition of a stake in Indra (automotive recycling).

2007

- ■ Signing of eco², based on three environmental criteria (manufacturing, emissions and recycling).

2004 2005

- ● Signing of the Declaration of Employees' Fundamental Rights, the Diversity Charter.

2004

- ■ First Life Cycle Assessment (LCA) of Scénic II.

2001

- ✱ Renault Corporate Foundation for higher education *(see Education 2.5.2.3)*.

1999

- ■ First ISO 14001 certified factories.

1998

- ■ Certification of environmental data by the statutory auditors.

1989

- ● Signature of the "Living Agreement" aimed at the development of Renault and the professional, personal and cultural advancement of its employees.

1970

- ■ First purification plants on production sites.

1964

- ✱ Creation of the Laboratory of Accidentology, Biomechanics and Human Behavior (LAB).

1963

- ✱ A foundation in Spain to fund scholarships for employees' children.

1962

- ● Fourth week of paid vacation, retirement at 61 for women and 63 for men.
- ●■ Creation of the Renault industrial hygiene laboratory to closely monitor the chemicals used in Renault plants.

1960

- ✱ Renault Argentina Foundation, providing innovative environmental and mobility initiatives.
- ✱ Renault has rolled out social initiatives since the 1960s, notably in education.

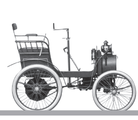
Institutes and foundations have been regularly set up in the Group's operating territories.

1955

- ● Labor Deal: payment for public holidays, third week of paid vacation and introduction of a supplementary pension plan.

1949

- ■ Launch of the standard replacement activity at the Choisy-le-Roi plant.



● SOCIAL
■ ENVIRONNEMENT
✱ EMPLOYMENT

✦ Global Reporting Initiative (GRI) Directives

2.1.3 CROSS-FUNCTIONAL GOVERNANCE

2.1.3.1 CSR IN THE HIGHEST ECHELONS OF THE COMPANY

Corporate social responsibility (CSR) strategies and guidelines are discussed and decided by the Group Executive Committee. CSR issues are addressed holistically at this level. Examples include the global framework agreement for sustainable growth and development in 2013, the supplier CSR policy, ethics and the risk management roadmap. These are all important subjects of discussion.

CSR topics are submitted to the agenda of Group Executive Committee Meetings by managers of entities responsible for coordinating the specific topics. The main areas of action for CSR are entrusted to three specialist departments: Human Resources, Corporate Social Responsibility, and Strategic Environmental Planning. These three entities report to the Chairman and CEO or a member of the Group Executive Committee.

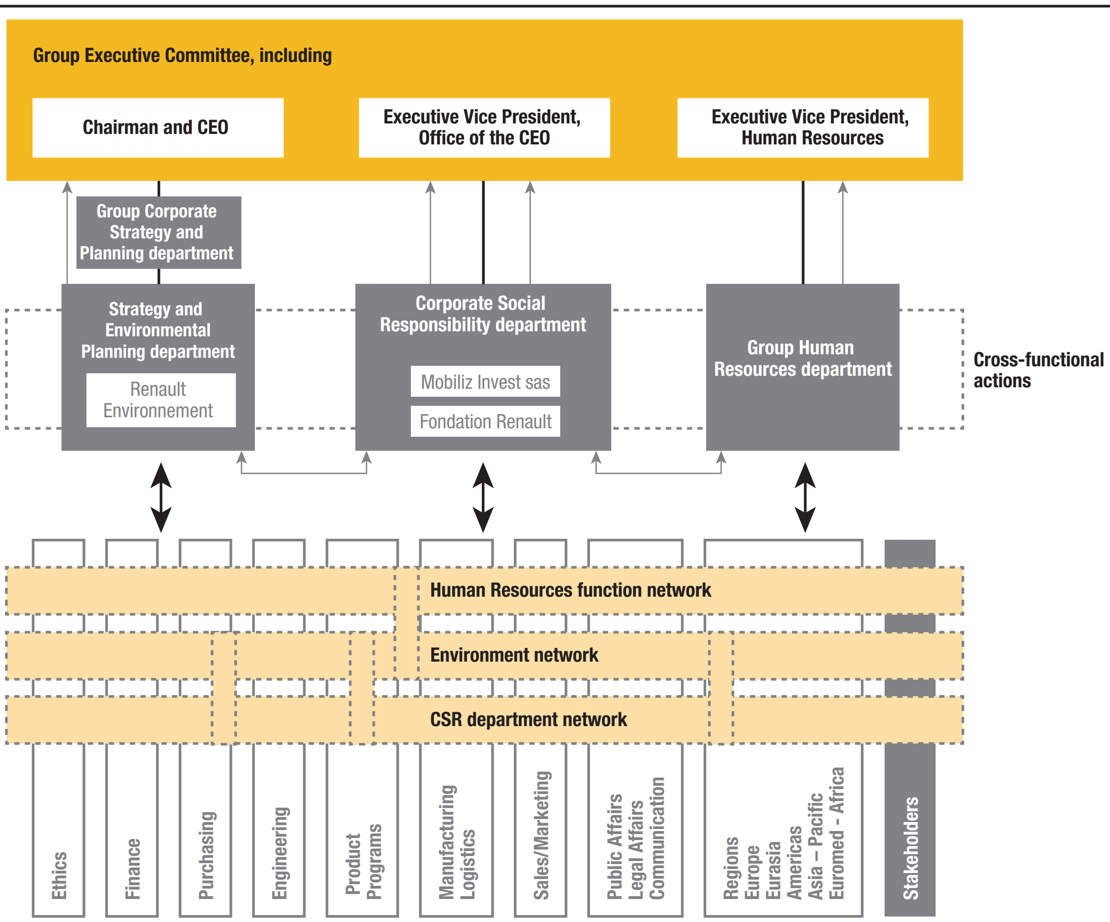
Each entity is supported by an internal network of representatives in the Regions and the Group's major functions and by special entities set up to develop external partnerships and innovative economic models. When synergies are identified, the networks are pooled and a single representative coordinates several CSR topics. This network-based organization, which is both cost-efficient and cross-functional, ensures that CSR issues are addressed through organizational structures linked closely to the decision-making and implementation processes.

In their specialist field, the three entities are responsible for:

- putting forward strategies and objectives to the Group Executive Committee;
- rolling out these objectives within the Company;
- identifying and managing risks and opportunities;
- reporting regularly to the Company's management bodies and stakeholders on progress Status reports on major issues are given to the Group Executive Committee several times a year. As required, the three entities also give presentations to the Management Committee, the Board of Directors and the Annual General Meeting;
- maintaining relationships with stakeholders who are interested in their area of action.

The entities jointly coordinate common projects covering several CSR fields, such as chemicals management (environment/HR), diversity (CSR/HR), and relations with the academic community. The CSR department coordinates cross-functional activities, including the Group's communications and sustainability reporting.

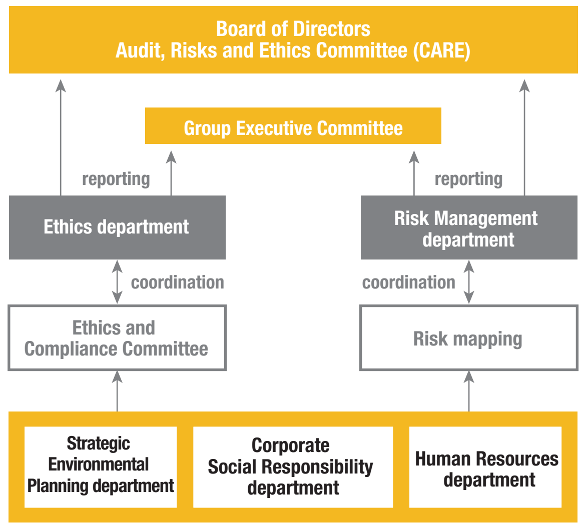
Governance scheme CSR



2.1.3.2 CSR IN THE ETHICS AND RISK MANAGEMENT SYSTEM

The Human Resources, Environment and CSR functions also contribute to corporate programmes to promote ethics and map and manage risks. The functions are members of the Ethics and Compliance Committee, which is coordinated by the Ethics department, and assist with the analysis and mapping of major risks as set out by the Risk Management department.

Major risk factors include risks associated with the CSR performance of the supplier chain (compliance with employees' fundamental rights, environmental management), risks of harm to the environment and individuals in the event of equipment malfunction, management of pollution caused by past activities, and changes in raw materials prices (see chapter 1.5.1.6). Other risks, such as the environmental impacts of automotive products (*eg* CO_2 emissions) are identified as part of the risk mapping process. At present, risks are controlled effectively and are therefore monitored as part of the Group's routine operations.



2.1.4 GUIDELINES AND STANDARDS

Renault complies with international standards designed to regulate businesses' corporate social responsibility practices. The Group factors these principles into its policies and also implements its own standards.

The main references are:

- the 10 principles of the Global Compact, adopted at the initiative of the United Nations and signed by Renault on July 26, 2001. The Global Compact refers to the Universal Declaration of Human Rights, the ILO Convention, the Rio Declaration at the first Earth Summit and the UN Convention Against Corruption;
- the OECD Guidelines for Multinational Enterprises, updated May 25, 2011;
- the global framework agreement covering corporate social responsibility, signed July 2, 2013 and based in particular on International Labor Organization (ILO) standards;
- the ISO 26000 standard, which the Renault group has recognized as its benchmark;
- the Group's ethical Charter, approved by the Renault Board of Directors on October 3, 2012 (replacing the Code of good conduct).

2.1.5 ABOUT SRI REPORTING ✦

2.1.5.1 FRAMEWORK

The socially responsible investment (SRI) reporting included in this Registration document has been prepared in accordance with the New Environmental Regulations Act (2001) and Article L. 225-102-1 of the Grenelle 2 Act of April 24, 2012 on corporate transparency in CSR practices.

Furthermore, Renault complies with the Global Reporting Initiative's G3.1 guidelines. GRI indicators are selected in accordance with the materiality focus of the Renault group. A cross-reference table is supplied in 7.4.3. All guidelines used are specified alongside the relevant indicators.

2.1.5.2 MATERIALITY ANALYSIS

The SRI information presented in this document has been selected in accordance with material topics. Each of the three departments in charge of the Renault group's HR, social and environmental policies selects the topics for their area of responsibility.

Material topics are determined using two types of criteria:

- relevant for stakeholders: stakeholder interest expressed and actual or potential impacts on stakeholders. These criteria are identified through dialogue with stakeholders (see chapter 2.2) and an analysis of international guidelines (Global Compact, GRI) and ratings;
- relevant for the Renault group: impacts on the Company's operations, economic performance and long-term future.

✦ Global Reporting Initiative (GRI) Directives

2

The materiality focus of the topics and information presented is subject to a critical review by the statutory auditors as part of their verification of compliance with the Grenelle 2 Act.

2.1.5.3 SCOPE

The target scope of this reporting initiative is identical to that of the Renault group's consolidated financial reporting (see chapter 4.2 note 31 to the consolidated financial statements).

The scope may be smaller for some indicators due to the availability of data. The scope for each of the CSR indicators is therefore specified when disclosed.

2.1.5.4 THIRD-PARTY VERIFICATION

The Renault group has voluntarily asked its statutory auditors to certify the environmental impacts of its main industrial, office and logistics sites since 1999. This verification is done with the same reasonable level of assurance as for financial data. The indicators covered by "reasonable assurance" are listed in chapter 2.8.2.3.

Ahead of the implementation of Article L. 225-102-1 of the Grenelle 2 Act of April 24, 2012, the CSR information presented in this document has been checked since 2012 by the statutory auditors for accuracy and completeness (with a moderate level of assurance). The indicators and data covered by "moderate assurance" are listed in the Grenelle 2 cross-reference table in chapter 2.7.

2.2 STAKEHOLDER DIALOGUE AND INFORMATION ✦

Under its strategic plan, *Drive the Change,* Renault has endorsed a primarily humanistic vision of the automobile and placed people at the center of its corporate programme. Consistent with its vision, Renault maintains open and constructive dialogue with stakeholders.

Faced with different expectations, Renault strives to engage in dialogue on a global scale, partnering major players such as the IndustriALL Global Union and the International Federation of Red Cross and Red Crescent Societies as part of the Global Road Safety Partnership. Renault also operates locally, responding to the questions and needs of customers and local communities. There are many forms of dialogue. A roadmap of stakeholders and types of engagement provides an overview of Renault's initiatives.

RENAULT IN THE EYES OF…

Dame Ellen MacArthur, founder of the Ellen MacArthur Foundation

"Back in 2010, when I asked Renault to become one of the main partners of the Foundation, I was certain the Company would commit to a circular economy that is less dependent on natural resources. Three years on, I have witnessed a real change in Renault's strategy, whether it be on the production lines at the Choisy plant or in the management team itself. Choisy has become a benchmark for the viability of the circular model – and for my public presentations. The circular economy is currently gaining ground through the Foundation's awareness-raising initiatives and economic reports."

Pieter Venter, CEO, Global Road Safety Partnership

"There shouldn't be any ownership of knowledge in road safety. When best practice is established, we need to access the knowledge, study the data, implement the programmes, monitor and evaluate them and then review them. But first and foremost we need to share knowledge. By teaming up with governments and civil society, companies such as Renault can help to identify, develop and implement best practice and thereby contribute to the emergence of road safety solutions that are sustainable because they are integrated and managed locally."

Jyrki Raina, General Secretary of IndustriALL Global Union

"The global framework agreement [signed on July 2, 2013] includes significant improvements in the field of employees' fundamental rights, notably concerning freedom of association, health and safety, training, and the environment. IndustriALL welcomes Renault's strong commitment to advance these rights at its suppliers and sub-contractors and promote social dialogue worldwide."

✦ Global Reporting Initiative (GRI) Directives

STAKEHOLDERS	KEY TOPICS	KEY PLAYERS BY DEGREE OF CLOSENESS	TYPES OF ENGAGEMENT FROM MOST TO LEAST DIRECT
Customers	• Quality • Vehicles' environmental performance, Z.E. range • Road and vehicle safety • Product safety • Sustainable mobility	• Retail and business customers • Sales network and importers • Consumer groups • Road users/general public	• Services and direct dialogue in the sales network • Customer Relations departments • Training/awareness-raising initiatives • Labels and signatures (Euro NCAP, Eco²) • Website/media
Employees	• Corporate strategy and results • Group news • HR, environmental and social policy	• Individual employees • Managers • Employee-representative bodies	• Local management • Local employee dialogue (site, country) • Renault group Works Council • Internal communications
Suppliers	• Environmental management • Carbon footprint reduction • Innovation • CSR performance	• Suppliers • Industry bodies	• Supplier management by RNPO: Supplier Account managers, CSR team, Crisis Management team • Industry bodies (FIEV, French automotive industry platform, Modernization Fund for Automobile Equipment Suppliers) • Renault-Nissan CSR Guidelines for Suppliers
Investors	• Labor relations, environmental and social performance • Impacts on results and outlook	• Shareholders, financial institutions • Rating agencies/analysts	• Seminars, roadshows • Investor Relations department • Responses to rating requests • Group Registration document
Local communities	• Economic and social development • Level of activity of sites • Environment/noise • Road safety	• Local residents • Elected officials and local authorities • Local associations	• Partnership/local sponsorship contracts • Regional development Charters and agreements • Direct dialogue and plant tours • Procedures for handling complaints from local residents • Plants' websites/local media
Institutions and associations	• Government regulations and incentives • Z.E. range and development of charging infrastructure • Circular economy • Road safety	• Industry bodies (CCFA, ACEA, ANFAC, etc.) • Trade representation bodies • Academics and researchers • National, European and international legislators • NGOs/think-tank*s* • Media	• Partnership contracts (Ellen MacArthur Foundation, research institutes) • Involvement in working groups on different topics • Responses to public consultations • Informal discussions

2.2.1 CUSTOMERS ✦

Renault's stated goal of being a pioneer of "sustainable mobility for all" means providing solutions to problems of pollution, global warming and traffic congestion. It also means developing products and services which fulfill the need for greater connectivity, safety and affordability and which may be consistent with a functional economy, favoring use over ownership. In other words, Renault must contribute to a sustainable ecosystem which satisfies the aspirations of its different customers as well as citizens as a whole.

In order to meet these many challenges, Renault is relying on:

- the improvement of existing technologies with new generations of low-emission internal combustion engines;
- the "zero emission" breakthrough programme with a full range of electric vehicles which improve air quality in cities and produce no odors or engine noise;
- the adoption of circular economy principles throughout the Company's processes;
- the Renault Mobiliz programme, offering mobility solutions to vulnerable groups in society;
- a TPMR product range (driving and transfer aids for people with reduced mobility).

Renault has chosen to keep people at the center of its concerns. Renault must design, manufacture and sell products that meet or anticipate the need for change which impacts on the mobility of goods and people. It is not up to the world to adapt to the automobile; it is up to the automobile to adapt to people. That is Renault's vision: "Renault is an innovative manufacturer that is close to its customers and makes sustainable mobility available to everyone."

This vision of *Drive the Change* is reflected in customer care processes and dialogue with customer representatives, such as consumer groups and the numerous associations linked to the brand that have been set up worldwide.

2.2.1.1 CUSTOMER SATISFACTION

Processes designed to improve customer satisfaction are based on customer care standards from the upstream stages (research into expectations and needs by the Customer Knowledge department and the Product Planning department) to the downstream stages (*eg* complaint handling and management of vehicle recall campaigns).

To improve customer satisfaction, Renault has deployed the Renault Excellence Plan to guide the processes aimed at providing all customers with greater satisfaction at all times. This plan consists of 20 "essentials" that impact on the customer experience during the sales and after-sales processes. In 2011, Renault launched its global "customer promise" programme – a commitment to provide flawless service.

In 2013, a Customer department was set up within the Sales and Marketing department. Its goal is to maximize customer satisfaction by optimizing the digital and physical customer experience from pre-sales to after-sales.

Behavior-based training has been introduced for sales representatives and staff at customer call centers in order to improve techniques for listening to customers.

Regular surveys conducted in all countries to evaluate the customer experience make it possible to react rapidly to market trends and customer expectations.

Renault also monitors incidents during the warranty period. All the indicators show progress on quality and reliability.

Around the world, some 700 people are in contact with customers daily in order to respond to their questions or complaints about all sales and after-sales issues and provide information about products and services. A trial is under way in Brazil to test new tools designed to significantly improve the quality of customer relations in call centers. These solutions may be rolled out in other countries in 2014.

These two levels of contact ensure that "the customer's voice" is heard in the upstream functions of the Company.

ISO 9001 certification of the Sales and Marketing department France (DCF) and the distribution network in France is tangible proof that this management system is effective.

For example, to take all these aspects of customer care into account and further improve our performance, a policy to increase the percentage of women has been introduced, with a target of women making up 50% of new hires for the sales force in Renault's French network. This target was exceeded in 2012.

2.2.1.2 ENVIRONMENTAL COMMUNICATIONS

ECO² LABEL

The Renault eco² label was launched in 2007 to highlight the most environment-friendly and economical cars in the range. This initiative is part of the ambition to initiate a transparent and open dialogue with customers regarding progress achieved by Renault at every stage in a vehicle's lifecycle. Renault eco² vehicles meet three environmental criteria in terms of manufacturing, use – for CO_2 emissions – and recycling.

In October 2008 the Dacia brand launched its own label, Dacia eco², based on the same scoring criteria as the Renault label. In March 2010 Renault also introduced an eco-label for vans, based on the same criteria for production and recycling, but with an adapted emissions threshold (195g CO_2/km).

In 2011 Renault tightened the eligibility criteria for the eco² label for passenger cars and LCVs by lowering the eligibility threshold to 120g CO_2/km and increasing the percentage of recycled plastics required to at least 7%. End 2013, 75% of the line-up of passenger cars sold in Europe under Renault and Dacia Brand were available in eco² version.

In a bid to maintain the label's high standards and continue to market models with the smallest ecological footprint, Renault is planning an in-depth review of the eco² eligibility criteria in 2014.

DISCLOSURE OF LIFECYCLE ANALYSES

In a move to provide transparency about the environmental performance of its vehicles and respond to requests from an informed public, Renault has chosen to disclose the lifecycle analyses (LCA) of its electric vehicles.

At end-2013, the LCA of Fluence Z.E., is posted on the Group's website. It also includes a critical review by independent experts from outside the Renault group – proof of the quality and reliability of the LCAs. Kangoo, ZOE and Twizy LCAs will be available in 2014.

2.2.1.3 ADVERTISING

In France, Renault submits most of its advertising projects to the French Regulatory Authority for Advertising (ARPP).

In 2008 Renault signed the responsible advertising Charter drafted by the National Association of Advertisers (UDA).

In keeping with this Charter, a programme is underway to make communications to the network paperless using web-based communication. To economize further on advertising materials, reusable POS materials have been developed to limit the number of disposable items, which waste large quantities of paper.

In the area of consumer protection, Renault customer databases are managed with strict compliance with the rules laid down by the French Data Protection Agency (CNIL).

2.2.2 EMPLOYEES ✦

It is Renault's ambition to create the conditions for in-depth and transparent dialogue at all levels with employees and their representatives. The Company encourages negotiation to promote decision-making at grassroots level and to optimize preparation and management of change by seeking the best possible balance and convergence of interests between the Company and its employees.

Central to the Group's HR policy, employee dialogue is addressed in the chapter on Labor Relations (see chapter 2.3).

CSR topics are often the subject of internal communications (intranet, *Global* in-house magazine) in order to build employee commitment and highlight Renault's progress in these areas. Environmental communications are showcased at events to launch new products and services (presentations, exhibitions and vehicle test-drives), technological innovations (Innov'days) and special events (Environment Day). In 2013 the main focus of internal environmental communications was the Z.E. range and vehicle and engine performance.

Communities have been set up to allow interactive communication with employees who are interested in these topics:

- the Environment Web 2.0 virtual community, which was started in 2012, replaced and expanded an internal blog about the environment in the manufacturing process. The blog had been online since 2008;
- Women@Renault is the Group's largest social network, with 4,000 members and local networks in 12 countries. Its goal is to improve the representation of women at all levels in the Company (see chapter 2.3.2);
- Handi@Renault is an internal network launched in 2012 which aims to better address disability in the workplace. Taking the form of a web 2.0 platform, Handi@Renault provides a host of information and fosters discussion (see chapter 2.3.2).

2.2.3 SUPPLIERS ✦

Suppliers account for 57% of a vehicle's cost price. That is why their technical, logistics and financial performance is vital to the Renault group's operations. Any failure on the part of suppliers, whether in relation to the quality of parts delivered, logistics problems, deteriorating financial health or reputational loss, has a considerable impact on both production at Renault plants and the smooth running of projects.

Compliance with Renault's labor relations and environmental requirements, detailed in the ethical standards distributed to suppliers, is one of the selection criteria for suppliers, together with quality, financial robustness, costs, and production and logistics capacity.

Supplier relations and support in CSR areas have enabled Renault to meet new challenges in the supply of both vehicle parts and services used by Renault.

2.2.3.1 SUPPLIER CSR POLICY AND STANDARDS

(see chapter 1.5.2.1 on CSR risk)

Standards, based on the principles of the International Labor Organization (ILO), have been drafted since 2004 and are regularly revised.

An organization has been set up to monitor the implementation of these standards using assessments and audits and support suppliers in making the necessary progress in order to meet our requirements.

2.2.3.2 ETHICAL STANDARDS

Renault's CSR requirements are detailed in the following standards:

- declaration of Employees' Fundamental Rights (2004). Originally drafted for Renault employees, the document was transposed to our suppliers, who are required to sign it prior to joining our supplier panel or for any sourcing. It was revised in July 2013 following the agreement signed with IndustriALL Global Union (see chapter 2.3.4.1) and will be gradually distributed to suppliers as part of new sourcing arrangements;
- Renault-Nissan Purchasing Way (2006). Distributed to all tier-one suppliers worldwide, this booklet presents a vision, values and similar purchasing procedures. It describes the missions and specifies the tools and processes for supplier selection, the technical support provided to suppliers, and partnership arrangements. It emphasizes in particular the importance of the key values of the Renault-Nissan Alliance: mutual respect, transparency and trust;
- a Performance and Best Practices Code for customer-supplier relations in the French automotive industry was signed by stakeholders in 2009, *i.e.* the Committee of French Automobile Manufacturers (CCFA), the Liaison Committee for Automotive Industry Suppliers (CLIFA), the finance, industry and employment minister and the junior minister for industry and consumption. It sets out the mutual commitments of manufacturers and suppliers concerning business relations, sharing of intellectual property rights, use of contract data and cost defrayal;
- Renault-Nissan CSR Guidelines for Suppliers. Distributed to all tier-one suppliers worldwide in 2010, these guidelines set out Renault-Nissan's purchasing expectations with regard to suppliers in relation to safety and quality, human and labor rights, the environment, compliance, and non-disclosure of information. It was distributed again in February 2013 together with the quality objectives for 2013 to all parts suppliers to Renault plants;
- Renault Green Purchasing Guidelines (2012), setting out expectations in terms of environmental management, substances and recycling policy in relation to delivered parts and materials and management of chemical preparations used in industrial processes by Renault's suppliers. The document was distributed in March 2012 to 3,384 tier-one suppliers. It is currently being brought into line with Nissan's guidelines.

2.2.3.3 COLLECTIVE DIALOGUE

Renault actively takes part in the French automotive industry platform, formed in 2009 as a permanent forum for cooperation and dialogue among all stakeholders to help the industry and its professions prepare for and successfully implement change. The platform comprises key industry players, the Committee of French Automobile Manufacturers (CCFA) and major federations of equipment makers (FIEV) and subcontractors, who together form the Liaison Committee for Automotive Industry Suppliers (CLIFA).

The platform aims to fulfill its role of cross-industry coordination in the following areas:

- research, innovation and techniques and the associated standards;
- professions, skills and training;
- industrial excellence;
- strategies and change.

A working group on CSR in the French automotive industry was set up in mid-2012. The remit of the group, composed of two major French carmakers and tier-one equipment suppliers and a member of the Federation of Equipment Makers (FIEV), is to review each company's CSR practices and harmonize them so they can be implemented more easily throughout the industry. One significant aspect of this initiative concerns the participants' responsible procurement policies (approaches and methods for checking and supporting the supply chain); the aim being to align participants' practices and ultimately produce a common set of industry standards.

Renault also hosts its top 200 suppliers:

- annually, at the supplier convention which aims to provide visibility on the Renault-Nissan group's strategy;
- several times a year to present sales forecasts.

A supplier council made up of the 12 most representative suppliers meets annually. Suppliers' top management and senior executives from Renault Purchasing gather to obtain feedback on Renault's supplier relations and compare the findings with those of other carmakers.

Each purchasing unit hosts its main suppliers annually at performance appraisals in order to review the year's difficulties and jointly draft progress plans in areas such as quality, costs, delivery times and CSR.

2.2.3.4 INDIVIDUAL DIALOGUE AND SUPPORT

Renault supports its suppliers with a view to establishing long-term relations in a climate of mutual respect, transparency, trust, and ongoing dialogue (see chapter 2.5.3).

For the second year in a row, Renault presented its CSR Awards at a ceremony held in recognition of its suppliers' initiatives in quality, innovation and CSR. CSR is one of the selection criteria for suppliers to join the Renault panel. Many medium-sized companies have won awards – proof that quality, innovation and CSR are not only reserved for large corporations.

The three winners of the 2013 CSR Awards are:

- Brazilian association **Borda Viva** for its community sewing workshop (see chapter 2.5.1);
- Turkish company **Estas** for improving workstation ergonomics and working conditions at its site and reinforcing safety rules and information;
- the company **Dow Chemicals,** which was rated very highly by rating agency EcoVadis for its environmental management, sustainable development and regulatory compliance.

2.2.4 INVESTORS AND FINANCIAL PARTNERS ✦

Since it was listed in November 1994, Renault has endeavored to provide its shareholders and investors with clear and transparent information on a regular basis.

2.2.4.1 INDIVIDUAL SHAREHOLDERS

To meet shareholder requirements, the Group is continuing to introduce innovative services. Numerous means of communication have accordingly been created: a Shareholders' club, a Group news brochure, a dedicated webpage, an online interactive web function to manage Renault registered shares, a toll-free voicemail number, an e-mail address for shareholder questions (communication.actionnaires@renault.com), in particular ahead of the Annual General Meeting, and a Shareholders Consultative Committee, whose role is to see that the information provided to shareholders is transparent and of high quality.

In 1995, Renault set up a **Shareholders' club** to enable investors to become better acquainted with the Company, its issues and products as well as with the world of automobiles in general. Open to anyone holding at least one share, the Club currently has some 8,000 members who are invited to visit Renault plants and research centers, to attend breakfasts and conferences on a range of subjects and, since 2010, to observe electric car tests. More than 300 shareholders per year benefit from this wide-ranging programme which also gives them the opportunity to meet Renault experts.

To inform shareholders about the Group's activities on a regular basis, Renault has made **tools available 24/7**. In addition to its "Renault Actu" magazine, a Group news brochure sent to Club members three times a year, shareholders also have access to a toll-free voicemail number, a dedicated e-mail address and a shareholders' section on the Finance page of the Group's website at www.renault.com.

To make voting more accessible and offer greater flexibility to shareholders, Renault offers the possibility of using Votaccess to vote online at the Annual General Meeting.

Eco-friendly and innovative, this solution also contributes to shareholder democracy.

In 2009, Renault added a Shareholders' space to the Finance section at www.renault.com, to enable all Club members to sign up for events on line and/or to manage their accounts. It also enables them to browse the latest issue of the magazine in electronic format (interactive PDF file).

Live video broadcasts of results meetings (annual and half-yearly) and of the Annual General Meeting are transmitted on the www.renault.com website, so that shareholders can follow the highlights of the Group's financial events in real time or after the event.

✦ Global Reporting Initiative (GRI) Directives

To ensure that information provided to shareholders is clear, a **Shareholder Consultative Committee** was formed in 1996. Composed of nine Renault shareholders (including two active or retired employees), it meets at Company headquarters several times a year and at the time of the Annual General Meeting to work on improving and innovating in Renault's communications with shareholders in all media (see the Renault Actu magazine in the Finance section of the website).

To stay in touch with its shareholders, Renault organizes discussions at **regional meetings.** The Investor Relations team visits various French cities over the year to take part in meetings with more than 250 shareholders. These meetings are organized either by Renault branches or together with the French Federation of Investment Clubs. Since 2006, Renault has attended more than 20 regional shareholder meetings. For example, in 2013 the Investor Relations department met shareholders in Aubagne, Lyon and Strasbourg.

2.2.4.2 INSTITUTIONAL INVESTORS/ SOCIALLY RESPONSIBLE INVESTORS

The Group organizes analysts' meetings to coincide with the release of its financial results or the announcement of exceptional events. It also holds individual meetings with investors throughout the year, both in France and abroad, and Renault managers give presentations at industry conferences and major motor shows.

To secure investor support over the long term, Renault maintains close links with analysts and investors in the socially responsible investment (SRI) community. This involves individual meetings and topical conferences organized by specialized intermediaries in Europe and the USA. Renault managers regularly speak out on social and environmental issues for the attention of SRI analysts and investors.

2.2.5 RESIDENTS, LOCAL COMMUNITIES AND REGIONS

2.2.5.1 BEING PART OF THE COMMUNITY

Renault believes that companies only benefit fully from operating in a region if it is growing and prospering and if its residents accept the Company's manufacturing or sales operations. That is why it is important for Renault to foster the economic and social development of local populations. Renault endeavors to redistribute wealth among its various stakeholders, while striking the right financial balance for the Company.

To achieve this, the Group carries out a range of initiatives on varying scales, either alone or alongside partners. These initiatives are consistent with the four priorities of Renault's CSR strategy (see chapter 2.5.1).

2.2.5.2 LOCAL DIALOGUE ON ENVIRONMENTAL IMPACTS

Relations with local residents, authorities and associations are coordinated by environment managers working at each Renault plant or site. In addition to legal consultation procedures (community surveys, etc.), Renault plants have implemented procedures to handle complaints from local residents in order to effectively manage any form of nuisance problems which may be caused by their operations (noise, smells, etc.). In order to improve relations with local players, environmental fact sheets for each facility are posted on the website.

Renault is also involved in local initiatives to reduce environmental impacts. Renault is a member of the Greater Paris Club for sustainable development, a forum for sharing best practices between small and medium-sized companies in the Paris region and large companies. Set up in 2005 by the Greater Paris Regional Directorate for Industry, Research And Energy (DRIRE), the club disseminates the principles of the UN Global Compact concerning the environment, human rights, labor standards and the fight against corruption. In Argentina, Renault has been running an event dubbed "Eco-Tour" for several years in partnership with its dealer network. Free introductory courses in eco-driving are offered to the general public.

2.2.6 INSTITUTIONS AND ASSOCIATIONS ✦

In a business environment that is increasingly competitive, highly regulated and demanding for companies, Renault has forged close links with institutions that are very diverse in terms of size, status and purpose, given that a quality relationship can only develop between Renault and an institution when both parties retain their own identity, values and independence and commit to a long-term relationship.

Renault is therefore in contact with numerous institutions that have demonstrated their legitimacy and credibility through their competence and know-how, and that comply with codes of conduct, and, each in their own way, work to create a sustainable and cohesive society.

They are all at the center of society and actively contribute to its construction.

2.2.6.1 INDUSTRY BODIES

These are firstly organizations whose business is of fundamental importance to automotive manufacturing.

Renault is a member of the Committee of French Automobile Manufacturers (CCFA), the European Automobile Manufacturers Association (ACEA), the Society of Automotive Engineers (SIA), the French automotive industry platform (PFA) and, more recently, the European Motorcycle Manufacturers Association (ACEM). Likewise, Renault's subsidiaries around the world are members of local associations of automobile manufacturers if they operate a production facility in the country or of importers' associations if they operate as sales subsidiaries.

These organizations focus on issues directly related to the automotive industry and support Renault in its knowledge of current affairs in each country where the Group operates.

Industry bodies enable automobile manufacturers and the industry as a whole to share a short-, medium- or long-term vision and serve as an interface between Renault and legislators. They are even commissioned by governments to guide industry-specific public policy and coordinate the different players. The PFA fulfils this role in France. The PFA and its members, including Renault, are in charge of implementing the automotive industry contract announced by the French government in October 2012 and have committed to four pillars designed to secure visibility and build a sustainable industry in France. Through the PFA's working groups, Renault is involved in projects covering issues such as innovation, international development of suppliers, sales volume visibility, and employment and skills.

2.2.6.2 TRADE REPRESENTATION BODIES

Renault is also a member of trade representation bodies, notably the French Business Confederation (MEDEF) through the CCFA, MEDEF International, the Union of Metalworking Industries and Professions (UIMM), as well as the French Association of Private Companies (AFEP).

These institutions regularly organize working groups, which Renault joins in order to provide its vision and experience and share best practices.

Discussions often go beyond the automotive industry. Topics covered include major social changes and economic, HR and other issues that are vital to large corporations, which have to know their rights and duties and take a position on public policy *via* these organizations.

2.2.6.3 SUSTAINABLE MOBILITY INSTITUTIONS AND ASSOCIATIONS

Renault is dedicated to mobility now and in the future and has therefore formed bonds with organizations at the center of sustainable mobility issues. These bonds are of crucial importance since they facilitate the development and achievement of disruptive technological, environmental, and behavioral shifts. Renault has always been a pioneer, from minivans, to ultra-efficient engines offering ever greater energy savings, to the eco[2] label and now electric vehicles. The future will see Renault pursue its ambitious strategy of disruptive innovation.

Renault maintains dialogue regarding "sustainable mobility for all" issues with entities such as the Association for the Development of Electric Mobility (AVERE), Companies for the Environment (EPE), the Mov'eo competitiveness cluster, and ATEC-ITS, a non-profit organization for the development of transport, environmental and traffic technologies.

Other institutions, like the European T&E think-tank, Be Citizen and Greenpeace help provide us with a better understanding of civil society's expectations and expand our outlook on major environmental and human challenges.

ELLEN MACARTHUR FOUNDATION

ELLEN MACARTHUR FOUNDATION – A KEY PARTNER

Renault is a founding partner of the Ellen MacArthur Foundation, which aims to construct a prosperous and sustainable future by accelerating the transition to the circular economy. As an alternative to the linear "take, make, dispose" model, which relies on large quantities of resources and energy, the circular economy provides a model based on reusing, refurbishing and recycling products.

The Ellen MacArthur Foundation works with business, schools and colleges, higher education and decision-makers to raise their awareness and promote circular economy models and develop scientific and managerial knowledge of the circular economy and the potential for economic and environmental benefits.

Under this partnership, Renault helps to fund the Ellen MacArthur Foundation, contributes to the Foundation's work and events (McKinsey/Foundation circular economy reports, case studies, Circular Economy 100 business platform and awareness programmes in schools) and undertakes to develop activities based on circular economy principles.

The Ellen MacArthur Foundation supports Renault in raising the awareness of its employees and shareholders and takes part in in-house studies at both managerial and operational levels with a view to implementing the circular economy model within Renault. The Ellen MacArthur Foundation is particularly interested in the *Économie Circulaire Compétitive* (ECC) project.

The contract between Renault and the Ellen MacArthur Foundation was renewed in 2013 for three years.

For more information about the Ellen MacArthur Foundation: www.ellenmacarthurfoundation.org

Sustainable mobility is also linked to affordability. Renault works with associations, government bodies and academics to identify and implement mobility solutions to suit the needs of low income earners. The Renault Mobiliz programme is detailed in chapter 2.5.2.1.

2.2.6.4 ROAD SAFETY INSTITUTIONS AND ASSOCIATIONS

Renault has been committed to road safety for many decades and has developed solid relationships with a large number of institutions and associations working in the field around the world.

On an international scale:

- *Fédération Internationale de l'Automobile* (FIA), either directly or within the framework of discussions as a member of the European Automobile Manufacturers Association (ACEA). Renault contributed actively to the Debate on Youth and Road Safety held in Brussels on November 12, 2013;
- The Global Road Safety Partnership (GRSP) and the United Nations' Decade of Action for Road Safety, which enable us to carry out initiatives not only in countries where we sell our vehicles, but also in other countries with the highest rates of road deaths and injuries (see chapter 2.5.2.2).

In France, Renault has an ongoing partnership with the Delegation to the Safety for Trafic and Road Safety for Traffic and Road Safety (DSCR) and the National Road Safety Council (CNSR), as well as their sister organizations in other countries, including Morocco.

Renault also works closely with France's National Federation of Fire and Rescue Services (see chapter 2.5.2.2), the road safety organization *Prévention Routière* and the French Medical Automobile Club (ACMF) as part of the French Traffic Medicine Committee.

2.2.6.5 ACADEMIC WORLD

Renault maintains close ties with the academic world in order to contribute to safeguarding and developing the skills required to carry out its business and tap into the innovations produced by research labs, students and researchers. Renault's academic relations cover research partnerships, joint creation of higher education programmes and financial support for specialized academic chairs.

Renault is involved in other types of partnerships and support for primary and secondary schools. These programmes are detailed in chapter 2.5.2.3.

2.2.6.6 INSTITUTIONS SPECIALIZED IN POLITICAL AND ECONOMIC AFFAIRS

As a result of regular meetings and/or close monitoring of their work, Renault cultivates links with bodies responsible for observing and analyzing political and economic life, such as the French Institute for International Relations (IFRI), the World Economic Forum (WEF), the *Fabrique de l'Industrie,* the Robert Schuman Foundation, Terra Nova, Europa Nova and ORSE, a corporate social responsibility observatory.

In 2013, Renault continued to support the LH Forum, an event attended by public and private players, business leaders, social entrepreneurs, economists, trade unions and members of the public. The forum aims to promote a positive economy serving future generations and supporting responsible, sustainable and inclusive growth. Respect for the environment and a strong community focus are also goals of the positive economy movement. During the Forum, Renault launched a call for inclusive mobility projects as part of its Renault Mobiliz programme (see chapter 2.5.2.1).

Renault also contributed to drafting a report on the positive economy commissioned during the LH Forum in 2012 and submitted to the French President in September 2013 prior to the 2013 LH Forum.

In 2013, the Nord-Pas-de-Calais Regional Council in northern France contracted Jeremy Rifkin, an authority on the impact of scientific and technological change on the economy, to apply his vision of the "Third Industrial Revolution" to the region. Rifkin's revolution is based on energy sources which are distributed, not centralized. Energy is delivered over smart grids like information is delivered over the Internet. Renault's involvement in the May 2013 seminar provided Renault with a unique opportunity to present the way in which electric mobility will contribute to the transition to a decarbonized economy. Historically, this field has been very important to Renault.

2.2.6.7 GOVERNMENTS AND NATIONAL AND EUROPEAN LEGISLATORS

Renault liaises directly and indirectly with governments in office, elected officials and the European Commission. Indirectly, Renault is represented through the various automotive industry bodies and other associations of which it is a member. Direct contact is established for several reasons. First, Renault is 15% owned by the French state and is required to report to this public investor in the same way as the Finance department reports to other investors. Second, Renault owns plants and sites in regional areas and plays an integral role in local employment pools. Renault engages with local elected officials through its regional operations. These officials in turn consult with local business in drafting regional policy in order to obtain a degree of visibility for the economic development of their regions. Third, Renault is heard by the public authorities with regard to government matters and by the European Commission.

2.3 LABOR RELATIONS

Renault, the Renault group Works Council and IndustriALL Global Union signed a global framework agreement, "Committing together for sustainable growth and development," on July 2, 2013 as a result of a fruitful social dialogue at international level,this agreement is embedded in the Declaration of the Employees Fundamental Social Rights signed in October 2004, which it enhances and modernizes to adapt to new social and economic demands.

With this agreement, Renault renews and strengthens its commitment to:

- comply with the principles set forth in the 1998 Declaration on Fundamental Principles and Rights at Work prepared by the International Labor Organization (effective abolition of child labor, elimination of all forms of forced or compulsory labor, elimination of discrimination in respect of employment and occupation, freedom of association and effective recognition of the right to collective bargaining);
- comply with the universal principles of human rights set out in the United Nations Global Compact, adopted by Renault on July 26, 2001;
- comply with the OECD guidelines for multinational companies, adopted on June 27, 2000, and updated in May 2011, and with ILO Convention No. 158 of 1982;
- recognize ISO 26000 as a standard of reference.

The agreement also brings a commitment from Renault "to respect and promote the advancement of its employees around the world; to encourage social dialogue; to take actions to ensure health, safety and quality of life in the workplace; to support employment of its employees; and to promote diversity."

On the basis of these principles and social dialogue, Renault is implementing a Human Resources policy with three priorities:

- optimizing the allocation of resources and related skills;
- developing high-potential employees and promoting diversity;
- encouraging employee involvement.

METHODOLOGICAL NOTE

In 2013, the labor relations indicators were revised to align them as closely as possible with new laws and in particular the provisions of Article 225 of Act No. 2010-788 of July 12, 2010 (referred to as the Grenelle II Act), and its implementation decree.

As a result, the introduction of new indicators or changes in the scope of existing ones preclude a comparison of 2013 with past years in the following areas:

- hiring on both fixed-term and permanent contracts, until 2012, Renault only kept data on permanent contracts;
- number of employees laid off, previously recorded only for France;
- age breakdown of employees, since the age brackets were changed in 2013 to conform to current practices;
- average labor cost by region;
- occupational illnesses, recorded only for France until 2012;
- global absenteeism rate;
- employment rate in the Group for disabled employees.

CONSOLIDATION SCOPE

The consolidation scope covers the Group's subsidiaries consolidated fully or corresponding to the definitions of a joint operation.

Several scopes are used in this chapter:

- global: 100% of the Group's employees;
- subsidiaries consolidated globally: 115 entities (out of 117) and 98% of the Group's employees; the two consolidated companies on a joint operation basis are Renault Alpine (France; 50%) and RNTBCI (India; 66.67%);
- the "10 major countries" (Argentina, Brazil, France, India, Morocco, Romania, Russia, South Korea, Spain and Turkey), representing 90% of the Group's employees.

Some indicators are not covering 100% of the consolidated scope due to data unavailability.

Changes in the consolidation scope in 2013:

- disposals: Renault South Africa, *Française de mécanique* ;
- modification of the consolidation method: Indra Investissements s.a.s., Renault Alpine, RCI Financial Services s.r.o., Renault Pars ;
- added: RN Finance Russia.

DATA COLLECTION

Three methods are used to collect employee data:

- the HR information system collects part of the data for the entire scope;
- the Talent@Renault tool, deployed in 16 countries as of end-2013, provides data for white collars (Algeria, Argentina, Brazil, Chile, Colombia, France, Hong Kong, Mexico, Morocco, Portugal, Romania, Russia, Spain, Turkey, United Kingdom, Venezuela) and covers more than 85% of white collar workers;
- for the data not available in these systems, it is collected with a questionnaire sent to the regions. This questionnaire includes four indicators: absenteeism rate, number and subject of major collective agreements concluded during the year, total hours of training, and the percentage of disabled employees. A specific definition for each indicator is communicated to each region.

A continuous improvement process for these collection methods has been put in place, taking into account the recommendations of the statutory auditors.

DEFINITIONS OR CALCULATION METHODS FOR CERTAIN INDICATORS

End of month total headcount (registered workforce): all the employees with a permanent or fixed-term contract with the entity at the end of the month – except for CASA in France and Relevos in Spain. Every employee on the payroll is counted as « one » regardless of his contractual working time (activity rate).

Region average headcount = (region headcount as of 31st of December of the previous year + region headcount as of 31st of December of current year) / 2. Region headcount as of 31st of December is equal to end of December total headcount for all regions except Europe. For Europe region, it is equal to end of month total headcount excluding employees under exemption of activity in the framework of GPEC in France.

Average active headcount: the average active headcount is equal to end of month total headcount, excluding "off activity" employees. Active headcount is measured every end of month. Average active headcount is equal to twelve-month averaging of active headcount.

«Off activity»: all the persons having an employment contract with the company/entity and thus appearing in registered workforce, but physically absent of the entity for a long period even if they are paid. This category consists mainly of: unworked notice of resignation, unpaid leaves of absence for various personal reasons including parental leave, sabbatical leave, end of professional career leaves including exemptions of activity under GPEC in France, long term medical leave (illness or accident), military service. Persons on sick leave (excluding long-term) and on maternity leave are not considered as "off activity" employees.

Woman Manager rate: number of women managers out of total managers headcount at the end of December. "Manager" is defined as a white collar employee, supervising at least one other white collar employee.

F1 Rate (frequency): working accidents requiring external care per million hours worked.

F2 Rate (frequency): working accidents requiring external care and resulting in a medical leave of absence per million hours worked.

G Rate (severity): number of calendar days of sick leaves for occupational accidents per thousand hours worked.

For the rates F1, F2, G, the **working hours** are increased by 10% in order to take into account the time before and after effective working hours where the employee is exposed at a risk of accident within the entity.

Occupational illnesses: reported occupational illnesses, expressed in K per 1,000 employees.

Rate of disabled persons: % of disabled persons on total headcount as of December 31st.

Absenteeism rate (absences for unforeseen reasons) : the rate is expressed in percentage, and the calculation is based on the average monthly active headcount (permanent and fixed-term) and on yearly theoretical days number.

Absence's days number is given in working days, excluding short-time work, lay-off, strikes and holydays (including maternity leaves).

Formula: yearly absence's days number / (average active headcount X yearly theoretical days number).

The choice of assumptions for the calcualtion of theoretical days number is left up to the entities, since local factors may result in minor differences.

2.3.1 OPTIMIZE THE ALLOCATION OF RESOURCES

To enhance its competitiveness around the globe, Renault has improved the management of its planning of ressources and competencies. This section reviews data concerning employment, labor costs, the organization of work, and training.

2.3.1.1 THE WORKFORCE: BREAKDOWN AND TRENDS

As of December 31, 2013, the Group's workforce (permanent + fixed-term contracts) totaled 121,807 employees, with 118,965 in the Automotive branch and 2,842 in the finance branch. This is a decline from the total of 127,086 in 2012. The decrease is explained first by a change in the scope of consolidation. No longer included are *Française de Mécanique*, Indra Investissements SAS, Renault South Africa Ltd., Renault Pars, and 50% of Renault Alpine, while RCI Financial Services s.r.o. and RN Finance Russia (a total of 2,297 people) were newly included at a proportion of 50%. Using the 2013 scope of consolidation, the number of employees at December 31, 2012, would have been 125,670. A second factor in the overall decrease in employees is the cutback in Europe to adjust to the shrinking market (down 1.7% in 2013, following a decline of 8.6% in 2012) and a leveling off in the Group's other regions. In France, where the market decreased by 5.5% in

2013, after contracting 13% in 2012, the workforce decreased by 5.8% like-on-like in 2013. Under the terms of the competitiveness agreement signed on March 13, 2013, Renault is committed to keeping all its manufacturing sites in France open and to adjusting workforce levels without resorting to redundancies or a voluntary departure plan. Additionally, the manufacturing capacity and sales network in Argentina were optimized. Meanwhile, the number of employees increased in Morocco owing to the addition of a second production line at the Tangiers plant, and in Brazil, where production capacity was boosted in response to market demand.

The Group's employees work in 36 countries, organized into five Regions. The "10 major countries" (Argentina, Brazil, France, India, Morocco, Romania, Russia, South Korea, Spain and Turkey) account for 90% of the total workforce.

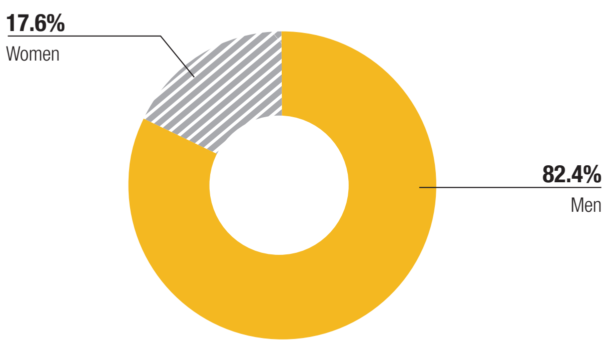
Workforce by Region:

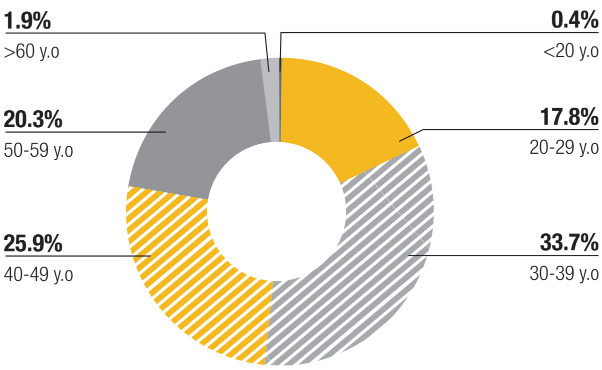
	2012	2013	SHARE IN 2013
GROUP*	**127,086**	**121,807**	
Europe	71,444	66,467	54.6
o/w France	*53,203*	*48,550*	*39.9*
Euromed-Africa	30,758	31,166	25.6
Americas	12,252	12,043	9.9
Asia-Pacific	7,307	7,133	5.8
Eurasia	5,325	4,998	4.1

* *Expatriates are counted in their home country.*

In 2013, women accounted for 17.6% of the Group's workforce, compared with 17.4% in 2012.

The breakdown by age remains well balanced: 18% of employees are under 30, 60% are between 30 and 50, and 22% are over 50.

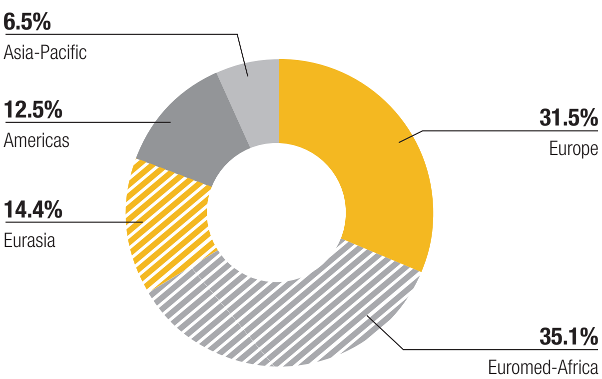




* *The men/women breakdown by age is calculated on the basis of fully consolidated companies.*

In 2013, Renault hired 10,986 people (open-ended and fixed-term contracts) from outside the Group to keep pace with the growth in its activities in Morocco, Spain, Brazil and India and in response to the high turnover rate in certain countries such as Russia. In France, Renault hired 1,072 people on fixed-term, apprenticeship contracts. Meanwhile, the number of layoffs (that is, the number of contracts terminated on the employer's initiative) totaled 1,893.

Hiring by Region:



2.3.1.2 CONTROLLED LABOR COSTS

Group labor costs totaled €5,494 million in 2013, of which €5,278 million were in the Automotive branch. They were lower than in 2012 in absolute value (down €124 million) and in proportion to revenues, coming from 13,8% to 13.4% of the Group turnover. The 10 major countries (Argentina, Brazil, France, India, Morocco, Romania, Russia, South Korea, Spain and Turkey) accounted for over 90% of the Group's labor costs.

The decline in labor costs in 2013 was due to the revaluation of the euro, control of headcount evolution, implementation of a wage policy aligned with the market and negotiated wherever possible with the labor unions, and the conclusion of multi-year agreements on jobs and wages in Spain (November 2012), France (March 2013) and South Korea (July 2013).

LABOR COSTS BY REGION	2012*	2013	AVERAGE COST
GROUP	**5,618**	**5,494**	**45.0**
Europe**	4,220	4,084	61.1
o/w France	*3,409*	*3,240*	*67.7*
Euromed-Africa	503	549	17.7
Americas	466	448	36.7
Asia-Pacific	295	269	38.0
Eurasia	134	144	27.9

* *2012 restated to take into account the removal of Française de Mécanique and Indra Investissement s.a.s. from the scope of consolidation and net interest on pension commitments.*

** *Europe including Renault-Nissan Global Management.*

2.3.1.3 FLEXIBLE WORK ORGANIZATION

In terms of working hours, Renault complies with the legal obligations and collective agreements of the countries where it has operations.

To preserve jobs and adapt to fluctuations in automotive markets, Renault has instituted measures to allow more work-time flexibility. It has sought to find the best possible balance between the Company's interests and the quality of life in the workplace for employees through consultations with employee representatives and labor unions. The measures focus in particular on reorganizing work time, for example, by adding mandatory shifts to meet heavy demand and reducing work time when demand falls, notably by using individual or collective rest days.

At sites in France, for example, the opening period runs from 6:30am to 9pm for workers doing a "normal" 35-hour average workweek during a one-year period. In factories, the principle is two alternating eight-hour shifts and, in the event of spiking demand, a fixed night shift. The teams work on average 35 hours per week worked.

In Spain, the 2014-2016 labor agreement concluded with the three largest labor unions (UGT, CC.OO and CCP) provides a way to deal with the strong demand for Captur by instituting a voluntary, "anti-stress" team. This gives the Company the possibility of working seven days a week, while ensuring, with the help of the medical services, that there is no interference with employees' biological rhythms.

Renault has also introduced systems locally to achieve a better personal life/work life balance for its employees. In France, the homeworking agreement signed on January 22, 2007, enables employees to work from home between one and four days a week if they wish and if their activity permits. End 2013, 1,408 employees have participated in this program as of end 2013. Homeworkers all say that the scheme improves their personal life/work life balance and makes them more efficient, particularly by reducing their commuting time.

2.3.1.4 DYNAMIC SKILLS MANAGEMENT

In a continually changing industry, remaining competitive requires regularly improving employees' skills and anticipating ones that will be needed to design, manufacture and sell cars in the future. This is the aim of Renault's dynamic skills management policy, which also gives employees the means at the personal level to upgrade the skills used in their jobs and improve their employability.

In practice, this means that each business line receives support from HR in drawing up a worldwide assessment of its skills and precisely identifying:

- "critical" skills – those which the Company increasingly needs and which must be developed through hiring and training;
- "sensitive" skills – those the Company needs less and less and for which plans must be prepared to manage collective and individual retraining and reallocation of resources.

These analyses, viewed along with the real situations and priorities of Renault entities worldwide, provide a basis for establishing a mid-term view, revised annually, of the optimum allocation of resources and the action plans to be deployed in each country concerning:

- recruitment, in partnership with schools and colleges;
- training, guidelines for which are provided by the business line schools;

- career paths, which contribute to the development of skills by broadening the range of experiences;
- the expertise network, which optimizes development and dissemination of knowledge throughout the Company.

For example, this system enabled the Manufacturing business line to reduce the number of critical skills* it required worldwide. According to the mapping for 35 of the Group's manufacturing facilities completed in May 2013, the average number of critical skills per plant decreased from 25 in 2011 to 19 in 2012 and to 13 in 2013.

THE GPEC IN FRANCE

In the framework of a skills and employment planning agreement (GPEC) signed on February 4, 2011, in France, the Group's strategic challenges and the resulting changes in skills in each business line have been discussed with the labor unions, notably at the Employment and Skills Observatory held on September 19, 2013. This information has also been passed on to all employees of Renault s.a.s.

Drawing on a comprehensive range of tools, GPEC also aims to supply the "critical" skills required and manage retraining of employees with "sensitive" skills. Since the programme's launch in 2011 nearly 4,030 employees have signed up for various GPEC initiatives: support for the start-up or takeover of a business, a period of external mobility, or work time arrangements for people in jobs deemed stressful. Training/retraining programmes have been developed to enable employees to change business lines by teaching them skills both more strategic for the Company and more useful in terms of employability. GPEC also allows employees to be transferred temporarily to another production site to deal with changing patterns of activity. In 2013, 681 people worked at a site other than their own. Since 2011, 1,070 people have been hired from outside in the GPEC programme.

Employment and skills offices were opened at each site to help and advice employees interested in the programme. A dedicated intranet site also offers information about GPEC measures, training courses and feedback from employees regarding their careers.

TRAINING

Renault is committed to training all its employees, regardless of age, rank or position in the Company.

The Group's training courses therefore cover all areas, from courses related specifically to each of the Company's business lines to individualized courses designed for personal development, learning foreign languages, or acquiring cross-functional skills (for management training, see 2.3.2).

The top priority of the Group's training policy is the development of critical skills and retraining for sensitive skills. The 12 business line schools responsible for skills development base their worldwide training programmes on the dynamic skills management policy. Training priorities are indicated at mid-year so that training plans can be worked out in each country for the following year. The skills development plans are then implemented by the countries.

In the Manufacturing business line, there are regional training centers in nine geographic regions. After learning new skills at these centers, training instructors can then conduct courses at all Group plants. Pooling of resources in this way and capitalizing on the best practices in the Group's plants are powerful ways of developing business line skills on a global level.

In 2013, the number of hours of training was 2,942,077 (compared with 3,318,733 hours in 2012). The breakdown for the Group's ten major countries (Automotive branch) was the following:

The figures below are for 90% of the scope considered.

TRAINING/COUNTRY	ARGENTINA	BRAZIL	FRANCE	INDIA	MOROCCO	ROMANIA	RUSSIA	SOUTH KOREA	SPAIN	TURKEY
Total hours 2013	50,828	75,938	902,925	183,522	414,795	470,416	152,800	25,667	393,096	272,090
Total hours 2012	81,374	84,067	1,090,967	91,325	458,711	519,797	173,254	32,782	435,709	350,747

The decline in the number of training hours in 2013, compared with 2012, is due partly to:

- a 4% decrease in the workforce in the 10 major countries between 2012 and 2013;
- a focus on training in critical skills development and retraining for sensitive skills. The system of dynamic skills management enables better targeting of training each year in relation to the Group's needs and the employability of employees;
- a reduction in training hours in Morocco following the major training effort in 2012 to support the development of the Tangiers plant.

✦ Global Reporting Initiative (GRI) Directives

DEVELOPMENT OF THE EXPERTISE NETWORK

The expertise network was established at the start of 2010 to capitalize better on the Company's knowledge and know-how with the aim of boosting performance and customer satisfaction.

This network consists of 50 areas of strategic expertise in all of Renault's main business lines: product design and development, manufacturing, sales, knowledge of customers and markets, economic performance, and support functions.

There are four levels of expertise in the network:

- one expert fellow, appointed by the Chairman of Renault, who sits on Renault's Management Committee. He is tasked with providing input for decisions to be taken by senior management that require a high level of technical expertise. The expert fellow also oversees the list of fields of strategic expertise and coordinates the community of lead experts with a view to sharing best practices across the various areas of strategic expertise;
- 35 expert leaders, each reporting to a Vice-President. Lead experts have responsibility for a field of strategic expertise. They are tasked with developing expertise, coordinating the internal network of experts, and building an external network to make this knowledge and know-how available to the Company's operational personnel;
- 146 experts, responsible for secondary fields of expertise. They promote standards, file patent applications, carry out benchmarking, and identify relevant partners;
- 390 consultants, responsible for a specific activity. They improve the state of the art by establishing standards and passing on their expertise to the business lines.

Development of the expertise network over the last three years has succeeded in breaking down barriers between fields of knowledge, better capitalizing on them, and disseminating and communicating them throughout the Group.

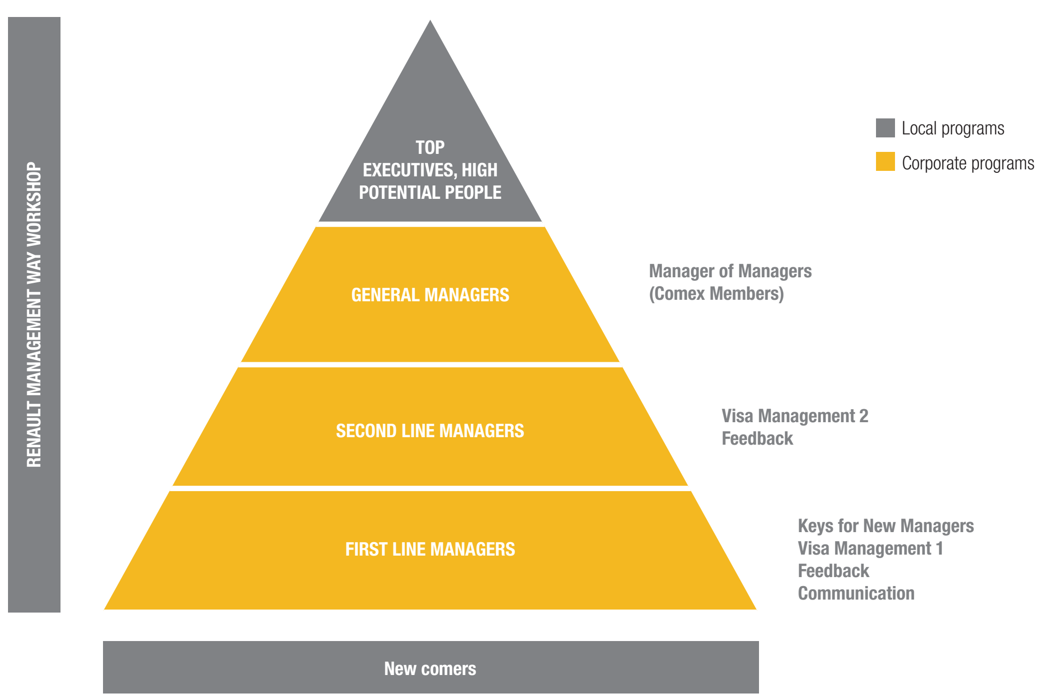
2.3.2 DEVELOPING TALENT AND PROMOTING DIVERSITY

2.3.2.1 TARGETED SUPPORT FOR MANAGEMENT DEVELOPMENT

Renault continually strives to improve the quality of its management on the basis of a regular employee assessment survey.

In 2013, the Group offered new management training programmes targeted precisely to the needs at each level of responsibility and designed to ensure the buy-in of all managers to the Renault Management Way (RMW), a set of management standards and code of conduct applicable throughout the Group.

- at the Group level, a one-day Renault Management Way workshop is held for all new managers to explain the management roles and standards expected of them in the Group;
- in each country, management training is conducted regularly and organized according to the level of management responsibility.



In 2013, the figures for management training in the Group's major countries were the following:

COUNTRY	NUMBER OF MANAGERS TRAINED	% OF MANAGERS TRAINED	NUMBER OF HOURS OF TRAINING
Argentina	145	43%	1,232
Brazil	289	52%	4,013
France	1,185	26%	28,135
Morocco	626	92%	16,168
Romania	862	24%	36,313
South Korea	483	57%	2,050
Spain	323	43%	7,007
Turkey	133	29%	3,599

To give some examples, the following training was done in these countries in 2013:

- in France, a new programme was added for general managers (members of the Executive Committee). This nine-day programme created and conducted by Renault and the EM Grenoble is designed to develop leadership capacities in change situations;
- in Spain, new management training programmes started in 2013, for a deployment that will continue until 2017. These are multidimensional programmes that combine 360° assessment, classroom training, e-learning, internal or external coaching, participation in a Learning Community, and regular preparation of individual development plans at each stage of the programme;
- in Romania, new training programmes have been created that are intended to run for five years. Three standard programmes have been developed for three target groups: first-level managers (excluding manufacturing), second-level managers, and manufacturing unit heads. There is also a specific programme for high-potential managers.

In addition to the training programmes offered to managers, the Company has introduced new ways to assist them individually and support them over the long term.

- Internal coaching: besides the coaching provided occasionally by outside suppliers for a necessarily limited number of managers, training and certification of internal coaches (HR or other managers) has begun in France to strengthen and broaden the capacity to assist the Company's managers. Such a programme has also been started in Turkey and will be deployed internationally in 2014.
- Mentoring for first-time managers: to assist young managers, a mentoring programme was set up in France in 2013 for employees who are taking on the responsibility of managing staff for the first time. In this programme, offered in addition to the training course already designed for these individuals, new managers benefit from personal support over several months from an experienced manager with whom they can discuss their questions, ideas and experiences.
- Other tools are currently under study or in a test phase prior to deployment in the Group in 2014, including 360° feedback and a managers community on the internal social network, among others.

All these programmes have the Renault Management Way label, certifying that they meet Renault's management standards.

REGULAR ASSESSMENT OF LOCAL MANAGEMENT PERFORMANCE

In 2013, as in previous years, the employee involvement survey of all Group employees (see 2.3.3), included a management quality indicator (Renault Management Way index). This indicator measures the proximity of the employee's direct manager, the manager's capacity to assess and recognize the performance of his employees, and the interest he takes in their professional development in a continually changing environment. In 2013, the positive response rate in the survey was 68%, one point higher than in 2010 (last survey conducted on the same scope). At the Group level, as at the local level, the results of this survey are used to draw up action plans in addition to the measures mentioned above to improve management quality.

2.3.2.2 PREPARING TOMORROW'S LEADERS

The policies for talent development have evolved since 2012 to adapt to the Group's international expansion:

- the application everywhere in the world of explicit and consistently defined selection criteria for identifying individuals with high potential at three levels. To encourage diversity, the criteria of age and fluency in French have been dropped;
- decentralization of the process for talent detection (for the three levels) and validation (for two levels). The countries and regions are henceforth responsible for identifying high-potential employees and candidates for key positions.

RENAULT LEADERSHIP ASSESSMENT

Another means used to detect talents in addition to the sustainable performance assessments and individual appraisals is the Renault Leadership Assessment (RLA). This development tool is based on seven leadership criteria. Carried out with the assistance of a specialized consulting firm, the RLA is a decision-support tool for the career planning committees that validate the selection of talented individuals at Renault. It reinforces objectivity and fairness in the assessment of employees with potential. In 2012, an RLA was done on about 120 people and in 2013 on over 210. The results of the RLA are shared with the assessed employees, and an individual development plan is drawn up based on them.

The RLA is also used for collective analyses to adjust our priorities and our development tools. These development plans can combine several elements:

- complete educational programmes like those of business schools;
- training to strengthen specific skills, in terms both of knowledge (finance, international negotiations, etc.) and know-how (*eg,* communication);
- personal coaching, done externally or internally, to prepare for a new position critical for Renault or to improve specific points (managerial stature, communication, etc.);
- mentoring (learning about other business lines in the Company, management through innovation, peer relations, etc.);
- learning situations, through a change of function or participation in work groups or cross-function teams.

OPENNESS TO MULTICULTURAL PARTNERSHIPS

These development plans also include multicultural partnerships, particularly in the Alliance with Nissan.

Since 1999, employee exchanges have been one of the mainstays of the Renault-Nissan Alliance. These exchanges have improved collaboration between the two companies and the implementation of synergies and best practices in the Alliance. In addition to those on temporary assignment, 90 employees of Renault and Nissan were working at the partner company in 2013. Most of these exchanges involve high-potential individuals, so that tomorrow's global leaders gain more international experience, and experts, so that critical skills are shared and developed in the Alliance. These exchanges of experts are managed at the Regional level.

Along with these exchanges, a joint Renault-Nissan training programme is helping to develop an Alliance culture. Designed for high-potential individuals and senior executives in the two companies, the Alliance Leadership Development Programme (ALDP) contributes to a better understanding of the partner company and thus to the strengthening of synergies.

The links with Renault's other partners (Daimler and Avtovaz) are also reinforcing an international outlook and the capacity to work productively together.

2.3.2.3 PROMOTE DIVERSITY

Our commitment to diversity is a competitive advantage that helps us to better meet the expectations of our customers around the world, in particular during a period where the so-called emerging markets have become the drivers of the economy…

CARLOS GHOSN, CHAIRMAN AND CEO, RENAULT-NISSAN ALLIANCE

Renault wants to benefit from the cultural diversity and wealth of experience of all its component parts. Diversity is a key driver of employee performance, motivation and commitment. Diversity is a decisive competitive advantage: the varied educational backgrounds, talents and career paths of the personnel are sources of innovation. The Company will understand and best meet its customers' expectations by reflecting the many aspects of the 128 countries in which it sells vehicles.

Following a diversity appraisal conducted in the Group in 2010 by an independent organization, four priority areas for action were identified: gender diversity, cultural diversity, employment of the disabled, and age diversity. In 2012, Renault also initiated a discussion on the theme of LGBT (lesbian, gay, bisexual, transgender) employees.

WOMEN@RENAULT, A COMPREHENSIVE PLAN FOR WOMEN IN THE COMPANY

In early 2010, Renault launched Women@Renault, a comprehensive plan for improving the representation of women at all levels of the Company.

The first aspect of this plan involves revising HR processes (recruitment, training and career management). Renault has set specific targets for the plan:

- recruit women for 30% of technical positions and 50% of sales positions;
- increase the proportion of women in the key positions in the Group;
- propose at least one woman for every three applicants in succession plans for key positions in the Group.

At the end of 2013, women accounted for 17.6% of the workforce (compared with 17.4% in 2012). While Renault wants to further increase this percentage, it should be pointed out that women are represented in roughly equal proportions at all levels of the Company: 18.4% of management, 19.3% of the key positions in the Group (about 2,000 positions), 16% of the top 150 positions (compared with 14.4% in 2012) and 20% of the Group Executive Committee – a particularly high proportion in the automotive sector. Four of the nineteen Directors on the Renault Board of Directors are women.

Renault is also attentive to the issue of gender equality. In France, there have been several advances:

- annual statistical analyses highlight average gender equality;
- a specific budget has been set up to ensure that the Company agreement on pay for women on maternity leave is applied.

Second aspect, the Women@Renault plan has also led to the creation and development of a social network in the Company. This diverse network, which is open to all employees, is now the largest social network in the Group, with 4,00 members and local networks in 12 countries (Algeria, Argentina, Brazil, Colombia, France, India, Korea, Morocco, Romania, Russia, Spain and Turkey). It promotes employee initiative in multiple ways:

- by providing information and a channel of communication, with conferences organized to discuss the place of women in the Company;

- new ideas: the business lines can turn to the network for new ideas, feedback, or simply different approaches to the business;
- actions to promote women, like the mentoring initiative begun in October 2013 to give young women joining the Company support during their early days in their new positions.

Many actions are being carried out internationally and locally in the Company to promote women, but initiatives are also pursued outside the Company to encourage female high school and university students to go into scientific fields and to consider careers in the automotive industry. In France, Renault works with the association *Elles bougent* (Women on the Move) to introduce female high school students to professions in the automotive sector through meetings with women in the Company. In Romania, women engineers regular give talks at universities to promote the notion that professions are not reserved exclusively for men or women.

BETTER REFLECT CUSTOMER DIVERSITY IN RENAULT TEAMS

The diversity of in-house talent should reflect the diversity of the markets in which Renault operates. This is essential to the performance of a global group. It is impossible to respond to the wide range of needs expressed by customers across 128 countries without having this diversity in the Company. The promotion of cultural diversity is therefore a key driving force behind the Group's whole HR policy. For this diversity to be effective at the highest level of the Company, an objective of increasing the percentage of employees with non-French nationality in the key positions at the Group was set (about 2,000 key positions in the Group).This part was 26.2% end-2013.

INTEGRATING THE DISABLED INTO THE WORKFORCE

In 2013, Renault continued its initiatives at the local level to promote integration, job retention and support for people with disabilities. There are four aspects of this policy:

- integration: at the end of 2013, the level of employment of disabled people in the Group (scope: 94% of the workforce) was 3.57%. Renault s.a.s. is particularly committed to supporting the integration of young people with disabilities through work/study contracts or internships and through partnerships with non-profit organizations promoting workplace integration;
- workstation adjustments (*eg,* installation of lifting tables and pallet turning devices);
- access to workstations and Company facilities (parking spaces, access ramps, etc.);
- prevention, awareness-raising and training: various initiatives are organized internally, particularly to develop managers and employees' understanding of the issues.

In France, Renault signed a sixth agreement with all labor unions concerning employment of the disabled on July 8, 2013. The Company thereby reaffirmed its commitments in this area and opened new prospects for progress, including greater reliance on the protected sector and more recruiting of disabled youths on work/study contracts.

Other initiatives are being taken locally. For example, Renault Do Brasil is offering signing lessons to managers and volunteer employees. Renault Spain has signed contracts for goods and services (work clothes, office supplies, gardening) with several centers that employ the disabled.

In July 2012, Renault launched an internal social network on the theme of disabilities with the participation of Human Resources, Renault Tech (the subsidiary that produces vehicles for the disabled), the CSR department, Purchasing, Manufacturing and Marketing. This network, which has 800 members today, provides a discussion forum where employees can report difficulties they encounter and share best practices. The Handi@Renault plan, which is coordinated by a steering committee, has led to several partnerships, notably with the French sports federation for the disabled.

PROMOTING TALENT AT ALL AGES

Renault is committed to developing talents at all ages, particularly by supporting young people's integration into the workplace and capitalizing on the experience of seniors.

In relation to young people, Renault pursues an active policy to forge links between the worlds of education and employment, to professionalize and develop their employability, and to promote equal opportunities.

Key achievements in this area in 2013 included:

- training more than 3,500 young people (interns, apprentices, etc.) within the scope of Renault s.a.s.;
- a proactive apprenticeship policy: 5% of the workforce of Renault s.a.s.;
- as part of its commitment regarding integration of young people without qualifications, Renault has welcomed 3,850 youths on professional training or apprenticeship contracts since 1992;
- the organization by Renault of Job Forums to help interns and apprentices find work;
- in France, the apprenticeship tax paid by Renault benefited more than 300 approved schools and institutions.

In Spain, Renault has created a training programme for young engineers in collaboration with the University of Valladolid and the Castile and Leon region. The aim is to improve the employability of young engineers from the region, build a skills incubator, and facilitate the transition from the university to the Company. The programme is divided into three phases: intensive training at the university, internships in the Company, and for some of the trainees, a fixed-term contract with Renault.

On December 19, 2013, Renault s.a.s. signed an agreement to promote the employment of young people and seniors and to develop solidarity between generations. Renault makes detailed commitments on the employment and employability of young people (in France): 5% work/study contracts per year, 800 youth employment contracts over three years, 30% of new hires on open-ended contracts reserved for young people, and 10% of former holders of work/study contracts.

As for seniors, Renault makes a commitment in this agreement to maintain the proportion of employees over age 55 at 14% through 2016, to reserve 2% of hires on open-ended contracts for people 50 or over, and to continue its in-house training effort without age discrimination.

Last, to promote intergenerational exchanges and the passing on of know-how, the agreement calls for the development of internal training (30% of training will now be provided by the Group's senior employees) and innovative measures like part-time positions for the "transmission of expertise."

2.3.3 SUPPORT EMPLOYEE INVOLVEMENT

In September 2013, Renault had a survey of all the Group's employees conducted to assess their degree of involvement. As in previous years, the survey was done by an independent firm(1). Key indicators are monitored, and Renault's results are compared with the average of those of other companies in the tracking group ("the global standard"). The response rate was very high with a participation rate of 88% of total employees. The two main indicators measured in the survey are *involvement* and *enablement* (*i.e.,* the conditions provided to enable employees to succeed).

The involvement level reflects the Group's capacity to make employees want to give the best of themselves. A total of 72% of responses were positive. While this indicator has declined for all companies in the tracking group owing to the prevailing economic uncertainty, Renault's one is stable compared with 2010 (the last survey conducted on the same scope) and six points higher than the global standard. The key factors of involvement remain solid:

- pride in working for the Group: 80%, or three points higher than the global standard;
- motivation to do more than what is asked in one's job to contribute to Renault's success: 81%, or 13 points higher than the global standard.

The second indicator, enablement, refers to Renault's capacity to create the conditions that will allow employees to do their job as well as possible. This indicator remains stable, compared with 2010, and is at the level of the global standard, *i.e.,* 66%. Also, 66% of employees feel that in their team, there is no major obstacle preventing them from doing their job well. This is nine points above the global standard.

Action plans based on the results of this survey will be implemented at the global and local levels to bolster employee involvement.

2.3.3.1 IMPROVING THE WORK ENVIRONMENT

The risk prevention, health, safety and workplace environment policy is based on the commitments made with the Declaration of Employees' Fundamental Rights in 2004, which was broadened with the global framework agreement on social, societal and environmental responsibility on July 2, 2013, and the Renault-Nissan Alliance Charter. The policy applies to the employees of the Group's brands – Renault, Dacia and Renault Samsung Motors – around the world. Based on risk prevention, the policy is designed to ensure employee safety, promote physical and mental health, and offer an attractive and motivating work environment.

PROCESSES DEEPLY ROOTED IN THE COMPANY

To implement its health, safety and workplace environment policy, Renault draws on deeply rooted policies:

A management system is applied in all countries, sites and functions. Other factors include the commitment of management, awareness-raising, and continuous training of managers in risk prevention and the commitment of employees and management. Thanks to these efforts, the Health, Safety and Workplace Environment departments are systematically involved in all new projects, ensuring that the human factor is taken into account whenever a project is being prepared.

Renault has an international network of specialists in health, safety and working conditions. The members of these networks – engineers, technicians, ergonomics consultants, doctors, nurses, social workers, and heads of the disabled taskforce – receive regular training to expand their fields of expertise and cover the Company's new challenges. Regular medical check-ups allow for preventive action, early screening of disorders, and continuous medical follow-up of employees. Renault also organizes information and training campaigns on topics such as stress, ergonomics and healthy eating.

Regarding the prevention of psychosocial risks and work-related stress, a new training course to identify people in difficulty was introduced in 2012 and 2013. This complements the system already in place, consisting of:

- help-lines for occupational physicians dealing with mental health in the workplace;
- the possibility for employees to take a voluntary, individual pre-diagnostic test performed by the stress, anxiety and depression observation unit (OMSAD) set up in 1998. At the end of 2013, more than 90,000 tests had been carried out as part of medical check-ups;
- at a collective level, processes to identify extreme stress have been put in place, along with prevention plans;
- surveys designed to measure stress factors and their impact on employees have been conducted at all French sites employing more than 500 people. The findings were used to develop site and business-line action plans.

Renault has developed an ergonomic analysis method to assess its workstations. Used in all Renault production plants worldwide, the method has now been extended to other companies. Supervisors can use it to help them better analyze risks and improve working conditions on an ongoing basis. A monthly reporting system tracks changes in workstation geography, classified according to ergonomic constraints, across all the Group's industrial plants.

(1) Hay Group is an independent firm that conducts the same survey at many major multinational companies.

Furthermore, new tools introduced in 2009 have optimized the processes used to match workstations to employees, particularly for staff of restricted capacity. A standardized employability initiative and regulated individual files are used by managers and medical staff to transfer persons suffering from restrictions to more suitable jobs.

To measure implementation of the occupational health, safety and working environment policy, assessments based on a standard are carried out in Group entities by internal experts and an outside body. This standard is established by Renault and approved by Socotec, an international organization specialized in health and safety. If conditions are met, then **"Management System for Safety and Working Conditions" accreditation** (SMSSCT) is awarded for a renewable three-year period. It can be withdrawn in the event of a serious anomaly. A full 98% of industrial, engineering and office sites are now certified. Since the initiative was launched in 2005, 76% of sales sites in France have been certified.

A NEW GLOBAL FRAMEWORK TO ENSURE LONG-TERM CONVERGENCE BETWEEN GROUP PERFORMANCE AND EMPLOYEE DEVELOPMENT

A new global framework for the workplace environment was established in 2012. It aims to make Renault a place where quality of life in the workplace is recognized by employees around the world and contributes to the Company's global, long-term performance.

This general framework is based on four key areas:

- workplace environment and workspaces: access to premises, travel, collaborative tools, location;
- work/life balance: homeworking, meetings, employee services;
- management and commitment: participative management, acknowledgment, team spirit;
- health and well-being: intercultural exchanges, belonging to the Group, atmosphere.

This framework has been set up in all countries where Renault operates. On this basis, each facility and country has done a self-appraisal of all the items listed and then selected priorities suited to its local needs. This worldwide system provides a Group-wide map of workplace environments and identifies weaknesses to be remedied as well as best practices to disseminate, with a view to achieving general and continuous progress.

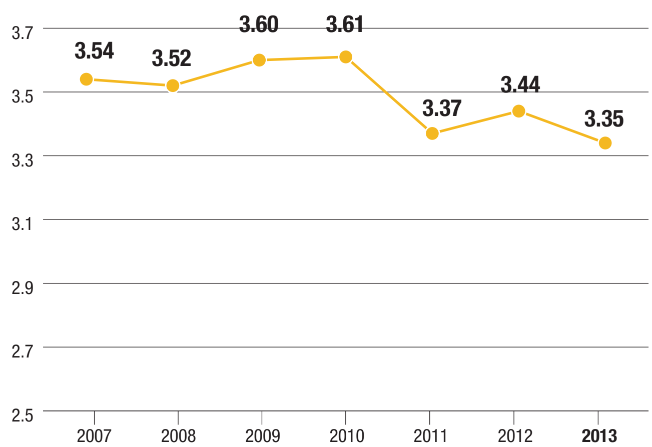
Each country has undertaken concrete actions to improve workplace conditions. The quality and diversity of efforts at the Sofasa plant in Colombia in 2013 made them particularly impressive. They included training office staff in the proper adjustment of their workstations for comfort and health, developing services for the personnel (collective transport and a travel agency), providing on-site sports facilities and organizing tournaments, holding regular "coffee chats" with the President of Sofasa, and conducting physical exercises at the start of each factory shift.

OCCUPATIONAL ACCIDENT TRENDS

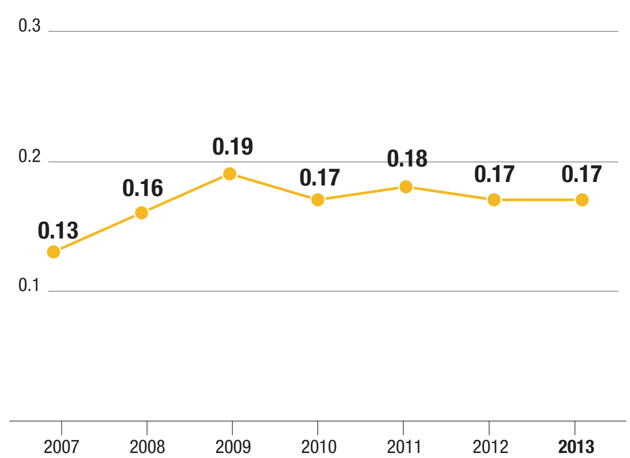
Occupational accidents are all accidents occurring during and at the place of work.

- the F2 rate (number of lost-time occupational accidents per million hours worked) was 3.34 at end-2013, compared with 3.44 at end-2012;
- the F1 rate (number of occupational accidents requiring treatment off-site per million hours worked) was 6.21 at end-2013, compared with 6.12 at end-2012;
- the occupational accident severity rate (number of days lost due to occupational incapacity) has remained stable over the last four years. This rate is the number of calendar days lost due to occupational incapacity divided by the number of hours of exposure to risk multiplied by one thousand.

F2 frequency rate – Renault group (per million hours worked)

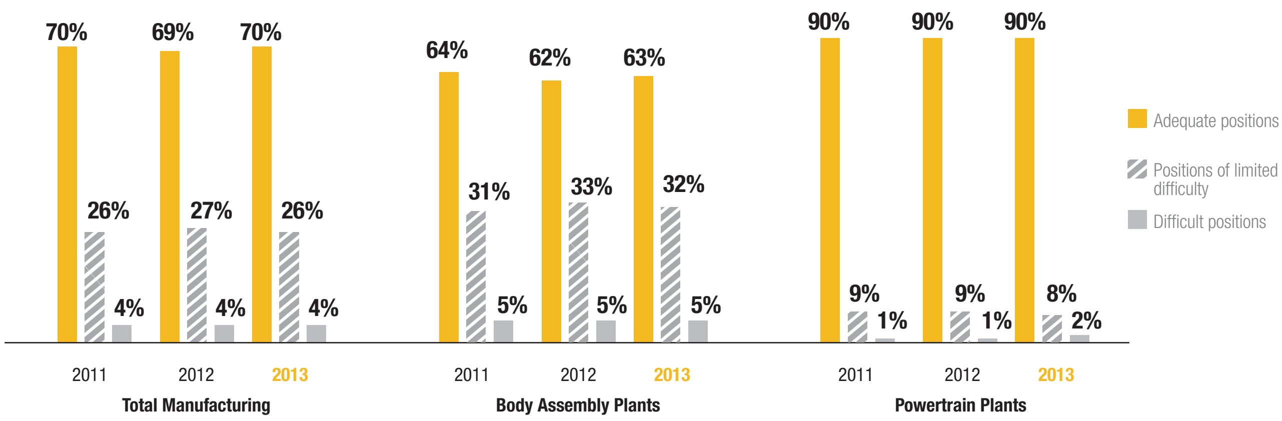


Evolution in severity rate (per thousand hours worked)



N.-B.: figures for occupational accidents concern 92% of the Group's total workforce. Three small entities, outside the consolidated scope, have been included in the Group's occupational accident results (Renault Formula 1, Renault Sports Technologies and Renault Tech).

Continual improvement in workstation ergonomics: scoring of manufacturing workstations



Road risk prevention

2013	CARS	TWO-WHEELERS	PEDESTRIANS	COLLECTIVE TRANSPORT
Breakdown of lost-time commuting accidents	41%	30%	24%	5%
Breakdown of lost-time days	24%	48%	26%	2%

Occupational illnesses

"Occupational illnesses" are pathologies caused by work. These illnesses do not always entail a medical leave of absence.

For the Renault group, the rate of reported occupational illnesses per one thousand employees goes from 5.28 in 2012 to 5.24 in 2013.

	EUROPE	EUROMED-AFRICA	EURASIA	ASIA-PACIFIC	AMERICAS
2013	8.10	0.87	0	2.95	5.96

Reported occupational illnesses expressed in K per 1,000 employees.

No occupational illnesses were reported in Eurasia in 2013. One notable factor in this result is the lack of statistics for occupational illnesses related to musculo-skeletal disorders in the countries of this region.

Absenteeism

The absenteeism rate for the Renault group (taking into account 99% of the total workforce) is 2.91%.

2013	EUROPE	EUROMED-AFRICA	EURASIA	ASIA-PACIFIC	AMERICAS
Absenteeism rate	3.40	2.14	2.29	3.08	2.48
Scope coverage	99%	100%	99%	99%	99%

The absenteeism rate is expressed as a percentage and is calculated on the basis of the average monthly workforce (permanent + fixed-term contracts) and an annual theoretical workday.

The number of days of absence is expressed in working days, excluding short-time working, layoffs, strikes, holidays (including maternity leave). *An explanation of the calculation is available in the Methodological note.*

2.3.3.2 ASSESSMENT, DEVELOPMENT AND REMUNERATION

The assessment, development and remuneration system has been revised to make it fairer and more competitive. Talent@Renault is an all-inclusive technique combining these three aspects (assess, develop, remunerate), which was first implemented in late 2012 with the deployment of a single tool for use by managers, staff (white collor), and the HR function. At the end of 2013, this tool had been introduced in 16 countries. Its deployment will continue in 2014 to cover the entire Group.

Performance is assessed through the annual performance and development review, which is based on three principles – collegiality, common criteria, and dialogue.

Job performance is assessed according to specific criteria that are identical throughout the entire Group. The assessment made by the employee's manager is now systematically supplemented with an appraisal by other staff members to ensure greater consistency and fairness. The assessment is based on a one-to-one discussion between manager and employee. The performance and development review is an opportunity to look at the results of the past year, to set objectives for the year ahead, and to discuss the employee's contribution to the Company's performance. This meeting is also when employees formalize their training requests and discuss their career outlook with their manager. If results fall short of expectations, a programme of improvement is implemented by the manager and employee to give fresh impetus to individual performance.

Talent@Renault also provides a way to share policies and practices in **employee development,** such as the criteria for selecting high-potential individuals, the systematic implementation of development programmes for these people that include a career plan. Talent@Renault is now a tool for more closely managing the succession plans for the key positions in the Company.

The remuneration of managers and executives may now be based on:

- the level of responsibility. Positions have been assessed to define their level of responsibility according to the Hay Group international standard. This assessment makes it possible to draw up a complete internal map of positions across the various business lines and Regions, thereby guaranteeing greater transparency and global equality for career paths. Another advantage is that Renault can compare its pay scales with the market to better manage competitiveness and the attractiveness of the remuneration policy. The fixed and variable remuneration system is now determined on the basis of this job classification;
- work performance, or the capacity to hold the position, defined with precise and shared criteria to make assessment more objective and standardized within the Group;
- the extent to which targets are achieved.

Analysis of these three components ensures that remuneration is based on the individual's contribution to the Company, independent of any other factor.

The variable share of the remuneration of managers and executives is calculated according to the following principles:

- the higher the level of responsibility, the higher the share of variable remuneration;
- payment of variable remuneration is determined by achievement of shared targets at Group level;
- variable remuneration is based on collective targets as well as the assessment of individual performance.

Two systems were applied:

- a Group system for executives in positions with the highest levels of responsibility;
- a system defined at country level for other managers and executives.

The remuneration of senior executives is discussed in chapter 3.3.

INCENTIVE SCHEMES

Renault has an incentive scheme that includes the redistribution of profits. This can also take the form of bonus payments for local performance. Four trade unions (CFE-CGC, CFDT, FO and CFTC) signed an agreement on December 6, 2010. Most of the Group's French facilities have signed up to the three-year agreement, which includes:

- maintaining local incentive schemes based on site performance;
- basing a portion of the bonus on the Group's financial results.

This agreement, which came into effect on January 1, 2011, is primarily based on two indicators: Group free cash flow and operating margin.

Over the past three years, incentive and performance-related bonuses at Renault s.a.s. have totaled the following amounts:

YEAR	AGGREGATE AMOUNT: INCENTIVE AND PERFORMANCE-RELATED BONUSES *(€ million)*
2011	129.01
2012	66.32
2013	74.65

EMPLOYEE STOCK OWNERSHIP AND SAVINGS

In France, Renault operates a voluntary company savings plan open to all subsidiaries that are more than 50% owned (10 member subsidiaries). The plan consists of five employee savings funds (FCPE) invested in accordance with Socially Responsible Investment (SRI) standards and endorsed by the trade union assessment body *Comité Intersyndical de l'Épargne Salariale,* and three profit-sharing funds invested in Company stock (Renault share, ISIN code FR0000131906). The securities held in the SRI portfolios are selected on the basis of the issuer's employment policies, working conditions, corporate governance, and compliance with environmental standards. Employees can make top-up payments into these five savings funds and the Renault share throughout the year.

In 2013 total payments into Renault's savings scheme amounted to €10 million (up 10%, compared with 2012), of which 98% in the form of bonus transfers. The total value of the Company savings plan at December 31, 2013, was €570.7 million.

In 2011 Renault put in place a group retirement scheme (PERCO), enabling employees to build up savings that will be available in the form of annuities or a lump sum when they retire.

With this system, employees can pay their bonuses, voluntary payments or part of their individual time savings leave (up to 10 days per year) into the plan. In addition, Renault will contribute the equivalent of 25% of the flex days paid into the plan.

Employees can choose between ordinary management of their savings through the funds made available as part of the Group savings plan (with the exception of the stock ownership funds) or life-cycle management through the generational funds in the Natixis Horizon Retraite range.

In 2013, total payments into Renault's collective retirement plan amounted to €12.5 million, of which 75% came from the cash-out of paid leave. The total value of Renault's PERCO at December 31, 2013, was €27 million (see data in annexes).

COLLABORATIVE INNOVATION

Involving all personnel in a process of collaborative innovation has been part of Renault's corporate culture for more than 20 years, through the organization and promotion of "practical suggestions for improvement" (PSI). The approach is based on Group-wide fundamentals and involves encouraging all employees to formalize their innovative ideas and rewarding the best contributions to the Company's long-term performance.

In 2013, Renault continued to harmonize the collaborative innovation approach across every global region where it is applied (new site included: Morocco-Tangiers). Based on a total of 91,177 people in 2013 (compared with 94,379 in 2012), Renault:

- achieved a participation rate of 50% (54% in 2012);
- made savings of €103.1 million, an average of €1,132 per person (€129.7 million, or €1,374 on average per person in 2012);
- reported 2.83 PSIs per person in 2013 (3.06 in 2012).

2.3.4 SOCIAL DIALOGUE

In 2013, the social dialogue in the Group was very productive, testifying the will to prioritize the negotiation path to tackle today's challenges. This will call for allying competitiveness and workforce unity, while taking into account the diverse range of expectations and the sharp differences between local economic conditions.

2.3.4.1 A SOCIAL DIALOGUE ACROSS FIVE CONTINENTS

The Renault group Works Council (CGR), which celebrated its twentieth anniversary in 2013, is the body representing all the Group's employees. It is made up of 40 representatives from 20 countries: 34 representatives from Renault's majority-owned subsidiaries in the European Union, and six observers from the rest of the world (Brazil, Argentina, South Korea, Turkey, Russia and Morocco).

In 2013, the CGR held a plenary session lasting more than three days during which members of senior management, including the Chairman, discussed the Group's strategy. The CGR restricted committee met nine times. A "learning session" was held in Tangiers and the surrounding area to gain a better understanding of the industrial and commercial challenges there as well as labor issues facing Renault in Morocco.

GLOBAL FRAMEWORK AGREEMENT

"Committing together for sustainable growth and development." With the agreement signed on the July 2nd 2013, concerning social and environmental responsibility, the signatories undertake to work together in five key areas:

- **respect for fundamental social rights –** the agreement renews and strengthens commitments made with the Declaration in October 2004;
- **social responsibility to employees –** expressed through social dialogue, health and safety policies, employment and skills management, remuneration and social protection, and the promotion of diversity;
- **social responsibility where the Renault group has operations –** including support for educational projects, helping young people to begin working in the automotive industry, and promoting road safety;
- **relations with suppliers and subcontractors –** their respect for fundamental rights becomes a decisive criterion in their selection;
- **reduction of the environmental footprint –** reconciling the Renault group's offerings of products and services with environmental protection, and strengthening environmental management throughout the Company;

Furthermore, a policy for prevention, health, safety and the work environment arised from the commitments made with the signing of the Declaration of Employees' Fundamental Rights in 2004, which were reinforced by the global framework agreement on social, societal and environmental responsibility. Based on risk prevention, this policy is aimed at ensuring the safety of the personnel, preserving their physical and mental health, and providing them with a motivating work environment.

This agreement is applicable everywhere in the world, in all companies in which Renault s.a.s. owns, either directly or indirectly, more than one-half of the capital.

A follow-up committee met in Spain in November to discuss measures for implementing the agreement and to observe labor and social policies in that country.

2.3.4.2 ONGOING SOCIAL DIALOGUE

In 2013, 14 major agreements were signed within the Group, testifying to its desire for responsible social dialogue, and in particular:

In ***Spain***, a three-year agreement (2014-2016), concluded with the three largest labor unions (UGT,CCOO and CCP), contains measures concerning workforce flexibility, a gradual increase in annual working time, and wage control. This agreement is resulting in increased activity at Body assembly and powertrain plants and job creation.

In ***South Korea***, the agreement signed in July 2013, covering the period 2013-2014, concerns wages, working time, and the operations at the Busan plant, where the new Rogue Nissan will be manufactured starting in 2014 owing to gain in competitiveness.

In ***France***, six collective agreements were signed by Renault s.a.s. in 2013, bringing the total to 28 since 2010, the year the agreement for "a new social dialogue" was first implemented. These six agreements concern in particular:

- the implementation the conditions and resources needed to spur growth and social development at Renault in France (March 13, 2013);
- measures to assist the disabled (July 8, 2013);
- an amendment to the agreement of December 8, 2010, encouraging employee initiative and creativity (December 19, 2013);
- promotion of the employment of young people and seniors and intergenerational solidarity (December 19, 2013).

The "**Contract for a new dynamic of Renault growth and social development in France**" was signed with the CFDT, CFE-CGC, and FO. Through a series of balanced measures to generate gains in competitiveness, this agreement aims to endow Renault with a solid and sustainable foundation for its manufacturing, engineering and tertiary activities in France and to bring about stronger growth than would result from relying solely on trends in European markets. Under this agreement, Renault is committed to:

- maintaining activity at all manufacturing sites in France as well as in Engineering, Sales and Marketing, and Service departments;
- developing activity at French facilities between now and 2016, producing a minimum of 710,000 vehicles in France, including 630,000 Renault vehicles and a minimum of 80,000 vehicles from partners;
- maintaining or increasing activities at powertrain and logistic sites in France;
- adjusting workforce numbers without a redundancy or voluntary departure plan by not replacing 7,500 positions between now and 2016;

The diversity of subjects covered by the agreement, the length of the discussions, the caliber of the dialogue during the negotiations, and the challenges addressed demonstrate the innovativeness of this approach and the responsible attitude of all parties involved.

2.3.4.3 RESPONSIVE INTERNAL COMMUNICATION ✦

Dialogue within the Group is also nurtured by responsive and varied internal communication. Renault ensures that employees are always kept up to date on what is happening in the Company through a network of communications teams working in the functions lines and countries.

The Group has a single magazine, *Global,* intended for all its employees worldwide. More than 100,000 copies of *Global* are printed in French and English, with local editions for Spain, Romania, Russia, Turkey, Argentina, Brazil, Slovenia, and Colombia.

The second cornerstone of Group internal communications is the Declic intranet portal, in French and English. Some 65,000 employees worldwide are connected to Declic. The information on the homepage is updated daily to ensure rapid and wide dissemination of Group news. The aim, whenever possible, is to give employees information either before or simultaneously with its external publication. Since 2009, employees have been able to comment directly on all news releases, articles and reports, allowing them to share their views and ask questions. Employees can also watch video streaming broadcasts of strategic events (financial results, announcement of partnerships, etc.). Open forums with senior executives are organized on a regular basis.

The Chairman and CEO and the Management Committee hold frequent e-conferences to brief managers in advance on the Group's strategic projects. Educational materials are also regularly sent out to all managers so they can inform their teams of the month's news and upcoming events.

✦ Global Reporting Initiative (GRI) Directives

2.4 ENVIRONMENTAL DIMENSION

2.4.1 ENVIRONMENTAL CHALLENGES ✦

The exponential growth in human population and activity since the industrial revolution is having harmful effects on the environment and threatening the fragile balance between humans and ecosystems. However, adequate natural resources and robust ecosystems, in addition to their intrinsic value, are essential to people's well-being and sustainable economic prosperity.

Renault is a responsible company aware of the serious environmental challenges represented by climate change, air and water quality, and the depletion of natural resources. It therefore strives to reduce the environmental impact of its operations and products. One way it does this is by using the life cycle assessment approach to measure the impacts of a vehicle from the design phase to its end-of-life, thus enabling it to effectively target environmentally positive actions.

This approach helps to preserve and add to the Company's value because environmental challenges are also competitiveness and profitability challenges. Its operations are thus influenced by the need to comply with environmental regulations on vehicles and industrial sites. The raw materials it uses also affect its financial performance. Meanwhile, the expectations of vehicle users are changing. In the major markets, fuel consumption is now an important factor in the purchasing decision, while new usages are appearing in conjunction with shared mobility.

In 2013, Renault revised its environmental policy to advance the improvement policy begun in 1995 and respond to new needs and expectations. This new policy, which is in keeping with Renault's CSR Vision, has three priorities and is being applied in five key areas for action. It will be progressively deployed at Renault's sites and in its subsidiaries.

RENAULT ENVIRONMENTAL POLICY – 2013

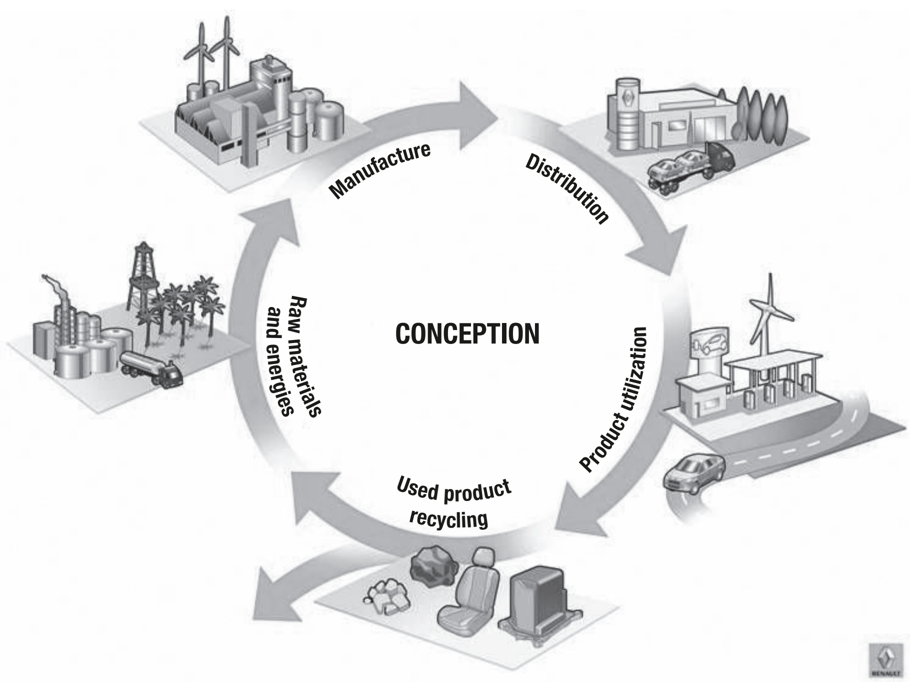
1. Curb and reduce the environmental footprint and health impacts of our products, services, and operations by applying life cycle analysis and the principles of the circular economy.

2. Contribute actively to Renault's competitiveness and to the protection of its tangible and intangible assets.

3. Implement environmental management throughout the Group and its value chain to bring about continual progress and ensure compliance with regulations and respect of voluntary commitments.

Key areas for action:

- **climate change and energy efficiency;**
- **resources and competitive circular economics;**
- **health and ecosystems;**
- **innovative mobility services and systems;**
- **environmental management, transparent and responsible communication, and dialogue with stakeholders.**



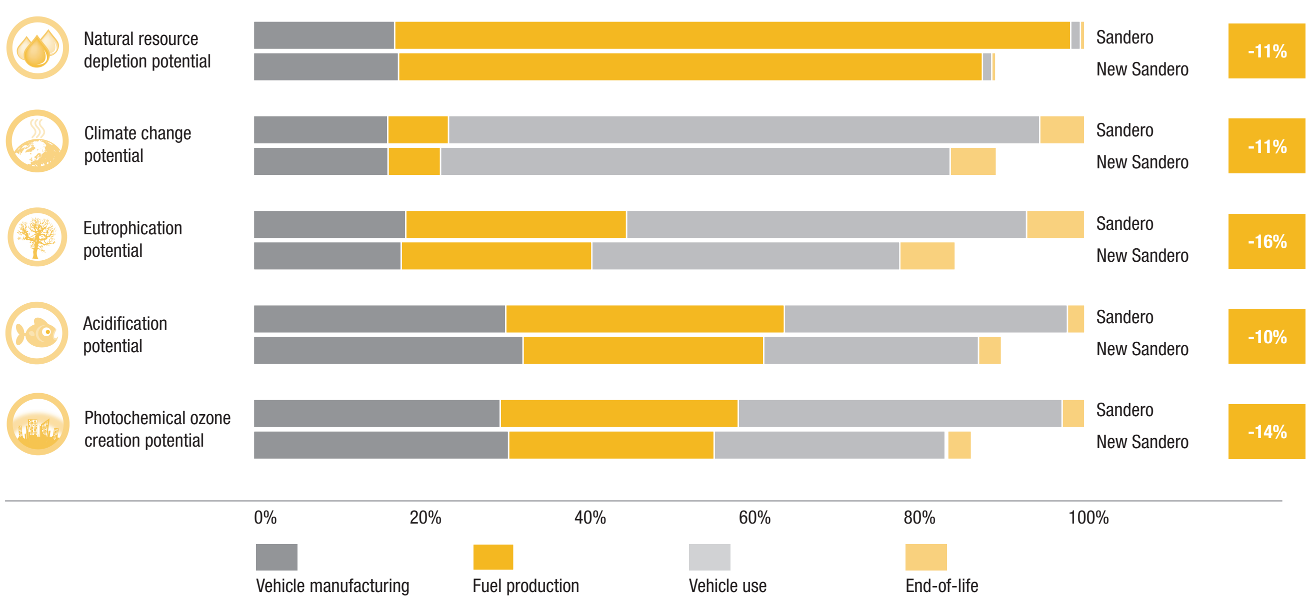
2.4.2 ENVIRONMENTAL IMPACT: ACTIONS AND INDICATORS ✦

Since 2004, Renault has assessed the environment performance of its products over their entire life cycle rather than during their utilization phase alone. As of end-2013, a life cycle analysis (LCA) was being done for a majority of vehicles marketed by Renault (the Renault, Dacia and RSM brands). Comparisons between internal combustion engine vehicles in the same segment but from a different generation, for example between the Clio III and Clio IV, are carried out systematically to confirm progress from one car to the next.

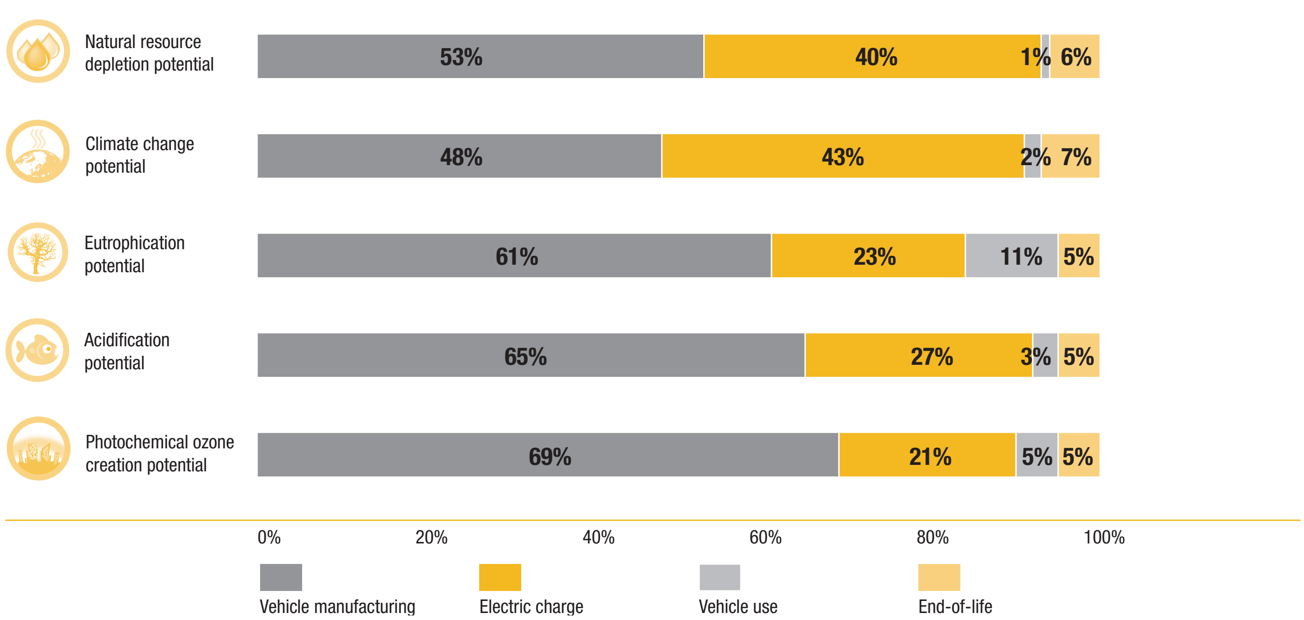
The methodology used by Renault, based on the ISO 14040 standard, underwent a critical review by a group of experts in the LCA of Fluence Z.E. This five-member review committee made up of three international experts and two NGOs concluded that Renault's LCA method was compliant with ISO 14040 and 14044 standards and state-of-the-art in the automotive industry. The LCA report on Fluence Z.E. and the critical review are available online at renault.com.

A more detailed description of the methods used in the life cycle analysis is found in Annex 2.8.2.1.

Comparative life cycle analysis of the Dacia Sandero and New Sandero diesel



Comparative life cycle analysis of ZOE



✦ Global Reporting Initiative (GRI) Directives

2.4.2.1 ENERGY AND CLIMATE CHANGE ✦

MAIN OBJECTIVES		OBJECTIVE SET	TARGET YEAR	SITUATION END-2013 (IDENTICAL SCOPE)
All sectors	**Reduce the average carbon footprint of Renault group vehicles sold worldwide by 10% between 2010 and 2013 and by an average of 3% annually between 2010 and 2016**	**2010**	**2016**	**-10% between 2010 and 2013 (provisional figure)**
Product	Market a range of zero-emission-during-use vehicles in markets where there is a demand	2012	2016	4 vehicles marketed in Europe
Product	Reduce average CO_2 emissions of the European range to 120g CO_2/km in 2013 (personal vehicles, all brands, all engines) and achieve the European objective of 95 CO2/km by 2020 (passenger vehicles, all brands) for vehicles with internal combustion engines.	2011	2020	114.8 g CO_2/km in 2013
Manufacturing	Reduce GHG emissions from the production of a vehicle by 10% between 2013 and 2016 (direct and indirect emissions related to energy consumption)	2012	2016	
Manufacturing	Reach a 20% share of renewable energies (direct and indirect) at manufacturing sites	2008	2020	14.1% in 2013
Logistics	Reduce CO_2 intensity by 10% in global transport operations between 2010 and 2016	2013	2016	-5%
Product & services	Market combined product-service offers for corporate fleets that will allow monitoring and reduction of the environmental footprint	2009	2016	Business eco² range Eco²-driving training Fleet Asset Management

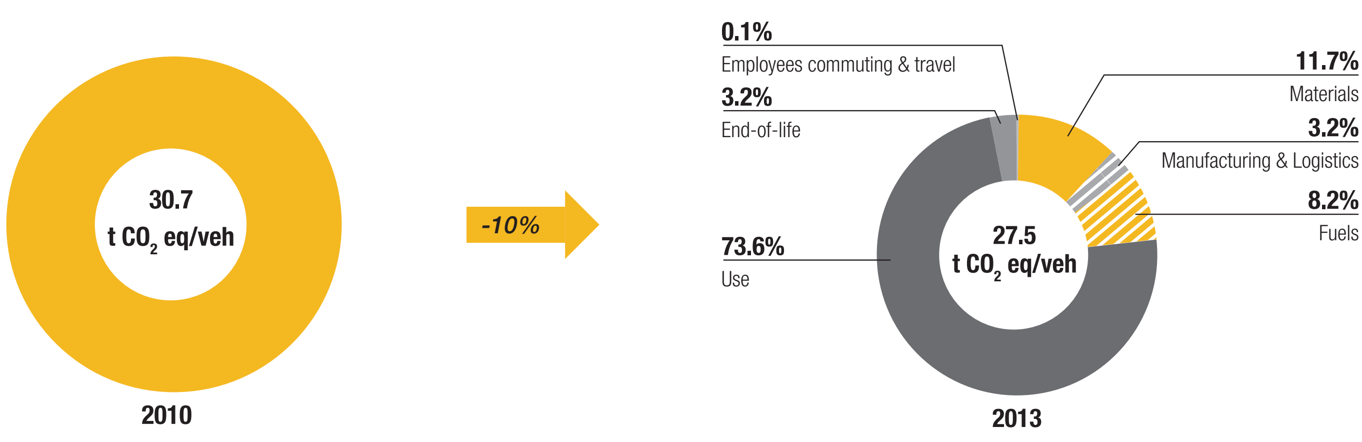
The carbon footprint of a product corresponds to the greenhouse gas emissions it generates over its life cycle, from the extraction of the raw materials needed to manufacture it to its recycling. It comprises the GHG emissions of scopes 1 and 2 and the principal emissions of scope 3, as defined by the GHG Protocol. This indicator is a worldwide first in the automotive industry. It encompasses all sectors of the Company and thus allows action to be focused on a common objective.

In 2011, in the framework of the Renault 2016 Drive The Change strategic plan, Renault committed to reducing the average carbon footprint of vehicles sold worldwide by 10% between 2010 and 2013. In light of the results achieved, this objective was extended to the second part of the plan: Renault is now aiming to reduce its carbon footprint by a yearly average of 3% between 2010 and 2016.

More details of the method used to calculate Renault's carbon footprint are found in annex 2.8.2.1.

Renault carbon footprint – 2010

2013



** 2013 data are communicated for information purpose only.*
Methodology: all PCV's and LCV's registered under Renault and Dacia Brand worldwide (appendice 2.8.2.1)

Strategies for reducing greenhouse gas emissions by sector

EMISSIONS DURING USE & FUELS	**Reduce fuel consumption and emissions of vehicles with internal combustion engines** Downsizing with turbocharging *Stop & Start,* braking energy recovery General vehicle optimization (aerodynamics, mass, friction, electrical consumption management, etc.) **Market a range of zero-emission-during-use vehicles** Kangoo Z.E. (light commercial vehicle) Fluence Z.E. (saloon) ZOE (multipurpose city car) Twizy (two-seat city car) **Promote eco-driving: Driving eco² programme** In-car assistance systems (eco-mode) Eco-driving training
MATERIALS AND COMPONENTS	Increase the proportion of recycled materials (see 2.4.2.2) Reduce the consumption of materials (see 2.4.2.2)
PLANTS	**Reduce energy consumption** Introduce technical and managerial best practices (kaizen) Reduce energy consumption outside of production periods Increase energy efficiency **Develop renewable energies and substitutes for fossil energies**
LOGISTICS	***Logistics eco²* programme** Reduce distances traveled (local suppliers, optimized routes) Reduce the number of trucks/containers transported (optimization of load factors for trucks/containers and packages) Rely more on sea, waterway and rail transport as alternatives to road transport Reduce fuel consumption (in partnership with transport operators)

LOGISTICS ✦

Implementation of the *Logistics eco²* programme continued in 2013 in all four key improvement areas.

The main effort was focused on improving container and truck load factors. For example, on the 3 main export flows by sea from France, Romania and Spain. The improvement reduced the number of containers by 1% and emissions by nearly 1,100 tons of CO_2. Similarly, increasing truck load factors in Europe took 9,700 trucks off the road and reduced CO_2 emissions by 8,000 tons approximately.

Further gains were achieved by adding a second train on the logistics route linking Portugal, Spain and northern France, eliminating 7,000 tons of CO_2 emissions.

Renault has also collaborated with the European organization Odette[(1)] in the preparation of guidelines for the calculation of CO_2 emissions from logistics operations in the automotive industry. Published in October 2013, these guidelines promote standardized reporting by transport operators according to the new European norm CEN 16258. They also facilitate the application of the new French regulation introduced in 2013 requiring logistics providers to inform their customers of the quantity of CO_2 emitted by the services performed for them.

MANUFACTURING

Knowing that 90% of greenhouse gas emissions at Renault sites come from energy consumption the strategy of reducing GHG emissions is inseparable from the strategy of reducing energy consumption and increasing the use of renewable energies. This strategy, implemented through continuous progress and breakaway action when modernizing boilers and setting up new plants, has four strands:

1. manage energy consumption outside production periods (minimal consumption). A specific system is in place to completely shut down machines and general facilities whenever possible outside production periods;
2. manage convergence towards the best practices identified in techniques and organization. Ventilation and operating conditions (temperature and humidity) have been optimized in paint shops, which consume the most energy in body assembly plants. Equipment downtime and re-start has also been optimized to minimize consumption. Specific measures have also been put in place for other production processes, including management of compressed air consumption for stamping, optimized cooling of welding guns used in sheet metal work, and optimization of cooling for machined parts;
3. increase the energy efficiency of resources, particularly by experimenting with energy recovery solutions such installing heat exchangers at exit doors of paint drying ovens and decentralizing energy consumption to limit heat losses on the network;
4. develop renewable energies and replace fossil fuels. The Tangiers plant, opened in 2012, was equipped with a biomass boiler. Likewise, the Sandouville factory is now supplied with steam produced by Sedibex from industrial waste, a solution that cuts natural gas consumption. Although the electricity produced by photovoltaic installations at its main sites in France, Spain and South Korea does not go exclusively to Renault plants, these installations do help to reduce the carbon intensity of the electricity consumed (see inset below).

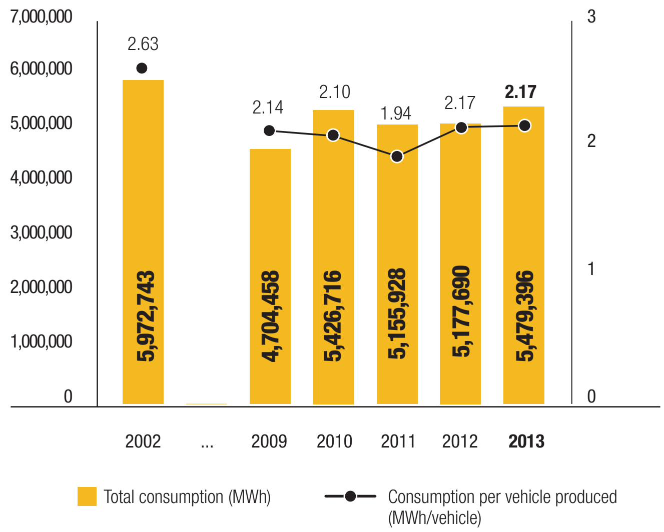
In recent years, the replacement of fuel oil with cleaner-burning natural gas has made a substantial contribution to reducing GHG emissions. Fuel oil now represents only 0.2% of Renault's energy consumption, so any further shift in the consumption of these fuels will not significantly reduce emissions.

(1) Odette: a European organization of logistics operators in the automotive industry.

Renault sees climate- and energy-related challenges as an opportunity for innovation. Thus, for its plant in Tangiers, Renault has developed technologies to reduce energy requirements and technologies to produce thermal energy with no carbon emissions. As a result of the partnership between the Kingdom of Morocco, Renault and Veolia Environnement, the Renault plant in Tangiers is exemplary in terms of environmental performance. In 2013 the plant was in the starting phase. From the first year of full exploitation, the energy needs for the plant were covered by 90% through electric renewable sources and by its biomass heating plant avoiding 80,000 tons of CO_2 emission.

These innovative initiatives are fully consistent with the Kyoto protocol and are covered by a specific development mechanism that is under approval.

Energy consumption ✦

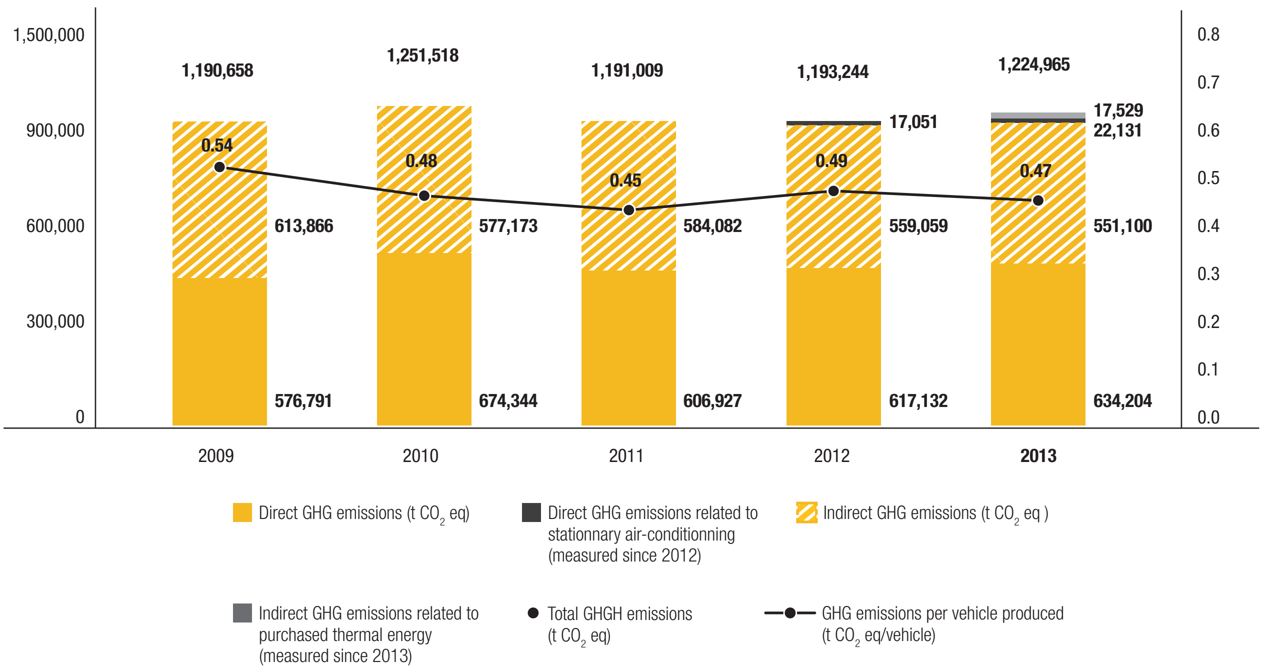


Scope: the reporting scope for GHGs in 2012 (Scope 1 and Scope 2 for electricity consumption) includes all production plants and main logistics, tertiary and engineering sites, excluding the RRG commercial network (reporting scope described in annex 2.8.2.2). The number and list of sites included varies from year to year depending on the disposals and acquisitions made by Renault.

Energy consumption by type of energy ✦

	TOTAL CONSUMPTION		O/W MANUFACTURING SITES	O/W ENGINEERING, LOGISTICS AND SUPPORT SITES
	%	MWH	MWH	MWH
Electricity	48%	2,649,697	2,358,500	291,197
Natural gas	47%	2,576,641	2,368,615	208,026
Purchased thermal energy	3%	182,503	163,326	19,177
Other fossil fuels	1%	57,471	57,471	0
Heavy fuel oil and heating oil	0.2%	13,083	4,020	9,063
TOTAL	**100%**	**5,479,395**	**4,951,932**	**527,463**
o/w renewable energy or energy produced from renewable sources	**14.1%**			

Greenhouse gas emissions ✦



The emission indicator for GHG per produced vehicle is calculated for the direct and indirect emissions by taking the measured emissions on the complete period 2009-2013. The extensions of the scope of measures which took place in 2012 (emissions linked to airconditioning of locals) and in 2013 (those limited to bought thermal energy) are not counted.

Scope: the reporting scope for GHGs in 2013 (Scope 1 and Scope 2 for electricity consumption) includes all production plants and main logistics, tertiary and engineering sites, excluding the RRG commercial network (reporting scope described in annex 2.8.2.2). The number and list of sites included varies from year to year depending on the disposals and acquisitions made by Renault.

Methodology: Greenhouse Gas Protocol; EPE protocol (Entreprises pour l'environnement) for quantifying and reporting GHG emissions.

Breakdown of GHG emissions and reporting perimeter ✦

	2013	2012	MEASURED SINCE
DIRECT EMISSIONS (SCOPE 1)	**54%**	**53%**	
Stationary combustion installation	45%	44%	2003
Filling of mobile air-conditioners on produced vehicles	3%	3%	2003
Tests of gear boxes, engines and vehicules	1%	1%	2003
Company cars	3%	3%	2009
Filling of stationary air-conditioning systems	2%	1%	2012
INDIRECT EMISSIONS (SCOPE 2)	**46%**	**47%**	
Electricity	45%	47%	2009
Thermal energy	1%	NR	2013

Scope: the reporting scope for GHGs in 2013 (Scope 1 and Scope 2 for electricity consumption) includes all production plants and main logistics, tertiary and engineering sites, excluding the RRG commercial network (reporting scope described in appendix 2.8.1.1). Company vehicles include pool vehicles available to employees, shuttles, handling systems and forklifts.

Adjusting to the consequences of climate change

An increase in the number of extreme weather events could disrupt or even, in the most severe cases, reduce Renault production capacities and logistics activities. The main natural risks likely to impact Renault's sites are flooding (French plants of Choisy-le-Roi and Flins, located close to the Seine River), typhoons (Busan plant in South Korea) and hail storms (the plants in Santa Isabel at Cordoba in Argentina, Valladolid in Spain, Flins in France, Revoz in Slovenia, and Dacia in Romania).

Hail has by far the highest recurring financial impact, since a large number of vehicles are stored in uncovered areas. To reduce the risk of hail damage, Renault has launched an ambitious investment plan to cover vehicle storage areas. Financed partly by Renault and partly by investors, the plan is part of a programme to install photovoltaic panel arrays.

No other risks linked to climate change have so far led to any notable disruptions or material damage to sites or products. Sites subject to risks of flooding or typhoons are suitably protected, and emergency plans are in place to protect people and property and prevent or limit production shutdowns.

PHOTOVOLTAIC PANELS: FRANCE, SPAIN, AND NOW SOUTH KOREA

In 2012, solar panels were installed in France (60 MW) and in Spain (8 MW) on employee parking lots and vehicle storage areas at the main plants. Renault Samsung Motors (RSM) followed suit in 2013 with a solar power set-up at the Busan plant in South Korea.

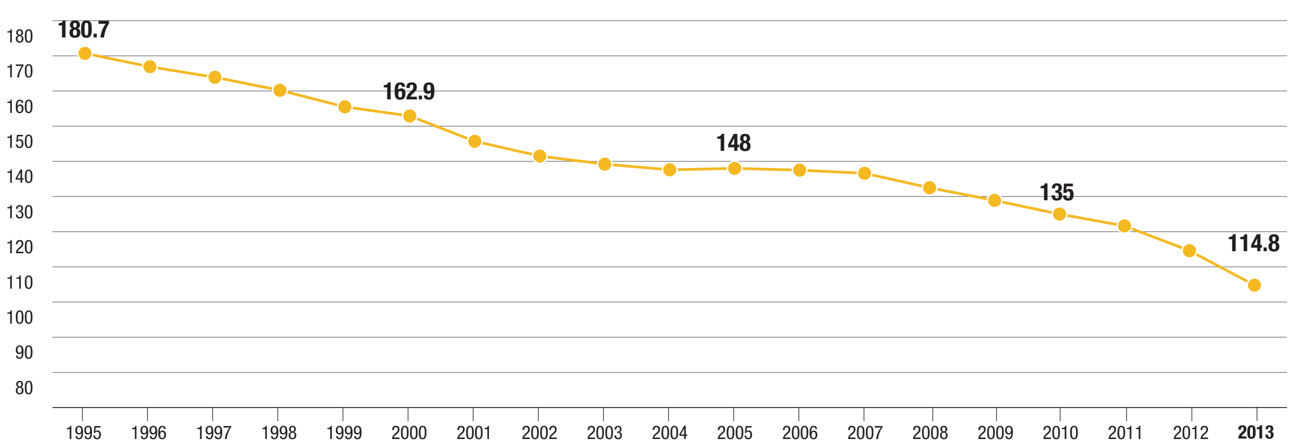
This 20-MW, 300,000-m² installation covering a large portion of the roofs and land at the plant will produce 25,000 MWh of power annually. By doing so, it will reduce the quantity of CO_2 emitted for electricity production by 10,600 tons a year. The electricity is fed into the local power grid, thus helping to reduce the carbon intensity of electricity production in South Korea.

The solar panels installed at Renault sites around the world have a combined capacity of 88 MW.

VEHICLE USAGE

To achieve a significant impact in terms of the environment and global warming, one of Renault's objectives is to provide mobility solutions that are more ecological, economical, and accessible to the greatest number. In line with the objective stated in the Renault 2016 – Drive the Change strategic plan, Renault reduced the average CO_2 emissions of new passenger cars in Europe to less than 120g/km in 2013. This objective has even been surpassed, as in 2013, according to the data available when this report was published[1], average emissions were estimated at 115g CO_2/km. This performance is especially impressive as it was achieved almost exclusively in the range of vehicles with internal combustion engines.

Average CO_2 emissions of passenger vehicles sold in the European Union (g CO_2/km) – Renault and Dacia brands ✦



Sources and scope: passenger vehicles registered under the Renault and Dacia brands. Average certified CO_2 emissions in the New European Driving Cycle (NEDC).
1995-2010 data: UE15, AAA DATA (Association auxiliaire de l'automobile).
2011-2012 data: European Environmental Agency, EU 27.
2013 provisional data: EU 24 (all EU countries except Cyprus, Malta, Romania and Bulgaria), AAA DATA.

(1) The available data are for sales in 24 countries of the European Union, that is, the countries of EU 27 except Malta, Romania and Bulgaria.

Internal combustion engine vehicles

To obtain these results, Renault continued reducing the fuel consumption and CO_2 emissions of its gasoline IC vehicles, in particular with its and more efficient Energy engines and the Stop & Start technology.

In 2013, Renault benefited from a full year of sales of models introduced in 2012, notably Clio IV, with 83g CO_2/km for the best-performing version, as well as Mégane and Scénic Collection 2012, with emissions of, respectively, 90g CO_2/km and 105g CO_2/km with the Energy dCi 110 diesel engine, and 119g CO_2/km and 135g CO_2/km with the Energy TCe 115 engine. In the Dacia range, New Sandero and New Logan also contributed to these results, with certified emissions of 99g CO_2/km for the versions fitted with the dCi 75 and dCi 90 engines and 116g CO_2/km for the TCe 90 gasoline engines.

The new models rolled out in 2013 bring further improvement. Captur emits 95g CO_2/km with the Energy dCi 90 diesel engine and 113g CO_2/km with the Energy TCe 90 gasoline engine. Emissions from New Logan MCV are comparable to those of New Sandero and New Logan.

In addition, a range of vehicles that run on alternative fuels is offered to respond to demand in regional and local markets. In 2013, eighteen Renault and Dacia vehicles were available with LPG engines, with the largest share marketed in Europe, South Korea and Turkey. In Brazil, a large portion of the Renault range is available in a flexfuel version capable of running on 100% ethanol fuel.

In the under-3.5-ton commercial vehicle market, Renault is making a notable contribution to the achievement of the EU goal of 175g CO_2/km for new vehicles marketed in 2017. In 2012, the light commercial vehicles (less than 3.5 tons) sold by Renault and Dacia emitted, on average, 169g CO_2/km.

Electric vehicles

Renault has made electric vehicles a lynchpin of its strategy and plans to mass-market vehicles combining zero CO_2 emissions, during use and excluding wear parts, with zero pollutant emissions and zero engine noise.

The rollout of ZOE in early 2013 rounded out the range of four electric vehicles. Sales of ZOE, Kangoo Z.E. and Fluence Z.E. are now helping to lower the average emissions of Renault's passenger vehicle range in Europe.

International marketing of Z.E. vehicles continued apace. SM3 Z.E., based on Fluence Z.E. and manufactured by the Renault Samsung Motors (RSM) plant at Busan, was launched in South Korea in late 2013. In several countries, valuable commercial contacts were established with major companies. Specifically targeted were companies in the energy sector, particularly in Brazil (CPFL *Companhia Paulista de Força e Luz*, *Itaipu Binationale*). As a result, some Twizy vehicles will be assembled by Itaipu Binationale (a Brazilian-Paraguayan renewable energy producer).

Renault is aware that increased use of electric vehicles depends on the availability of charging points and is accordingly working to develop charging infrastructure and services. The infrastructure is growing in Europe, with the number of charging points doubling between 2011 and 2013. Renault is continuing its efforts, with public and private partnerships set up in 2013 helping to move this process along in France and across Europe as well as locally and in international markets.

Renault and three partners have created Gireve SAS, a company whose aim is to facilitate the use of public charging terminals in France and Europe by making them visible, accessible and compatible for all electric vehicle drivers. Similarly, the partnership with E. Leclerc is intended to increase the density of the network in France by installing charging terminals in the parking lots of this retailer's shopping centers. Renault is also making a direct contribution: since September 2013, over 370 outlets in the Renault sales network in France have offered one hour of charging daily to EV users. A total of 875 accelerated charging points are thus available to all EV users.

At the local level, Renault is lending its support to the most active organizations such as the SyDEV *(Syndicat Départemental d'Énergie et d'Équipement de la Vendée),* which it will provide with consulting services for the deployment of 350 charging terminals in 191 municipalities in western France between 2014 and 2016.

Renault is also participating in European projects like the multi-manufacturer consortium Rapid Charge Network (RCN), which has plans to deploy a network of multi-standard, rapid-charging terminals along motorways in the UK and Ireland. In South Korea, Renault Samsung Motors (RSM) is a member of the Korean Smart Grid Association (KSGA), whose objectives include the standardization of charging infrastructures. In cooperation with the South Korean Ministry of Commerce, Industry and Energy and as part of a consortium of companies, RSM is taking part in a field test on the island of Jeju in a programme to implement smart grids that would incorporate electric vehicle charging stations.

Eco-driving

Fuel consumption actually observed by an average driver can diverge significantly from the certified values, with differences possibly exceeding 20% depending on the type of driving. That is because the certified consumption values are calculated for standardized cycles that do not reflect all driving styles (more or less aggressive) or all driving conditions (no heating or air conditioning, fluid urban and suburban traffic). In addition to new technologies, changing driver behavior by promoting eco-driving is another way to lower fuel consumption.

To encourage the adoption of more ecological driving, Renault has created the *Driving eco²* programme to explore two complementary means of progress: in-car assistance tools and training services.

Three types of eco-driving aids are installed on the most recent Renault and Dacia models:

- eco-mode, triggered by simply pressing a button, modifies vehicle performance and regulates thermal comfort to reduce fuel consumption by as much as 10%;
- assessment tools and driver coaching integrated in multimedia systems (R-Link, Médianav) supply information and advice that improve driving behavior. For example, the journey report, or eco-scoring, provides an assessment at the end of the journey according to three eco-driving criteria (acceleration, speed and anticipation). Eco-coaching provides the driver with personalized advice based on the scores obtained. Eco-route calculates the most fuel-efficient route for a given journey;
- the driving-style indicator, which tells drivers in real time whether they are practicing eco-driving.

Introduction of in-car eco-driving tools

	NUMBER OF RENAULT AND DACIA MODELS WITH THE TOOLS AS STANDARD OR OPTIONAL EQUIPMENT	MAIN MODELS EQUIPPED IN 2013
Eco-mode	12	Captur, Kangoo, Logan 2 MCV
Assessment and driver coaching	24	Captur, Mégane, Scénic, Laguna, Latitude
(R-Link and Média Nav)	24	Captur, Mégane, Scénic, Laguna, Latitude

Renault is partnering with the driving school *École Française de Conduite* (ECF) and the International Federation of Safety Education Network (IFSEN) to offer eco-driving training to its employees and those of its fleet customers (see 2.4.3.2).

2.4.2.2 USE OF RAW MATERIALS ✦

MAIN OBJECTIVES		YEAR OBJECTIVE WAS SET	TARGET DATE	STATUS AT END-2013 (SCOPE IN YEAR OBJECTIVE WAS SET)
Product	Reach a proportion of 33% of recycled materials in the total mass of new vehicles produced in Europe	2013	2016	29.7% (see appendice 2.8.2.1)
Product	Reach a proportion of 20% of recycled plastics in the new Renault vehicles produced in Europe	2004	2015	In progress 16% on Captur
End of life	Contribute actively to the end-of-life vehicle programme and achieve an effective 95% rate of recycled materials at end-of-life, in particular through financial investments	2012	Continuous	Monitored by national authorities

Metals and plastics make up more than 85% of the materials in automobiles.

In 2013, the production in the plants of the Group and its suppliers of vehicles sold by the Renault group worldwide required the use of 2.7 millions tons of steel, 320,000 tons of cast iron, and 300,000 tons aluminum. These estimated figures include offcuts of sheet metal and metal shavings produced in the Group's plants and totally recycled. Among the metal materials used in Europe and Euromed region (about 70% of the quantities indicated above), an estimated part of 15% for flat steel and till 100% for Steel Bars of steel, 95% of iron, cast and between 0 and 100% for aluminum, are recycled materials. The part of recycled plastic is estimated at 11% of all plastic used on average.

Similarly, Renault used about 485,000 tons of plastic materials, including offcuts in the production for its vehicle production worldwide in 2013.

Reducing the consumption of raw materials is a key objective both ecologically and economically. The extraction of raw materials and their transformation have a negative impact on ecosystems and reduce their availability for future generations. At the same time, the upward trend in raw materials prices and price volatility undercut the Group's profitability.

Renault uses circular economy principles to reduce the use of raw materials in three ways:

- designing vehicles that are more economical in materials, 95% of which (by weight) can be recycled and reused. This is a prerequisite for the re-use of raw materials contained in vehicles. The 95% rate, which is mandatory in the European Union, is applied to all Renault vehicles sold worldwide;
- developing technical solutions and industrial recycling systems, reusing, renovating and recycling parts and materials from end-of-life vehicles. The aim is to make these systems profitable and ensure the availability and quality of recycled materials;
- incorporating recycled materials in new vehicles.

DESIGNING RECYCLABLE AND MATERIAL-THRIFTY VEHICLES

Since the early 2000s, designing Renault vehicles has included dismantling and recycling requirements. For example, dismantling has been made easier by reducing the number of fixing points. Similarly, preference is given to recyclable materials for which recycling systems exist; whenever possible a single part will not contain materials that cannot be recycled together; and tanks are shaped to allow all fuel and oil to be removed. During the design phase, every vehicle project is monitored by a recycling specialist.

Renault also works on reducing the amount of materials used when designing vehicles and production procedures. Concerning the steel used in vehicle bodies, Renault has introduced two technological advances to reduce consumption of sheet metal:

- the use of sheet metal with high elastic limits (including hot-pressed steel) reduces the thickness and therefore the mass of parts;
- deep-drawing processes have been optimized to improve material consumption, *i.e.* the ratio between the mass of the part and the initial mass of the metal blank. These processes allow smaller blanks to be used to make the same part and generate less metal waste.

Renault is also reducing its exposure to critical materials that present risks of unavailability or supply shortages. A joint analysis was carried out with Nissan to assess the risk level for metals used in vehicles. Criteria taken into account included factors linked to the production of metals, the concentration of production and the stability of producer countries, as well as factors linked to their use by Renault, such as quantities purchased and the ability to replace or recycle the materials. In 2013, Renault continued its efforts to reduce the use of rare earths in its vehicles and started a similar programme for copper.

COLLECT, SORT, DISMANTLE, DIRECT

Collection is an essential step in the recycling of end-of-life products. Besides its regulatory obligations (see 2.4.3.2), Renault is directly involved in collection and dismantling activities to keep control economically and technically of the flows of materials.

- Indra, a joint venture with Sita (a Suez Environnement subsidiary), manages the collection in France of end-of-life vehicles in the Renault sales network and their dismantling. As Renault's home market, France accounts for 45% of the Group's end-of-life vehicles in Europe. The dismantling is done by Indra or one of the 384 approved dismantlers in its network. The parts and materials are then sent to the appropriate recycling system.
- The Gaia subsidiary collects unused parts in the sales network as well as at the plants and suppliers', sorts them and, depending on their condition, resells them or sends them to the most appropriate recycling system. Gaia also collects catalytic converters in Indra's dismantlers network and improves the recycling of the platinum-group metals in them from the technical and economic standpoints.

REUSING

In addition to the reselling of unused parts (the Gaia subsidiary), Renault launched a new after-sales range of refurbished parts in 2012. The Renault sales network in France offers second-hand exterior parts (hoods, fenders, headlamp units, etc.) collected from Indra's network of dismantlers and selected by Gaïa. This service is available to customers whose vehicles are not economically repairable using new parts.

RE-MANUFACTURING

For more than 60 years, Renault has done re-manufacturing, *i.e.,* the refurbishment of mechanical parts. Used parts are collected in the sales network, sorted and made new again. Since 1949, the renovation of engines and gearboxes has been done at the Choisy-le-Roi (France) plant. This activity adheres to a strict industrial process involving complete dismantling, sorting, refurbishment and replacement of faulty or worn parts, cleaning, re-assembly and inspection.

These renovated ("standard exchange") parts are sold to Renault vehicle owners at a lower price than new parts while satisfying the same quality requirements. Far from being marginal, the standard exchange parts offering covers a large portion of the new parts offering (70% of powertrain parts and as much as 90% of ground contact parts).

RECYLCING: DEVELOPING INDUSTRIAL SYSTEMS, USING RECYCLED MATERIALS

In accordance with the principles of the circular economy, Renault's objective is to ensure not only that waste from the automotive industry is recycled but, whenever possible, that it is recycled within the automotive industry itself. The challenge is to maintain the technical qualities and economic value of materials after recycling.

For several years Renault has carried out research projects in partnership with ADEME, local authorities and manufacturers to set up systems to recover waste and parts from end-of-life vehicles and other industries. The aim of these collaborative projects is to create systems of supply for the automotive industry. Projects focus particularly on the recovery of glass (Valver project), polyamide (Pareo project), polypropylene, Noryl, foam rubber and textiles (Valtex project), steel, copper and aluminium. The industry associations Prorecyclage (www.prorecyclage.com) and RECORD (www.record-net.org), to which Renault belongs, are helping to organize its collective programmes.

At the end of 2013, the "short-loop" processes set up by Renault included:

- the recycling of metal parts coming from vehicle maintenance and repair. The first flow of parts sent for renovation, consisting of engines and gearboxes, began in 2012. Any components removed during renovation are sent to the Renault foundries for recycling. In 2013 used disk brakes collected in the sales network were added to this recycling process;
- the recycling of copper. The wire bought back from the dismantlers of end-of-life vehicles by Gaia is processed to recover the copper. The copper is then sold either to the Fonderie de Bretagne (Renault group) for the production of pearlitic cast iron or to auto industry suppliers for aluminum processing. The copper recycled by Gaia is of high quality and can thus meet demanding technical specifications and replace unused post-manufacturing metal[1];

(1) *Post-manufacturing material: Metal waste from the manufacturing process (production of wire), as opposed to a post-consumer material (i.e., contained in a finished product and recovered from the product at its end of life).*

- the recycling of noryl (a plastic): offcuts from the Flins, Douai, and Revoz plants make up 6% of the new fenders at Flins and Douai;
- recycling of polypropylene (a plastic): Gaia collects bumpers from dismantlers and garages and arranges their processing to meet the technical specifications of the Renault-Nissan Alliance. Gaia is included on the 2014 Renault Materials List (Panel Matières Renault (PMR) 2014), meaning plastics suppliers can buy from it;
- recycling of metal waste from manufacturing (sheet metal, shaving from machining). Loops between Renault plants or between Renault and suppliers of metal parts are functioning in France, Spain, and Brazil;
- recycling of platinum-group metals. Gaia collects catalytic converters from end-of-life vehicles from dismantlers from which it extracts the platinum-group metals. These metals are then sold to an auto industry supplier fro recycling.

These short loops contribute to the achievement of Renault's objectives for the use of recycled materials in new vehicles.

INNOVATIVE CAR RECYCLING 95% PROJECT (ICARRE 95) – LIFE +

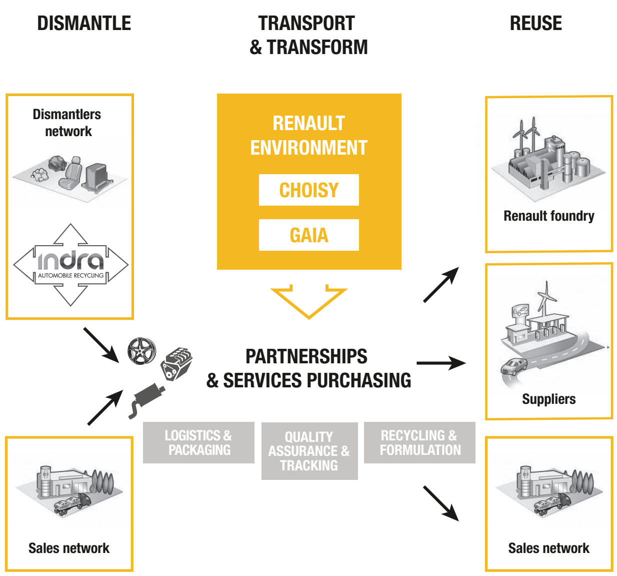
Sept. 2011 – July 2015

In 2010 Renault gave a further boost to its development of recycling systems by presenting the Innovative Car Recycling 95% project (Icarre95) to the European Commission. In the context of the Life + programme, Icarre95 benefits from a subsidy of several million euros available to all partners. It aims to show how to recover 95% of end-of-life vehicles by weight, on a cost basis profitable for all players, by creating short loops for the re-use of parts and materials in the automotive sector. The model created in this project is intended to be applicable and transferable to other parts of France and other regions of Europe. To meet these objectives, the project aims to extend the second life of automotive components and/or materials by focusing efforts on the recovery of plastics, non-ferrous metals, textiles and catalytic converters. This will involve more efficient dismantling of the different parts of recovered vehicles, thereby providing input for the various "short loop" processes as part of a circular economy approach. These processes must be economically viable in their own industrial phase and guarantee, as part of a continuous cycle, the level of technical quality required to feed the supplier chain.

Renault is working in the ICARRE 95 project with Synova, Duesmann, and Indra, which specialize, respectively, in plastics, platinum-group metals, and automobile dismantling.

The *Institut Supérieur de Plasturgie d'Alençon* (ISPA), *Institut Textile et Chimique* (ITECH) and *École Centrale de Paris* are also partnering in the Icarre95 project to develop new technological solutions and related capabilities.

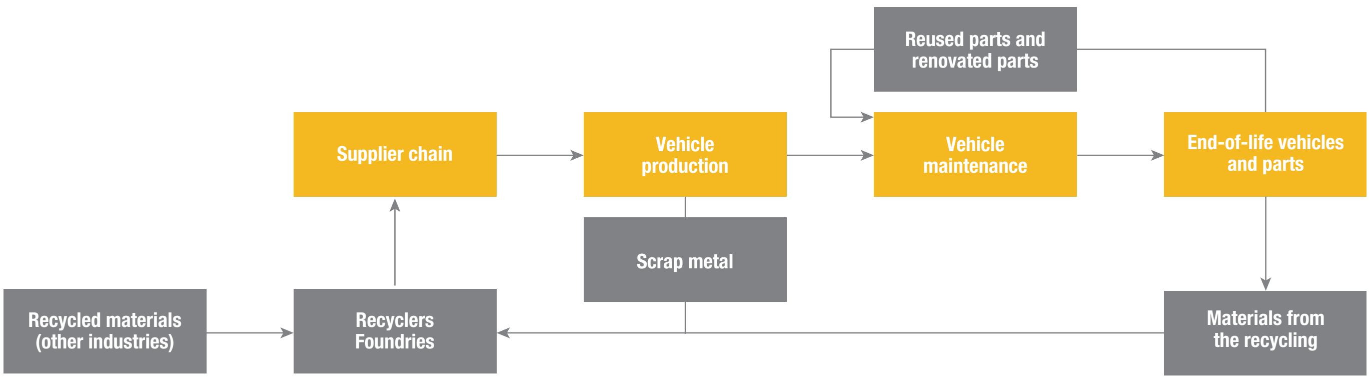
In addition to setting up and developing short loops, as described above, work was also done in 2013 on the economic viability of the collection of materials from end-of-life vehicles, which are spread throughout the automotive dismantling system, and signing collection contracts that will deliver the desired results.



Progress in using recycled plastics is being made with each generation, notably owing to their greater availability. In 2013, this ratio rose to 16% for Captur, with a target of 20% set for new vehicles produced in 2015 in Europe.

Besides the recycling of plastics, Renault has set an objective of having recycled materials represent 33% of the total mass of new vehicles in Europe in 2016. In 2013, the proportion was estimated at 29.7%. Renault and Nissan are also working to identify recycling networks and to include more recycled materials in the vehicles manufactured in Brazil and India.

Circular economy at Renault



2.4.2.3 WASTE ✦

MAIN OBJECTIVES		YEAR OBJECTIVE WAS SET	TARGET YEAR	STATUS AT END-2013
Manufacturing	Reduce reliance on disposal in landfills: six manufacturing plants will no longer be disposing of waste in this way in 2016	2007	2016	5 plants
Manufacturing	Reduce by 20% the quantity of hazardous waste produced by the manufacturing plants between 2012 and 2016	2013	2016	total tonnage: +2.5% kg/vehicle (vs 2012): -8.6%
Manufacturing	Reduce by 20% the quantity of non-hazardous waste in mixtures produced by the manufacturing plants between 2012 and 2016	2013	2016	total tonnage: -3% kg/vehicle (vs 2012): -13%

Renault is applying the principles of circular economy by adopting a policy of prevention aimed at reducing the quantities of waste and prioritizing treatment methods. When the production of waste cannot be avoided, the plants do what they can to recycle waste and reduce the quantities that are sent to landfills.

- **Prevention** consists in reducing waste at the source. For example, the systems to filter paint sludge cut the quantities of waste discharged. Similarly, the separation of dry matter and oils in the sludge and the shavings from milling reduces the tonnages of waste and enables the oils to be reused in the manufacturing process. The level of performance of these 2 practices is rather high for the Bursa plant in Turkey.
- **Preparation for reuse** consists in recovering materials and using them in a similar way. At Renault's French plants, this activity is conducted mainly by Gaia, a subsidiary that recovers unused end-of-life parts, then sorts and sells them. Raw materials are also reused. In the assembly plants, excess protective waxes are recovered after application, filtered and put back in the production system, thus yielding both environmental and economic gains. At the Maubeuge plant, the solvents used to rinse the painting robots are regenerated by a specialized supplier and reused. The Cléon plant collects and regenerates oils from several French plants for use in machining mechanical parts, thus avoiding the use of new oils. This approach is also applied to the wooden transport pallets: after sorting, the ones in good condition are resold for the same use. In 2013, an internal loop for the reuse of pallets was set up: Sofrastock, an international logistics subsidiary, bought pallets from French plants rather than new pallets.
- **Recycling** consists in recovering materials from a component or consumable and using them as an alternative raw material for a different purpose. This form of waste treatment can be applied to most recoverable materials (cardboard, plastic, metal, etc.). Metal waste, which represents 70% of production waste, is totally recycled. Renault's environmental teams are also working on the recycling of more complex wastes. Beginning in 2013, for example, the sludge from the wastewater at the Sandouville plant is no longer incinerated, but instead recycled in a cement plant in place of a raw material.
- **Energy recovery** consists in using waste as an alternative fuel (in cement plants, for example) or recovering the energy produced by incineration (in waste incineration facilities) to produce electricity or steam.
- **Disposal** consists in burning the waste or burying it in landfills. Renault is seeking to minimize the use of this waste management method. Based on an identical scale of operations, Renault has reduced the quantities of manufacturing waste sent to landfills (except demolition waste and rubble) by 17% since 2008. At the end of 2013, 5 manufacturing sites were no longer sending any waste to landfills (except demolition waste and rubble).

To ensure Group-wide coherence, Renault has drafted a waste table (a codified list of waste produced by the sites). This makes it possible to standardize the approach to hazardous and non-hazardous waste internationally.

✦ Global Reporting Initiative (GRI) Directives

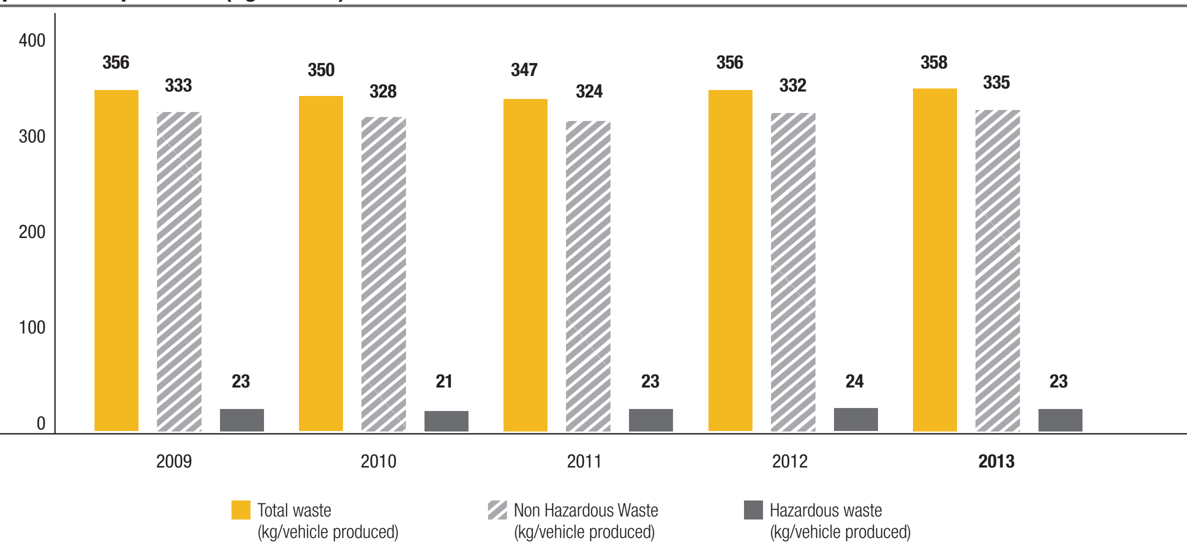
Waste – types and treatment methods (tons/year) ✦

		TOTAL	RECYCLED	INCINERATED	LANDFILLED
MANUFACTURING SITES					
Hazardous industrial waste*	2013	**55,798**	12,483	26,329	16,986
	2012	**54,413**	11,520	25,947	16,946
	2011	**60,053**	10,758	29,534	19,761
Non-hazardous industrial waste*	2013	**1,78,059**	1,29,524	7,768	40,766
	2012	**1,68,033**	1,26,058	6,321	35,654
	2011	**1,48,284**	1,16,088	5,137	27,059
Metalic waste	2013	**6,52,698**			
	2012	**6,07,606**			
	2011	**6,95,601**			
ENGINEERING, LOGISTICS AND SUPPORT SITES					
Other hazardous waste	2013	**1,603**	1,050	250	303
	2012	**1,821**	965	372	484
	2011	**1,751**	885	371	495
Other non-hazardous waste	2013	**14,895**	11,677	2,642	576
	2012	**16,247**	12,819	2,563	864
	2011	**17,509**	13,020	3,470	1,020

* *Without metalic waste*

Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.2.2). Quantities of construction waste that are unrelated to the activity are not reflected by this graph.

Waste per vehicle produced (kg/vehicle) ✦



Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.2.2). Quantities of construction waste that are unrelated to the activity are not reflected by this graph.

2.4.2.4 WATER CONSUMPTION AND QUALITY ✦

MAIN OBJECTIVES		OBJECTIVE SET	TARGET	STATUS AT END–2013 (IDENTICAL SCOPE)
Manufacturing	Reduce water consumption per vehicle (all sources included) by 45% compared with 2005	2012	2016	– 38% in 2013 compared with 2005
Manufacturing	Reduce the quantity of heavy metals (METOX) in liquid effluents per vehicle by 60% compared with 2005	2012	2016	– 51% in 2013 compared with 2005

Preserving water resources is an ongoing concern for Renault, both to ensure long-term supply and to reduce the impact on ecosystems. Renault is therefore aiming to reduce the impact of its activities by pursuing the following five objectives:

1. **reduce** water consumption and the quantities of wastewater through well-designed processes and effective management. For example, in the surface treatment of vehicle bodies, adjusting rinse water throughput to the body or installing rinse manifolds between stages reduces the amount of water required and the corresponding discharges;
2. **reuse** water as much as possible for the same process: closed loops, longer bath life, etc.;
3. **recycle** water for other compatible uses, with or without additional treatment. For example, the Sofasa plant (Colombia) recycles saline concentrates from reverse osmosis water production for flushing toilets and for paint pits, thus consuming less water and also producing fewer discharges;
4. **minimize the impact** of residual waste on the environment through efficient and strictly controlled treatment processes. For example, new biological treatment plants were set up at the Le Mans plant (France) in 2012 and at the Dacia plant (Romania) in 2013 to improve the quality of discharged effluents;
5. **control the risk** of accidental pollution of water resources by installing means to confine accidental spillage and water used for fire fighting.

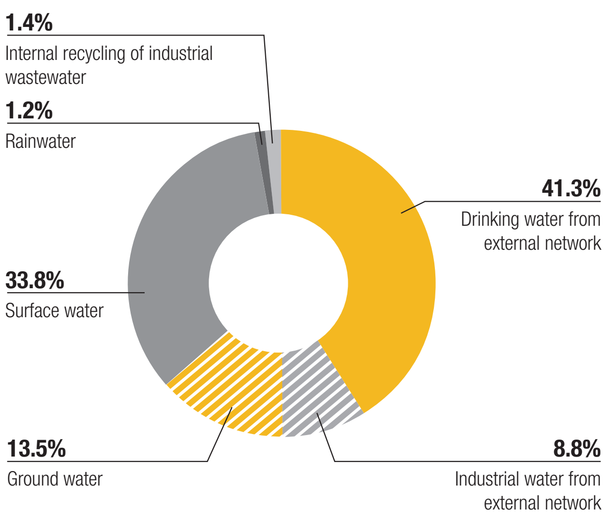
ZERO INDUSTRIAL EFFLUENT DISCHARGE ✦

Among the means used by Renault to achieve its objectives of reducing water consumption and the discharge of pollutants into the environment is the “zero industrial effluent discharge” policy. This integrated approach is based on recycling: aqueous liquids from manufacturing processes are treated so they can be used again for the same purposes.

- In the **powertrain plants,** the zero industrial effluent discharges approach consists in dealing with aqueous liquids from machining and washing processes either as waste to be treated in the appropriate manner, if volumes are small, or by evaporation in order to recycle the distilled and purified water in the manufacturing processes. The concentrate (oily residue from evaporation) is then transferred to an appropriate waste treatment system. In 2013, nine out of the thirteen Renault powertrain plants were applying the zero discharge approach, six for all their industrial effluents and three for part of them;
- In the **body assembly plants,** the recycling technology is more complex because the water used in the manufacturing process (surface treatment and e-coating) must be of very high quality. In a zero-discharge plant, the purified effluent is treated by reverse osmosis and evapo-concentration so that it can be reused in the industrial process, thus minimizing the quantity of waste produced.

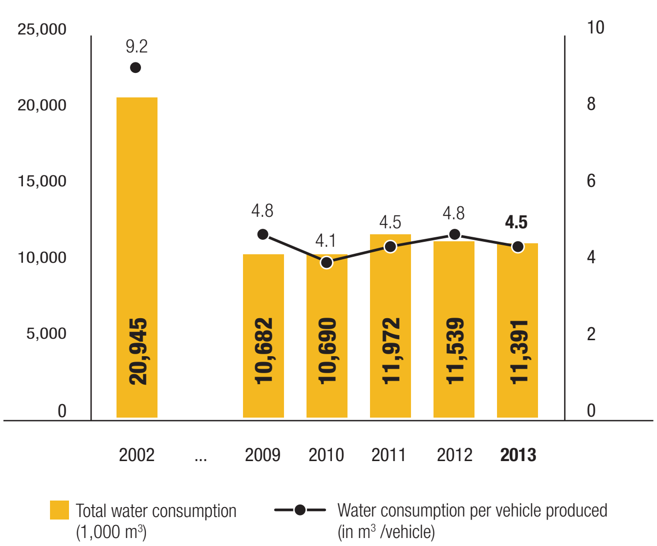
The Tangiers body assembly plant in Morocco, which opened in February 2012, is in an area where water is very scarce. As a result, it is equipped with all the advanced technologies necessary to recycle wastewater from the manufacturing process in order to obtain zero effluent discharges. In 2013 the Tangiers plant was in the ramp up phase for the installations, the functioning of the processes and equipments is still to be optimized. Almost 25% of water used during the year in the industrial process is already coming from recycled effluent discharges from the plant.

Water supply by source ✦



Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.2.2).

Total water consumption per vehicle produced ✦

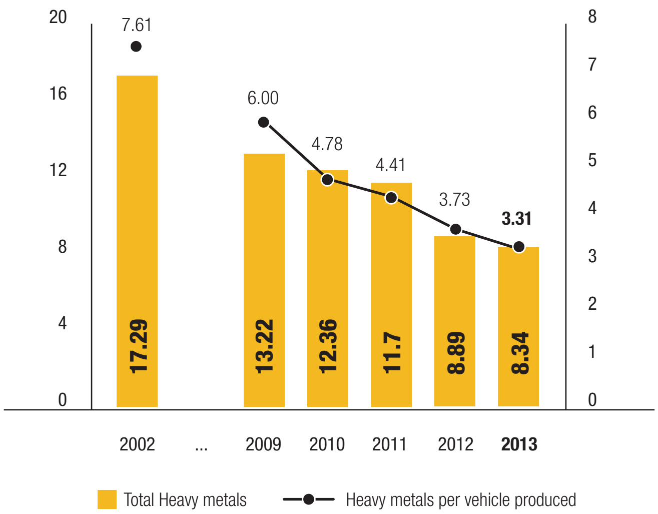


Water consumption corresponds to external water supply (drinking water from network, industrial, surface water, rainwater, groundwater).

Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.1.1).

✦ Global Reporting Initiative (GRI) Directives

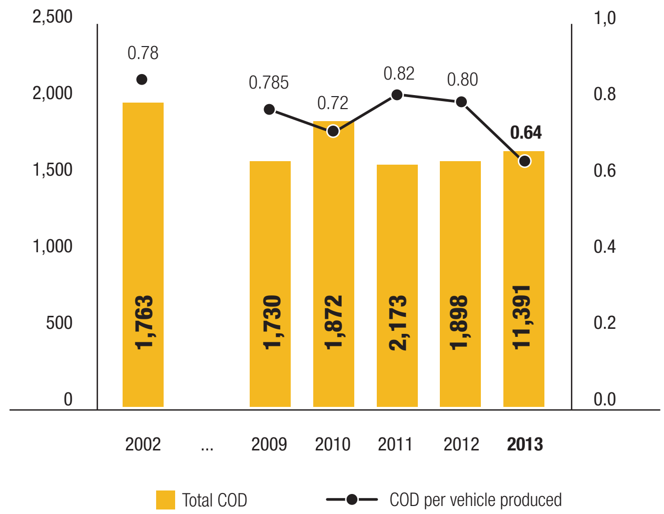
Heavy metals ✦



Values here above correspond to the emissions of the main heavy metals weighted by their toxcity, explaning why these values are superior to the physical measures (appendex 2.8.2.2)

Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.2.2).

Chemical Oxygen- Demand (COD) ✦



Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG sales network (the scope of reporting described in appendix 2.8.2.2).

2.4.2.5 AIR QUALITY ✦

MAIN OBJECTIVES		YEAR OBJECTIVE WAS SET	TARGET YEAR	STATUS AT END-2013 (SCOPE IN THE YEAR OBJECTIVE WAS SET)
Manufacturing	Reduce VOC emissions through continuous improvement and progressive replacement of obsolete installations	2012	2016	+1,4% in 2013 (vs 2012)

MANUFACTURING

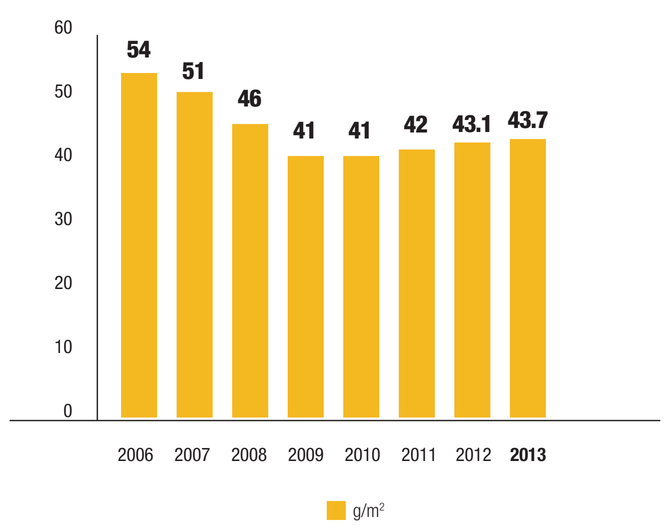
Volatile organic compounds (VOC) ✦

Renault has made reducing emissions at the source a priority. Accordingly, 76% of its production facilities are now equipped with booths using water-based paint and 80% with incinerators designed to cut VOC emissions from paint-drying operations. In 2012 Renault introduced two new processes for reducing VOC emissions generated by the use of solvent-based primers. The new plant in Tangiers is equipped with a water-based primers line. At Valladolid, the layer of solvent-based primer has been replaced by an extra water-based layer.

The Paint Engineering department and the Energy & Health, Safety Environment department are piloting the initiative to roll out best practices, dialogue and knowledge sharing between plants.

The increase in average emissions across the Group is due to the fact that a larger portion of vehicles is produced in non-EU plants, where emissions are generally higher. VOC emissions at 13 out of the Group's 18 body assembly and mixed plants either fell or remained stable between 2012 and 2013.

VOC emissions

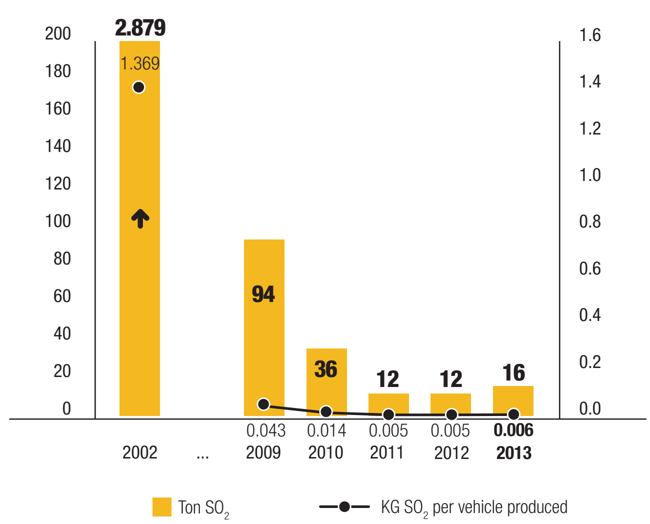


Scope: all body assembly and mixed plants (scope of reporting described in appendix 2.8.2.2). These emissions are related to the solvents used in the paint workshops; emissions from the painting of parts (eg, plastic bumpers) and accessories are not included.

Combustion emissions of SO_2 and NO_x ✦

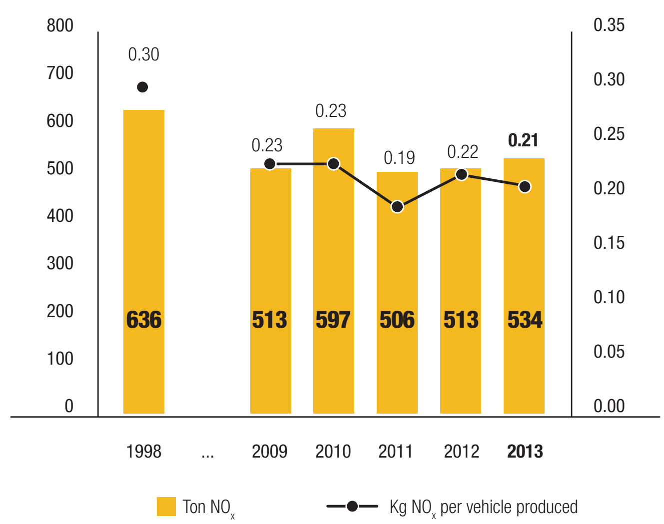
Over the past few years Renault has been conducting a large-scale programme to replace fuel oil by natural gas at its production plants. The aim is to cut emissions of sulfur dioxide (SO_2), nitrogen oxides (NO_x) and carbon dioxide (CO_2). The proportion of fuel oil in the thermal energy consumed by Renault dropped from 14% in 1999 to less than 0.2% in 2013. This plan is being taken further with the installation of boilers fitted with low-NO_x burners.

SO_2 EMISSIONS



Scope: all assembly plants & main Logistical and Engineering Service Sites, without, the RRG Commercial Network. appendix 2.8.2.2).

NO_x emissions



Scope: all assembly plants & main Logistical and Engineering Service Sites, without, the RRG Commercial Network. appendix 2.8.2.2).

VEHICLES IN USE

ICE vehicles

All passenger cars and LCVs sold in Europe since January 1, 2011, and January 1, 2012, respectively, have to comply with the Euro 5 standard. This means that all diesel engines must be equipped with a particulate filter.

For its other markets, Renault is adapting the technical specifications of its powertrains to suit local conditions (fuel quality, climate, dust, etc.) and applicable regulations.

Emission reduction in line with passenger vehicle emissions standards (European Union)

	EURO 1	EURO 2	EURO 3	EURO 4	EURO 5	EURO 6	% REDUCTION ACHIEVED BY EURO 6 COMPARED WITH THE FIRST LIMIT VALUE
START DATE (ALL TYPES)	**1993**	**1997**	**2001**	**2006**	**2011**	**2015**	
Diesel							
Nitrogen oxides (NO_x)	-	-	500	250	180	80	-84%
Carbon monoxide (CO)	2,720	1,000	640	500	500	500	-82%
Hydrocarbons and nitrogen oxides (HC+NO_x)	970	900	560	300	230	170	-82%
Particles – by mass (PM)	140	100	50	25	5	4.5	-97%
Particles – by number (PN)	-	-	-	-	6×10^{11}	6×10^{11}	-
Gasoline							
Nitrogen oxides (NO_x)	-	-	150	80	60	60	-60%
Carbon monoxide (CO)	2,720	2,200	2,200	1,000	1,000	1,000	-63%
Hydrocarbons (HC)	-	-	200	100	100	100	-50%
Non-methane hydrocarbons (NMHC)	-	-	-	-	68	68	-
Particles – by mass (PM)	-	-	-	-	5	4.5	-
Particles – by number (PN)	-	-	-	-	-	6×10^{11}	-

All values are expressed in mg/km except PN, which is expressed in number of particles per km.

✦ Global Reporting Initiative (GRI) Directives

A key way to reduce pollutant emissions is by improving the energy efficiency of vehicles (new Energy engines and Stop&Start). Renault's NO_x trap is part of the brand's efforts to cut pollutant emissions. This chemical system traps nitrogen oxides and turns them into neutral gases. This after-treatment system available to consumers since 2009 was introduced in 2013 on Mégane Energy dCi 130 Euro 6 in the main European markets. In addition to processing NO_x, this catalytic converter helps oxidize the hydrocarbons and carbon monoxide produced by partial combustion.

Electric vehicles

Once they reach a significant proportion of all vehicles on the road, electric vehicles will contribute to improving air quality in urban areas because they do not generate emissions during use. In 2012 Renault teamed up with the city authorities in Rome and with Aria Technologies and Arianet, two companies specialized in modeling atmospheric pollution, to quantify the health benefits of electric vehicles in urban areas.

The study, which assesses both the reduction in emissions as a result of electric vehicles and the increase in emissions due to the increase in electricity generation, models the impact by 2020 of a proactive policy to promote clean vehicles. In the scenario tested, electric vehicles make up 25% of all vehicles in city center areas subject to existing traffic restrictions, and clean vehicles are given preferential access by replacing the public fleet with electric vehicles and promoting small electric LCVs for goods delivery to end customers. The study's findings show a clear health benefit from the proactive scenario compared with the base scenario. Concentrations of nitrogen dioxide (NO_2) would be reduced by 9% to 25% depending on the seasons and up to 45% on major arterial roads, and particle concentrations (PM10) by up to 30%. Nearly 50% of the population of the historic city center would be protected from exposure to benzene levels of more than 2µg/m^3 (the level recommended by France's High Council for Public Health).

2.4.2.6 CHEMICALS

MAIN OBJECTIVES		YEAR OBJECTIVE WAS SET	TARGET
Manufacturing and product	Replace potentially toxic chemical substances	2009	Ongoing

To safeguard the health of workers and consumers, and to protect ecosystems, national and European legislators have imposed restrictions on the use of hazardous substances in the workplace and in products. In the European Union, the introduction of the Registration, Evaluation, Authorization and restriction of CHemicals (REACH) regulation in 2007 heightened awareness of chemical risks and prompted an increase in the number of restrictions and usage precautions.

Renault has a structure dedicated to managing hazardous substances, with three divisions:

- in collaboration with the departments responsible for occupational health and working conditions, the Industrial Hygiene division manages workers' exposure to chemical risks at all Renault production sites around the world. It monitors the composition and labeling of chemicals used on-site and coordinates research into technical solutions to eliminate priority hazardous substances. This expert division was created in the 1960s;
- the Materials Engineering division monitors substances contained in vehicles based on information declared by suppliers using the IMDS system, shared with 35 international automotive manufacturers. The division coordinates research into technical solutions to eliminate priority hazardous substances;
- the After-sales Regulatory Compliance division checks with suppliers that parts, accessories and other products sold by after-sales teams comply with applicable regulations and make any substitutions, if required.

A REACH – Substance Management project team is also responsible for establishing processes and information systems enabling the Company to fulfill its information and transparency obligations under REACH. The team works with a network of around 50 correspondents across Europe and maintains a dialog with counterparts inside and outside the Alliance. Its brief is to identify and supervise the work necessary to achieve compliance by the 98 Renault legal entities concerned, to anticipate the risks of failure ahead of the supply chain, and to develop ideas for turning a regulatory constraint into an economic and competitive opportunity.

Renault has carried out campaigns to replace toxic substances found in the chemicals used at its plants since the 1960s and in materials since the early 2000s. Since the number of chemicals considered toxic to varying degrees increases regularly due to improvements in scientific knowledge, Renault has drawn up a list of priority substances. The priorities for substitution are carcinogenic, mutagenic and reprotoxic (CMR) substances, substances of very high concern subject to prior authorization (annex XIV of REACH), and substances that are not currently restricted but for which Renault aims to anticipate a potential ban.

In calls for tenders, Renault explicitly asks suppliers to comply with its substances standard. This prohibits the use of hazardous substances and substances of concern, lists priority substances for substitution, and requires suppliers to declare the substances used to create their parts and preparations. The standard is enforced by each of the competent divisions.

In line with regulations, Renault adheres to a policy of transparency towards its professional and private customers.

As well as standard substances and those with identified risks, Renault is aware of the potential health impact of technological innovations. Following the emergence of industrial applications featuring manufactured nanomaterials, Renault set up a multidisciplinary monitoring group responsible for assessing the associated health risks. The inventory of nanomaterial applications and analysis of employees' and customers' levels of exposure to these nanomaterials revealed no examples of potentially harmful exposure in normal conditions of use. Renault's R & D objectives do not include expanding the use of nanotechnologies. Their uses correspond to those commonly proposed by automotive industry suppliers.

2.4.2.7 SOIL AND WATER TABLES

MAIN OBJECTIVE	OBJECTIVE SET	TARGET YEAR
Manage remediation work when there are known risks	2001	Ongoing

Pollution from past activities can potentially come into contact with humans and the natural environment through the soil and water tables. Renault has therefore implemented a policy to prevent pollution of the soil and water tables, and implements specific management strategies when there is suspicion of past pollution. This policy applies to operational production plants, former production plants converted to other uses and the RRG distribution network. Renault aims to maintain in-house skills in prevention of soil pollution and remediation.

In 2013 Renault's production plants, engineering and logistics sites, and head office represented a total area of 28,069 acres, 50% of which are impervious surfaces such as buildings, parking lots, roads, and paths. The proportion of impervious surfaces did not change significantly from the previous year.

PREVENTION

The prevention policy at industrial sites is based on three key tools. A risk-rating grid is used to assess the risk of pollution associated with existing facilities and reinforce the level of protection by prioritizing required rehabilitation work. In the case of new production facilities, the soil pollution prevention guide sets out protection measures to apply to each type of facility. These two tools are used at all Renault's industrial sites worldwide. The prevention policy ultimately relies on monitoring of the composition of groundwater. This monitoring, which is mandatory for all industrial sites in France, is also carried out voluntarily by Renault when potential sources of pollution have been identified to ensure that pollutants are not moved to sensitive areas.

In 2010 and 2011 all French sites in the RRG distribution network were equipped with long-term prevention tools, and oil and fuel are now stored aboveground or in double-wall tanks fitted with alarms and safety trays. Priority prevention methods such as neutralizing or removing simple underground tanks and replacing them with aboveground or double-wall storage tanks were completed in the European RRG network in 2013.

REMEDIATION

Management of past pollution of the subsoil is based on an assessment of the state of the environment and aims to match impacts with uses. There are three aspects to the pollution management policy:

- historic and documentary research, including an analysis of the site's vulnerability, has been carried out for operational production plants, former production plants converted to other uses and the RRG distribution network. Updated as required, this research identifies potential sources of pollution and assesses the associated health and environmental risks;
- a physical diagnostic of soils is carried out on-site depending on the results of historic and documentary research;
- remediation work is undertaken if the pollution sources and risks are confirmed by the diagnostic. These operations are carried out by specialized service providers with recognized expertise, under the supervision of the Renault soil specialist.

RRG uses the same assessment method to clean contaminated soils on former oil and fuel storage sites, even when this contamination is due to the former owner. Between 2008 and the end of 2013, remediation work has been completed or is ongoing at 20 sites.

2.4.2.8 NOISE

MANUFACTURING

Noise is a complex subject that involves a wide range of factors such as weather, topography, type and power of noise sources by octave band, directivity, attenuation, and the impact of buildings. For the comfort of residents living near its production sites, Renault is making active efforts to limit and reduce noise nuisance by working on noise management at both existing facilities and new facilities. Soundproofing measures are focused on stamping presses and extraction chimneys.

VEHICLE USE

In accordance with European regulations, ICE vehicles produced by Renault generate maximum external noise of 74 dBA during driving.

With sound levels significantly below regulatory requirements, at between 68 dBA and 70.5 dBA, the vehicles in Renault's electric range contribute to reducing ambient noise and improving quality of life in urban areas. They also provide a significant improvement in users' acoustic comfort, since an electric vehicle's interior noise is around 10 dBA lower than that of an ICE vehicle.

2.4.2.9 BIODIVERSITY ✦

Protecting the biodiversity of species and ecosystems requires specific measures such as protecting habitats and combatting the overexploitation of species, as well as reducing polluting emissions into the water, air and soil making up the ecosystem. Renault's continuous efforts to mitigate the environmental impact of its activities and products (see previous chapters) therefore help combat ecosystem depletion.

Renault also takes special measures to protect biodiversity. Industrial projects involving the construction or extension of plants are assessed to measure their impact on surrounding ecosystems. This assessment was carried out for the Tangiers plant inaugurated in 2012. In Brazil, Renault went even further in 2008 when, with the agreement of the local authorities, it established a plan to protect and manage biodiversity on part of the land acquired for its industrial site in Curitiba. Out of a total area of 2.5 million m^2, 60% is devoted to the conservation of an area of virgin forest. This virgin forest, made up mainly of araucarias, a species of pine threatened with extinction and protected under Brazilian law, is home to more than 170 animal species.

✦ Global Reporting Initiative (GRI) Directives

2.4.3 CROSS-COMPANY MANAGEMENT OF ENVIRONMENTAL ISSUES ✦

MAIN OBJECTIVES	YEAR OBJECTIVE WAS SET	TARGET YEAR	STATUS END–2013
Reduce the impact on the basis of the life-cycle analysis from generation to generation	2005	Ongoing	Sandero/New Sandero -10% to -16% reductions
Publish the life-cycle analyses for the electric vehicle range, with critical reviews by outside experts	2009	2013	Fluence Z.E. Published Kangoo Z.E. ZOE Twizy first semester 2014 published
Conduct environmental and risk prevention audits at all manufacturing sites and the main tertiary and logistics sites (internal audits)	2003	Ongoing	100%
ISO 14001 certification for all Renault manufacturing sites	2012	Ongoing	100%

2.4.3.1 ORGANIZATION ET RESOURCES

The focuses of Renault's environmental policy are debated and decided by the Group Executive Committee (CEG) on the recommendation of the Vice-President Environmental Strategy and Planning. The Environmental Strategy and Planning department (DPE) prepares, deploys and monitors the implementation of the environmental policy in the various sectors of the Company.

The DPE relies on a network that spans all the Company's functions. For instance, the industrial environmental network is composed of a specialized department at the Manufacturing and Supply Chain division and correspondents in each plant. Likewise, the recycling network brings together teams, supervised by a Group coordinator, that are active at the design, manufacturing and after-sales phases. Since these are highly technical issues, the members of the environmental network are often part of the expertise areas set up by Renault since 2010. The DPE works closely with the Group's expert leaders, particularly in two fields: "energy, environment and raw materials" and "vehicle CO_2".

RESOURCES ✦

Renault spends nearly €2 billion each year on research and development. Most of this money is for new-vehicle development, a phase that includes improvement of environmental performance, which is inseparable from the standard product renewal process. About €200 million are allocated yearly to research and advanced engineering in the early stages of vehicle projects. A substantial portion of research and advanced engineering expenditures go for innovations intended specifically to reduce fuel consumption and vehicle emissions, which is a factor of product appeal, a regulatory requirement (particularly in Europe), and an important means of shrinking Renault's environmental footprint. In 2013, this portion was about 60% of spending (research and advanced engineering only, excluding vehicle development).

In the area of manufacturing, Renault invests about 25 to 35 million a year to maintain, upgrade and improve the performance of its installations for the production and distribution of energy, compressed air, and water; for ventilation; for treating and recycling liquid effluents; and for managing waste, preventing soil pollution and fires, and measuring atmospheric discharges. In addition to these investments are the operating costs related to activities to prevent or reduce environmental impacts.

Renault also allocates financial resources to the development of partnerships and equity investments in the area of the environment and sustainable development through Renault Environnement, a wholly owned subsidiary of Renault s.a.s. set up in 2008 and headed by the Vice-President, Environmental Strategy and Planning.

ENVIRONMENTAL SKILLS AND TRAINING

Renault offers its employees environmental training and information adapted to their role and their needs.

Plant employees receive workstation training, including environmental aspects, particularly chemical risks arising from handling, storage and spills. Awareness-raising initiatives in the form of poster campaigns and practical workshops are organized regularly. Most plants, for example, use waste-sorting Dojos, *i.e.,* workshops providing an opportunity to practice sorting rules with waste from day-to-day activities.

In the engineering functions, employees have access to training linked to their business, provided in the form of standard modules (*eg,* training for ISO 14001 auditors or recycling system design) or training provided by a specialized external organization if a specific skill is required. In France, Renault employees also have access to eco-driving training for ICE and electric vehicles.

2.4.3.2 ACTION AT ALL STAGES OF THE LIFE CYCLE

LIFE CYCLE ANALYSIS (LCA)

To provide relevant and effective responses to environmental challenges, a global approach must be adopted, avoiding as far as possible shifting the impacts from one stage of the life cycle to another or taking counterproductive steps (reducing one impact but increasing another). Aware of these issues, Renault has set the objective of reducing its environmental footprint by taking into account the entire life cycle of its vehicles. It does this with LCAs, which are carried out by specialized teams:

- before the design cycle, to analyze the potential environmental impacts and benefits of technological innovations. Solid data are thus available from the first stages of the new-vehicle design cycle to aid in making decisions about the introduction of innovation and the technical, environmental and economic performance of new vehicles;
- after the design cycle, to confirm and measure the reduction of environmental impacts from one generation of vehicle to another.

ECO-DESIGN ✦

To effectively reduce pollutants generated in the different stages of the life cycle, it is important to take action from the design and development stage. This takes place three to five years – depending on the innovations – before the car is released on the market. Renault's policy is to incorporate the environment into the usual development processes which structure designers' work, as well as the work of components and materials suppliers.

Eco-design of Renault and Dacia vehicles particularly involves:

- cutting fuel consumption and emissions, which reduces environmental impacts during use;
- recycling 85% of end-of-life vehicles by weight and reusing 95% of the recycled material, in particular by extracting fluids and dismantling and reusing parts;
- using recycled materials;
- controlling the mass of the vehicle;
- controlling the noise generated by the vehicle;
- eliminating potentially toxic substances when a technical alternative is available;
- including eco-driving assistance tools in the vehicle.

Considering that 57% of a vehicle is made from purchased parts, eco-design relies largely on our suppliers' involvement and cooperation, managed by the Purchasing department and the Renault-Nissan Purchasing Organization (see 2.2.3).

LOGISTICS ✦

The organization introduced in Renault's logistics function in 2010 to improve environmental performance was given wider international scope in 2013. It was also a pivotal year for expanding the use of tools to measure CO_2 emissions. The environmental teams on Renault and Nissan's logistics staffs also worked together to align their calculation methods and performance indicators.

Environmental management in the logistics area includes:

- measuring and monitoring greenhouse gas emissions;
- calculating the financial impact of environmental performance (heavy truck ecotaxes, fuel costs);
- assessing the environmental performance of logistics suppliers and ranking them;
- partnering with suppliers and all business lines concerned to carry out actions to reduce emissions;
- tracking regulations and technologies to achieve continuous improvement and ensure that solutions under study are relevant.

MANUFACTURING

Renault has decided to teach its departments and employees about ecology through a networked organization. The environmental network is Company-wide. It establishes ties between the environmental activities and the other processes in the Company as well as between the sites. This integrated organization is based on:

- training for all personnel in environmental protection issues and practices and in how to take them into account in daily activities;
- a network of environmental correspondents integrated In the production departments, where they also do another job;
- a team of specialists at each production site to coordinate environmental improvement actions and compliance across the entire site;
- experts at the corporate level who define and deploy the Group's technical policies, provide assistance to the sites and projects, organize sharing of best practices, and do the reporting of environmental data.

The environment network covers all Renault's industrial sites and the manufacturing functions. It comprises more than 200 people in 13 countries and at 47 sites and subsidiaries. This management approach is original in that it is based on the development of a cross-functional organization designed to improve the exchange of information and skills between members of the network. This enables Renault to implement actions and technologies that allow all of those involved in environmental issues to move forward together.

Underpinning environmental management at Renault plants are six pillars ?

Eco-design of industrial processes

Each industrial project is overseen by an Energy & Health Safety Environment (E&HSE) project manager, who ensures that all regulatory requirements and Renault technical guidelines are taken into account in the site's design. Compliance is assessed at each milestone of the industrial project until the expected performance or relevant exemptions are obtained.

The E&HSE technical guidelines, which were reviewed in 2013, cover the design of the electrical, compressed air, heating and ventilation networks; installations for treating water, atmospheric discharges, and waste; and equipment for preventing soil pollution and the risk of fire. In each of these areas, the defined standards are applicable to all the Group's plants (only the ventilation standards vary according to climatic conditions).

2

✦ Global Reporting Initiative (GRI) Directives

To ensure the flexibility necessary for projects along with the application of the key principles for the prevention of risks and pollution, the priority level of each item is specified. Exemptions for items with the highest priority level must be validated by the Vice-President, Manufacturing and Logistics, and the industrial director for the Region in question, on the recommendation of the Lead Expert. No regulatory exemptions may be granted. Technical regulations apply only when there is no regulation or when the regulation calls for a lower prevention level.

Continuous improvement based on ISO 14001 ✦

Since 1999 Renault has pursued a process of continuous improvement based on the ISO 14001 standard to achieve regulatory compliance and reduce its environmental impacts. Renault has had ISO 14001 certification since 2008 for all its industrial activities, *i.e.* 32 manufacturing and 11 tertiary, logistics and engineering sites.

Renault eco² and Dacia eco² labels, which span the entire vehicle life cycle, are largely based on the ISO 14001 certification of their production plant.

Group-wide tools and standards

To ensure a minimum level of protection of people, property and the environment everywhere in the Group, the environmental improvement and risk prevention policy is based on tools and standards applied across the Group and managed by expert functions. These tools and standards, which apply mainly to industrial and logistics activities, are also extended to the commercial and engineering functions when necessary. The main tools are:

- a process to monitor and track compliance with national and EU environmental legislation;
- an expert system, Écorisques, that identifies the most significant environmental impacts and the danger potential of installations to be addressed as a priority in each plant's environmental action plan;
- a reporting system for environmental impacts and energy consumption (R2E);
- a corporate database called Chemis (for CHEMical Information System), available across the Renault group in several languages, designed to control hazardous substances and prevent chemical risk. Chemis is a key tool in Renault's chemical risk management process, which aims, from an environmental and health standpoint, to introduce chemicals safely, to prevent the risks associated with their use, and to anticipate technological and regulatory changes;

  To date, Chemis has gathered scientific and regulatory information on more than 7,000 products and keeps a permanent watch over more than 6,000 substances.
- a documentary base of E&HSE (Energy & Health, Safety, Environment) standards and best practices, accessible from any Group site.

Integrating environmental standards in the Renault production way

Renault decided in 2004 to include its environmental standards in the Renault Production Way (SPR). Reflecting this objective, each worker implements environmental requirements daily at his/her workstation through the SPR process.

On the basis of standards for managing chemical products and treating waste defined by the expert functions of production engineering, the plants have included environmental and health requirements in the documentation for each workstation and are providing training to the operators.

Anticipating industrial, regulatory and environmental developments

The E&HSE (Energy & Health, Safety, Environment) management plans launched in 2002 describe the situation of each site and how it is likely to evolve over the next ten years, factoring in external constraints such as the ecological sensitivity of the environment and future regulatory requirements. The plans contribute to the dialogue between industrial strategists, engineers, building planners and plants by defining targets and levers for reducing environmental impacts at the earliest stage of project development.

Inspection procedures

Renault has developed its own standard for internal environmental audits, which incorporates the requirements of the ISO 14001 standard as well as the Group's own main internal standards on the protection of the environment, people and installations. Internal audits have two objectives: first, to ensure that the ISO 14001 standard is being applied, and second, to assess improvement in environmental performance at all sites in terms of environmental protection and risk prevention. An internal audit serves to inform plant management of site performance, the status of their programme and its implementation, thereby allowing them to take actions to achieve further improvement. Internal audits are therefore conducted by members of the industrial environmental network (environmental managers and business specialists), using joint audits that encourage exchanges of best practice between plants and accelerate consultation between different functions in order to improve environmental performance. At the end of 2013, the network had approximately 70 internal auditors trained and certified in Renault's procedures.

VEHICLE USAGE

Life-cycle assessment studies show that more than 75% of greenhouse gases emitted during the life of a vehicle concern the vehicle usage phase. Renault can take action in a number of areas to reduce this figure, including eco-design, driver behavior and sound ecological practices implemented by the sales network for sales and services activities. However, the behavior of vehicle users and how they use their vehicle are also sources of considerable progress. Renault is therefore doing what it can to promote eco-driving and car-sharing.

Eco-driving

In-car eco-driving assistance tools and eco-driving recommendations can reduce fuel consumption (gasoline, diesel, electricity) by as much as 25% depending on the style of driving. For an electric vehicle, this can mean about a 30-km increase in range. That is why, in addition to providing in-car eco-driving assistance tools (see 2.4.2.1), Renault has developed eco-driving training tools and programmes in recent years.

For example, the eco-driving simulators for ICE and electric vehicles developed by Renault show users their potential for improvement and give them helpful advice. Two of these simulators, which have been updated for the latest vehicles (New Clio, Captur, Kangoo, and ZOE), will soon be available to trainees at the Renault track at Saint-Just (France). This facility, inaugurated in June 2013, has been designed for instruction in “positive driving,” *i.e.,* safe, economical and responsible driving. The daylong courses, which are open to the public, combine theory and practice.

Training of Renault employees, which started in 2009, continued in 2013. Since the programme began, nearly 1,000 employees have taken this training. In partnership with the French driving school *École de Conduite Française* (ECF) and the International Federation of Safety Education Network (IFSEN), Renault offers Driving eco^2 training on ICE and electric vehicles to its corporate customers. In 2013, this training was available in France, Spain, Morocco, Belgium, the Netherlands, Poland and Turkey.

In addition to the Driving eco^2 training programme, Renault offers its corporate customers an on-board telematics system called Fleet Asset Management. Launched in France in 2012, Fleet Asset Management allows fleet managers to obtain driving data from vehicles remotely to monitor the eco-driving performance of employees and the emissions produced by their driving.

Car-sharing

Car-sharing, in particular for urban transport needs and with electric vehicles, is a means to reduce the environmental and spatial impacts of vehicles. For example, car-sharing reduces the amount of pointless driving involved in looking for parking spaces, thus lowering atmospheric emissions and noise pollution. Benefits are further enhanced when the vehicles being shared produce no driving emissions, as is the case with electric vehicles. From the space-saving standpoint, car-sharing reduces the amount of public parking space that must be provided.

In 2012 and 2013, Renault conducted the Twizy Way trial programme in the urban area of Saint-Quentin en Yvelines (France) to analyze the requirements of a car-sharing system. Although Renault does not plan to be directly involved as an operator (it sold the Twizy Way business in late 2013), this experiment is helping it to meet the needs of car-sharing operators and users, thus making it a facilitator of car-sharing.

Accordingly, Twizy and ZOE are available in a version specially adapted for car-sharing. In addition to these two models, Renault is designing its future vehicles from the start with the connection technology for sharing.

In 2013, discussions were begun with the Bolloré group concerning the joint development of complete car-sharing solutions with electric vehicles in urban areas.

Environmental management in the sales network ✦

The Renault eco^2 label is the commercial facet of Renault’s commitment to environmental protection. The sales network also provides the first contact with customers in terms of products, values and brand identity. That is why the primary sales network, comprising the sites of the Renault Retail group subsidiary and private dealerships, is undertaking environmental management in order to preserve the value of its assets as well as Renault’s brand.

RRG, the distributor of Renault, Dacia and Nissan brands in 13 European countries, established an environmental management policy in 2007. An RRG environment coordinator is responsible for training and coordinating a network of environment correspondents in France and Europe. He provides a set of environmental management procedures, which are available on the RRG intranet. RRG has carried out reporting on the environmental impacts of its sites (water and energy consumption and production of waste) since 2011 in France and 2013 in Europe.

Renault Retail group – envonmental impacts

	FRANCE	EUROPE OUTSIDE FRANCE	MAIN MANAGEMENT AND IMPACT REDUCTION MEASURES
Number of sites	129	87	
Rate of reporting coverage	100%	100%	
Waste (tons)	9,751		
• o/w dangerous	2,657		• Water management contracts with specialized suppliers
• o/w not dangerous	7,094	n.a.	• Sorting guidelines
Energy consumption (MWh LHV)	120,442	54,681	• Energy savings plan, particularly during closed periods
Greenhouse gas emissions (t eq CO_2)	19,251	16,278	• Energy savings plan
• o/w from combustion	15,464	5,964	
• o/w from electricity consumption	3,660	10,314	
• o/w from gas coolants	127	n.a.	
COV emissions (kg)	96	n.a.	
Water consumption (m^3)	161,118	171,685	• Controlling leaks on the basis of billing • Hydrocarbon separators used before discharge into purification network
Soil and water tables			• Extraction or neutralization of buried, single-wall tanks • Preventive equipment (retention basins, double-wall tanks or above-ground tanks)

✦ Global Reporting Initiative (GRI) Directives

Renault also supports its network of dealerships and agents. In France, the Sales & Marketing department (DCF) provides information and coordinates exchange of best practice through annual Environment Club meetings in each regional center. RRG environment coordinators participate and contribute to these clubs.

The Sales & Marketing department assists the network by providing a panel of national service providers for waste collection and treatment. Renault also finances its sales network's access to Autoeco.com, allowing sites to track the amount of waste they produce. Renault is also a partner of the CNPA (National Council of Motor Industry Professionals), which, as part of the "Environment Challenge," provides the sales network with technical support with the implementation of environmental protection measures and the search for financial assistance.

Since the business is small, the sales network has not applied for ISO 14001 certification. However, the Renault Sales & Marketing department in France conducts environmental audits based on a reference system drawn up with the RRG environment coordinator and the Renault group's environment specialists. In 2013 these audits covered 100% of the primary sales network, including RRG and private dealerships.

END-OF-LIFE VEHICLES ✦

Starting in 2015, EU regulations will require that all vehicles be collected and that 95% of their mass be recycled and reused. In accordance with the principle of greater manufacturer responsibility, automakers will be responsible for helping to organize and finance this process. Outside Europe, other countries already have such regulations or are getting ready to institute similar ones (South Korea, Turkey, and Russia).

Renault is helping to organize the collection and recycling of end-of-life vehicles everywhere it is required. Its contribution takes different forms: the setting up of its own network of authorized collection and recycling centers for Renault vehicles or participation in a joint programme (manufacturers, dismantlers, government agencies) for setting up such recycling networks. Renault's participation is in proportion to its share of the vehicle fleet, with especially large involvement in France, Spain, Portugal, Romania, Italy and Russia.

In all cases, the last owner of the end-of-life vehicle is informed, and the vehicle is picked up at no cost to the owner. Information concerning the methods for pollution removal, dismantling and recycling are supplied to the recycling operators and energy recovery networks on the website of the International Dismantling Information System (www.idis2.com).

Altogether, the markets in which Renault helped to collect and process end-of-life vehicles represented 60% of the Group's global sales in 2013.

In France, the subsidiary Renault Environnement joined forces in 2008 with the group Sita/Suez Environnement to develop end-of-life vehicle recycling by taking a majority stake in Indra, a company with more than 20 years' experience in vehicle dismantling. Indra has a network of 350 approved vehicle dismantlers around France and works with them to meet regulatory and environmental requirements as part of a progress-oriented approach. Indra or its network handled 75,862 end-of-life vehicles in 2013.

This investment has three objectives:

- to meet Renault's regulatory obligations concerning end-of-life vehicle collection and recycling in France;
- to improve the network so that it performs the recycling better and more economically, thereby achieving the goal of a 95% collection and recycling rate at an optimal cost in 2015;
- to supply the short recycling loops so as to reduce dependence on and the consumption of virgin raw materials (see 2.4.2.2).

Indra is designing and improving tools and processes for recycling end-of-life vehicles. These are being developed and tested at its dismantling sites and its development center at Romoratin. What Indra learns in this effort is being widely disseminated in training programmes that it develops and conducts. In 2013, 327 people were trained.

2.4.3.3 ENVIRONMENT AND COMPETITIVENESS

The effort to reduce environmental impacts is frequently perceived as a source of additional costs for companies. This is only part of the picture, however, since it does not take into account the positive impact on operational costs, product appeal and the diversification of activities.

LOWER OPERATING COSTS ✦

Costs stemming from energy and water consumption and waste management at Renault's plants run into the hundreds of millions of euros each year. Optimizing consumption and waste management is thus a means of both reducing the environmental impact of operations and substantially lowering production costs. The Drive To Five programme, whose aim is improve the economic performance of Renault's production system, takes into account these factors, with high priority given to actions on energy consumption and waste management.

In 2013, actions to cut back energy consumption at all the Group's plants achieved reductions of 280,000 MWh saving €14 millions. The reduction or avoidance of natural gas consumption limited the financial impact of the EU Emissions Trading Scheme in application at the Group's 13 European plants.

Likewise, optimizing waste management through reuse and recycling helps to control production costs. This is proven first in the case of scrap metal, whose sale for recycling brought in about €175 million. The potential savings from other materials are also substantial. For example, using recycled solvents rather than virgin ones at the Maubeuge plant lowered their cost by 30%.

APPEAL OF PRODUCTS AND SERVICES

In an extremely competitive automobile market, maintaining attractive price-positioning for vehicles is a major issue. Increased use of recycled materials and efforts to reduce exposure to critical raw materials are part of the process of keeping costs and prices low. For example, one ton of recycled plastic costs substantially less than one ton of virgin plastic. Among the actions taken in 2013:

- reducing the quantities of copper and rare earths in the vehicles yielded a saving of about €2.8 million;
- giving scrap metal from manufacturing to Renault foundries and suppliers of metal parts reduced raw materials costs and enabled Renault to negotiate lower prices for purchased parts, yielding a saving of about €1 million in 2013;
- supplying the Fonderie de Bretagne with copper from end-of-life vehicles reduced the amount spent on this metal by 5%.

Reducing exposure to virgin materials has become all the more important given the volatility and upward trend of prices. When competition is very intense, these hard-to-predict fluctuations can be only partially factored into vehicle selling prices. They thus have a direct impact on the Group's operating profit. Between 2005 and 2012, this impact was consistently negative (except in 2009).

Although the selling price has a big impact on a product's attractiveness, it is not the only factor in the decision to buy. For example, in Renault's main markets (except Russia), customer surveys reveal that fuel consumption is one of the ten main reasons car buyers choose a Renault vehicle. Renault's resolute efforts to reduce fuel consumption and CO_2 emissions – efforts that enabled it to boast the passenger vehicle range with the lowest emissions in Europe in 2013 – make a substantial positive contribution to the Group's sales results.

Likewise, by developing new options and service giving customers more control over their fuel consumption (in-car aids for eco-driving, eco-driving training) or extending the life span of their vehicle (reuse of parts), Renault is aiming not only to reduce its environmental footprint, but also to secure its customers' loyalty by offering them new services and less-costly solutions.

NEW ACTIVITIES

Working to find ways to both reduce environmental impacts and optimize the Group's economic resources has led Renault to explore areas complementary to its core business, which has opened up new business opportunities.

The Choisy plant has specialized in the renovation of powertrain components for over 40 years. In 2008, the subsidiary Renault Environnement was created to bolster its environmental capabilities. Through its subsidiaries, Renault Environnement works in the following areas:

- recycling of end-of-life vehicles (Indra, a joint venture with Sita);
- managing industrial waste at the plants (a joint subsidiary with Sita);
- recycling parts and materials through recycling networks or selling parts for reuse (the subsidiary Gaïa).

In 2013, these three activities of Renault Environnement generated revenues of more than €370 million. Each of these activities also recorded a net operating profit in 2013.

2.5 SOCIAL PERFORMANCE ✦

The Renault group continually strives to improve all facets of its social footprint, while limiting the negative impacts of its activities and products and sharing the opportunities they create with the greatest number. In doing so, it helps build its brand and enhance its appeal to all stakeholders. This responsibility extends all along the value chain.

2.5.1 RENAULT, AN ACTIVE PARTICIPANT IN THE ECONOMIC GROWTH AND DEVELOPMENT OF ITS OPERATING REGIONS ✦

The Company, a key participant in economic development due to the location and size of its operations, its procurement of parts and services and its distribution network, has begun to play an ever-larger role in the social development of its host countries. It is no longer seeking merely to limit the harm caused by its facilities and activities but rather to become a leader and partner in transforming the communities in which it operates. For the Company, this means identifying the needs and expectations of its circle of stakeholders and offering them solutions through its core business, the introduction of innovative approaches and support for their individual and collective development.

Renault's largest economic contribution lies in the wages and local taxes it pays and the services and purchases it subcontracts. According to estimates published by the OICA (International Organization of Motor Vehicle Manufacturers), every direct job in the automotive industry (vehicles and/or parts) creates five more manufacturing and service provider jobs.

Renault also contributes by providing direct local assistance. Previously, this contribution had generally taken the form of pure, *ad hoc* philanthropy that still reflected the Company's values. It has now become a longer-term commitment involving strategic philanthropic actions that help the Company meet its objectives while having real benefits for society. But, because business isn't everything, there is still room for pure philanthropy – unconditional donations – through patronage actions taken by Renault to support local or international initiatives.

Details on the main development and support, training, employment, educational and patronage actions are provided in the relevant sections below.

2.5.1.1 SOCIAL COMMITMENTS

In line with its vision, values and core business, Renault carries out social initiatives under the central management of its Corporate Social Responsibility department (DRSE), reflecting the responsibility of an automobile manufacturer linked to its activity, and its vision of sustainable development:

- **sustainable mobility –** Reduce the environmental footprint throughout the vehicle's lifecycle and make sustainable mobility solutions accessible to the greatest number;
- **road safety –** Reduce the number of road accident victims and develop this expertise in emerging countries;
- **education –** Develop the skills of the future and work towards greater social equity;
- **diversity –** Promote talent diversification and equal opportunity for all, especially as a means to optimize the Group's appeal and performance.

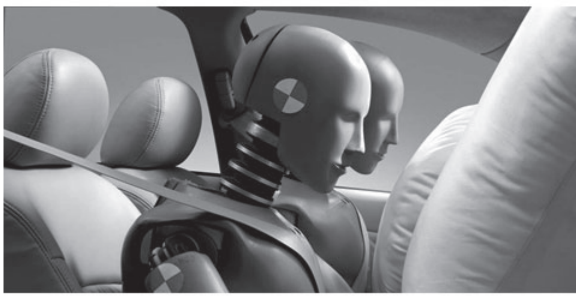
These priorities were set in 2009 and remain equally valid today, having proved both their relevance to society's expectations for an economic actor like Renault and their coherence with the Group's core business.

To ensure its initiatives are coherent and in line with these themes, DRSE coordinates them at the global level and relies on a network of representatives in the main departments and the Groupe's geographical regions, as well as a cross-functional network of CSR correspondents in most countries in which Renault operates.

AUTO-RELATED SOCIAL CHALLENGES | **HUMAN CHALLENGES IN A GLOBAL COMPANY**

SUSTAINABLE MOBILITY FOR EVERYONE

DIVERSITY



ROAD SAFETY

EDUCATION

CHANGEONS DE VIE
CHANGEONS L'AUTOMOBILE
RENAULT

These social initiatives, benefitting stakeholders outside the Company, are balanced by initiatives aimed at employees and suppliers with a view to protecting them or encouraging individual and collective development, as well as improving Group performance. The latter initiatives complement the commitments made by the Group in relation to sustainable mobility for all, through its processes, products and services.

Social initiatives are carried out with local partners, working as closely as possible to communities, helping the Group's entities to develop local roots and promoting the socially and economically responsible development of its operating regions. This social aspect of the Renault group's CSR policy includes programmes and projects implemented on three levels:

- strategically and globally, with coordinated management and implementation tailored to the environment by local representatives in subsidiaries;
- strategically and locally *via* subsidiaries and sites which adapt to specific local challenges and expectations;
- on an *ad hoc* basis, in response to special requests from NGOs, charities and volunteer organizations (see below).

To maximize the contribution these social initiatives make to the Group's challenges, as defined in the CSR strategy, Renault aims to allocate 80% of its social expenditures to the four themes listed above. The remaining 20% are used to support needs in other areas as identified locally.

All information about these initiatives is fed back to DRSE on an annual basis for centralized reporting. The methodology is explained in 2.8.3.1.

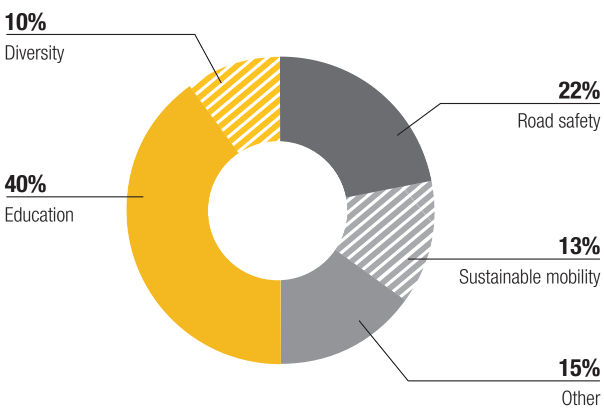
2.5.1.2 KEY SOCIAL INITIATIVE FIGURES FOR 2013

- 329 initiatives were identified in 35 countries, covering Renault's five geographical regions;
- 85% of these initiatives address one of the Group's four main social responsibility themes;
- 87% of the initiatives supported relate to "community investment"; 5% to "charitable gifts"; and 8% to "commercial" actions;
- the Europe region accounts for 66% of social investment;
- France represents 55% of the total amount, including the annual contribution to the Renault Foundation.

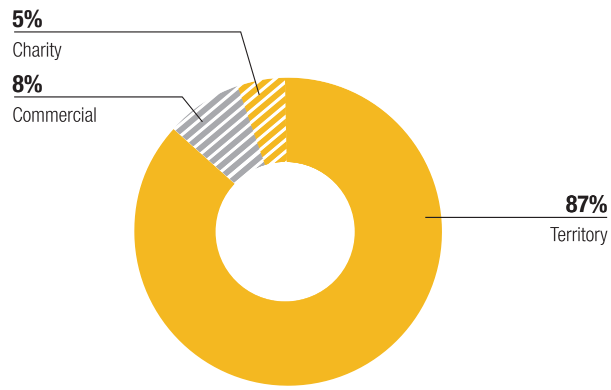
A detailed breakdown is attached as appendix 2.8.3.2.

Social investments breakdown

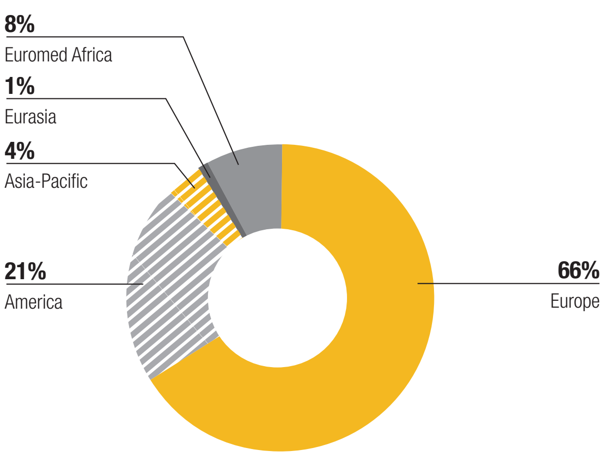
By Priority Theme



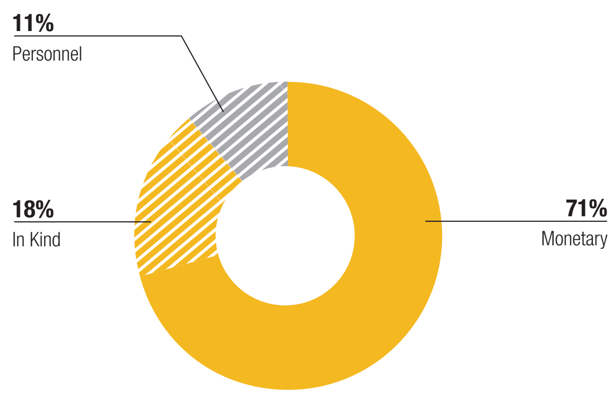
By Type Of Donation



By Region



By Type



2.5.1.3 SUPPORT FOR CHARITIES AND NGOS

Renault is regularly approached by NGOs, associations, volunteer organizations and employees seeking support for projects of general interest, solidarity or good citizenship.

To respond to these demands, the Company drew up a standard procedure in 2010 that can be used to collect and analyze these applications through a single gateway accessible on www.renault.com.

This front office for submitting applications is open to external organizations and Renault employees who belong to them. Applicants provide documentation for the projects sponsored by their organization, including its goals, quantitative indicators and budget breakdown. They have to demonstrate that their initiatives are consistent with Renault's CSR policy and fall within one of the strategy's four priorities (Diversity, Education, Sustainable Mobility, Road Safety). In 2013 Renault received and processed 130 requests for support for projects in France and the rest of the world. Details on the 14 projects selected can be found in 2.8.3.3.

Funding decisions are made collegially by a jury comprising representatives of the personnel from the committee of the Renault group, from the Legal, Communications and CSR departments and from the different international regions. They meet three times a year to select the initiatives that will be funded. Country requests for support are always subject to local validation to ensure they are passed along to the appropriate quarter. Other locally relevant requests can be paid for directly out of the subsidiary's budget.

This type of *ad hoc* patronage, whether resulting from the patronage portal or initiated directly by the subsidiaries and sites, also gives the Company the opportunity to conduct pilot projects with some of the recipient associations, with the aim of establishing longer-term relationships.

Since 2010 Renault do Brasil has actively supported the Borda Viva association, which works in the city of Curitiba, close to Renault's plant. It carries out initiatives that promote access to education. For example, it founded a nursery school where 250 children can learn to read, opened a public library and supported a center that seeks to integrate the disabled through education, music and sports. In 2013, in collaboration with one of its suppliers, Renault do Brasil asked the women of the "Borda Vida" sewing shop to make the anti-hail netting used to protect the new vehicle fleet. The supplier provided the necessary equipment and trained two young apprentices who were hired to cut the fabric. In June 2013, Renault presented the association with a "CSR Award" in recognition of its efforts and results (see 2.2.3).

Employees are also asked to get involved through a new collaborative platform that allows them to contribute to social actions. *Giving Corner* is an internal loyalty programme that converts money saved by employees on travel expenses into loyalty points in euros. These points can then be donated to charities that share our values and objectives or with which the Company's employees are involved.

2.5.2 PROGRAMMES AND INITIATIVES IMPLEMENTED FOR THE FOUR PRIORITY THEMES ✦

The examples listed below offer the best possible description of Renault's social policy and show how this message is backed by concrete actions. This section highlights the Company's commitment and provides an overview of the programmes carried out at the global and/or national level and of the *ad hoc* actions conducted locally. It is not intended as a comprehensive listing.

2.5.2.1 SUSTAINABLE MOBILITY

"The challenge facing Renault, a responsible carmaker and a pioneer of responsible mobility for all, is to develop mobility solutions accessible to the greatest number, including economic and physical accessibility (see 2.5.2), to design innovative technologies such as electric vehicles with zero emission during use, and to ensure minimal consumption of energy and raw materials. It also involves supporting changes in behavior and practices. Finally, it involves inventing tailored economic models which contribute both to the long-term future of the Company and also the creation of value-added for the relevant stakeholders".

DEVELOPMENT OF ECONOMIC MOBILITY

Renault is committed to making mobility accessible to the greatest number by taking concrete steps to reduce the cost of vehicle use. For example, Renault has developed the Motrio spare parts offer for vehicles that are more than five years old. This offer is a lower-cost alternative to original parts designed to last longer than the car. In combination with package offers, or even repairs done at garages in the Garages Solidaires network supported by Renault as part of its CSR policy, this can significantly reduce the total cost of use.

RENAULT MOBILIZ PROGRAMME

The Renault Mobiliz programme aims to promote mobility as a way of entering and returning to the employment market. It was initiated in 2010 and launched in France in July 2012.

Renault Mobiliz is a social business-inspired programme designed to facilitate access to mobility for vulnerable groups in society. It involves offering them services such as vehicle hire or sale and maintenance at preferential rates. The programme was drawn up in collaboration with partners from the non-profit sector, the academic world and public agencies. It represents an innovative, long-term, strategic commitment to invent and test mobility solutions for bottom-of-the-pyramid populations.

Renault demonstrated its commitment by setting up an investment company, Mobiliz Invest s.a.s., to finance innovative structures developing mobility solutions for people in difficulty. Renault invested €5 million in the Company's capital.

The corporate governance structure of Mobiliz Invest s.a.s. is made up of:

- a Supervisory and Guidance Committee. This committee is chaired by Carlos Ghosn and 60% of its members are deemed independent; and
- a Management and Investment Committee. This committee is chaired by the Executive Vice-President France and includes one employee representative. Twenty percent of its members are deemed independent.

These two governance bodies engage in a permanent process of stakeholder dialog and provide in-depth, long-term supervision and dissemination of the programme's initiatives within Renault.

From its first year, Renault Mobiliz carried out work in the following areas by providing financial support for three initiatives:

1. Financing by Mobiliz invest s.a.s (by loanor investment) of entrepreneurial actions:

- funding a two-fold increase in the number of mobility hubs managed by the non-profit organization VOITURE & CO. (SOS group). These hubs assist approximately 1,000 people looking for or returning to work each year, offering them mobility solutions according to their specific needs. These solutions range from individual support to low-cost hire of various means of transport; in 2013, Renault financed five new mobility platforms, including one for the city authorities of Saint-Quentin-en-Yvelines (CASQY), launched in September by the Minister for the Social and Cooperative Economy. This platform exemplifies the close ties developed between Renault and the regions where its sites are located. A number of Technocentre employees are involved in social actions for the CASQY;
- funding of MOBILECO, a Montpellier-based cooperative whose mission is to use electric vehicles to develop urban mobility and intermodality. It is also a work integration social enterprise;
- funding of CHAUFFEUR & GO, a Paris-based cooperative that provides car-less drivers to clients who occasionally need someone to drive their own car. More than half the drivers were formerly unemployed. They are trained and reskilled and even created their community-based micro-franchise. Renault has also approved Chauffeur & Go to provide services to the Company;

2. support for the "Enterprise & Poverty" Chair at HEC Paris, a business school, to share knowledge about social business, and participation in the Enterprise and Poverty Action Tank chaired by Martin Hirsch and Emmanuel Faber (Danone) to discuss best practices with others committed to this approach, and enhance development expertise in this field;
3. development of Garages Renault Solidaires services: at end-2013, some 60 garages (dealerships or agents) in the Renault network had volunteered to help give people on low incomes affordable access to the Renault network's quality after-sales services. The network is expected to comprise more than 200 garages by end-2014. The beneficiaries of the Garages Renault Solidaires services are all referred by influencer organizations, associations or public or semi-public entities.

The Garages Renault Solidaires project will also give Diac, Renault's financial subsidiary, the opportunity to offer microcredit financing to Renault's vulnerable customers. GAIA, a Renault Environnement subsidiary, will also contribute by providing these garages with select refurbished parts to further reduce maintenance costs of the vehicles for customers in the Mobiliz programme. Lastly, Motrio parts are still frequently used by the Garages Renault Solidaires to help lower maintenance costs for these same customers.

Mobiliz (www.renault-mobiliz.com) aims to be widely implemented across the Company. It is a strong source of motivation among employees, many of whom are proud of Renault's support for the least well-off.

Alongside the Mobiliz initiatives, Renault's patronage programme supports and provides financial assistance to initiatives undertaken by local associations. In many instances, these associations need means of mobility to fulfill their mission. Examples of initiatives supported can be found in the sections on road safety, education and diversity below.

THE SUSTAINABLE MOBILITY INSTITUTE: A COMPREHENSIVE APPROACH

Renault, the Renault Foundation (see 2.5.2.3) and ParisTech decided in 2009 to team up to carry out research and teaching in relation to the massive transformations in passenger transportation by founding the Sustainable Mobility Institute.

Other French and international companies and university institutes that wish to take part in the research may also partner with the Sustainable Mobility Institute. Exchanges take place regularly with the VeDeCom Institute for Energy Transition, which has a large number of industrial, academic and local authority partners. The Sustainable Mobility Institute has also initiated targeted partnerships with industrial companies (Grupo Antolin and Umicore), the *Observatoire du Véhicule d'Entreprise* (a non-profit organization supported by BNP-Paribas and Arval), non-ParisTech research teams (*Institut des Matériaux in Nantes, Observatoire des Émergents,* University of California at Berkeley, and Supelec) as well as chairs at ParisTech and its schools, including the Chairs in sustainable development modeling and social business.

In 2013, it reinforced the strategy initiated in 2012 of expanding research subjects to other countries. This mainly involves Renault's teams in India, the United States and China. Positive contacts have also been made in several European countries.

The aim of the cooperation between Renault engineers, teacher/researchers and students from ParisTech is to:

- promote research in the design of innovative systems, essentially for electric vehicles and new concepts and business models targeting sustainable mobility;
- train sufficient managers and researchers to meet the demands of the transportation industry and the scientific and technological challenges raised by the long-term development of sustainable transportation systems;
- the Sustainable Mobility Institute also offers ParisTech researchers and students a special communication forum at www.mobilite-durable.org. This website, launched by Renault in French and English in September 2009, is now considered the go-to site for information on the means of transport of the future. ParisTech researchers and students contribute to developing the site's contents by publishing the results of their discussions in the form of blogs and articles, as well as by offering documentary resources.

The Sustainable Mobility Institute research programme has four parts:

THEME	ACADEMIC PARTNER	OBJECTIVE
System-based approach to electric mobility	Ponts ParisTech Mines ParisTech Polytechnique ParisTech	To understand interactions between the mass circulation of electric vehicles and the regions where it occurs, as well as the infrastructure requirements
Business models for electric vehicles	Mines ParisTech Polytechnique ParisTech Telecom ParisTech	To work out the business models that will guarantee the large-scale and sustainable development of the electric vehicle industry
A global vision of the future markets for electric vehicles	Mines ParisTech Ponts ParisTech	To study, on an international scale, the conditions for moving from the current system of automotive transport to electric vehicles
Technology	Polytechnique ParisTech Chimie ParisTech Mines ParisTech Ensta ParisTech	To contribute to further progress in rapidly improving battery technologies, as well as some streamlining or architectural optimization technologies

Each research area is managed as a project. The Institute organizes twice-yearly seminars aimed at allowing everyone involved at ParisTech and Renault to discuss research findings and at encouraging cross-fertilization and exchanges of ideas. In addition to these activities, a founders' committee meets annually to assess work carried out and approve the programme for the coming years. The Institute's work during its first years makes it possible to assess the contributions it can make to sustainable mobility. These include:

- a capacity to explore subjects of special importance through exchanges with Renault's top management;
- anticipation of changes in mobility practices while providing new ideas on ways to work with stakeholders such as governments, local communities and electricity suppliers;
- expertise that complements the Company's competencies on technically complex subjects.

Meeting in September 2013 the founders' committee concluded that this partnership between Renault and ParisTech was meeting the partners' expectations.

The semi-annual seminars in March and October 2013 fostered discussion between researchers, ParisTech students and Renault employees to generate even greater research synergies and identify possible future projects and ways to optimize the work. It was therefore agreed that the Sustainable Mobility Institute would provide Renault with additional support for the large-scale rollout of electric vehicles and the ramp-up of the connected vehicle theme.

At its October 2013 meeting, the founders' committee asked the Institute's director to provide a quantified assessment and to indicate the extent to which the research programme is able to tailor the cost, length and design of research projects to the challenges facing Renault. This assessment will include figures on the Institute's value-creation levers. The committee requested that a communications policy be developed and presented at the March 2014 seminar for implementation in 2014, to coincide with the Institute's five-year anniversary. Regarding the opening of the Sustainably Mobility Institute to other companies, the priority is the systematic exploration of synergies between Nissan and Renault. Similar work will then be conducted with Daimler, and opportunities for collaboration with companies operating in the sustainable mobility ecosystem will also be considered.

2.5.2.2 ROAD SAFETY

ROAD SAFETY CHALLENGE ✦

Road safety is a global public health issue that concerns every continent. According to the World Health Organization (WHO), some 1.3 million people are killed and between 20 and 50 million injured on the world's roads each year. Unless concerted and effective action is taken, the WHO predicts that the number of annual road fatalities will reach 1.9 million in 2020.

DECADE OF ACTION FOR ROAD SAFETY 2011-2020
SUPPORTED BY RENAULT

Addressing challenges internationally

The Renault group's international expansion must be accompanied by the design of vehicles meeting regulations and security requirements in these new markets. Because the causes of accidents and injuries in these new regions differ from the European market, Renault is expanding its accident research beyond Europe, transferring its own know-how and gaining local expertise from local laboratories and universities, and other key players in road safety.

But, to fully assume its responsibilities, Renault has made a twofold commitment:

- through its products: based on an analysis of observed risks, it incorporates solutions and innovations into all its design, manufacturing and marketing processes in order to protect vehicle occupants and others exposed to road risks (pedestrians, cyclists, etc.);
- in society: it participates actively with governments and civil society throughout the world to help improve road safety. Both alone or in collaboration with other organizations, Renault works to raise awareness of road safety and facilitate transfer of competencies among road users and stakeholders.

The quantitative reporting on road safety initiatives (see 2.8.3.2) does not include research and development expenses for vehicles and their safety equipment.

RENAULT'S ROAD SAFETY POLICY ✦

Renault's road safety policy and actions are based on a five-pronged approach:

RAISE AWARENESS

Changing the behavior of all stakeholders (public authorities, parents, drivers, children) over the long term and educating people from the earliest age to the dangers on the road are key weapons in the battle to improve road safety.

RAISE AWARENESS

PREVENT

Prevention involves helping drivers to anticipate risks. Part of the solution consists of helping the driver by assisting with the driving task (driving aids). The other part lies in encouraging more responsible driving. Drivers need to understand the limits beyond which they will be incapable of controlling their vehicles, and the situations in which they are putting themselves at risk.

PREVENT

CORRECT

Road holding and braking are the basic dynamic factors for a vehicle and the primary contributors to accident avoidance. Even so, there are situations where technology has to intervene to compensate for driver error. This is the purpose of active safety systems which are activated in difficult or emergency situations, without completely taking over from the driver.

CORRECT

PROTECT

A top priority of Renault's safety strategy is to protect all the car's occupants according to the nature and severity of the impact, regardless of their age, size or location in the vehicle, in small and large cars alike. Renault exceeds Euro NCAP standards by equipping the rear seats of its vehicles with systems to provide optimal passenger protection. The protection of other road users (pedestrians, cyclists, etc.) is also one of its goals.

PROTECT

AID

Since early 2010, Renault has been working more closely with rescue services in France and abroad to improve the assistance provided to persons injured in road accidents. These services receive guides explaining how to perform rescue operations on Renault vehicles. They are also given late-model vehicles on which they can practice victim extraction methods.

AID

Raise awareness

SAFETY AND MOBILITY FOR ALL
RENAULT

RAISE AWARENESS

Because it is important to learn the right habits from an early age, Renault continued its "Safety and Mobility for All" international road safety programme during the 2012-2013 school year, relying on its expertise in this field.

This educational programme is intended mainly for children and teenagers. Launched in 2000 it has already reached more than 15 million young people, and some 800,000 teaching kits have been distributed. Currently running in some 15 countries, it is the biggest road safety awareness campaign ever organized by a carmaker. By way of example, the "Kids on the Road" programme intended for primary school children has been deployed in countries other than France, including Morocco, Bulgaria, Poland, South Korea, Portugal, Turkey, Brazil and Switzerland. To make them more accessible, and to protect the environment, the teaching kits are now available as an application for digital tablets.

Since the start of the 2011 school year, "Safety and Mobility for All" covers the themes of environmental protection and eco-mobility. It continues to be designed for elementary and middle-school children. The international "Your Ideas Your Initiatives" competition invites children of all ages and nationalities to take responsibility for their safety and mobility. The 2013 competition shined the spotlight on some very specific initiatives implemented in countries such as Russia, Serbia, Lebanon, India and Oman. The international meeting in June 2013 saw the best projects rewarded.

THE "TKAYES PACT," A RENAULT GROUP ACTION PLAN IN MOROCCO

In Morocco, the Renault group continues to deepen its corporate citizenship commitment with its "Tkayes" road safety programme, which appeals to the public to respect life and other people. The goal is for this meaningful concept to become ingrained and to encourage responsible behavior in a firm yet friendly tone.

In November 2013, Renault Morocco organized the "*Le Village Tkayes*" road safety circuit in Tangiers, the first of its kind, in partnership with the Ministry of Equipment, Transport and Logistics, the National Committee for the Prevention of Road Traffic Accidents, the Moroccan Driving School and the Delegations of the National Education Ministry in Tangier and Fahs Anjra.

"*Le Village Tkayes*" ties in with the initiatives the Renault Morocco group has carried out since 2007 as part of a national road safety effort.

- "Tkayes Style Competition": this competition to create posters on road safety and accident prevention themes had more than 1,000 entries and more than 33,000 fans. The top 20 posters were included in a traveling exhibit in the summer of 2013.
- "Tkayes Mix." This summer, Renault Morocco produced and distributed more than 20,000 CDs featuring a compilation of songs from the national music scene dealing with road safety themes. This initiative covered a number of hotspots, such as gas stations through a partnership with Total Morocco, taxi stands and the country's main beaches. It targeted several cities, including Casablanca, Rabat, Tangier, Tetouan, Salé and Marrakech.
- "Safety and Mobility for All," rolled out to 20,000 children in 150 schools in 13 cities in Morocco.

Since early 2013, in addition to initiatives targeting the general public, programmes have also been developed for Renault Morocco's 7,000 employees and for professional drivers.

GRSP – GRSI ✦

To deal with the increased road safety challenges that inevitably go hand in hand with access to mobility and motorized transport, Renault has been engaged in two major programmes since 2005: the Global Road Safety Partnership (GRSP) and the Global Road Safety Initiative (GRSI).

http://www.grsproadsafety.org

The GRSP is an NGO supported by the International Federation of Red Cross and Red Crescent Societies, combining government agencies, private-sector entities and civil society that work together to help emerging countries develop their own road safety capabilities, deploy best practices, and set up the multi-sector partnerships needed to effectively promote road safety.

In 2013 the GRSP worked in 36 countries around the world, directly reaching around 38 million people.

The GRSI is an international road safety programme supported by five of the largest automobile and petroleum companies in the world: Renault, Toyota, Michelin, Total, and Shell. It was set up by the GRSP to respond to challenges identified in the "World report on road traffic injury prevention."

In 2009 Renault confirmed its commitment to the second phase (2010-2014), which builds on the work done in Brazil, China and the ASEAN countries, and introduces projects from the GRSI and its members into Africa.

Renault continues to support the actions of the GRSP and the GRSI at the corporate level, but also in the target countries through its decentralized Engineering departments and sales subsidiaries. In 2013, Renault worked with the GRSP on projects in Poland, Hungary, Romania, Brazil and Morocco.

Driver training

"The Renault Track, the Right Track," a post-license driving school opened in France (in the Eure department) in June 2013, is open to everyone: individual and business customers, Renault employees, experienced drivers, seniors looking for a refresher course and young people who are still learning, as well as individuals with reduced mobility. The educational programme addresses both accident prevention and eco-driving. It tries to give students a better understanding of what causes accidents, helps them analyze their own reactions (reflexes and fears) and become familiar with the possibilities and limitations of the vehicle's technology (ABS, EBA, etc.). It also explains the principles of eco-driving (gear shifting, managing acceleration and braking by anticipating traffic conditions) and teaches students how to make the most of eco-driving functions (driving style indicator, journey report, eco-coaching and eco-navigation) to reduce fuel consumption and therefore transport costs. All of the profits generated will be earmarked for social initiatives that target young people in difficulty, to help them re-enter the labor force.

A school like this was opened in Poland in 2004, and has already trained more than 13,000 people from 280 different companies.

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Road Safety Management Chair and Master's (MANSER) programme

To help road safety actors develop their own know-how, using global best practices and taking regional characteristics into account, Renault co-developed a master's in road safety management (MANSER) for the Middle East and North Africa, where road risk is acute. The objective is to produce national and regional expert managers capable of creating and coordinating road safety policies in their countries.

Prevention, correction, protection

Renault has played an active part in road safety for more than 50 years, long before it became the familiar media topic we know today. Its history in this field, from concept cars such as BRV and Epure, which were revolutionary in their day, to its numerous publications at renowned conferences, has resulted in an integrated approach to vehicle safety. Based on passive safety features that exceed well-publicized demands, such as all-round protection, and anti-submarining measures, the approach also includes assistance in normal driving conditions (Renault was among the first to pioneer speed limiters in Europe) so that drivers adopt appropriate on-the-road behavior.

These passive safety efforts will continue, particularly by stricter accident testing around the world. In addition, the future of driver safety now involves Advanced Driver Assistance Systems (ADAS), which Renault is encouraging high-end manufacturers to make widely available.

Thanks in particular to the Renault-PSA Peugeot Citroën Laboratory for Accidentology, Biomechanics and the Study of Human Behavior (LAB), as well as contributions from numerous international working groups, Renault has, for more than 40 years, built up an accident database that provides extensive knowledge of what causes accidents and the ability to measure the effectiveness of safety systems in terms of lives saved and injuries prevented. It also helps identify the systems that need to be installed on vehicles to maximize their real safety. This accident research-based approach is supplemented and enriched by biomechanical research to gain a better understanding of the lesional mechanisms that cause injuries and to continually improve safety systems on Group vehicles.

In terms of general product safety, Renault has defined a general policy to be followed, based on:

- a reference database of customer events considered by Renault to be potentially safety-related. These events are addressed systematically at dealership level or in the rare case of a recall. This system is updated regularly;
- a structure with general product safety representatives in each of the large entities involved in product safety, under the authority of a leader expert;
- creation of safety documentation for each project ("demonstration of safety risk control" documentation), covering engineering, manufacture, sales and after-sales. This documentation is created and validated according to specific rules and processes and signed by the chief engineer of the relevant project and by the Renault leader expert in product operational safety and general safety;
- establishment and introduction of training/awareness-raising sessions for relevant Renault employees.

In addition to factoring road safety into the design and marketing of a vehicle and its accessories, Renault also works to make sure financially constrained families stay safe. In 2013 Renault South Africa ran a car seat drive in its dealership network. The seats were then refurbished and distributed to disadvantaged families.

Aid

In June 2012 Renault and the Fédération Nationale des Sapeurs-Pompiers de France, the national firefighters' federation, signed a partnership agreement. This sets out Renault's voluntary undertaking to work with the emergency services to maximize their efficiency and safety whenever they are called to an accident involving a Renault vehicle.

Several measures have been implemented under this agreement:

- in 2013, donation of 200 ICE and electric vehicles to firefighters to improve their training in the extraction of accident victims;
- in 2013, free training for 150 French firefighter trainers on how to respond to an accident involving Renault and Nissan electric vehicles;
- fire and extinction tests are regularly carried out on all our electric vehicles with French firefighters, in open-air and confined environments. The architecture of all electric vehicles currently being developed takes into account firefighters' specific needs. The knowledge acquired through this testing has been shared with Nissan and Daimler;
- production of specific Extraction from Vehicle Procedures for electric vehicles and written for the emergency services. These sheets have been made available on the Internet free of charge in several of the languages spoken in the countries in which electric vehicles are sold: http://www.infotech.renault.com/fo/accueil.action.

  All the decision support sheets for new Renault and Nissan have been created and approved by the Ministry of the Interior. They can be found online at http://www.infotech.renault.com/fo/accueil.action.

  A free application for tablets and smartphones gives direct access to these sheets at the accident site. It was developed in partnership with the Desincar company and was made available to firefighters in October 2013. Renault and PSA made a joint proposal for ISO standardization for these decision-support sheets. The format for these new sheets will be decided on at the end of 2013.

The experience gained in this area with French firefighters was shared with German and Spanish firefighters in 2013.

2.5.2.3 EDUCATION ✦

Education has been a top priority of the Renault group's CSR policy since 2009.

The Company recognizes that providing training on the careers of the future and giving the neediest access to knowledge are key to the development of society and of the Company. Renault therefore continues to deepen its commitments in this area. These commitments take several forms and cover social, environmental and labor-related issues.

This chapter provides an overview of the social commitments the Group made in 2013 with respect to educating the younger generation and the least well-off.

This concerns:

- relations with international schools/universities;
- financial support for access to education around the world;
- training through research to encourage innovation.

A. RELATIONS WITH INTERNATIONAL SCHOOLS AND UNIVERSITIES

How do we create a permanent link between the Company and academic institutions, knowing that education is critical to value creation and to the development of the next generation of future employees?

Over the years, the Renault group has sought to address this question by taking action in partnership with schools, high-level colleges and universities throughout the world.

1. The Renault Foundation www.fondation.renault.com

Operating on the principle of equal opportunity, the Renault Foundation, founded in 2001, is the perfect embodiment of what the Company is doing for education and CSR. It is designed to create a permanent link between academic institutions (in France and the rest of the world) and the Company. It thus demonstrates Renault's strong commitment as a patron of higher education.

The Foundation's role, in collaboration with its academic partners and Company management, is to anticipate new professional skills required.

It carries out three activities:

- financing and joint creation of academic programmes in partnership with prestigious universities in France (Paris Dauphine University, Ecole des Ponts ParisTech, Arts et Métiers ParisTech, etc.) and worldwide (Saint Joseph University in Lebanon);
- the allocation of "foundation scholarships" (study and accommodation costs) to French and foreign students selected in partnership with the Foundation's partner universities located in 12 countries worldwide;
- financial support to other foundations dedicated to research and higher education (ParisTech Foundation) or to supporting deserving young French students from underprivileged backgrounds (Georges Besse Foundation, *Un Avenir Ensemble* Foundation).

The Renault Foundation's operating agreement, signed in 2009, was renewed for five years by resolution of the Board of Directors on June 5, 2013. A multi-year action programme was presented at that time with a budget of €14,560,000 (or an average annual budget of €2.8 million).

On the academic side, the Foundation supported and financed six training courses in 2013:

- one professional degree in Electric Vehicles and Electromobility (LPVEE);
- three master's degrees: Transport and Sustainable Development, Mobility and Electric Vehicles, and Road Safety Management;
- one MBA in multicultural management;
- one doctoral student as part of the Zero Carbon Leader Programme, which terminates at end-2013.

These programmes, developed jointly with its academic partners, are particularly focused on three research themes that have real-world consequences for the Company: multicultural management, sustainable mobility and road safety.

The Foundation identifies young talents, then offers them training and support. For example, it organizes and finances a complete year of study in France for its scholarship students: a monthly grant, enrollment in schools and universities in France, social security cover, the return trip between the country of origin and France, trips of economic and cultural discovery.

Each year more than 80 scholarship students from 10 or more countries where Renault operates obtain qualifications through these innovative programmes linked to the promotion of sustainable mobility, multicultural management and road safety.

2. Investing to bring schools into the corporate world

The Renault group works to develop ties between the corporate and academic worlds because it believes this is the only way to improve the performance of economic and social models in responsible market economies.

To do so, the Group carries out numerous actions and initiatives in France and around the world:

Support for employees in the academic world: sharing knowledge is in the Group's DNA. Many employees spend some of their work time teaching classes at different schools/universities through official partnerships such as the Renault Foundation's academic programmes, or speaking at schools and universities in countries where Renault operates.

The Company makes appropriate expertise available to these institutions, giving the employees involved a sense of satisfaction.

Equipment donations: beyond its employees' expertise, the Renault group, recognizing that knowledge is gained through the practical application of academic knowledge, has donated a number of vehicles and tools to schools.

In Colombia, for example, under a cooperation agreement between the National Training Service (SENA), the French National Ministry of Education and Renault Sofasa, 13 vehicles were donated to the Technical and Higher Education Institute to train qualified young technicians. This donation to

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training centers in Bogota, Medellin and Cali enabled teachers and students to develop their practical skills.

In France, three electric vehicles were donated in 2013 to IUT Mantes La Jolie to help students obtain the professional degree in Electric Vehicles and Electromobility supported by the Renault Foundation. These vehicles, intended for educational purposes, are also used in the Yvelines department to train firefighters on the rescue techniques associated with these new types of vehicles.

Bringing students into the Company and guiding them towards the careers of the future: be it through apprenticeships, internships or informational sessions about the business world, the Renault group is proud to bridge the gap between the younger generation and the corporate world on every continent.

In 2013, Renault Spain expanded its "Renault Experience" programme, launched in 2012 with the local government of Castilla y Leon and the University of Valladolid. There are now some 60 young people participating in this programme, which involves a two-month training session on theory and practice followed by a one-year internship in the Spanish subsidiary. Admittance requires these potential Renault Spain engineers to have at least two years of higher education. Once training is completed, 40% will be hired by the subsidiary.

In France, for example, the Renault Foundation prepares young people for the careers of the future through its professional degree in Electric Vehicles and Electromobility programmes. In 2013, the Company offered students in the first two classes of this professional degree programme around 30 apprenticeships in this new field. More than half of the 12 students in the first class were able to remain with the Company for second year of apprenticeship and work towards a vocational master's degree. This is proof positive of the close relationship between training and the Company.

Alongside the in-house internships and apprenticeships, many class trips are organized to the Group's sites with the aim of forging stronger ties between the Group and the regions where it operates.

In Sandouville, one of Renault's industrial sites in France, 120 junior high, high school and college students in the region had the opportunity to attend Industry Week. They met with employees who answered their questions about the life-cycle of a vehicle, a typical work day at the plant and the trades practiced.

At Renault's Technocentre in Guyancourt, classes were held for junior high school students. This programme, whose purpose was to strengthen the link between Renault and young people from educational priority zones, encouraged them to think about their futures.

In 2013, in the Netherlands, children from low-income areas who attend Amsterdam's Hindu "Shri Laksmi" school visited the subsidiary and learned about its main activities and careers directly from its Chief Financial Officer.

In Colombia, the Sofasa subsidiary introduced young people to the automotive trades through a different form of the "Renault Expérience" programme. The processes implemented by the subsidiary for the industrial and commercial development of the Renault Duster were explained to 450 students from the Pontificia Bolivariana university in Medellin. In 2009, Renault do Brasil began rolling this programme out to universities in Paraná and Argentina.

Bringing teachers into the Company: through a partnership between the Renault Foundation and the *Croissance Responsable* Foundation, the Company opened its doors to junior high and high school teachers and guidance counselors. This innovative programme, which brings the education system and the corporate world together, organizes three-day job shadowing experiences for teachers and guidance counselors.

Taking on challenging projects at school level in conjunction with the Company: in 2013, more than 140 junior high and high school students and their teachers, from 24 different educational districts in France, participated in the 7th F1 "*Course en Cours*" competition. The objective is to work as a team to design, manufacture and test a reduced-scale model electric F1 car. The competition gives young people an opportunity to create an original concept car with the professional tools used by the Company (CATIA, etc.). Renault supports them with the know-how of its engineers. This extraordinary experience allows young people to learn more about the automotive trades and perhaps encourages them to pursue this avenue professionally.

B. SUPPORT FOR WORLDWIDE ACCESS TO EDUCATION

It is unfortunate that often only the most privileged, or even the elite, have widespread access to education. Renault recognizes the importance of education as a means of value creation for a state, country or company, which is why the patronage actions designed to make education accessible to those who deserve it most are the cornerstone of the Company's CSR social policy.

1. Schooling and equal opportunity

Equal opportunity is a core CSR value and access to education is a natural fit.

Renault's commitment to the most impoverished is evident in several of its actions in this area. In Russia, for example, the "*Début dans le métier*" programme enabled 30 young orphans aged 14 to 18 to learn all about the Moscow plant during school vacation. The schedule included a tour of the plant, but also an introduction to other professions with a tour of a firehouse, hotel, print shop, bank, etc.

In Burkina Faso, the Renault group's financial subsidiary, RCI, contributed to a literacy campaign by supporting the creation of an educational center. Its move to the Paris region enabled it to donate filing cabinets, cupboards and other equipment to help make the center ready as quickly as possible.

In Brazil, in the suburbs of Curitiba, 80 children aged 2 to 5 will have the chance, starting with the 2014 school year, to go to the free "*Mundo para todo Mundo*" nursery school being built with the financial support of the *Instituto Renault do Brasil*.

In Colombia, despite a high enrollment rate, inequalities persist between regions due to out-of-pocket costs, such as textbooks, uniforms, transport, and so on. Against this backdrop, the Colombian subsidiary developed the "*Camionetas Renault, para un pais imparable*" programme. This is a 12-day campaign in which Renault 4x4s head directly for the country's most isolated populations to deliver sports and technological equipment and musical instruments to the schools.

But access to education is not just an issue affecting far-off regions. In France as well, it may be difficult for the least well-off to get an education. Renault's actions in this area are reflected, in part, in the support the Renault Foundation decided to give in 2012, both financially and in the form of mentoring programmes, to two other foundations working to give equal opportunities to deserving young people from underprivileged families.

In 2013, Renault, via its Renault Foundation, donated €20,000 to the "*Un Avenir Ensemble*" Foundation to help 24 deserving disadvantaged young people. They are also being mentored by senior managers at the Company who will support them throughout their schooling and until they enter the workforce.

Similarly, the Renault Foundation is providing the Georges Besse Foundation with €30,000/year through 2014, to educate some 20 deserving young people with a demonstrated interest in the sciences.

2. Employee involvement

Renault's humanitarian aid in this sector consists not only of financial or in-kind assistance provided directly to charities and local schools, but also of the efforts of its employees.

In Colombia, for example, after the torrential rains in 2011 that killed hundreds and left thousands at risk, Renault Sofasa launched a fundraising drive among its employees. These donations, which were matched by Sofasa, came to €435,000 in total. The funds were presented to the Ministry of Education and were used to build two schools in the cities of Majagual and Mompox. In 2013, 1,155 students were back at their desks.

In Brazil, employee volunteers spent some of their work time renovating a nursery school. Through the "volunteer services" coordinated by the *Instituto Renault do Brasil*, 22 employee volunteers spent four days repainting walls, fixing up the vegetable garden and restoring benches in the playground.

C. TRAINING THROUGH RESEARCH TO ENCOURAGE INNOVATION

Through the support it provides for academic research, the Renault group has set itself the challenge of bringing researchers and professionals together to exchange ideas with a view to developing the technological solutions and services of the future and understanding how and what tomorrow's consumers will purchase.

1. Support for academic institutions: ParisTech Foundation & Paris Dauphine University

Renault, through the Renault Foundation, earmarks a percentage of its budget for financial support of academic research.

In 2013, it gave €200,000 to the ParisTech Foundation whose purpose is to increase the visibility of and help develop French and European scientific higher education and research.

The Renault Foundation also supports research on marketing, allocating €50,000 a year for three years starting in 2013 to Paris Dauphine University to conduct marketing research.

2. Sustainable Mobility Institute

In March 2009, Renault, the Renault Foundation and ParisTech founded the Sustainable Mobility Institute to identify issues associated with the future of passenger transportation and the design of innovative and environmentally friendly mobility systems (primarily electric). Its research areas focus on electric mobility systems, the relevant business models, the global vision of the shift in transport to electric vehicles, and battery technologies (see chapter 2.5.2.1).

2.5.2.4 DIVERSITY ✦

Renault's diversity policy has five priority areas for action: gender diversity, disability, age, origin and nationality, and sexual orientation. The actions have two key objectives: development of employees' uniqueness and corporate performance due to the diversity of the Company's talent (see 2.3.2). This commitment extends to the social sphere with a number of concrete gender diversity and disability initiatives, including those listed below.

PROMOTING WOMEN IN THE COMPANY AND SOCIETY

In 2013, the Renault-Nissan Alliance was a partner of the **Women's Forum** in France for the sixth year in a row and renewed its partnership in Brazil for the second edition of the event. The aim of these annual meetings of international leaders is to establish a level playing field for women in industry, academia, politics and society. This year, Renault organized a roundtable on the theme: How to attract women to male-dominated industries?

Renault's commitment extends to young women with its support of the "***Elles bougent***" association, which aims to help them explore engineering and technical careers. More specifically, Renault organizes plant visits and meetings between female high school students and "Elles bougent" mentors. The goal of these women mentors, which include Renault employee volunteers, is to create a dialogue with these young women and encourage them to consider careers in the sciences.

Renault supports the ***Observatoire de la Parentalité*** for the work/life balance, which is a sustainable performance issue. This association develops and coordinates a network of stakeholders that are concerned with issues affecting working parents and that research the work/life balance. The question of parenthood and the work/life balance features prominently in Renault's thinking and actions.

The **Netexplo** forum, organized by the Observatory of the same name since 2000, investigates how new technologies are used and reports on the latest trends in the digital revolution. One topic addressed at the most recent event is very close to Renault's heart: "Women and social media: an asset for the enterprise." The panel included Véronique Morali, Virginie Abadie-Dalle, Brigitte Dumont and Claire Martin, who came to present Women@Renault.

Founded in 2008 by Véronique Morali, **Terrafémina** is an innovative platform that offers exclusive content for women and explores different aspects of their

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daily life: work, culture, economics, personal life and society. On International Women's Day on March 8th, Renault became the site's partner for its "*Mon coach auto*" column, which helps women drivers on a daily basis. Terrafémina also published interviews with three Alliance employees during the Women's Forum in Deauville.

Dialogo is a Spanish-French friendship association created to strengthen the economic and cultural ties between France and Spain. Since 2000, the **French federation Femmes 3000** has held an awards ceremony in partnership with the Senate. The objective is to increase the visibility of women in public, economic and social life. Maria-Luisa de Contès, who heads *Women@Renault* in Spain, received the **Responsible Entrepreneurship Award** for creating the "*Diálogo Women's Forum*" collaborative platform in 2010.

The **61st International Congress of Women Entrepreneurs** was held in 2013 in Marrakech. The theme was "Women Entrepreneurs: guaranteed values for a sustainable performance." The Renault group was represented by Claire Martin, Senior Vice-President Corporate Social Responsibility and the Renault Foundation, and Taja Maad, Director of Public Affairs and Corporate Social Responsibility at Renault Morocco.

PLAN is an international development NGO that works in 50 countries to give the most marginalized children and adolescents the resources to build their future. **Renault Colombia** joined forces with this NGO through its "Because I am a Girl" campaign, which aims to promote the rights of girls from Cartagena's vulnerable populations in order to improve their living conditions and enable them to take control of their lives through a process of education.

INSPIRE is a leadership programme run by the *Valued Citizens Initiative* association and supported by Renault South Africa. For the ninth year in a row, this programme is focusing on educating young girls, who will play an important role in the country's development. As part of this initiative, 105 girls from schools in the Ekurhuleni District visited Renault South Africa's headquarters to present their local initiatives and talk with young South African leaders.

RENAULT'S PARTNERSHIPS WITH KEY STAKEHOLDERS IN THE DISABILITY SECTOR

For 16 years, Renault has partnered with the French Federation of Disabled Sports (FFH) to provide financial assistance and access to vehicles. In return, the FFH assists Renault with its training and awareness-raising initiatives. In 2013, Renault formalized the creation of its "Disabled Sports Team" at the IPC (International Paralympic Committee) World Athletics Championships. The team is made up of three athlete ambassadors: Marie-Amélie Le Fur (track and field), Élodie Lorandi (swimming) and Alim Latrèche (fencing). Renault will support them through the Paralympic Games in Rio in 2016.

Renault has also partnered with **Jaccede**, an association which has created a collaborative guide for accessibility and has audited over 26,000 sites in France and 7,000 abroad. Renault and the association have begun an accessibility audit of company sites carried out with staff.

Renault also works with the **Arpejeh** association to support disabled youngsters from junior high through college.

Employees also initiate involvement in certain associations, such as the ***Stade Parisien des Sourds***, which encourages the hearing impaired to play volleyball, ***Cheval Bonheur***, which allows the disabled, mostly children, to bond with horses, and **Norm Handi Mer**, which aims to make the sea accessible to everyone by developing water-based activities for the able-bodied and disabled.

Renault do Brasil and its Institute have regularly provided financial support to the non-profit training organization **UNILEHU** ("*Universidade livre para a eficiência humana*") since 2005, to help the disabled obtain training and find a job. Renault do Brasil also encourages the development of disabled sports and has sponsored the Paralympic volleyball team since 2012.

Renault Spain has entered into several contracts for goods and services with special employment centers for the disabled and also collaborates with the **AFANIAS NGO** to train and employ the mentally disabled.

Paralympic athlete **Teresa Perales** was named Renault Spain's sustainable mobility ambassador for 2014 and 2015.

To help improve the lives of the disabled, **Renault Netherlands** donated an all-electric Renault Z.E. to a school for guide dogs.

Working with the **Blickkontakt** association, **Renault Austria** organized a meeting with some 30 blind or visually impaired people, accompanied by their guide dogs, to familiarize them with the sounds of the ZOE.

Women@Renault **Turkey** organized a drive that collected 500kg of bottle caps. These were delivered to the city authorities of Bursa on February 19, 2013 to provide electric wheelchairs to people with motor disabilities. The drive continued till the end of 2013.

Renault Tech, European leader in the conversion of vehicles for people with reduced mobility

It is not up to the world to adapt to the automobile; it is up to the automobile to adapt to people. For more than 25 years, Renault Tech has designed, produced and sold vehicles that have been converted for people with reduced mobility. A European leader in this activity, Renault Tech uses its three production lines at its Heudebouville plant to produce more than 1,000 customized vehicles a year to transport people with reduced mobility. The driving aids designed by Renault Tech provide mobility solutions to individuals with motor disabilities so they are once again able to get around on their own.

The Heudebouville site was where Renault and Renault Tech handed over the keys to a driving aid-equipped ZOE intended for people with disabilities undergoing rehabilitation. It is being used to practice transferring patients at the Sainte Marie Foundation from wheelchair to vehicle.

2.5.3 CSR IN THE VALUE CHAIN

CSR-FOCUSED PURCHASING ORGANIZATION

The Purchasing organization relies on its people and processes:

- an international network of some 100 local correspondents who are quality experts in purchasing, trained in CSR and who all use the same assessment methodology;
- processes shared by all buyers worldwide that incorporate CSR criteria into supplier selection;
- performance indicators;
- a central team tasked with providing the necessary support to suppliers to help them lift their standards up to the required level;
- an effective tool (web platform) for communicating information to buyers and discussing action plans with suppliers.

CUSTOMIZED SUPPORT

Renault supports its suppliers with a view to establishing long-term relations in a climate of mutual respect, total transparency and trust, based on ongoing dialog.

Renault helps its suppliers meet its CSR requirements by:

- working with them to develop a realistic work plan with priorities addressed according to a negotiated timetable;
- providing them with the relevant expertise and advice;
- sharing best practices.

This support is offered by a central team providing ongoing support to supplier action plans, assisted by local purchasing teams. In 2013, 12 supplier sites and 16 groups were able to make progress once actions had been established in the fields of safety, working conditions, human rights, the environment and management of their own supply chain. Progress is systematically measured with a further audit.

At end-2013 Sites: 97% of non-compliant sites had been addressed, either through:

- **progress (55%);**
- **blacklisting (29%) or termination (7%);**
- **ongoing action plan (7%).**

Groups, out of 127 below-threshold groups, 26 had been addressed, either through:

- **progress (22);**
- **blacklisting (4).**

The action plans can be onerous and take a long time to put in place. This explains why we saw more modest results than for the sites. We can nevertheless see that all the groups with action plans in place have made progress.

Along with the quality and innovation awards, CSR awards have been presented since 2012 to recognize:

- social and environmental performance;
- progress made following implementation of an environmental and/or social action plan;
- skills development for the disabled or those seeking to re-enter the labor market.

SME SUPPORT FUND

Renault also subscribes to the Modernization Fund for Automobile Equipment Suppliers (FMEA), which provides equity or quasi-equity for automotive equipment makers.

The purpose of the fund is to develop and consolidate large firms that are profitable, strategic, competitive and able to provide automakers with R&D capability and a stronger international base.

The FMEA operates on a medium- to long-term basis, usually for 7 or 8 years.

It invests in the following firms:

- equipment makers needing to increase their equity to fund business growth and R&D programmes;
- companies capable of forming and consolidating more efficient entities operating in different areas of auto equipment sectors (plastics, stamping and metalwork, foundry, rubber, etc.);
- highly innovative fast-growing companies in need of equity.

INNOVATION

Renault also strengthens its supplier relationships through a partnership approach that encourages them to innovate. Annual reviews are conducted with the major suppliers' top management to identify potential innovations.

This process has been expanded to innovative start-ups and SMEs, mainly through the Moveo structure.

A policy has been in place for drafting co-innovation contracts with suppliers since 2008. It defines both the technical content and the legal conditions for sharing the results.

Since 2010, technology days have been organized by the Operational departments and the Purchasing department, where suppliers are provided an opportunity to present their innovations to Renault experts.

RESPONSIBLE PURCHASING OVERSIGHT

Renault adheres to a policy that encourages the purchase of responsible parts and services, based primarily on increased recycling and reduced CO_2 emissions:

- purchasing of responsible and environmentally sound products, whether original or replacement parts. Purchases of recycled plastics have risen to meet the rapidly growing needs related to eco-design. In 2013 Renault was the first carmaker to offer air filters made with FSC-certified paper, pending implementation in oil and diesel filters;
- incorporation of an eco indicator into packaging specifications designed to ensure 75% recyclability;
- introduction in 1949 of the use of refurbished parts (injectors and compressors) by the After-Sales department, reducing assembly costs, improving availability for mass produced vehicles and reducing CO_2 emissions by forgoing extraction of raw materials, eliminating process stages, etc.

The Purchasing department is also working with the logistics segment to develop a tool that will suggest ways road hauliers can reduce fuel consumption and CO_2 emissions. It will be tested in 2014.

The organization and processes, combined with the objective of a roll-out to the Purchasing department, based on the number of new projects with the protected sector, have allowed new actions to be undertaken with the protected sector for both auto parts and services:

- the Renault Purchasing department has already been involved for several years in purchasing from the protected sector. That is why we support the AMIPI-SLAMI Foundation, which helps cognitively impaired people develop through learning in order to encourage labor market entry. The foundation carries out tier-one industrial activities at seven French production sites that produce wiring harnesses for the automotive industry. Since 2012, SLAMI has supplied cabling for mass-produced vehicles;
- the Purchasing department has also arranged for personnel to be transferred from the protected sector to the traditional sector with the creation of reception desks at the Technocentre in the dedicated innovation area and in the documentation center;
- Renault has also turned to sheltered entities and organizations that help the disabled enter the workforce to source a number of its communications campaigns: training materials, promotional wear and lunch boxes.

2.6 SUSTAINABILITY RATINGS AND INDEXES

Sustainability rating agencies and specialized departments of financial institutions assess companies on their commitments, policies and performance in terms of labor relations, environmental protection and corporate governance. These assessments, made using analytical and scoring techniques, are designed to meet demand from socially responsible investors, who use the findings to select the companies in which they invest [(1)].

Methods vary from agency to agency. Some agencies are specialized by investment region (Europe, world, OECD, etc.) or asset class (large caps, small caps), have a sector focus, or base their analyses on a basket of weighted criteria, which can vary significantly depending on their targets.

Some of these rating agencies, usually working in partnership with providers of equity indexes, have developed special benchmarks composed of the top-rated companies for labor relations, environmental protection and corporate governance.

2.6.1 RENAULT'S RATINGS IN 2013

SAM (*SUSTAINABLE ASSET MANAGEMENT*)

SAM is an independent asset management company founded in 1995 and based in Switzerland. It specializes in setting up investment strategies based on economic, environmental and social criteria, analyzed in terms of long-term value creation.

Results in 2013: Renault was not included in the Dow Jones Sustainability World index (DJSI World), despite the Group's outstanding performance, particularly in the environmental field (83/100). Its global rating remains well above the average in the automotive sector.

	RENAULT'S SCORE	LOWEST SCORE DJSI WORLD	INDUSTRY AVERAGE [(2)]
TOTAL SCORE [(1)]	**79**	**89**	**61**
Economic dimension	78	86	65
Environmental dimension	83	88	59
Labor relations	74	89	58

(1) Score out of 100.
(2) Automotive industry.

OEKOM

Oekom, one of Germany's leading rating agencies, analyzes 750 large and midsized companies and more than 100 small enterprises within a geographical universe that spans the OECD, new EU member states, Russia and leading Asian markets. The agency thus covers 80% of the MSCI World index, which measures stock market performance in developed countries.

Results in 2013: Renault scored a B rating overall, and the Group was again ranked first out of the 16 leading global automakers analyzed.

RATING SCALE A+ TO D-	OEKOM RATING	RANKING AMONG CARMAKERS
Social and cultural	B	1
Environment	B	1
TOTAL CORE	**B**	**1**

In 2007 Oekom created the Global Challenges index, a listing of 50 companies around the world that make substantial efforts to address major planetary issues such as climate change, drinking water availability, deforestation, biodiversity, poverty, and global governance. Renault has been included in this index from the start. More information can be found on www.gcindex.com.

(1) A socially responsible Investment means all financial investments made, not only depending on, financial performance criteria of the monitored values, but also on the behavior of the company versus its social, economical and environmental environment.

VIGEO

Vigeo is an independent rating agency founded in July 2002. The major shareholder, *Caisse des Dépôts et Consignations*, contributed the assets of Arese, which pioneered social and environmental rating in France. Vigeo is owned by some 50 shareholders, organized into three sub-groups: institutional investors, European trade unions, and multinational corporations. Vigeo's unique model is aimed both at investors, with investor-solicited ratings of Euro STOXX 600 companies, and corporations, with corporate-solicited ratings.

Results February 2013: Renault is still rated by Vigeo. For more details, please contact Vigeo.

CARBON DISCLOSURE PROJECT

The carbon disclosure project (CDP), founded in 2000, is mandated by a group of institutional investors to enhance understanding of the potential impacts of climate change on the value of the assets managed by its signatories.

Since 2002 the CDP has sent a regular information request to companies in a standard format, asking them about their greenhouse gas emissions and policy on climate change. Since CDP6, the CDP has included the FT Global 500 – the largest companies in the world by market capitalization.

After the 2007 report, as for the previous two versions, the CDP compiled the Climate Leadership index, composed of the 50 companies in the FT500 assessed as having the best practices in terms of information on climate change.

Results in 2013: Based on its responses to the CDP questionnaire, which are available at www.cdproject.net, Renault was awarded a score of 96/100 and a B performance rating according to the A-to-D rating system introduced in 2010.

Note:

- Scope 1 concerns direct greenhouse gas emissions from sources owned or controlled by the company (boilers, furnaces, turbines, incinerators, engines, etc.), fuel combustion as part of transportation operations by or for the company (cars, commercial vehicles, aircraft, boats, trains, etc.) and physical or chemical processes (e.g., in cement manufacturing, cracking in petrochemical processing, aluminum smelting, etc.). More specifically at Renault, it concerns heating, refrigerants in air conditioning systems (line vehicles, plants), company cars (taxi pools), and vehicle trials on test tracks and benches;
- Scope 2 concerns greenhouse gas emissions from the generation by another party of electricity, heat, cooling or steam that is purchased and consumed by the company. This is often described as "purchased electricity," as it represents the main source of scope 2 emissions. Emissions generated by the electricity used for homeworking and data processing are included in scope 2;
- Scope 3 covers all other indirect emissions that occur from GHG sources that are not owned or controlled by the company.

2.6.2 INCLUSION IN SOCIALLY RESPONSIBLE INDEXES ✦

Renault is included in the following socially responsible indexes:

- Euronext-Vigéo Europe 120 lists companies that obtain the best aggregate scores in their category. These scores are arrived at by weighting the global score for each company's overall performance on all risk factors taken into account by Vigéo in the definition and assessment of corporate social responsibility;
- Euronext Vigéo Eurozone 120 lists the 120 companies in the eurozone that are most advanced in terms of social responsibility;
- ESI Excellence Europe, set up by the Ethibel agency, acquired by Vigeo. This index lists pioneering companies as well as those whose performance is average for their sector but that satisfy the financial criteria set out in the screening methodology;
- ECPI E. Capital Partners Indices, developed by investment advisory firm E. Capital Partners, list 150 of the most socially responsible companies among Europe's largest in terms of market capitalization;
- Global Challenges index, set up in 2007 by the German agency Oekom Research, lists 50 companies worldwide recognized for their contribution to sustainable development through their products and services and for initiatives related to the development of their businesses.

2.7 GRENELLE II CROSS REFERENCE TABLE

INFORMATIONS SOCIALES, ENVIRONNEMENTALES ET SOCIÉTALES CONFORMÉMENT À LA LOI GRENELLE 2 (ART.225-102 DU CODE DU COMMERCE)

THEMES		INDICATORS	SCOPE	RESULTS AND QUALITATIVE DATA
CORPORATE SOCIAL DATA				
	Employment			
	Total workforce and workforce breakdown by region, gender and age	Group workforce	Group	2.3.1
		Workforce by region	Group	2.3.1
		Workforce by gender	Group	2.3.1
		Workforce by age	Group	2.3.1
	Hires and redundancies	New hires	Group	2.3.1
		New hires by region	Group	2.3.1
		Redundancies	Group	2.3.1
Employment	Payroll expenditure and trends	Payroll expenditure by region	Group	2.3.1
		Payroll expenditure to revenues	Group	2.3.1
		Average payroll costs by region	Group	2.3.1
		Performance appraisal, career development and pay	Group	2.3.3
		Employee profit-sharing	Group	2.3.3
	Work organization			
Work organization	Organization of work time	Remote employees	France	2.3.1
	Absenteeism rate	Absenteeism rate	Group	2.3.3
	Training			
Training	Training policies	Dynamic competency management policy	Group	2.3.1
		Monitoring of jobs and skills management planning	France	2.3.1
		Expanding consultancy	Group	2.3.1
		Management quality	Group	2.3.2
		Talent development	Group	2.3.2
		Exchanges with Renault's partners	Group	2.3.2
	Total training hours	Total training hours	10 main countries	2.3.1
	Equal opportunity			
Equal opportunity	Policies to promote gender equality	Promotion of diversity	Group	2.3.2
		% of female managers	Group	2.3.2
		% of key positions held by women	Talent@Renault	2.3.2
	Policy on employment and integration of people with disabilities	% of disabled employees	10 main countries	2.3.2
	Anti-discrimination policy	% of key positions held by international profiles	Talent@Renault	2.3.2
		Youth and senior employment policy	Group	2.3.2

✦ Global Reporting Initiative (GRI) Directives

THEMES		INDICATORS	SCOPE	RESULTS AND QUALITATIVE DATA
	Health and safety			
Health and safety	Occupational health and safety	Prevention of psycho-social risk and occupational stress	Group	2.3.3
		Ergonomic rating of workstations in manufacturing	Group	2.3.3
		Road accident risk management	Group	2.3.3
		Occupational health and safety management system certification	Group	2.3.3
		Monitoring of the workplace environment policy	Group	2.3.3
	Agreements with trade unions or employee representatives on occupational health and safety	Description of the policy on workplace health, safety and environmental risk prevention covered by the global framework agreement	Group	2.3.4
	Workplace accidents (frequency and severity) and occupational illnesses	Workplace accidents (F1)	Group	2.3.3
		Workplace accidents with work days lost (F2)	Group	2.3.3
		Work days lost due to workplace accidents (G)	Group	2.3.3
		Occupational illness rate	Group	2.3.3
	Industrial relations			
Industrial relations	Organization of industrial relations, especially procedures on notification and consultation of employees and negotiations	Global framework agreement on social, societal and environmental responsibility	Group	2.3.4
		Internal communications	Group	2.3.4
	Collective agreements	No. of major agreements	10 main countries	2.3.4
		No. of major agreements	10 main countries	2.3.4
	Advancement of and compliance with fundamental conventions			
Advancement of and compliance with the fundamental standards of the International Labor Organization	Freedom of association and the right to collective bargaining	Global framework agreement on social, societal and environmental responsibility	Group	2.3
	Elimination of discrimination in employment and occupation	Global framework agreement on social, societal and environmental responsibility	Group	2.3
	Elimination of forced labor	Global framework agreement on social, societal and environmental responsibility	Group	2.3
	Elimination of child labor	Global framework agreement on social, societal and environmental responsibility	Group	2.3
ENVIRONMENTAL DATA				
Overall policy	Integrating environmental issues into the company organization	Clio III / Clio IV comparative Life Cycle Assessment ZOE Life Cycle Assessment	Group	2.4.2.1, 2.4.3.1, 2.4.3.2
	Environmental assessment and certification processes	**Manufacturing** No. and % of ISO 14001-certified manufacturing sites % of manufacturing sites covered annually by environmental and pollution prevention audits	Group Group	**Manufacturing** 2.4.3.2
		Vehicles % of 2013 sales that qualify for Eco2 % of vehicles in the range that have had an LCA	Europe	**Vehicles** 2.2.1.2 2.4.2
	Environmental information and training for employees	No. of employees trained in eco-driving	France	2.4.3.1
	Resources dedicated to preventing environmental risk and pollution	Human resources (no. of employees) Expenditure on Research and Advanced Engineering to reduce the environmental impact of the vehicles Expenditure on reducing the environmental impact of the sites	Group	2.4.3.1
	Provisions and guarantees for environmental risks	Amount of provisions	Group	Note 20 on provisions - 4.2.7.3

THEMES		INDICATORS	SCOPE	RESULTS AND QUALITATIVE DATA
	Pollution and waste management			
	Prevention, reduction and remediation of air, water and soil pollution with a severe environmental impact	**Manufacturing** COV, NOx, SO2 emissions % of production capacity equipped with water-soluble painting facilities % of production capacity equipped with VOC incinerators Discharges of toxic metals, organic compounds, suspended particulate matter No. of powertrain sites with zero industrial wastewater	Group Group Group Group Group	**Manufacturing** 2.4.2.5 (air), 2.4.2.7 (soil), 2.4.2.4 (water), 2.8.2.3 (appendice) **Vehicles** 2.4.2.5
	Prevention, recycling and elimination of waste	**Manufacturing** Quantity of waste generated by the plants (NHIW, non-metal NHIW, metal HIW, HIW), total and relative to no. of vehicles produced Waste by treatment type No. of sites with zero waste to landfill **Vehicles** No. of end-of-life vehicles (ELVs) dismantled by INDRA subsidiary % of sales in a country where Renault helps organize collection of end-of-life vehicles (ELVs)	Group Group Group France	**Manufacturing** 2.4.2.3, 2.8.2.3 (appendice) **Vehicles** 2.4.3.2
Pollution and waste management	Mitigation of noise and other types of pollution specific to an activity	**Vehicles** Approved noise pollution levels for the top-selling versions of each model in the range in Europe	Europe	2.4.2.8 and 2.8.2.4 (appendice)
	Sustainable resource use			
	Water consumption	Water consumption (total m3 and m3/vehicle produced) Water consumption by source	Group	2.4.2.4, 2.8.2.3 (appendice)
	Water supply depending on local constraints			2.4.2.4
	Commodity consumption	Quantity of steel, cast iron, aluminium and plastics used in vehicle production	Group	2.4.2.2
	Improving efficiency of resource use	Quantity of recycled steel, cast iron and aluminium used (Europe) Quantity of recycled plastics used (worldwide) % of recycled materials in vehicles produced in Europe % of recycled plastics in Captur	Europe Group Europe	2.4.2.2
	Energy Consumption	**Manufacturing** Energy consumption (total and per site) **Vehicles** Fuel consumption by (1) the top-selling versions and (2) the most efficient versions of each model in the range in Europe	Group Europe	**Manufacturing** 2.8.2.3 (appendice) **Vehicles** 2.3.2.1 & 2.8.2.4 (appendice)
	Improving energy efficiency	**Manufacturing** Energy consumption per vehicle produced **Vehicles** No. of models with embedded eco-driving aids	Group	**Manufacturing and vehicles** 2.4.2.1
	Renewable energy use	**Manufacturing** % of renewable energy (direct and indirect) in energy consumption of manufacturing sites **Vehicles** No. of models with an LPG version	Group	**Manufacturing and vehicles** 2.4.2.1
Sustainable resource use	Land use	% of water-tight areas	Group	2.4.2.7
	Climate change			
	Greenhouse gas emissions	**Manufacturing** Greenhouse gas (GHG) emissions, total and per site Direct and indirect GHG emissions GHG emissions by source **Vehicles** Average GHG emissions of the passenger-car range Approved emissions of (1) the top-selling versions and (2) the most efficient versions of each model in the range in Europe	Group Group Group Europe Europe	Manufacturing 2.4.2.1 and 2.8.2.3 (appendice) Vehicles 2.4.2.1 and 2.8.2.4 (appendice)
Climate change	Climate change adaptation			2.4.2.1
	Biodiversity			
Biodiversity	Developing biodiversity			2.3.2.9

THEMES		INDICATORS	SCOPE	RESULTS AND QUALITATIVE DATA
INFORMATION ON SOCIETAL COMMITMENTS TO SUSTAINABLE DEVELOPMENT:				
Local impact	Regional development		Group	2.5.1
	Residents and local populations		Group	2.2.5 & 2.5.1
Relations with stakeholders	Conditions for dialogue		Group	2.2
	Partnerships and sponsorship		Group	2.5.1 & 2.5.2
Relations with sub-contractors and suppliers	Inclusion of social and environmental issues in the purchasing policy	Dissemination of CSR standards across purchasing processes	Group	2.2.3
	Importance of sub-contracting and inclusion of CSR in relations with sub-contractors and suppliers	Monitoring suppliers' CSR performance	Group	1.5.2.1 & 2.5.3
Fair practices	Anti-corruption action		Group	3.1.3
	Consumer health and safety		Group	2.5.2.2
Other actions implemented				

2.8 APPENDICES

2.8.1 APPENDICES CONCERNING LABOR RELATIONS

Group savings and collective retirement plan

		NUMBER OF SUBSCRIBERS AT DEC. 31, 2013	ASSETS *(€ million)*	2013 PERFORMANCE *(%)*
Actions Renault Funds (Group savings plan)				
Actions Renault Fund [(1) (4)]	Almost 100% Renault shares	43,329	373.7	43.59
Renault Shares Fund [(2)]	Almost 100% Renault shares	9,771	76.9	43.60
Renault Italia Fund [(3)]	Almost 100% Renault shares	126	1.0	43.74
Diversified funds (Group savings plan and collective retirement savings plan)				
Impact ISR Performance [(4)]	100% European shares	5,940	35.9	19.31
Impact ISR Équilibre [(4)]	50% diversified shares 50% bonds	11,509	129.5	10.85
Impact ISR Rendement Solidaire [(4)]	30% diversified shares 30% bonds 30% cash 10% shared return	2,436	6.6	5.64
Expansor Taux (ex compart. 3) [(4)]	95% diversified bonds	10,287	76.0	0.98
Impact ISR Monétaire [(4)]	100% cash	6,217	23.2	0.10
Natixis Horizon Retraite (collective retirement savings plan) [(4) (5)]				
2015	Diversified	552	2,4	1.02
2020	Diversified	579	2.3	7.36
2025	Diversified	308	1.0	13.74
2030	International shares	296	0.9	16.63
2035	International shares	211	0.6	17.39
2040	International shares	203	0.4	17.57
2045	International shares	63	0.1	17.53
2050	International shares	29	NS	16.72

(1) Actions Renault Fund for French tax residents.
(2) Renault Shares Fund for tax residents outside France and Italy.
(3) Renault Italia Fund for Italian tax residents.
(4) Fund open for payments throughout the year.
(5) Funds whose maturity date corresponds to the planned date of the employee's departure.

2.8.2 APPENDICES CONCERNING THE ENVIRONMENT

2.8.2.1 COMMENTS ON THE METHODOLOGIES FOR SELECTING ENVIRONMENTAL INDICATORS FOR PRODUCTS

LIFE CYCLE ANALYSIS

Life cycle analyses are carried out by Renault according to the ISO 14040 and ISO 14044 standards. Renault uses the GaBi LCA (PE International) software and databases.

The life-cycle inventory describes all the elements that are taken into account in the life cycle analysis of a vehicle. These data are related to life-cycle stages, the vehicle's manufacture, its recycling, taking into account its usage phase:

- raw materials and manufacturing: each vehicle is described in Renault's internal databases on the basis of the raw materials that compose it. These data, coupled with those in the GaBi database, allow all phases of the extraction and processing of raw materials to be incorporated in the inventory. Data related to the manufacture of the vehicles in the life-cycle inventory come from the annual environmental reporting from the industrial sites, which is verified by Renault's statutory auditors;
- usage and maintenance phase: the usage phase is calculated for a period of ten years and for 150,000km. The certified emissions for the regulatory cycle are taken into consideration. In addition, impacts related to fuel consumption (diesel, gasoline or electric) are calculated from well to wheel, i.e., factoring in the emissions given off during the production of the fuel. In the usage phase, maintenance operations during the vehicle's life (new tires, etc.) are taken into account;
- end-of-life: emissions related to recycling processes are taken into account.

All potential impacts are calculated using the GaBi software.

CARBON FOOTPRINT

The purpose of determining Renault's carbon footprint is to measure and propel the reduction of greenhouse gas emissions in the Renault group. The following methodologies have thus been chosen:

- the carbon footprint is calculated for a vehicle. Consequently, the emissions from logistics and the powertrain plants are counted proportional to the number of vehicles produced by the Group. (Renault sells engines and gearboxes to other manufacturers and thus produces more mechanical components than it does vehicles);
- in the event of sales or acquisitions, the reference value (2010) is corrected to take into account the site's emissions at that date;
- the carbon footprint is calculated for a constant scope of emissions (the categories of emissions included do not change from one year to another, even though continual improvement in the reporting broadens the range of available data, particularly for scopes 1 and 2).

The carbon footprint for Renault doesn't include a prospectif dimension. The value retained for the carbon intensity of fuel and industrial processes is the one from the year release of the vehicle and doesn't vary during the lifecycle of the vehicle (10 years, 150,000 km).

The table below indicates the scope of emissions covered by the Renault Carbon Footprint indicator as well as the origin of the data used and the level of external verification applied. To facilitate understanding, the categories of the Renault Carbon Footprint are matched to those of the GHG Protocol.

CATEGORIES GHG PROTOCOL	CATEGORY RENAULT CARBON FOOTPRINT	SCOPE	SOURCE OF DATA
SCOPE 1		**DIRECT EMISSIONS**	
	Plants	Worldwide Industrial, tertiary, logistics sites, monitored by Renault (see appendix: Environmental indicators for the sites) Emissions from combustion of fuels only	Direct: Annual reporting by the sites *(Emissions from powertrain plants are corrected in proportion to the number of vehicles produced by the Group).*
SCOPE 2		**INDIRECT EMISSIONS**	
	Plants	Worldwide Industrial, tertiary, logistics sites, monitored by Renault (see appendix: Environmental indicators for the sites) Emissions from electrical energy only	Direct: Annual reporting by the sites *(Emissions from powertrain plants are corrected in proportion to the number of vehicles produced by the Group).*
SCOPE 3		**OTHER RELATED EMISSIONS**	
Goods and services purchased	Materials	Worldwide «Cradle to gate» emissions related to the extraction of materials and fuels, to the transformation of materials into parts, and to the logistics between the extraction and the tier 1 supplier site, in relation to the number of vehicles sold. Benefits from the use of recycled materials are deducted. The GaBi LCA databases on the carbon intensity from materials and parts are the same between 2010 and 2013.To take into account the progress made by the industry, we take the value of 1,4% per year for carbon intensity reduction for the production of materials and parts. This ratio is based on the analysis from the International Energy Agency.	Indirect: Gabi LCA database (emissions related to materials parts). GaBi LCA database V5: report Energy Technology Perspectives 2010 from the International Energy Agency (improvement of the intensity of production carbon). Direct: Renault design database (composition of vehicles, recycled materials)
Logistics and distribution (upstream)	Logistics	Worldwide All transport modes	Direct: Reporting on logistics activities *(Emissions from powertrain plants are corrected in proportion to the number of vehicles produced by the Group).*
Business travel	Travel	Worldwide All transport modes	Direct: Travel agency reporting and consumption at Renault-owned fuel stations
Daily transport for employees	Travel	France Emissions avoided by teleworking are taken into account.	Direct: Information provided by employees
Logistics and distribution (downstream)	Logistics	Worldwide All transport modes	Direct: Reporting on logistics activities *(Emissions from powertrain plants are corrected in proportion to the number of vehicles produced by the Group).*
Use of products sold	Usage	Worldwide All vehicles sold (passenger and light commercial) “Tank to wheel” emissions calculated for a 10-year life span/150,000km	Direct: Certification data technical definitions (for countries without CO_2 certification) Certification data are not corrected, regardless of the certification cycle used (the certification cycle chosen by each country is assumed to correspond to majority use)
Processing end-of-life products sold	End-of-life	Worldwide Emissions linked to the end of vehicle life. The Recycling of materials from vehicles enables to avoid the use of virgin material and associated emissions. The emissions avoided like this are subtracted from the carbon footprint.	Direct: technical definitions (materials in the vehicles) Indirect: Gabi LCA database (emissions by type of processing)
Leased vehicles (downstream)	Usage	Included in the category «Use of products sold» (vehicles under a leasing contract with or without a purchase option)	
Scope 3 GHG Protocol emissions not included in the Renault Carbon Footprint		*Plant and equipment; Fuels and energy not included in scopes 1 and 2; Waste generated; Leased vehicles (downstream); Franchises, Investments; Transformation of products sold (not significant)*	
OTHER INDIRECT EMISSIONS COUNTED IN THE RENAULT CARBON FOOTPRINT (OUTSIDE OF THE GHG PROTOCOL CATEGORIES)			
	Fuel	“Well to tank” emissions related to the production of fuels consumed by vehicles sold (extraction of oil, transport, refining; production of the electricity consumed by electric vehicles)	Indirect: JEC report

PART OF RECYCLED MATERIALS IN VEHICLES PRODUCED IN EUROPE

The indicator is calculated on the basis of a representative vehicle of the line-up produced in Europe.

For 2013 this vehicle is a Renault Mégane with a 1,6 L fuel engine.

The rate is calculated from the break-down of the vehicle in materials and the average rate of use of recycled materials with the European sector of material production. When the same material presents variable rates of recycled materials depending on the mode of production (flat steel versus long steel), the material breakdown of the vehicle is fine-tuned to take this into account.

2.8.2.2 METHOD USED FOR THE SITE ENVIRONMENTAL INDICATORS IN 2013 TABLE ✦

Reporting for the environmental indicators was conducted in accordance with the stipulations of the 2013 Environmental Protocol for Renault Sites. The following is an explanation of the main methodological choices of the Protocol. This Protocol is available on request from the Energy & Health, Safety, Environment department of Renault.

SCOPE

The scope of the reported data encompasses the industrial subsidiaries (body assembly, final assembly, powertrain and foundry) and the support sites (product and process design, logistics) in which Renault holds a stake of at least 50%. All impacts are attributed to Renault, with the exception of La Française de Mécanique (Douvrin site), a joint Renault/PSA subsidiary, in which Renault holds a 50% stake. Here, 15.9% of impacts were attributed to Renault in 2013 (compared with 16.4% in 2012), corresponding to the breakdown of industrial activity at the site. Impacts of suppliers or third parties present on site are not included, with the exception of the sites listed under the "Site environmental indicators in 2013" table.

The data for sites included in the scope of reporting in year Y are presented for information and are consolidated with those of other sites only from year Y+1. The Tangiers site is consolidated for the first time in 2013.

Data from Gaia is taken into account at sites where Gaia operates, except the site of Choisy-le-Roy (France), where the waste from Gaia is recorded separately.

The drinking water production and Davidesti waste storage activity at the Pitesti site (Dacia) was removed from the reporting scope. The data is shown for information purposes.

PROCEDURES FOR CONTROLLING AND CONSOLIDATING DATA

Experts from the Production Engineering Department (Energy & Health, Security, Environment office and the Painting department) check the consistency of data at each site. These checks include a comparison with data from previous years and an analysis of the impact of events occurring on site during the year.

The environmental data as presented in the Registration document is also verified by the statutory auditors, Ernst & Young Audit and Deloitte & Associés. Their conclusions are set out in the report at the end of the document.

WATER CONSUMPTION ✦

Water consumption is expressed in thousands of cubic meters (m^3).

Measured volumes include water obtained by pumping (underground and surface water) and/or external networks (drinking water, industrial water). Collected rainwater (RTR Titu, Giheung, Guyancourt, Maubeuge, Flins) is also included.

At Busan, the Delivery Dispatch Center and employee housing have been excluded from energy and water indicators.

LIQUID EFFLUENTS ✦

Data on pollutant flows are based on measurements of effluents after they have been treated in the plants and before they are discharged to the outside. Discharges from some plants may subsequently be treated in municipal treatment plants (see plant codes).

Under the Reporting Protocol, the frequency of discharge analysis must comply with the regulations applicable to the Renault sites.

The quantity of COD represents the flow of suspended solids discharged, expressed in tons per year.

The quantity of OM represents the flow of oxidizable matter discharged, expressed in tons per year.

The quantity of toxic metals is the total flow of toxic metals discharged, weighted by a toxicity coefficient. This quantity, expressed in tons per year, is calculated as follows:

Toxic metals = 5 flows (Ni+Cu)+10 flows (Pb+As)+1 flow (Cr+Zn)+50 flows (Hg+Cd).

The data presented in the table take into account only those flows of metals, SS and OM that by law must be measured.

Where regulations do not require such measurements, the reported value is indicated as "not applicable". There is no legal requirement to measure the flows at Tangiers, Bursa, Casablanca (Somaca) sites or the Ayrton Senna complex at Curitiba. However, in view of the significant contribution of these plants' emissions to the Group's impacts, these flows have been measured and included in the scope of the environmental reporting.

Black water discharges, for which there is no regulatory measurement and/or reporting obligation, are not included in the water discharges. This exclusion concerns around 29% of employees, mainly from the engineering, logistics and support sites.

The flow calculation methods are not applied to the Douvrin (FM), Moscow (Avtoframos) and Factoria Santa Isabel sites, since they have special characteristics.

The significant annual variations of these flows observed at certain manufacturing sites (Curitiba, Sofasa, Somaca, Factoria Santa Isabel, Choisy-le-Roi, Lardy and Ruitz) are due to the limited frequency of regulatory measurement, which results in some uncertainty with regard to the reliability of consolidated data, in particular for Suspended Solids (SS) and Oxidizable Matter (OM).

ATMOSPHERIC EMISSIONS ✦

The atmospheric emissions of volatile organic compounds (VOC) included in the data are the emissions produced when bodywork is painted (body assembly plants). The painting of accessories is not taken into account; to date the corresponding VOC emissions have not been measured.

The indicator shown corresponds to the ratio of VOC emissions per m^2 of painted vehicle. The consolidated figure for the Group is equivalent to the total VOC emissions generated by the body assembly plants divided by the total surface area painted.

Atmospheric discharges of SO_2 and NO_x not counted are the emissions from the combustion of fossil fuels in installations at all sites, excluding on-site transport.

Emissions generated by engine tests are not taken into account, since the SO_2 emissions are insignificant and NO_x emissions are difficult to calculate (unreliable assessment method).

Greenhouse gas (GHG) discharges include the direct and indirect GHG emissions and are expressed in metric tons of carbon dioxide equivalent.

Greenhouse gas (GHG) direct emissions are extracted from an inventory of GHG sources conducted in 2004 and updated in 2011. Following this inventory, Renault modified its guidelines to better reflect the total emissions of the Renault group and to comply with the recommendations of the GHG Protocol and the French protocol developed by *Entreprises pour l'Environnement*.

Emissions from the following sources were included:

- combustion of fossil fuels transported to the site and those transformed by the site for third parties;
- coolant fill-up of the air conditioning systems fitted in vehicles produced by the plant;
- fuel consumption during testing of engines, gearboxes and trials on the test track and test benches of non-TCM vehicles;
- forklift trucks using compressed natural gas or propane;
- fuel consumption relating to Renault's company vehicles (taxi pools, shuttles, service vehicles, handling equipment, etc.);
- coolant leaks from air conditioning systems and processes on site (in the European Union only).

These emissions make up more than 95% of the GHG direct emissions produced by the Renault group.

The following emission sources have been excluded from the reporting scope, since the corresponding emissions are not significant (less than 1% of total GHG direct emissions):

- air conditioning on site (outside the European Union);
- solvent incineration;
- tests on TCM vehicles leaving the assembly line (roller bench tests).

It is not yet possible to correctly assess certain emissions, so the following are not included in the reporting scope:

- emissions linked to onsite transport, excluding forklift trucks using compressed natural gas, propane or diesel and excluding Renault's company vehicles (particularly deliveries from road hauliers external to the Renault group);
- fugitive emissions occurring when tanks of coolant (for vehicle air conditioning systems) are filled and emptied.

Greenhouse gas (GHG) indirect discharges are related to purchased electricity, steam and hot water. The emission factors used for the 2013 reporting are:

- for electricity, International Energy Agency (IEA) data, last updated in March 2013;
- for steam and hot water; data calculated on the basis of information transmitted by the suppliers.

Certain emissions from the foundry activity are not reported, but emissions from fossil fuel combustion in the foundries are taken into account.

The emission factors used to calculate SO_2, NO_x and GHG emissions comply with the French government Order of October 31, 2012, concerning the inspection and measurement of emissions reported in the EU Emissions Trading Scheme as well as in the CITEPA network's OMINEA national inventory report, updated in February 2013.

The emission factor from fixed combustion installations of low NO_x Natural Gas was calculated in 2011, based on an internal study of 88% of sites in the scope having low NO_x burners. The factor thus obtained (0.0266kg/MWh NCV) is the average of the factors obtained at each site weighted by the power of the installations.

WASTE ✦

The waste reported is the waste that leaves the site's geographical scope; the quantities are expressed in tons.

The waste reported includes hazardous waste (HW), non-hazardous waste (OIW), and construction site waste.

For the sake of clarity, non-hazardous waste is presented in two sub-categories:

- metallic waste from production processes (scrap metals, machining chips, etc.);
- non-metallic waste (mixed ordinary waste, for example).

Construction waste from Renault sites is not reported unless a contractual clause explicitly states that the construction company is not responsible for it.

ENERGY CONSUMPTION ✦

This metric represents the quantity of gas, heating oil, steam, hot water, and electricity consumed at Renault sites, expressed in MWh LHV. However, the data indicated does not include the propane used by forklift trucks or the fuel consumed by the site (engine and gearbox testing, Company vehicles).

The primary or converted energy supplied to third parties is not included. The purpose of the energy consumption indicators is to reflect the energy performance of Renault's manufacturing processes.

The lower heating values (LHV) are in line with the CITEPA network's OMINEA national inventory report (updated in February 2013) and the French government Order of October 31, 2012, concerning verification, except for the LHV of natural gas burnt in Spanish plants (Spanish national inventory of greenhouse gases 1990-2009). The LHVs are consistent with the emissions reported in the EU Emissions Trading Scheme.

✦ Global Reporting Initiative (GRI) Directives

2.8.2.3 SITE ENVIRONMENTAL INDICATORS IN 2013 TABLE ✦

	LIQUID DISCHARGES					AIR EMISSIONS				WASTE, EXCLUDING WASTES FROM CONSTRUCTION SITES (18)				ENERGY
2013 ENVIRONMENTAL INDICATORS (1)	WATER CONSUMPTION *in thousands of m³*	TREATMENT PLANT	SS *in ton/year*	COD *in ton/year*	TOXIC METALS *in ton/year*	GHG *in t CO_2eq*	VOC *in g/m²*	SO_2 *in tons*	NO_x *in tons*	TOTAL NHW *in tons*	O/W NON METALIC WASTE *in tons*	O/W METALLC WASTE *in tons*	TOTAL HW *in tons*	ENERGY CONSUMPTION *in MWH NCV*
MANUFACTURING SITES														
BODYWORK-ASSEMBLY PLANTS														
Batilly (SOVAB) (2)	226.6	PB	1.4	9.4	0.2	39,666.8	47.4	0.3	33.15	2,426.7	1,896.7	530.0	1,633.9	230,207.4
Casablanca (Somaca) (17)	150.4	-	67.4	116.6	2.3	30,737.2	92.2	0.3	5.39	10,968.4	10,165.4	803.0	679.2	64,471.1
Cordoba Santa Isabel (14)	284.8	PU	5.0	13.9	0.2	43,853.2	86.0	0.2	21.31	22,297.7	9,976.9	12,320.8	1,077.6	143,657.3
Dieppe	7.0	U	n/a	n/a	n/a	4,563.7	59.2	0.0	2.83	634.2	631.5	2.7	233.9	24,281.2
Douai (8)	349.2	PB	5.0	16.4	0.5	50,884.4	24.1	0.3	39.60	47,751.3	2,440.3	45,311.0	1,538.2	254,715.2
Flins (10)	996.1	PB	9.6	19.4	0.3	50,051.2	39.2	0.3	26.19	57,362.0	4,633.0	52,729.0	1,879.3	350,667.8
Maubeuge	257.1	PB	1.3	5.8	0.2	34,580.0	35.7	0.3	29.78	32,627.0	1,892.0	30,735.0	1,537.9	202,376.2
Envigado (Sofasa)	184.1	PU	4.6	65.4	0.3	10,053.9	66.1	0.0	4.82	11,430.9	11,023.0	407.9	361.3	39,985.4
Moscou (Avtoframos)	582.6	PU	49.1	138.5	0.5	74,939.8	71.5	0.2	30.26	23,569.2	22,884.8	684.4	2,368.1	280,944.0
Novo Mesto	160.6	PU	0.7	29.8	0.0	32,282.9	47.2	0.1	15.57	21,513.7	1,552.3	19,961.4	530.1	113,284.1
Palencia (11)	316.2	PB	1.3	11.0	0.2	34,597.5	25.9	0.2	24.76	24,616.4	1,657.9	22,958.5	1,138.5	153,371.6
Sandouville (13)	176.9	PB	0.8	7.3	0.1	23,048.2	41.9	0.2	18.47	5,833.0	1,187.0	4,646.0	1,067.0	170,415.3
Valladolid Carrosserie	86.8	PU	0.4	5.0	0.1	18,170.6	n/a	0.1	11.00	55,501.5	768.5	54,733.0	385.0	80,852.9
Valladolid Montage	302.441	PU	3.8	19.9	0.7	38,987.9	25.4	0.3	29.86	4,796.0	3,260.3	1,535.7	1,678.0	176,219.9
Tanger	337.622	PU	n/a	n/a	n/a	3,636.4	36.7	0.1	2.01	32,460.8	5,934.8	26,526.0	2,144.2	165,256.5
POWERTAIN PLANTS														
ACI Villeurbanne	8.0	U	n/a	n/a	n/a	3,218.2	n/a	0.0	2.47	2,520.5	141.5	2,379.0	70.7	22,411.7
Cacia (5)	97.9	PB	3.3	17.1	0.0	14,440.9	n/a	0.0	0.54	6,016.0	616.0	5,400.0	1,032.2	55,595.6
Choisy-le-Roi (6)	15.0	PU	1.2	5.5	0.0	1,958.1	n/a	0.0	1.84	2,310.8	332.8	1,978.0	157.0	11,128.5
Cléon (7)	1,057.3	PU	5.8	188.4	0.1	44,071.2	n/a	0.2	23.97	23,726.3	2,747.3	20,979.0	5,394.8	350,405.2
Douvrin (FM) (9)	73.1	PU	1.2	33.8	0.0	4,444.8	n/a	0.0	2.15	2,626.7	241.7	2,385.0	258.1	38,719.3
Le Mans	1,968.0	P	33.6	42.7	0.1	31,018.8	n/a	0.2	12.18	33,151.9	18,117.9	15,034.0	1,165.3	232,063.2
Los Andes	21.9	U	n/a	n/a	n/a	8,127.9	n/a	0.1	1.14	3,065.0	627.0	2,438.0	1,716.0	22,840.9
Ruitz (STA)	28.1	U	0.8	2.8	0.0	5,978.1	n/a	0.0	3.86	2,488.7	242.4	2,246.3	449.2	47,264.1
Séville	109.2	PU	1.3	36.3	0.0	25,588.7	n/a	0.0	5.50	7,610.5	603.5	7,007.0	3,318.1	96,082.0
Valladolid Motores (15)	149.9	PU	n/a	n/a	n/a	43,924.9	n/a	0.1	10.76	23,513.0	2,206.0	21,307.0	3,284.0	183,766.4
MIXED PLANTS														
Bursa (3)	484.6	PBU	34.1	30.2	1.0	96,247.7	35.3	0.3	30.71	68,432.8	9,360.8	59,072.0	2,327.9	283,258.5
Busan (RSM) (4)	472.5	PBU	0.5	5.4	0.3	75,593.0	29.4	0.2	20.22	21,578.6	3,873.6	17,705.0	1,606.2	218,757.7
Curitiba Complexe Ayrton Senna	592.708	PU	69.1	364.1	0.9	49,161.1	46.0	0.2	32.59	66,083.3	22,580.9	43,502.4	4,347.9	275,983.4
Dacia Automobile (12)	1,154.223	PU	109.0	402.0	0.3	183,874.5	39.6	3.2	53.43	192,477.4	20,061.4	172,416.0	7,344.8	553,582.1
FOUNDRIES														
Cordoba Fonderie Aluminium	15.1	U	n/a	n/a	n/a	5,787.7	n/a	0.0	4.05	242.5	221.6	20.9	4,387.3	22,809.7
Fonderie de Bretagne	105.5	PU	0.2	1.3	0.0	10,846.7	n/a	0.0	4.34	16,108.7	11,538.5	4,570.2	967.3	101,964.4
Tandil	46.303	U	n/a	n/a	n/a	9,739.1	n/a	0.0	1.68	4,640.5	4,640.5	0.0	92.2	29,136.3
TOTAL	**10,818**		**410.6**	**1,587.9**	**8.3**	**1,104,075.4**	**43.7**	**7.6**	**506.4**	**830,381.8**	**178,057.6**	**652,324.2**	**56,171.2**	**4,996,474.8**

			LIQUID DISCHARGES			AIR EMISSIONS				WASTE, EXCLUDING WASTES FROM CONSTRUCTION SITES [18]				ENERGY
2013 ENVIRONMENTAL INDICATORS [1]	**WATER CONSUMPTION** *in thousands of m³*	**TREATMENT PLANT**	**SS** *in ton/year*	**COD** *in ton/year*	**TOXIC METALS** *in ton/year*	**GHG** *in t CO_2eq*	**VOC** *in g/m²*	**SO_2** *in tons*	**NO_x** *in tons*	**TOTAL NHW** *in tons*	**O/W NON METALIC WASTE** *in tons*	**O/W METALLC WASTE** *in tons*	**TOTAL HW** *in tons*	**ENERGY CONSUMPTION** *in MWH NCV*
ENGINEERING, LOGISTICS AND SUPPORT SITES														
Aubevoye	29.881	U	n/a	n/a	n/a	16,621.9	n/a	0.0	1.22	1,360.7	246.7	1,114.0	75.3	25,991.5
Boulogne (head office and other entities)	52.592	U	n/a	n/a	n/a	6,489.3	n/a	0.0	2.09	548.4	541.4	7.0	54.2	33,644.9
Cergy-Pontoise	13.001	U	n/a	n/a	n/a	4,831.4	n/a	0.0	0.76	2,007.4	1,832.4	175.0	160.5	22,482.4
DACIA logistics centre CKD	6.051	U	n/a	n/a	n/a	3,733.0	n/a	0.0	0.43	2,326.0	2,218.0	108.0	0.1	8,364.9
Giheung (RSM)	57.859	B	n/a	n/a	n/a	14,293.8	n/a	0.0	0.87	390.0	296.0	94.0	426.4	29,652.6
Grand-Couronne	5.634	U	n/a	n/a	n/a	3,055.8	n/a	7.6	5.20	1,097.5	952.5	145.0	39.2	11,021.2
Guyancourt	166.41	U	n/a	n/a	n/a	26,989.3	n/a	0.1	7.17	1,939.0	1,690.8	248.2	222.1	148,454.8
Heudebouville (Renault Tech)	0.79	U	n/a	n/a	n/a	356.1	n/a	0.0	0.26	127.2	113.7	13.5	3.3	1,795.5
Lardy	124.424	U	7.1	20.5	0.0	19,711.1	n/a	0.1	4.21	433.7	353.7	80.0	466.9	106,323.4
Rueil-Malmaison	13.969	U	n/a	n/a	n/a	3,751.0	n/a	0.0	0.79	366.0	256.7	109.3	41.2	16,923.0
Saint-André-de-l'Eure	6.326	U	0.7	2.5	0.0	1,298.4	n/a	0.0	0.49	1,214.2	1,203.2	11.0	0.7	7,043.3
Titu	36.28	U	n/a	n/a	n/a	8,764.1	n/a	0.0	0.71	302.3	166.3	136.0	25.6	21,695.4
Valladolid Central Services	42.525	U	0.3	0.4	0.0	5,885.2	n/a	0.1	2.59	547.1	422.9	124.2	68.1	19,942.5
Villeroy (DLPA)	7.964	U	n/a	n/a	n/a	1,867.1	n/a	0.0	0.53	2,039.9	1,917.9	122.0	6.4	13,528.7
Villiers-Saint-Frédéric	9.683	U	n/a	n/a	n/a	3,242.5	n/a	0.0	0.56	194.0	180.4	13.6	13.5	16,056.6
TOTAL	**573.39**		**8.10**	**23.41**	**0.03**	**120,890.00**	**n/a**	**8.18**	**27.87**	**14,893.40**	**12,392.60**	**2,500.80**	**1,603.41**	**482,920.81**
GROUP TOTAL 2013	**11,391.2**		**418.7**	**1,611.3**	**8.3**	**1,224,965.4**	**43.7**	**15.8**	**534.3**	**845,275.2**	**190,450.2**	**654,825.0**	**57,774.6**	**5,479,395.6**
GROUP TOTAL 2012[16] [18]	**11,538.6**		**386.6**	**1,897.6**	**8.9**	**1,193,243.6**	**43.1**	**11.6**	**513.2**	**857,472.2**	**230,995.0**	**608,049.4**	**57,840.8**	**5,177,690.0**
THE SITES NOT INCLUDED IN THE REPORTING SCOPE FOR INFORMATION PURPOSES:														
Dacia Drinking water production site	208.7	U	4.50	0.58	0.01	615.09	n/a	0.00	0.02	n/a	n/a	n/a	n/a	1,612.00
Dacia Davidesti waste storage facility	0.3	PB	0.08	0.28	0.00	17.33	n/a	0.00	0.00	n/a	n/a	n/a	n/a	41.96

n/a: not applicable (see comments on methodology)
nm: not measured.
Plant codes (waste water treatment methods): P: Physical-chemical; B: Biological; U: Urban;
SS: Suspended Solids;
COD: Chemical Oxygen Demand;
Toxic Metals: total flow of metals to which a coefficient of toxicity is applied (arsenic 10, cadmium 50, copper 5, mercury 50, nickel 5, lead 10, zinc 1, chrome 1);
GHG: Greenhouse gases (direct and indirect);
VOC: volatile organic compounds;
NHW: non-hazardous waste;
HW: hazardous waste.

(1) All the impacts arising from employee catering facilities are included in the data for the Renault sites.
(2) Liquid discharges from the Batilly (SOVAB) plant include those of the Industrial Supplier Park and the Compagnie d'Affrètement et de Transport (CAT) as well as the waste of the Industrial Supplier Park.
(3) Water consumption at the Bursa site includes that of the Industrial Supplier Park.
(4) The Welfare Center of the Busan site is excluded from the impacts.
(5) All the impacts of the Industrial Supplier Park are included in Cacia plant data.
(6) For Choisy-le-Roi, the waste from Gaïa is excluded
(7) The Cléon site includes that of the Fonderie de Normandie (FDN)
(8) The liquid discharges from the Douai site include those of the Industrial Supplier Park and all the impacts of the Delivery Dispatch Center.
(9) The Douvrin (Française de Mécanique) site is a joint Renault/PSA subsidiary. The proportion of impacts attributed to Renault is calculated through a breakdown of the site's industrial activity between Renault and PSA. Renault' share was 15.9% in 2013.
(10) Water consumption at the Flins site includes that of the Spare Parts Distribution Center as well as the environmental impacts of Gaïa.
(11) Water consumption at the Palencia site includes that of the Industrial Supplier Park.
(12) Liquid discharges at the Pitesti site (Dacia) include those of the Industrial Supplier Park.
(13) Water consumption and liquid discharges at the Sandouville site includes those of the Industrial Supplier Park.
(14) Liquid discharges from the Santa Isabel Cordoba plant include those of the Compagnie d'Affrètement et de Transport (CAT), the Delivery Dispatch Center and the Parts and Accessories Department and the ILN (Logistics center).
(15) Liquid discharges from the Valladolid engine plant are aggregated with those from the Valladolid Montage.
(16) The total impacts for the previous year are mentioned for information on the certified scope of the year. The 2013 Group indicators take into account the Tangiers plant, reported in 2012 for probationary purposes only.
(17) Liquid discharges from the Casablanca (Somaca) plant include those of an industrial complex, not operated by Renault, close to the site.
(18) From FY 2013 on, the waste indicators do not take into account wastes from construction sites, which are not directly related to the activity of the Group. Because of this methodology change, the 2013 indicators cannot be diretly compared with previous year's indicators. For an isoperimetric comparison, please refer to chapter 2.4.2.3.

2.8.2.4 ENVIRONMENTAL INDICATORS FOR PRODUCTS ✦

ENVIRONMENTAL CARACTERISTICS FOR THE BEST-SELLING VEHICLES IN EUROPE (27 COUNTRIES) IN 2013

		BEST SELLING VERSION						LOWEST CO_2 EMITTING VERSION				
MODEL	G: GASOLINE D: DIESEL E85: ETHANOL E: ELECTRIC	EMISSION STANDARDS	EXTERNAL NOISE DB (A)	ENGINE	FUEL COMSUMPTION NEDC, L/100 KM	EMISSIONS	SIGNATURE	EMISSION STANDARDS	ENGINE	FUEL COMSUMPTION NEDC, L/100 KM	EMISSIONS	SIGNATURE
RENAULT BRAND												
Twingo 2	G	Euro 5	71.4	1.2 16v	4.5	105	Eco^2	Euro 5	1.2 16v	4.5	102	Eco^2
	D	Euro 5	71.8	dCi 85	3.3	85	Eco^2	Euro 5	dCi 85	3.3	85	Eco^2
ZOÉ	E		70.0	5AM	0.0	0.0	-		5AM	0.0	0.0	-
Wind	G	Euro 5	72.1	1.2 16v	6.0	139	-	Euro 5	1.2 16v	6.0	139	-
Clio Campus	G	Euro 5	70.0	1.2 16v	5.7	133	-	Euro 5	1.2 16v	5.7	133	-
Clio 3	G	Euro 5	72.5	1.2 16v	5.8	135	-	Euro 5	1.2 16v	5.1	119	Eco^2
	D	Euro 5	71.4	dCi 75	3.8	99	Eco^2	Euro 5	dCi 90	3.4	89	Eco^2
	E85	Euro 5	73.2	1.2 16v	8.3	133	-	Euro 5	1.2 16v	8.3	133	-
	GPL	Euro 5	73.2	1.2 16v	7.6	121	-	Euro 5	1.2 16v	7.6	121	-
Clio 4	G	Euro 5	72.3	1.2 16v 75	5.5	127	-	Euro 5	Energy TCE 90	4.2	95	Eco^2
	D	Euro 5	73.5	Energy dCi 90	3.4	90	Eco^2	Euro 5	Energy dCi 90 83g	3.2	83	Eco^2
	GPL	Euro 5	72.0	1.2 16v 75 GPL	7.2	116	Eco^2	Euro 5	1.2 16v 75 GPL	7.2	116	Eco^2
Captur	G	Euro 5	71.8	Energy TCE 90	4.9	113	Eco^2	Euro 5	Energy TCE 90	4.9	113	Eco^2
	D	Euro 5	71.0	Energy dCi 90	3.6	95	Eco^2	Euro 5	Energy dCi 90	3.6	95	Eco^2
Megane 3	G	Euro 5	70.8	Energy TCE 115	5.3	119	Eco^2	Euro 5	Energy TCE 115	5.3	119	Eco^2
	D	Euro 5	72.8	Energy dCi 110	3.5	90	Eco^2	Euro 5	Energy dCi 110	3.4	88	Eco^2
Fluence	G	Euro 5	74.0	1.6 16v 110	6.8	155	-	Euro 5	2.0 140	6.4	149	-
	D	Euro 5	69.5	dCi 110 EDC	4.40	114	Eco^2	Euro 5	dCi 110	4.4	114	Eco^2
	E	Euro 5	69.0	5AM	0.0	0.0	-	Euro 5	5AM	0.0	0.0	-
Scénic	G	Euro 5	70.8	Energy TCE 115	5.9	135	-	Euro 5	Energy TCE 115	5.9	135	-
	D	Euro 5	71.0	Energy dCi 110	4.1	105	Eco^2	Euro 5	Energy dCi 110	4.1	105	Eco^2
	GPL	Euro 5	73.5	1.6 16v	10.1	162	-	Euro 5	1.6 16v	10.1	162	-
Laguna 3	G	Euro 5	71.0	2.0 16v	7.5	173	-	Euro 5	2.0 16v	7.5	173	-
	D	Euro 5	72.3	dCi 110	4.2	109	Eco^2	Euro 5	dCi 110	4.2	109	Eco^2
	E85	Euro 5	71.0	2.0 16v	10.7	171	-	Euro 5	2.0 16v	10.7	171	-
Latitude	D	Euro 5	72.0	Energy dCi 150	5.0	129	-	Euro 5	Energy dCi 150	4.7	125	-
	E85	Euro 5	74.0	2.0 140	10.7	172	-	Euro 5	2.0 140	10.7	172	-
Koleos	G	Euro 5	74.0	2.5 16v	9.5	220	-	Euro 5	2.5 16v	9.3	214	-
	D	Euro 5	73.0	dCi 150	5.7	147	-	Euro 5	dCi 150	5.7	147	-
Espace 4	G	Euro 5	70.7	2.0 16v Turbo	8.5	198	-	Euro 5	2.0 16v Turbo	8.5	198	-
	D	Euro 5	71.7	dCi 150	5.0	150	-	Euro 5	dCi 150	5.0	150	-
Kangoo 2	G	Euro 5	73.3	1.6 16v	7.7	180	-	Euro 5	Energy TCE 115	6.1	140	-
	D	Euro 5	72.2	dCi 90	4.6	119	Eco^2	Euro 5	Energy dCi 90	4.3	112	Eco^2
	E85	Euro 5	73.3	1.6 16v	10.6	170	-	Euro 5	1.6 16v	10.6	170	-
Trafic	D	Euro 5	72.8	dCi 115	7.3	190	-	Euro 5	dCi 115 BVR	6.5	171	-
Master	D	Euro 5	72.9	2.3 dCi	7.2	190	-	Euro 5	2.3 dCi	6.7	176	-

		BEST SELLING VERSION						LOWEST CO_2 EMITTING VERSION				
MODEL	G: GASOLINE D: DIESEL E85: ETHANOL E: ELECTRIC	EMISSION STANDARDS	EXTERNAL NOISE DB (A)	ENGINE	FUEL COMSUMPTION NEDC, L/100 KM	EMISSIONS	SIGNATURE	EMISSION STANDARDS	ENGINE	FUEL COMSUMPTION NEDC, L/100 KM	EMISSIONS	SIGNATURE
DACIA BRAND												
Sandero 2	G	Euro 5	72.1	1.2 16V 75	5.8	135	-	Euro 5	TCE 90	5.0	116	Eco²
	D	Euro 5	72	dCi 90	4.0	105	Eco²	Euro 5	dCi 75	3.8	99	Eco²
	GPL	Euro 5	72.1	1.2 16V 75 GPL	7.5	120	Eco²	Euro 5	1.2 16V 75 GPL	7.5	120	Eco²
Logan 2	G	Euro 5	72.1	1.2 16V 75	5.8	135	-	Euro 5	TCE 90	5.0	116	Eco²
	D	Euro 5	71.5	dCi 90	3.8	99	Eco²	Euro 5	dCi 90	3.8	99	Eco²
	GPL	Euro 5	72.1	1.2 16V 75 GPL	7.5	120	Eco²	Euro 5	1.2 16V 75 GPL	7.5	120	Eco²
Logan 2 MPV	G	Euro 5	71.8	TCE 90	5.0	116	Eco²	Euro 5	TCE 90	5.0	116	Eco²
	D	Euro 5	71.5	dCi 90	3.8	99	Eco²	Euro 5	dCi 90	3.8	99	Eco²
Duster	G	Euro 5	73.2	1.6 16V	7.1	165		Euro 5	TCE 125	6.3	145	-
	D	Euro 5	72	dCi 110	5.0	130	-	Euro 5	dCi 90	4.7	123	-
	GPL	Euro 5	73.2	1.6 16V 105 GPL	9.0	145	-	Euro 5	1.6 16V 105 GPL	9.0	145	-
Lodgy	G	Euro 5	72.3	TCE 115	6.0	135	-	Euro 5	TCE 115	5.7	131	-
	D	Euro 5	72.0	dCi 90	4.2	109	Eco²	Euro 5	dCi 90	4.2	109	Eco²
Dokker	G	Euro 5	72.3	TCE 115	5.8	135	-	Euro 5	TCE 115	5.8	135	-
	D	Euro 5	72.6	dCi 75	4.5	118	Eco²	Euro 5	dCi 75	4.5	118	Eco²

2.8.3 APPENDICES CONCERNING SOCIAL COMMITTMENT

2.8.3.1 METHODOLOGY USED FOR KEY SOCIAL REPORTING FIGURES

A. IDENTIFYING INITIATIVES

The information included in the comprehensive reporting of social initiatives is collected from a network of correspondents covering all countries in which Renault operates. This information:

- covers all four themes of the CSR policy: education, diversity, sustainable mobility, road safety and "other" (humanitarian aid, culture, sports, health, etc.);
  - the purpose of each initiative determines the category to which it is assigned. For example, donating a vehicle to help keep children from dropping out of school would be classified under "education."
- is segmented into three categories corresponding to the recommendations of the LBG (London Benchmarking Group): charitable gifts, community investment, commercial initiatives;
  - **Charitable** gifts are a mostly intermittent response to the needs and appeals of charitable and community organizations. They do not fit into the community investment strategy (see below) because of the area they target or their geographic scope,
  - **Community** investment describes the involvement in local partnerships to address a limited range of social issues chosen by the company to protect its long-term interests and enhance its reputation,
    - the contribution should address at least one of the four key focuses (diversity, education, road safety, sustainable mobility) in a strategic region (Group presence). There should be no direct commercial interest; or
    - the contribution addresses another issue viewed as strategic at the local level, with no direct commercial interest.
  - **Commercial initiatives**, in partnership with charities and/or community-based organizations, aim to meet local needs or expectations, while supporting the success of the company by promoting the brand and its strategy.
- includes information resulting from the website which centralizes support requests submitted by charities (see chapter 2.5.1).

B. ASSESSING THE INVESTMENT IN THE INITIATIVES

The following are included in the calculations:

- annual allocations to the Group's Foundations for their CSR activities, broken down by specific initiative;
- the budget for the corporate CSR department allocated to the programmes relating to the four themes;
- the percentage of payroll costs associated with implementation of the Foundation's and Corporate department's CSR programmes.

The investment associated with each initiative is calculated as follows:

- for items donated from inventory – their inventory value;
- for equipment that has been decommissioned or is to be scrapped – its residual value (which in most cases will be zero);
- for a new vehicle donated from inventory – its cost;
- for the loan of a vehicle – application of an average monthly cost, all vehicles combined (calculation below), times the number of months it is made available;
- for time spent by group employees to organize and implement the identified activities:
  - the amounts are reported in the country in which the expense is incurred.
  - the amounts reported do not incorporate any patronage-related tax credits.

Calculation of the monthly rate for a vehicle loan:

The average length of time a vehicle is garaged by corporate management, the entity tasked with managing the Company's vehicles, including those supplied to our commercial and non-profit partners, is estimated at 24 months.

Based on a B segment vehicle, a Renault Clio or equivalent, the Sales and Marketing department France estimates the final cost to the Company at €7,220 for this time period, or a monthly cost of €301.

The average cost of a vehicle's Registration document is €500. Spread over 24 months, its monthly cost is €21.

The average company car tax paid by Renault is €870 per year per vehicle, or €73 per month.

The average cost of supplying a vehicle is therefore **€395 per month**.

Calculation of daily rate for employees:

- number of days worked in the year = (average annual hours worked/length of work week)* 5, or 230 days;
- average annual cost = Payroll costs (see chapter 2.3.1.2)/Total workforce (see chapter 2.3.1.1);
- average daily rate applied = Average annual cost/no. of days worked, or **€197/day**.

* *Source: http://stats.oecd.org*

2.8.3.2 SUMMARY TABLES OF KEY SOCIAL REPORTING FIGURES

In the following tables, the “Other” theme covers social initiatives in the following fields: humanitarian aid, culture, health, sports and miscellaneous.

Number of initiatives by theme and by geographic region

		REGION				
THEME	NO. OF ACTIONS	EUROPE	AMERICAS	ASIA-PACIFIC	EURASIA	EUROMED-AFRICA
TOTAL	**329**	**177**	**74**	**33**	**10**	**35**
Diversity	66	43	12	3	3	5
Education	58	28	14	3	0	13
Safety	77	43	14	9	3	8
Sustainable mobility	35	22	7	4	1	1
Other	93	41	27	14	3	8

Breakdown of social investments by theme and by geographic region

	REGION					
THEME	EUROPE	AMERICAS	ASIA-PACIFIC	EURASIA	EUROMED-AFRICA	TOTAL
TOTAL *(in€)*	**8,244,388**	**2,645,707**	**466,844**	**175,100**	**969,062**	**12,501,101**
Diversity	529,119	728,679	3,484	18,059	58,765	1,338,106
Education	3,488,119	693,670	21,445	0	389,341	4,592,575
Safety	2,412,365	263,001	158,624	10,311	419,652	3,263,953
Sustainable mobility	1,157,741	80,833	194,642	2,500	3,930	1,439,645
Other	657,045	879,525	88,649	144,230	97,374	1,866,823

Breakdown of social investments by theme and by objective

THEME	CHARITY	COMMUNITY	COMMERCIAL	TOTAL
TOTAL *(in €)*	**668,992**	**10,856,471**	**975,638**	**12,501,101**
Diversity	81,538	1,233,375	23,194	1,338,106
Education	2,000	4,312,458	278,117	4,592,575
Safety	0	3,187,042	76,911	3,263,953
Sustainable mobility	48,854	1,299,695	91,096	1,439,645
Other	536,600	823,902	506,321	1,866,823

Breakdown of social investments by theme and by type of donation

THEME	MONETARY	IN KIND	PERSONNEL	TOTAL
TOTAL *(in €)*	**8,858,706**	**2,285,962**	**1,356,434**	**12,501,101**
Diversity	865,417	336,720	135,969	1,338,106
Education	3,530,429	562,899	499,247	4,592,575
Safety	1,951,182	1,006,829	305,941	3,263,953
Sustainable mobility	1,076,373	125,197	238,075	1,439,645
Other	1,435,304	254,317	177,202	1,866,823

✦ Global Reporting Initiative (GRI) Directives

2.8.3.3 DETAIL OF THE 14 PROGRAMMES BENEFITING FROM PATRONAGE IN 2013 THROUGH THE RENAULT.COM WEBSITE

THEME	PROJECT	OBJECTIVE	SUPPORT GIVEN €
	CAP SAAA – Coupe de France de rugby Fauteuil	Organizes the France wheelchair rugby cup, in line with the policy of encouraging the disabled to take up a sport.	10,000
	EREA Jacques Brel Garches	An in-hospital school in Garches for disabled children and those undergoing long-term hospitalization. Supported by a Company employee and accepting children of employees.	25,000
	YUMP	Association whose aim is to help young people from disadvantaged neighborhoods start a business.	15,000
	Femmes pour le dire - Femmes pour Agir	Association whose aim is to promote the role of disabled women in society and build their confidence when looking for a job.	8,000
	Free Handi'se Trophy	Association that would like to change how companies look at disability to encourage the recruitment, retention and development of the disabled. An organized race with teams made up of four employees, two able-bodied and two disabled, with the goal of covering 800km in eight days, by canoe and using a specially designed long-distance trek bicycle.	15,000
	ATHAREP	Enable 20% of disabled graduates to find work. The association helps graduates, whether they have high school diplomas or Ph.D.s, write résumés, draft cover letters and decide on a career path. It also works with them on their interviewing techniques.	27,000
	Normhandimer	Association whose aim is to help all people with disabilities enjoy water-based activities and to promote sailing. It has a sailboat designed specifically for the disabled.	2,000
Diversity	Cheval Bonheur	The aim of the association is to encourage, organize and promote horseback riding by the disabled.	3,000
	Le Chênelet	Assistance for people on "back-to-work" contracts from the tough neighborhoods of St-Omer so they can work at the site, which is in a rural area.	20,000
	Les chemins verts de l'emploi	An employment assistance association that puts people in difficulty to work restoring hiking trails through individual social support. Also active in mobility assistance and environmental protection.	5,000
	Médecins du Monde	Association that organizes visits to vulnerable individuals in Toulouse. Requires a vehicle to make these visits to establish contact, forge a relationship that might lead them to seek help and, more specifically, restore health or body image.	7,000
Mobility	Debout BEEBLOO	Association whose primary aim is to fight instability and help people find a way out. The goal is form social connections to give them control over their own lives and find solutions. The programme consists of addressing their issues and providing solutions in a magazine created by experienced, committed, volunteer journalists.	20,000
	Ecopole - Mobilus	The Mobilus project involves raising children's awareness of the environment and sustainable development through the eco-mobility theme in elementary schools.	10,000
Safety	GNK – Apprends avec Douby	A programme to raise children's and parents' awareness of road safety in Lebanon to supplement our Safety and Mobility for All programme.	15,000

2.8.4 INDEPENDENT VERIFIER'S REPORT ON CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT ✦

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our quality as an independent verifier of which the admissibility of the application for accreditation has been accepted by the COFRAC, under the number n° 3-1048 and 3-1067, we present our report on the consolidated social, environmental and societal information established for the year ended on the 31/12/2013, presented in the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of the article L.225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the company

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in the article R. 225-105-1 of the French Commercial Code (*Code de commerce*), in accordance with the protocols used by the company (hereafter referred to as the "Criteria"), and of which a summary is included in chapter "2.8.2 Environmental appendices" and in the methodological notes from chapter "2.3 Labor relations" of the management report and available on request at Plan Environnement, Human Resources and Corporate Social Responsibility Directions of the company.

Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the article L. 822-11 of the French Commercial Code (*Code de commerce*). In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work:

- to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial Code (*Code de commerce*) (Attestation of presence of CSR Information);
- to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in according with the Criteria;
- to express, at the request of the company, a reasonable assurance conclusion that the information selected by the company and presented at line "Group total 2013" of the "2013 site environmental indicators" table in chapter 2.8.2.3 of the management report, has been established, in all material aspects, in accordance with the Criteria.

Our verification work was undertaken by a team of sixteen people between September 2013 and February 2014 for an estimated duration of twelve weeks. To conduct the aforementioned procedures, we call on members of our teams specialized in Corporate Social Responsibility.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000[1].

1. Attestation of presence of CSR Information

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the management report with the list as provided for in the Article R. 225-105-1 of the French Commercial Code (*Code de commerce*).

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial Code (*Code de commerce*).

We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial Code (*Code de commerce*) with the limitations specified in the Methodological Note in chapter "2.3 Labor relations" and in chapter "2.8.2 Environmental appendices" of the management report.

Based on this work, and given the limitations mentioned above we confirm the presence in the management report of the required CSR information.

2. Limited assurance on CSR Information

Nature and scope of the work

We undertook approximately thirty interviews with forty people responsible for the preparation of the CSR Information in the different departments, in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical information

For the CSR Information which we considered the most important[(2)]:

- at the level of the consolidated, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;
- at the level of the representative selection of entities and sites that we selected[(3)], based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample selected therefore represented on average 50% of the total workforce and between 19% and 82% of the quantitative environmental information.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

3. Reasonable assurance on a selection of environmental information

Nature and scope of work

Regarding the information selected[(4)] by the Company and presented at line “Group total 2013” of the “2013 site environmental indicators” table in chapter 2.8.2.3 of the management report, we undertook work of the same nature as those described in paragraph 2 above for the CSR Information considered the most important, but in a more in-depth manner, in particular in relation to the number of tests.

The sample selected represents between 49% and 82% of quantitative environmental information selected and described in the above paragraph.

We consider that this work allows us to express a reasonable assurance opinion on the information selected by company and presented at line “Group total 2013” of the “2013 sites environmental indicators” table in chapter 2.8.2.3 of the management report.

Conclusion

In our opinion, the information selected by the company and presented at line “Group total 2013” of the “2013 site environmental indicators” table in chapter 2.8.1.2 of the management report has been established, in all material aspects, in compliance with the Criteria.

Neuilly-sur-Seine and Paris-La Défense, the 28 February 2014

The independent verifiers

DELOITTE & ASSOCIES — ERNST & YOUNG Audit

(2) Industrial sites quantitative environmental information: water consumption, energy consumption, emissions into water (Suspended solid, CDO, METOX), Industrial hazardous and non-hazardous wastes, GHG direct and indirect emissions, SO_2, NOx and VOC emissions, benefits associated to industrial metallic wastes resell, savings due to plants reduced energy consumption.

Quantitative environmental information of the retail network (Renault Retail Group perimeter) : wastes, energy consumption, GHG emissions, VOC emissions, water consumption.

Other quantitative environmental information: Group carbon footprint (including CO_2 emissions associated to the use of vehicles sold during the year and CO_2 emissions associated to the production of the raw materials consumed by the Group), information linked to materials and circular economy, expenses affected to vehicles energy and emissions efficiency innovations.

Social quantitative information: headcounts and their split (age, sex, region), recruitments, lay off, personnel expenses per area, average cost per region, absenteeism rate, frequency rate without lost days (F1 rate) and with lost days (F2 rate), gravity rate (G rate), professional diseases rate, average number of critical competencies per plant, training hours number, percentage of women in management and in the most important positions of the Group, handicapped employment rate, number of collective agreements signed.

Qualitative societal information: transversal governance (chapter 2.1.3), relations with suppliers (chapter 2.2.3), societal engagements and key numbers of societal actions (in chapter 2.5.1), and Renault Mobiliz program (chapter 2.5.2.1).

(3) Regarding industrial sites quantitative environmental information, we have selected: ACI Le Mans (France), Aubevoye (France), Batilly (France), Bursa (Turquie), Cacia (Portugal), Cléon (France), Curitiba (Brazil), Dacia (Romania), Douai (France), Novo Mesto (Slovenia), Santa Isabel (Argentina), Tanger (Morocco), Titu (Romania), Valladolid Montage & Carrosserie (Spain).

Regarding retail network quantitative environmental information, we have selected: Paris area (Montreuil and Courbevoie garages).

Regarding quantitative health and safety information, we have selected: Santa Isabel (Argentina), Curitiba (Brazil), Batilly (France), Douai (France), Cléon (France), Tanger (Morocco), Cacia (Portugal), Valladolid (Spain), Pitesti (Romania).

Regarding quantitative social information linked to absenteeism, training, handicap, and collective agreements, we have selected: Argentina (Renault Argentina SA, Centro Automores SA, Centro del Norte SA), Spain (RESA et RECSA), France (Renault SAS) and Romania (Automobile Dacia SA, Matrite Dacia, Presate Dacia, Transporturi Dacia, Renault Mécanique Roumanie, Renault Commercial Roumanie et Renault Technologie Roumanie).

(4) Industrial sites quantitative environmental information: water consumption, energy consumption, emissions into water (Suspended solid, CDO, METOX), Industrial hazardous and non-hazardous wastes, GHG direct and indirect emissions, SO_2, NOx and VOC emissions.

2

19 DIRECTORS

OF THE BOARD WITH VARIOUS COMPETENCIES AT RENAULT'S SERVICE

CORPORATE GOVERNANCE

3

The elements of the annual financial report are identified by AFR sign.

✦ Global Reporting Initiative (GRI) Directives

Pursuant to Article L. 225-37 of the French Commercial Code, the Chairman of the Board of Directors is required to submit an additional report, appended to the management report, concerning the content, preparation and organization of the work of the Board of Directors as well as the internal risk control and management procedures.

This report was drawn up under the responsibility of the Chairman of the Board of Directors, on the basis of information supplied by the Group's senior management, which is responsible for organization and internal control.

The report is based on the work of a multi-disciplinary group composed of representatives from the Group Finance department, the Audit, Risk Management and Organization department, and the Legal department.

The report was ratified by the Board of Directors at its meeting on February 12, 2014.

Renault also continually analyzes the best practices set out in the Afep-Medef Code on the corporate governance of listed corporations. In accordance with Article L. 225-37 of the Commercial Code, the Company refers to the Afep-Medef Code in preparing this report. A table is included indicating the few recommendations that have not been followed (see table, chapter 3.1.1.9).

The Afep-Medef Code is available for consultation at the Renault head office.

3.1 REPORT OF THE CHAIRMAN OF THE BOARD ✦

3.1.1 CONTENT, PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS ✦

This chapter describes the management and administration methods used by Renault SA, a publicly listed company and parent of the Renault group. The methods also apply to Renault s.a.s., the lead holding company for Renault's automotive and financial businesses.

3.1.1.1 MEMBERS OF THE BOARD OF DIRECTORS ✦

The Renault Board of Directors chooses its members with an eye to balance, competency and high ethical standards. It therefore takes the following into consideration in assessing each candidate:

- the ownership structure and any changes to it;
- independence;
- the balance between women and men;
- the need for diverse and complementary competencies relevant to Renault's strategy and development;
- diversity of nationalities;
- knowledge of the markets in which Renault operates or wishes to do so.

The term of the directors is four years. In accordance with the recommendations of the Afep-Medef Code, terms are renewed on a rotating basis to avoid renewing all of them at the same time.

The process for selecting directors is described in greater detail in the internal regulations, which are found in chapter 3.4.

The Company is administered by a Board of Directors with 19 members, including four women:

- 13 directors appointed by the Annual General Meeting of Shareholders (AGM);
- two directors appointed by administrative order, representing the French State;
- three directors elected by employees;
- one director elected by the AGM on the recommendation of employee shareholders.

In 2013, the new directors elected internally by employees in 2012, Ms Mariette Rih and Messrs. Richard Gentil and Eric Personne, as well as the director representing employee shareholders, Mr Benoit Ostertag, received training so they could rapidly acquire the specific skills they will need to fully perform their roles and missions as corporate directors. In addition, their professional careers and their labor union activities in the Group give them a good understanding of the Group's organization and operations (their biographies are found in chapter 3.1.1.2).

Women directors have sat on Renault's Board since 2003. On April 30, 2013, the Annual General Meeting appointed a new woman director, Ms Yuriko Koike, who replaces Mr Takeshi Isayama as the representative of Nissan.

When directorships come up for renewal, Renault will comply with the provisions of Act 2011-103 of January 27, 2011, relating to gender equality and balanced representation of men and women on Boards of Directors and Supervisory Boards.

Expiration of the terms of Board members

CURRENT TERM EXPIRES	DIRECTOR
2014	Ms Sourisse Mr Delpit Mr Ghosn Mr Ladreit de Lacharrière Mr Riboud Mr Saïkawa
2015	Mr Azéma Mr Lagayette
2016	Ms Rih Mr de Croisset Mr Desmarest Mr Faure Mr Garnier Mr Gentil Mr Personne
2017	Ms de La Garanderie Mr Belda Ms Koike Mr Ostertag

3.1.1.2 TERMS OR FUNCTIONS OF THE DIRECTORS AS OF DECEMBER 31, 2013 ✦

DIRECTORS PROPOSED FOR RE-ELECTION

CARLOS GHOSN

Chairman of the Board of Directors

Birth date: 03/09/1954 (60 years old)

Nationality: French-Brazilian

Date of first appointment: april 2002

Current term expires: 2014 AG

Number of registered shares held: 255,200

Biography - Professional experience

Carlos Ghosn was born in 1954 in Porto Vehlo, Brazil. Upon his arrival in Paris, he began his studies at the *École des Mines* and then went on to the *École Polytechnique de Paris*. Carlos Ghosn joined Michelin in 1978 to head up the plant in Puy (France). He then managed Michelin's business in South America, based in Brazil.

In 1989, he was appointed Chairman and Chief Executive Officer of Michelin North America. Carlos Ghosn joined Renault in 1996 as Deputy Chief Executive Officer. In addition to managing Renault's operations in the Mercosur Region, he was also head of automotive research, engineering and development, production, mechanical activities and purchasing.

He joined Nissan Motors as Managing Director in 1999, and was appointed Chairman and Chief Executive Officer in 2001.

Mr. Ghosn has been Chairman of Renault since May 2005, and remains the Chairman and Chief Executive Officer of Nissan Motor. He was appointed Chairman and Chief Executive Officer of Renault on May 6, 2009.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Chairman and Chief Executive Officer of Renault SA (France)

Chairman and Chief Executive Officer of Nissan Motor Co. Ltd., (Japan)

Chairman of the Board of Directors of AvtoVAZ (Russia)

Non listed companies:

Chairman of Renault s.a.s. (France)

Chairman of the Board of Directors of Renault-Nissan b.v. (Netherlands)

Chairman of the Board of Directors of Alliance Rostec Auto BV (Netherlands)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	Term of offices expired
Director of Alcoa (Brazil)	2011

✦ Global Reporting Initiative (GRI) Directives

MARC LADREIT DE LACHARRIÈRE

Director

Birth date: 11/6/1940 (73 years old)

Nationality: French

Chairman of the Appointments and Governance Committee

Member of the Compensation Committee

Date of first appointment: october 2002

Current term expires: 2014 AG

Number of registered shares held: 1,020

Biography - Professional experience

Marc Ladreit de Lacharrière studied economics in Paris, and then graduated from the *École Nationale d'Administration (ENA)* in the "Robespierre" class (January 1968 to May 1970). He joined Banque Indosuez where he occupied a number of different management positions until 1976, before moving to the L'Oreal group where he was appointed Executive Vice-President, a position he held from 1984 to 1991. At the same time, he was a Director of Synthélabo (1986-1991), Crédit Lyonnais, Air France, France Télécom, and the *musée du Louvre*. In 1991, Marc Ladreit founded his own company, Financière Marc de Lacharrière (Fimalac), which made equity interests in a number of companies, notably in the culture and media sectors. Fimalac currently holds the financial ratings agency, Fitch Ratings, and previously held Algorithmics.

Marc Ladreit de Lacharrière is co-founder of the French foundation to combat exclusion, Fondation Agir contre l'exclusion. He is a Director of Casino group, of L'Oréal, of Renault since 2000, and a member of the Advisory Committee of the Banque de France (since 1997). Marc Ladreit de Lacharrière is Chairman of the French intellectual journal, *La Revue des Deux Mondes*. He was elected to the *Académie des Beaux-Arts* in 2006 to the Gérald Van der Kemp Chair (free members section). That same year, he founded and finances the Fondation Culture & Diversité to assist young people from disadvantaged schools. In 2007, he was appointed Chairman of the Board of Directors of the *Agence internationale des musées de France* (France Museums), the agency with responsibility, notably, for the Louvre Abu Dhabi project. On December 31, 2010, he was awarded the honor of the Grand Cross of the French Legion of Honor (*Grand-Croix de la Légion d'honneur*).

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Chairman and Chief Executive Officer of Fimalac (France)

Director of Casino Group (France)

Director of L'Oréal (France)

Non listed companies:

Chairman of the Board of Directors of Groupe Marc de Lacharrière (France)

Chairman of the Board of Directors of Agence France Museums (France)

Chairman of the Board of Directors of Fitch Group (USA)

Director of Fermière du Casino Municipal de Cannes (France)

Director of Lucien Barrière SAS Group (France)

Director of Gilbert Coullier Productions SAS (France)

Manager of Fimalac Participations Sarl (Luxembourg)

Other legal entities:

Member of the Institut *Académie des Beaux-Arts*

Honorary Chairman of the French national committee of foreign trade advisors (Comité national des Conseillers du Commerce extérieur de la France)

Chairman of the Fondation Culture et Diversité

Member of general interest associations: Conseil artistique des musées nationaux - Fondation des sciences politiques - Musée des arts décoratifs - Fond de dotation Abbaye de Lubilhac

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Chairman of the Board of Directors of Fitch Ratings (USA)	2012
Director of Algorithmics (Canada)	2009

FRANCK RIBOUD

Director

Birth date: 11/07/1955 (58 years old)

Nationality: French

Date of first appointment: december 2000

Current term expires: 2014 AG

Number of registered shares held: 331

Biography - Professional experience

Franck Riboud is a graduate of the *École Polytechnique Fédérale de Lausanne*. He joined the Danone Group in 1981, where he held a number of positions in Management Control, Marketing and Sales until 1989. After having served as Sales Director at Heudebert, in September 1989, he was appointed Head of the department responsible for the integration and development of new companies in the Biscuits branch. He took part in the largest acquisition made by a French company in the United States, namely, BSN's acquisition of Nabisco's European activities. In July 1990, he was appointed Chief Executive Officer of Eaux Minérales d'Evian. Franck Riboud took up the position of Director of Danone Group Development in 1992, at which point Danone launched its international expansion plan, accelerating the pace of development in Asia and Latin America, and creating an Export division. BSN changed its name to Danone in 1994 to position itself as a global brand. He was appointed Chairman and CEO of Danone on May 2, 1996. Since 2008, Mr. Riboud has been Chairman of the Board of Directors of the danone.communities mutual fund (SICAV), a financing entity aimed at promoting the development of profitable companies whose primary goal is to maximize socially responsible objectives as opposed to profit. He has also been Chairman of the Steering Committee of the Danone ecosystem fund, *Fonds Danone pour l'Écosystème since 2009*, and is a member of the Livelihoods fund Steering Committee since December 2011.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Chief Executive Officer of Danone SA (France)

Non listed companies:

Director of Bagley Latinoamerica SA (Argentina)

Chairman of the Steering Committee of Danone.Communities (mutual fund - SICAV) (France)

Director of Danone Espagne SA (Spain)

Director of Renault SAS (France)

Director of Rolex SA (Switzerland)

Director of Rolex Holding SA (Switzerland)

Other legal entities:

Chairman of the Steering Committee of Fonds Danone pour l'Écosystème

Director of the French national agri-foods industry association *(Association Nationale des Industries Agroalimentaires)*

Director of the HEC International Advisory Board

Member of the Supervisory Board of the Fondation ELA

Member of the Board of the Fondation EPFL Plus

Member of the Steering Committee of the Livehoods Fund (mutual fund - SICAV)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director of Accor SA	2012
Director of Lacoste SA	2012
Director of Omnium Nord Africain (ONA)	2010
Director of Wadia BSN India Ltd.	2009
Director of the GAIN Foundation (Global Alliance for Improved Nutrition)	2009

HIROTO SAIKAWA

Director elected on proposal of Nissan

Birth date: 11/14/1953 (60 years old)

Nationality: Japanese

Member of the International Strategy Committee

Date of first appointment: december 2006

Current term expires: 2014 AG

Number of registered shares held: 100

Biography - Professional experience

Hiroto Saikawa was born on November 14, 1953. He graduated from Tokyo University in 1977 with a degree in economics and joined Nissan Motor Co. Ltd. the same year. In 1999, he moved to Nissan Europe N.V., where he was appointed Deputy Vice President and the Vice President of Purchasing Strategy in April and October 2000, respectively. In April 2001, he assumed the position of Executive Vice-President of the Renault Nissan central purchasing organization, before being appointed Senior Vice-President of Nissan Motor Co. Ltd. in April 2003. Hiroto Saikawa became Executive Vice-President in April 2005, and was appointed to the Board of Directors in June of that year. He was appointed Deputy Managing Director in June 2011, and has also been Head of Competitiveness in Nissan since 2013. Since January 2014, he has also been overseeing research and development, construction, supply chain management, purchasing, TCSX (customer satisfaction), the purchasing Steering Committee and promotion of competitiveness.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Director of Nissan Motor Limited (Japan)

Non listed companies:

Independent Director of NMKV Co., Ltd.

Director of Nissan Investment Co., Ltd. (China)

Director of Dongfeng Motor Co., Ltd

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD: **Term of offices expired**

N/A

PASCALE SOURISSE

Director

Birth date: 03/07/1962 (52 years old)

Nationality: French

Member of the Audit, Risk and Ethics Committee

Date of first appointment: april 2010

Current term expires: 2014 AG

Number of registered shares held: 1,000

Biography - Professional experience

Pascale Sourisse is a graduate of *École Polytechnique* and *École Nationale Supérieure des Télécommunications (ENST)*. She began her career holding management positions within France Telecom, Jeumont-Schneider and Compagnie Générale des Eaux, as well as with the French Ministry of Industry, and then at Alcatel from 1995 to 2007. In 2007, Pascale Sourisse was appointed Senior Vice-President of Thalès, a member of the Executive Committee with responsibility for the Space Division, and Chairperson and CEO of Thalès Alenia Space. In 2008, she was appointed Senior Vice-President, Managing Director of the Land & Joint Systems Division, and in February 2010, became Senior Vice-President, Managing Director of Defense & Security C41 Systems. Pascale Sourisse was also Chairperson and CEO of Thalès Communications & Security and Chairperson of Thalès Services. She was appointed Senior Executive Vice-President of International Development within the Thalès Group in February 2013. She is also Chairperson of Thales International. Pascale Sourisse is an Officer of the French Legion of Honor (*Officier de la Légion d'Honneur*) and Commander of the French Order of Merit (*Commandeur de l'Ordre du Mérite*).

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Director of Vinci (France)

Non listed companies:

Director of Thalès International SAS (France)

Chairperson of Thalès Europe SAS (France)

Director of the l'Agence Nationale des Fréquences (France)

Permanent representative and Director of SOFRESA (France)

Permanent representative and Director of ODAS (France)

Other legal entities:

Chairperson of the Board of École de Télécom Paris Tech

Permanent representative and Director of SOFRESA (France)

Permanent representative and Director of ODAS (France)

OFFICES IN OTHER COMPANIES
IN THE PAST FIVE YEARS NO LONGER HELD: **Term of offices expired**

As a Director of the Thalès Group, Mrs. Sourisse has held many offices in the Group's subsidiaries. In the interests of clarity and legibility, all of these offices are not listed separately here. This information is available on Renault.com.

BERNARD DELPIT

Director

Birth date: 10/26/1964 (49 years old)

Nationality: French

Member of the International Strategy Committee

Date of first appointment: april 2010

Current term expires: 2014 AG

Number of registered shares held: 1,000

Biography - Professional experience

Bernard Delpit holds a degree in law and is a graduate of the *Institut d'Études Politiques in Paris*. He also studied at the *École Nationale d'Administration*. Bernard Delpit began his career in 1990 at the French Treasury in the Audit department. Until 2000, he held a variety of positions at the Ministry of the Economy and Finance. In 2000, he joined the PSA Peugeot Citroën Group, where he was appointed Deputy Chief Executive Officer of Dong Feng Peugeot Citroën Automobiles (China) in 2001, before taking up the position of Head of Budget Control at the PSA Peugeot Citroën Group in 2004. In May 2007, Bernard Delpit joined the cabinet of the French President as Economic Adviser. From June 2009 to August 2011, he was Deputy Chief Executive Officer and Chief Financial Officer of the La Poste group. On August 29, 2011, Bernard Delpit joined Crédit Agricole S.A. as Chief Financial Officer.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Director of LCL (France)

Non listed companies:

Director of CACEIS (France)

Director of Crédit Agricole Assurances (France)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director of Sofiposte	2011
Director of Géoposte	2011
Director of Banque Postale de Prévoyance	2011
Director of Poste Immo	2011
Director of Emporiki	2012
Member of the Supervisory Board of La Banque Postale	2011
Member of the Supervisory Board of La Banque Postale Asset Management	2011

OTHER DIRECTORS WHO HOLD OFFICE AS OF FEBRUARY 12, 2014 [(1)]

DAVID AZÉMA

Director appointed by the French State

Birth date: 11/22/1960 (53 years old)

Nationality: French

Member of the Audit, Risk and Ethics Committee
Member of the Industrial Strategy Committee
Member of the Appointments and Governance Committee

Date of first appointment: october 2012

Current term expires: N/A

Number of registered shares held: N/A

Biography - Professional experience

David Azéma is a graduate of the Institut d'Études Politiques in Paris and of the *École Nationale d'Administration (ENA)*. He began his career in 1987 in the Cour des Comptes as an auditor, before becoming chief adviser. From 1991 to 1993, he worked at the General Directorate of the National Police and then held several positions in the Office of Martine Aubry, Minister for Labor, Employment and Vocational Training. In 1993, he joined SNCF, the French railway company, where he served in the Strategy Division, before moving on to become Adviser to the Chairman and Group Director of SNCF Group's Subsidiaries and Equity Holdings. David Azéma left for the United Kingdom in 1998 to take up the position of Chairman of Intercontinental and Regional Rail Ltd., which won the tender for the management of Eurostar UK. He was then appointed Chairman and CEO of Eurostar Group Ltd., jointly owned by SNCF, SNCB Belgian Railways and Eurostar UK, in charge of managing the Eurostar high-speed rail service. In 2002, he joined the Vinci Group as Chief Executive Officer of Vinci Concessions, and became a member of the Vinci Group Executive Committee in 2006.
In June 2008, David Azéma returned to SNCF as Executive Vice-President of Strategy and Finance before being appointed Deputy CEO of the SNCF Group in October 2011.
In June 2012, while remaining a member of the SNCF Group Executive Committee, he took up the position of Chief Executive Officer of Keolis, a subsidiary of SNCF specializing in passenger public transport in France, Europe and worldwide (EUR 4.4 billion in revenue, EUR 274 million in EBITDA and more than 50,000 employees at the end of 2011). On September 1, 2012, he was appointed Commissioner for the French state investment agency (APE) at the Ministry of Economy and Finance.
He is a Director of BPI-Groupe, Bpifrance Participations – Bpifrance Investissement, EDF, Renault and Thalès.

Offices and other functions in French and international companies

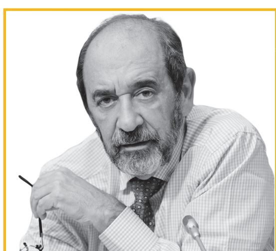
CURRENT OFFICES

Listed companies:
Director of EDF (France)
Director of Air France KLM (France)
Member of the Supervisory Board of Aréva (France)
Director of Thalès (France)

Non listed companies:
Director of BPI France (PBI Groupe - formerly FSI) (France)
Director of Bpifrance Participations (France)
Director of Bpifrance Investissement (France)

Other legal entities:
N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Chairman of the Board of Keolis Group	2012
Deputy Chief Executive Officer of SNCF Group	2012
Chairman of the Supervisory Board of Seafrance	2012
Chairman and Chief Executive Officer of SNCF Participation	2012



ALAIN J.P BELDA

Director

Birth date: 06/23/1943 (70 years old)

Nationality: American

Chairman of the Compensation Committee
Member of the Appointments and Governance Committee
Member of the International Strategy Committee

Date of first appointment: may 2009

Current term expires: 2017 AG

Number of registered shares held: 1,000

Biography - Professional experience

Based in São Paulo, Alain J.P. Belda joined Warburg Pincus in 2009. He leads the Group's investment decisions in Latin America and provides strategic counsel for the Group's entire portfolio. Mr. Belda is also a member of executive management of Warburg Pincus. He retired from Alcoa in 2008, after having served as President and Chief Executive Officer from 1999 and as Chairman of the Board of Directors from 2001. Alain J.P. Belda spent 40 years of his career at Alcoa, having first joined the organization's Brazilian affiliate, Alcoa Aluminio in 1969.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:
Director of IBM (USA)
Director of Pet Center Marginal (Brazil)
Director of Dudalina (Brazil)

Non listed companies:
Executive Director of Warburg Pincus (USA)
Director of Oméga Energia Renovavel SA (Brazil)
Director of Banco Indusval & Partners (Brazil)

Other legal entities:
Member of the Business Council

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director of Citibank	2012
Director of Alcoa	2010

(1) Date of the Board Meeting convening the General Meeting.

CHARLES DE CROISSET

Director

Birth date: 09/28/1943 (70 years old)

Nationality: French

Member of the Audit, Risk and Ethics Committee

Member of the Industrial Strategy Committee

Date of first appointment: april 2004

Current term expires: 2016 AG

Number of registered shares held: 1,000

Biography - Professional experience

Born on September 28, 1943 in New York (USA), Charles de Croisset is a graduate of the *Institut d'Études Politiques* in Paris and of the *École Nationale d'Administration (ENA)*. He was appointed Inspecteur des Finances in 1968. In 1972, he was Special Advisor to the Secretariat General of the French President (Georges Pompidou). He served as Adviser and then Chief of Staff to a number of different Ministries from 1974 to 1980 (Ministry of the Economy and Finance, Ministry of Public Works, Development and Transport, Ministry of Industry). From 1987 to 1988 Charles de Croisset was Chief of Staff to the Minister of the Economy, Finance and Privatization.

In 1980, he joined Crédit Commercial de France (CCF) as Secretary General before being appointed Chairman and Chief Executive Officer of HSBC Holding plc and Director of HSBC Bank plc. Since 2004, he has been an International Advisor at Goldman Sachs International. Charles de Croisset has also been Chairman of the Fondation du Patrimoine since 2006. He is a Commander of the French Order of Merit (*Commandeur de l'Ordre du Mérite*) and is in the French Legion of Honor. In 2004, he was elevated to the rank of Commander of the Order of the British Empire.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Director of LVMH (France)

Non listed companies:

Other legal entities:

Chairman of the Fondation du Patrimoine

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Member of the Supervisory Board of Euler & Hermès (France)	2013
Director of Bouygues	2010
Director of Thalès	2009
Director of Thalès (UK)	2009
Non-voting Director of Galeries Lafayette	2012

DOMINIQUE DE LA GARANDERIE

Director

Birth date: 7/10/1943 (70 years old)

Nationality: French

Member of the Appointments and Governance Committee

Member of the Audit, Risk and Ethics Committee

Date of first appointment: février 2003

Current term expires: 2017 AG

Number of registered shares held: 1,150

Biography - Professional experience

Dominique de La Garanderie is a founding partner of La Garanderie & Associés, a law firm specializing in labor relations and employment law, corporate governance and social responsibility. She was the first female President of the Paris Bar (*Bâtonnier de l'Ordre des Avocats de Paris*) from 1998 to 2000. She served as Vice-Chairperson of the OECD Business Sector Advisory Group on corporate governance principles (2005 - 2006). She was a member of the French National Consultative Commission on Human Rights. Dominique de La Garanderie is an Officer of the French Legion of Honor (*Officier de la Légion d'Honneur*) and Commander of the French Order of Merit (*Commandeur de l'Ordre du Mérite*). She is currently a member of the AFEP-MEDEF Senior Committee for Corporate Governance.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

N/A

Other legal entities:

Member of the Senior Council of Transparency International - France

Dean of the Economics Division of the École Nationale de la Magistrature.

Honorary President and founder of the Association Française des Femmes Juristes (AFFJ - French Women Lawyers' Association).

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director of Holcim France Bénélux	2012

THIERRY DESMAREST

Director

Birth date: 12/18/1945 (68 years old)

Nationality: french

Chairman of the International Strategy Committee
Member of the Compensation Committee
Member of the Industrial Strategy Committe

Date of first appointment: april 2008

Current term expires: 2016 AG

Number of registered shares held: 1,500

Biography - Professional experience

Born in 1945, Thierry Desmarest is a graduate of *École Polytechnique*, and an Engineer of the French *Corps des Mines*. He started his career in 1971 as an engineer in the Mines Department of New Caledonia before taking up the position of technical adviser to the Offices of the Minister for Industry (1975 to 1978) and the Minister for the Economy (1978 to 1980). Thierry Desmarest joined Total in 1981 to head up Total Algeria. He held a range of management positions within Total Exploration Production and became Chief Operating Officer of Total and a member of its Executive Committee in July 1989. In June 1995, he became Chairman and CEO of Total. Following the merger of Total and Petrofina in June 1999, he became Chairman and CEO of TotalFina. In March 2000, Thierry Desmarest was appointed Chairman and CEO of TotalFinaElf, and on May 6, 2003, Chairman and CEO of Total. He served as Chairman of the Board of Directors of Total from February 2007 to May 2010.

On May 21, 2010, Mr. Desmarest was appointed Honorary Chairman and remains a Director of TOTAL and Chairman of the TOTAL Foundation.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Honorary Chairman and Director of Total S.A.
Director of Air Liquide (France)
Director of Sanofi (France)
Director of Bombardier (Canada)

Non listed companies:

N/A

Other legal entities:

Chairman of the Total Foundation
Chairman of the Fondation de l'École Polytechnique
Director of the Musée du Louvre
Director of the École Polytechnique

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Member of the Supervisory Board of Areva	2010
Chairman of the Board of Directors of Total S.A	2010

PASCAL FAURE

Director appointed by the State

Birth date: 02/01/1963 (51 years old)

Nationality: French

Member of the Industrial Strategy Committee

Member of the International Strategy Committee

Date of first appointment: february 2013

Current term expires: N/A

Number of registered shares held: N/A

Biography - Professional experience

Born on February 1, 1963 in Nice (France). Pascal Faure is an engineering graduate from the École des Mines, and also holds degrees from the *École polytechnique* (1983) and the *École nationale supérieure des télécommunications de Paris* (1988). He started his career in R&D in Bell Labs (Pennsylvania, USA), and at Apple Computer (California, USA), before moving to the French National Telecommunications Research Center (France Télécom/CNET) as project leader in communication security and cryptology. From 1992 to 1995, he worked in the French Finance Ministry, specifically on administrative IT policy credits. He was then appointed Technical Advisor with responsibility for budget, fiscal, employment and development affairs in the Office of the Minister of Tourism, before moving to the office of the Minister of Regional Development, Urban Affairs and Integration. Pascal Faure served as Director of Development and Finance, and as Deputy Director of the Institut TELECOM from 1997 to 2001, before being appointed Deputy Technical Director at the Ministry of Defense. Concurrent offices during this time included his position as Chairman of the French Association of Telecommunications Engineers, from 2001 to 2006. From 2007 to 2012, Pascal FAURE was appointed Vice President of the French information technologies general council (CGTI - *Conseil Général des Technologies de l'Information*), Vice President of the general council for industry, energy and technologies (CGIET - *Conseil général de l'industrie, de l'énergie et des technologies*), and Vice President of the general council for the economy, industry, energy and technologies (CGEIET - *Conseil Général de l'Economie, de l'Industrie, de l'Energie et des Technologies*). On December 5, 2012, he was appointed to the position of Director General of competitiveness, industry and services. He is co-founder of the collection, Territoires de l'information; co-editor of *Nouvelles technologies, nouvel état* (1999), *Éthique et société de l'information* (2000) and *Media@media* (2001). Pascale Faure was awarded the French Legion of Honor (*Chevalier de la Légion d'Honneur*), the French Order of Merit (*Officier de l'Ordre National du Mérite*), and the French Academic Palms (*Officier des Palmes Académiques*).

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Government Representative on the Board of La Poste (France)

Member of the Supervisory Board of Aréva representing the French State (France)

Non listed companies:

Director representing the French State at Bpifrance Participations

Director representing the French State at Bpifrance Investissement

Other legal entities:

Government Representative on the *Commission Nationale d'Aménagement Commercial*

Member of the Atomic Energy Commission

Government Representative at GIP Guichet enterprises

Director representing the French State at Mines Paris Tech

Director representing the French State at the French Research Agency

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director representing the French State at the *École Polytechnique*	2013
Director representing the French State at Française des Jeux	2013
Director representing the French State at *École Normale Supérieure*	2013
Director representing the French State at the *Institut Mines-Télécom*	2013
Director representing the French State at France Télécom	2013

JEAN-PIERRE GARNIER

Director

Birth date: 10/31/1947 (66 years old)

Nationality: French, American

Chairman of the Industrial Strategy Committee

Member of the Compensation Committee

Member of the International Strategy Committee

Date of first appointment: april 2008

Current term expires: 2016 AG

Number of registered shares held: 1,000

Biography - Professional experience

Jean-Pierre Garner holds a PhD in Pharmacology and a Masters in Pharmaceutical Sciences from the University Louis-Pasteur of Strasbourg. He earned an MBA from Stanford University (California) in 1974. Jean-Pierre Garnier joined the American pharmaceutical firm Schering-Plough where he held positions in Switzerland, Denmark and Portugal. In 1983, he was appointed Vice President, Marketing, before becoming Senior Vice-President and Chief Executive Officer of the over-the-counter drugs business line, and General Manager of Sales and Marketing for Schering-Plough's US business. He then served as President of Schering-Plough. In 1990 he joined SmithKline Beecham as President of its North American Pharmaceuticals division. He was appointed President of Pharmaceuticals in 1994 and Chief Operating Officer the following year. He was elected Chairman and CEO of SmithKline Beecham in December 1999 and, in December 2000, headed up the new merged group, GlaxoSmithKline (GSK). July 2008 saw Jean-Pierre Garnier move to Laboratoires Pierre Fabre as Director of Pierre Fabre Participations. At the end of August 2008, he was appointed Chief Executive Officer of Laboratoires Pierre Fabre and in 2011 he became Chairman and CEO of Actélion. He is an Operating Partner of Advent International (USA). Mr. Garnier is an Officer of the French Legion of Honor (*Officier de la Légion d'honneur*) and a Knight Commander of the Order of the British Empire.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Chairman of the Board of Directors of Actélion (Switzerland)

Director of United Technology Corp (USA)

Non listed companies:

Chairman of the Board of Directors of Cérénis (France)

Other legal entities:

Director of the Paul Newman Foundation (USA)

Director of the Max Planck Institute (Germany)

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Director of Pierre Fabre Participations	2010

RICHARD GENTIL

Director elected by employees

Birth date: 04/29/1968 (45 years old)

Nationality: French

Member of the Industrial Strategy Committee

Member of the International Strategy Committee

Date of first appointment: november 2012

Current term expires: november 2016

Number of registered shares held: 1

Biography - Professional experience

A maintenance technician, Richard Gentil started at Renault in 1988 at the foundry, and is a hydraulics, pneumatics and gas specialist. He holds BEP/CAP electro-technical and electro-mechanical professional qualifications and a Baccalaureate in Automated Mechanical Systems Maintenance. He speaks and writes fluent English. Richard Gentil is a member of the Solidarity Committee of the Renault Cléon Works Council.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

N/A

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD: **Term of offices expired**

N/A

YURIKO KOIKE

Director proposed for election by Nissan

Birth date: 15/07/1952 (61 years old)

Nationality: Japanese

Date of first appointment: april 2013

Current term expires: 2017 AG

Number of registered shares held: 100

Biography - Professional experience

Yuriko Koike and is currently a member of the Japanese House of Representatives, having served as Japanese Minister of the Environment from 2003 to 2006. She successfully promoted a new business model, known as “Coo Biz”, as well as a number of other policies aimed at changing the mindset of the general public and countering global warming. Mrs. Koike subsequently occupied two other ministerial posts. She was appointed Special Advisor to the Prime Minister on national security in 2006, before becoming the first female Minister of Defense in July 2007. She was also the first woman to put forward her candidacy to lead the ruling party in Japan, positions that automatically open up the possibility of a run for Prime Minister. Mrs. Koike began her career as a television personality and an expert on affairs in the Arab world. She has authored several books and articles on Japanese policies, international affairs and women’s professional networks.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies: N/A

Non listed companies: N/A

Other legal entities: N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD: **Term of offices expired**

N/A

PHILIPPE LAGAYETTE

Lead Independent Director

Birth date: 06/16/1943 (70 years old)

Nationality: French

Chairman of the Audit, Risk and Ethics Committee

Member of the Appointments and Governance Committee

Date of first appointment: may 2007

Current term expires: 2015 AG

Number of registered shares held: 1,000

Biography - Professional experience

Philippe Lagayette is a graduate of the *École Polytechnique* and the *École Nationale d'Administration (ENA)*. He began his career in 1970 in the General Inspectorate of Finance. In 1974, he joined the Treasury department at the French Ministry of Economy and Finance, and was promoted to Deputy Director in 1980. He was appointed Chief of Staff at the Ministry of Economy and Finance in 1981, before moving to the Banque de France as Deputy Governor in 1984. In 1992, Philippe Lagayette was appointed Chief Executive Officer of Caisse des Depots et Consignations, a post he held until December 1997. He headed up JP Morgan's activities in France from 1998 to August 2008. He is currently Barclays' Senior Advisor in France. Mr. Lagayette is a Commander of the French Legion of Honor (*Commandeur de la Légion d'Honneur*) and Commander of the French Order of Merit (*Commandeur de l'Ordre du Mérite*).

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

Director of Kering (formerly PPR) (France)

Director of Fimalac (France)

Non listed companies:

Chairman of PL Conseils (France)

Other legal entities:

Chairman of the *Fondation de France*

Chairman of the scientific research foundation, the *Fondation Plan Alzheimer*

Chairman of the *Institut des Hautes Études Scientifiques*

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD:	**Term of offices expired**
Vice-Chairman of JP Morgan for the EMEA Region	2010
Chairman of the French American Foundation	2010

BENOÎT OSTERTAG

Director elected on proposal of the employee shareholders

Birth date: 08/02/1965 (48 years old)

Nationality: French

Member of the Audit, Risk and Ethics Committee

Member of the Industrial Strategy Committee

Date of first appointment: may 2011

Current term expires: 2017 AG

Number of registered shares held: 90 company mutual fund (FCPE) units

Biography - Professional experience

Engineering graduate from the *École Centrale de Paris*. Benoît Ostertag has worked at Renault for the past 23 years in mechanical engineering at the Lardy (91) and Rueil (92) plants in France, designing test benches, engine cooling systems and thermal measurements. He was a team leader until 2011, and currently manages processes in the Quality department. He was the elected CFDT representative on the Renault SAS Central Works Council from 2006 to 2011. Mr. Ostertag has represented employee shareholders on the Renault Group's Board of Directors since May 2011.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

N/A

Other legal entities:

N/A

ERIC PERSONNE

Director elected by employees

Birth date: 10/14/1962 (51 years old)

Nationality: French

Member of the International Strategy Committee

Member of the Compensation Committee

Date of first appointment: november 2012

Current term expires: november 2016

Number of registered shares held: 20

Biography - Professional experience

Eric Personne began his career as a photographer, before becoming a Renault employee in 1988. In 2002, he joined the Renault Retail Group, where he held a number of positions, including: head of after-sales development and head of ISO Certification. Since 2007, Eric Personne has been Manager of Sales and Quality Reporting at RRG. He has a track record of more than 30 years in employer or employee collective action in his professional domain.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

N/A

Other legal entities:

N/A

MARIETTE RIH

Director elected by employees

Birth date: 3/23/1967 (47 years old)

Nationality: French

Member of the International Strategy Committee

Member of the Industrial Strategy Committee

Date of first appointment: november 2012

Current term expires: november 2016

Number of registered shares held: 8 company mutual fund (FCPE) units

Biography - Professional experience

Having obtained a BTS vocational training certificate as a trilingual secretary, Mariette Rih joined Renault Automation in 1990 as an assistant in the Export department. In December 1999, she joined the Renault-Nissan Alliance coordination office and then took up a position with the Nissan Europe Communication CEO, which she held until 2005. From 2005 to 2007, Mariete Rih returned to Renault, to *L'Atelier*, before taking over management of Renault Square Com. exhibitions. Since 2009, she has held the position of Project Manager for demonstrators and communication technology tools at Renault's Brand Division.

Offices and other functions in French and international companies

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

N/A

Other legal entities:

N/A

The average age of incumbent directors is 58. The company's by-laws require that each director own at least one registered share[1]. The Board's internal regulations, amended with reference to the revised Afep-Medef Code, recommend, however, that directors own a significant number of shares in view of the director's fees paid to them, except for those directors who do not receive fees personally. However, administrative regulations forbid directors appointed by the French State from owning shares. Likewise, the directors representing the staff or the shareholder employees who do not personally receive director's fees (which are paid directly to their trades unions) are not required to held significant number of shares.

3.1.1.3 OTHER DISCLOSURES REFERRED TO IN ANNEX 1 OF EUROPEAN REGULATION 809/2004 ✦

To Renault's knowledge, none of its directors or senior executives has been convicted of fraud in the past five years. None of the directors has been involved as an executive in bankruptcy, receivership or liquidation proceedings in the past five years and none has been charged or punished by a statutory or regulatory authority. None of the directors has been barred by a court from serving as a member of the Board of Directors, Management Board or Supervisory Board of a securities issuer or from serving as a manager or officer of an issuer in the past five years.

To Renault's knowledge, there are no conflicts of interest between the directors' private interests and their duties to the Company.

The directors are not related by family ties.

Corporate officers are not bound to Renault or any of its subsidiaries by service agreements that provide for benefits.

3.1.1.4 PREPARATION OF THE BOARD'S WORK

The Board of Directors appoints one of its members as Chairman. The Chairman, who must be a natural person, may be re-elected.

The Board of Directors meets as often as the interests of the Company requires. Meetings are convened at least five days in advance by the Chairman. Deliberations are based on papers sent out with the notification to attend. Exceptionally, documents may be sent out at a later date, if the matter is urgent, it is impossible to do otherwise, or if the documents are to be examined by a committee meeting after the notification was sent out.

The minutes of the Board meetings are made available to directors within a reasonable period of time before being approved at the next Board meeting.

3.1.1.5 THE BOARD OF DIRECTORS IN 2013

The Board of Directors met eight times in 2013. Two of the meetings were devoted to the Group's organization and governance following the departure of the Chief Operating Officer and the appointment of a Chief Competitive Officer and a Chief Performance Officer.

Meetings lasted an average of two hours, except for the meeting devoted to strategy, which took place over an entire day. During this meeting, the directors visited the Renault test center, where they had a much-appreciated opportunity to try out a large part of the vehicle range.

The attendance rate was 88% (more details by director in chapter 3.3.2.2).

During the year, the Board gave its opinion on all business placed on its agenda pursuant to legal and regulatory requirements in France.

On the main matters, the Board took the action described below:

ACCOUNTS AND BUDGET

In particular, the Board:

- approved the Group's consolidated financial statements and the individual financial statements of Renault and Renault s.a.s. for 2012;
- set the appropriation of 2012 income to be proposed to the AGM, which included a dividend payout;
- examined the consolidated financial statements for first-half 2013;
- approved the budget for 2014.

GROUP STRATEGY

In particular, the Board:

- reviewed progress in the Renault 2016 – Drive the Change plan, presented by senior management and approved in 2011 by the Board of Directors;
- discussed Renault's strategy in China in relation to the creation of the Renault-Dongfeng joint venture, and the strategy in South Korea;
- reviewed the development of activities in Russia;
- discussed the strategy for research, development and innovation as well as issues related to top-of-the-range vehicles;
- determined strategic issues to be examined in 2014.

CORPORATE GOVERNANCE

In particular, the Board:

- conducted an assessment of its operating methods in 2013 and put a discussion of this subject on its agenda for early 2014 (the conclusions of this discussion are found in chapter 3.1.1.7);
- drew up the list of independent directors (see chapter 3.1.1.8);
- took official note of the appointment of a new director representing the State, Mr Pascal Faure, replacing Mr Luc Rousseau;
- revised the composition of its specialized committees following the renewal of the terms of some directors, the appointment of a new director, and the revision of the Afep-Medef Code in 2013;
- discussed the number and missions of its specialized committees having led to a modification of its internal regulations;

(1) Percentage of Renault's capital owned by the directors: 0.09%.

- approved the change in the Group's organization following the departure of the Chief Operating Officer;
- determined the remuneration of the Chairman and Chief Executive Officer;
- assessed the achievement of performance criteria specified in the stock-options and bonus shares plan for 2012;
- adopted the Chairman's report pursuant to Article L. 225-37 of the Commercial Code;
- examined and approved answers to shareholders' questions ahead of the AGM.

REGULATED AGREEMENTS

On April 6, 2010, Renault SA, Nissan, Daimler and RNBV concluded the Master Cooperation Agreement, which sets forth the terms and conditions of cooperation among these companies (see chapter 1.1.4.3). On December 13, 2013, the Board of Directors authorized the signing of an amendment to the Master Cooperation Agreement expanding the scope of cooperation.

3.1.1.6 SPECIALIZED COMMITTEES OF THE BOARD OF DIRECTORS ✦

Five specialized committees have been set up to conduct in-depth examinations of specific topics relating to the Board of Directors' role. The Board is informed of the committees' opinions in reports made by their respective Chairmen at Board meetings.

1. AUDIT, RISK AND ETHICS COMMITTEE (CARE)

CARE has six members: Mr Lagayette in the chair, Ms de la Garanderie, Ms Sourisse, Messrs. Azéma (replacing Mr Kohler), de Croisset and Ostertag.

Four of the six are independent directors.

The composition of CARE was reviewed to ensure that all its members have the financial or accounting knowledge or professional background needed to deal with these subjects (see the directors' biographies in chapter 3.1.1.2).

Mr Lagayette, the Committee's Chairman, has spent his career in the economics and finance sector, working both in government and the private sector.

Ms de La Garanderie, former President of the Paris Bar, is a lawyer whose experience enables her to take an active part in the discussions of accounting and financial matters in this committee. Her involvement with ethical issues during her career makes her membership of this committee particularly appropriate.

Ms Sourisse has held executive positions in several major companies in France and abroad. Her experience enables her to participate actively in all the committee's discussions.

Mr Azéma, the director representing the State, began his career at the Government Accounting Office. He is currently Commissioner for State Investments.

Mr de Croisset has worked as an auditor at the Treasury and the Ministry of Finance. He has also held management positions and served as an officer in several credit institutions. He is currently the International Advisor at Goldman Sachs.

Mr Ostertag is a director representing the employee shareholders. Like the employee directors, he receives special training to serve as a director, including in the accounting and financial aspects of corporate management. Owing to his excellent knowledge of the company, he is able to easily grasp and actively participate in this committee's work.

CARE met six times in 2013, with an attendance rate of 91.6% (details in the table in chapter 3.3.2.2).

In compliance with French legal and regulatory requirements and the Afep-Medef Code, the Audit, Risk and Ethics Committee dealt with the following matters in particular:

- the Group's consolidated financial statements and Renault's individual financial statements for 2012 and first-half 2013, as well as the related financial news releases;
- a review of the 2013 internal audit plan and presentation of the plan for 2014;
- the external audit plan conducted by the auditors as part of their legal auditing task;
- the independence and renewal of the appointment of the statutory auditors;
- the monitoring of financial risks and notably the situation in Iran;
- the work of the Ethics department;
- the status of the main legal matters being dealt with by the Legal department.

One of the responsibilities of CARE is to review the efficiency of internal control and risk management systems, as set out in chapter 3.1.4 below. On this point, the committee's examination of the financial statements, in the presence of the Chief Financial Officer, was accompanied by a presentation from the auditors describing the key points of their work and their conclusions regarding the accounting policies used and the main regulatory developments in this area. In addition, the CFO submitted a memo describing the Company's risk exposures and off-balance sheet commitments.

CARE also heard a report from the company's statutory auditors without the company's senior executives being present.

2. REMUNERATION COMMITTEE

This committee has four members, all of whom are independent directors: Mr Belda in the chair, Messrs. Desmarest, Garnier and Ladreit de Lacharrière.

In accordance with the Afep-Medef Code, as revised in 2013, this committee's membership has been changed so as to include a director representing the employees. Mr Eric Personne has thus been a member of this committee since February 12, 2014.

This committee met three times in 2013, with an attendance rate of 100% (details in chapter 3.3.2.2).

The main items on its agenda were:

- the remuneration of the Chairman and CEO;
- the performance requirements for the variable remuneration of the Chairman and CEO in relation to the Renault 2016 – Drive the Change plan;
- the achievement of performance requirements related to stock-option and bonus share plans for 2012 for all benificiaries.

3. APPOINTMENTS AND GOVERNANCE COMMITTEE

This committee had five members in 2013: Mr Ladreit de Lacharrière in the chair, Ms de La Garanderie, Messrs. Lagayette, Belda, and Ghosn.

In compliance with the Afep-Medef Code, as revised in 2013, Mr Ghosn has not been a member of the committee since February 12, 2014.

Mr Azéma became a member of the committee on February 12, 2014.

Four of the committee's five members are independent directors.

The committee met twice in 2013. The attendance rate was 80% (for details, se chapter 3.3.2.2).

The main items on its agenda were:

- the reappointment of Ms La Garanderie and Messrs. Belda and Ostertag;
- the appointment of a new director, Ms Koike, replacing Mr Isayama;
- application of the rules on the proportion of female directors in light of the forthcoming reappointments to the Board;
- the annual review of the Board of Directors;
- review of the list of independent directors pursuant to the criteria set out in the Afep-Medef report;
- strengthening the powers of the Senior Independent Director;
- revision of the Board's internal regulations, in particular with regard to the revised Afep-Medef Code.

4. INTERNATIONAL STRATEGY COMMITTEE

This committee has nine members: Mr Desmarest in the chair, Ms Rih, Messrs. Belda, Delpit, Faure, Garnier, Gentil, Personne and Saïkawa.

Four of the nine committee members are independent directors.

The committee met twice in 2013. The attendance rate was 88.8% (for details, see chapter 3.3.2.2).

The main items on its agenda were:

- the development of Renault's activity in Russia in the AVTOVAZ partnership;
- Renault's activities in China and South Korea;
- Renault's development in Brazil.

5. INDUSTRIAL STRATEGY COMMITTEE

The committee had seven members in 2013: Mr Garnier in the chair, Messrs. Azéma, de Croisset, Desmarest, Faure, Gentil and Ostertag.

Ms Rih joined the committee on February 12, 2014.

Three of the eight members of this committee are now independent directors.

The committee met twice in 2013, with an attendance rate of 100% (details in chapter 3.3.2.2). It reviewed industrial strategy, with a particular focus on:

- the impact of economic conditions on manufacturing in Europe;
- competitiveness agreements in France.

3.1.1.7 ASSESSMENT OF THE BOARD OF DIRECTORS ✦

In accordance with common practices and the recommendations of the Afep-Medef Code, the Board carried out a self-assessment concerning its composition, organization and functioning at its meeting on February 12, 2014. This assessment was performed by the Appointments and Governance Committee, chaired by Mr Ladreit de Lacharrière.

Broadly speaking, the members of the Board expressed satisfaction with the organization, functioning and composition of the Board and committees. They noted continued improvement since 2011 and commended the directors' freedom of expression.

The directors noted that the suggestions for changes they had made in the 2012 assessment had been acted on. In particular, they praised the efforts to keep the Board informed between meetings when events so warranted.

In the discussion of Renault's governance, the Board of Directors, on the recommendation of the Appointments and Governance Committee, decided that as of 2014, the Board assessment would be done regularly every three years with the assistance of an outside consulting firm. The aim will be to gain new perspectives on the Board's functioning and governance best practices.

3.1.1.8 MANAGEMENT METHODS ✦

FUNCTIONS OF CHAIRMAN OF THE BOARD COMBINED WITH THOSE OF CHIEF EXECUTIVE OFFICER

On May 6, 2009, acting on a proposal from the Appointments and Governance Committee, the Renault Board of Directors combined the functions of Chairman of the Board and Chief Executive Officer. Mr Ghosn was appointed Chairman and CEO and reappointed in 2010.

LIMITATIONS ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER

The balance of power is ensured in particular by:

- the presence of a majority of independent directors on the Board of Directors;
- the presence since July 2009 of a Senior Independent Director, chosen from among the independent directors, whose role is described hereafter;
- limitations on the powers of the Chief Executive Officer, specified in the internal regulation of the Board of Directors.

Independence of the Board of Directors ✦

At its meeting on February 12, 2014, the Board of Directors reaffirmed its commitment to complying with the Afep-Medef Code, which is the fullest statement of corporate governance principles.

The Board of Directors assesses the independence of each director on the basis of the following criteria set for in the code. Thus, a director may not:

1) be an employee or officer of the Company, an employee or director of the parent company or of a company within its scope of consolidation, or have been any of these within the preceding five years;

2) be an officer of a company in which the Company sits directly or indirectly on the Board of Directors, or of which an employee designated as such or a Company officer (serving currently or within the past five years) is a director;

3) be a significant customer, supplier, merchant banker, investment banker:

- of the Company or its group,
- or for which the Company or its group represents a significant portion of its business;

4) have close family ties with a Company officer;

5) have been an auditor of the Company within the past five years;

6) have been a director for more than twelve years(1); in addition,

7) the independence of directors representing major shareholders of the Company (10% or more of the capital or voting rights) must be assessed on a case-by-case basis.

Acting on a proposal of the Appointments and Governance Committee, the Board of Directors has drawn up the following list of directors who qualify as independent: Ms de La Garanderie and Ms Sourisse, Messrs. de Croisset, Belda, Delpit, Desmarest, Garnier, Ladreit de Lacharrière, Lagayette and Riboud.

The Board of Directors has closely examined the situations of Messrs. Ladreit de Lacharrière and Riboud, whose terms are up for renewal by the General Meeting of April 30, 2014, in relation to the Afep-Medef Code's recommendation that a person should not serve as a director for more than twelve years.

In accordance with the "Comply or Explain" rule, the Board has decided not to follow this recommendation in the case of these two directors and to explain the reasons for this decision in the table for the non-application of Afep-Medef Code recommendations in chapter 3.1.1.9.

In particular, the Board of Directors has made its decision in view of the Board's independence rate. Under the rules of the Afep-Medef Code, the Board's independence rate is 66.6% (10 directors out of 15). It will be recalled that Article 9.2 of the Afep-Medef Code specifies that directors representing the employees and employee shareholders, of which there are four on the Renault Board of Directors, are not counted in the calculation of this percentage.

Senior Independent Director

Mr Lagayette has served as the Senior Independent Director since April 29, 2011, and will do so for the duration of his term.

The Senior Independent Director was appointed after the functions of Chairman and CEO were combined. His role consists in coordinating the activities of the independent directors and providing a link between the independent directors and the Chairman and CEO in his capacity as Chairman of the Board.

The Senior Independent Director's tasks were broadened following the Board's review in 2013 of policies concerning the balance of powers. On February 12, 2014, the Board modified its internal regulations so as to assign new tasks to the Senior Independent Director. His role henceforth includes:

- advising the Chairman of the Board and the Chairmen of the specialized committees;
- seeing that the directors are able to perform their role under the best possible conditions and in particular that they are well informed before Board meetings;
- managing and preventing conflicts of interest;
- making decisions concerning the proposed agenda of Board meetings;
- chairing Board meetings where the Chairman and CEO is not present. In particular, the Senior Independent Director chairs discussions of the performance of the Chairman and CEO in order to determine his remuneration;
- convening the Board of Directors in exceptional circumstances after obtaining the opinions of all committee Chairmen.

The current Senior Independent Director, Mr Lagayette, is the Chairman of the Audit, Risk and Ethics Committee (CARE) and a member of the Appointments and Governance Committee.

Limitations set forth in the internal regulations of the Board of Directors

The Board's internal regulations provide that the Board of Directors will examine annually the Group's strategic policies put forward by the Chairman and CEO, including those related to the Alliance. The Board reviews any changes to those policies and gives its opinion before any major decision inconsistent with the Company's strategy is made.

The Chairman and CEO must obtain authorization from the Board of Directors for any external growth operations involving acquisitions and for the disposal of holdings in any company, whether existing or to be formed, when the amount exceeds €250 million (see the internal regulations, chapter 3.4) and informs the Board when the amount exceeds €60 million.

(1) According to this recommendation, the director ceases to qualify as an independent director on the expiration of the term during which the 12-year limit is exceeded.

3.1.1.9 THE "COMPLY OR EXPLAIN" RULE

In exercising the "Comply or Explain" rule provided for by Article L. 225-37 of the Commercial Code and Article 25.1 of the Afep-Medef Code, Renault is following the recommendations of the Afep-Medef Code for corporate governance of publicly listed companies. The recommendations of this code that have been disregarded and the reasons for doing so are summarized in the following table.

RECOMMENDATION OF THE AFEP-MEDEF CODE	COMMENT
Independence of Directors: **Art. 8.4: Criteria for determining director independence:** Among the criteria, the code recommends *"not being a Director for more than twelve years."*	At its meeting on February 12, 2014, the Board of Directors reviewed the situations of Messrs. Ladreit de Lacharrière and Riboud with regard to the director independence criteria of the Afep-Medef Code. The Board noted that Messrs. Ladreit de Lacharrière and Riboud meet all of the code's criteria except the one relating to the duration of their terms. Specifically, these directors exercise no functions in the Group and have no particular interests or special relationships linking them to Renault. To ensure the independence of directors, Afep-Medef Code recommends limiting the period a director may sit on the Board to twelve years. The Board concluded, however, that if this twelve-year limit were to be exceeded by Messrs. Ladreit de Lacharrière and Riboud, it would not call into question their independence. This is because the automotive industry has very long business and investment cycles. Approximately twelve-year vehicle life cycles, decisions concerning advanced research (the choice of energies, connected vehicles, self-driving vehicles) and capital investments, in particular for the construction of new plants, must be considered from a very-long-term point of view (between 12 and 14 years). As a consequence, the Board judged that it would be valuable to keep two directors who had sufficiently broad vision to put the Group's major strategic decisions in perspective. In addition, Messrs. Ladreit de Lacharrière and Riboud have been involved since the beginning in the creation and development of the Alliance, which has become a key element of the Group's strategy. At a time when Renault and Nissan are seeking more convergence and synergies, the Board considered it crucial to keep directors who have detailed knowledge of the Alliance's history and development, its structures and its workings, and also fully appreciate the cultural sensitivity that has made the Alliance a success. Mr Ladreit de Lacharrière is a prominent business leader who has worked in major multinational groups (eg, L'Oréal, Casino, France Telecom, and Air France). Owing to the various directorships he has held, he has an overall perspective that enables him to make an extremely valuable contribution to the discussions of Renault's Board of Directors. His detailed knowledge of how Boards of Directors function and his experience in corporate governance ensure independence in his thinking and opinions. Mr Riboud's experience as a corporate officer at Danone is a guarantee of his business expertise and his capacity to make a significant contribution to the Board's discussions. His experience in international development, particularly in Asia, is a major asset for Renault's expansion. His experience and natural authority also allow Mr Riboud to speak and express his opinions freely. This authority and freedom have not been diminished by the years he has served as a director, but are, on the contrary, a guarantee of independence. Considering these two directorss profiles and their work on the Board, the Board deems that the limitation on a director's term is not relevant to Messrs. Ladreit de Lacharrière and Riboud and has decided not to apply this recommendation.
Audit Committee: **Art. 16.1: Membership:** *"The members of the Audit Committee should have financial or accounting competencies."*	Out of a concern for balance, the Board of Directors has decided to have the director representing employee shareholders sit on the Audit, Risk and Ethics Committee. This director did not have any particular accounting or financial competencies when he joined the Audit, Risks and Ethics Committee in December 2012. However, since taking a seat on the Board, this director has regularly received specific training related to his role on the Board, notably with regard to accounting and finance. In addition, because of his thorough knowledge of Renault, he is able to easily grasp the issues and participate actively in this committee's work.

3.1.1.10 PROCEDURES FOR SHAREHOLDERS TO TAKE PART IN GENERAL MEETINGS

Article 21 of the Company's Articles of Association sets forth the procedures for shareholders to take part in General Meetings. These procedures are summarized in chapter 5, "Renault and its Shareholders" (see chapter 5.1.2.2).

Factors that may be material in the event of a public offering, as stipulated in Article L. 225-100-3, are described in chapter 5.2.6.2.

3.1.2 PRINCIPLES AND RULES ADOPTED BY THE BOARD OF DIRECTORS FOR THE REMUNERATION OF SENIOR EXECUTIVES AND CORPORATE OFFICERS

Acting on a proposal of the Remunerations Committee, the Board of Directors has laid down the rules for the remuneration of Mr Carlos Ghosn.

The Remunerations Committee carried out this task with the assistance of a specialized consulting firm, using as a reference remunerations in comparable companies in the CAC40 and in foreign companies working in the same sector.

This remuneration is made up of:

- a fixed portion;
- a variable portion equivalent to a percentage of the fixed portion, whose amount will be calculated in relation to performance criteria. The Board of Directors determines the performance criteria and assesses their achievement.

The variable portion may be up to 150% of the fixed portion if all the performance objectives are achieved. If all the objectives were to be exceeded, the variable portion could be 180% of the fixed portion.

The performance criteria set by the Board of Directors are:

- return on equity;
- operating margin;
- free cash flow;
- managerial performance, assessed qualitatively.

Twenty-five percent of the variable portion is paid in cash. The balance (the "deferred variable portion") is paid in shares according to the terms and conditions described below.

The shares received as the deferred variable portion may not be acquired until four years after they are granted and on condition that:

- Mr Ghosn is still employed by Renault;
- performance criteria, assessed for a period of three years from the time the shares are granted, are met.

The number of shares acquired by Mr Ghosn is determined by the amount of the deferred variable portion, the risk of the non-payment of this deferred variable portion, and the degree to which the performance criteria have been achieved.

All detailed information concerning the remuneration of the Chairman and Chief Executive Officer is found in chapter 3.3.1.

3.1.3 ETHICS: RULES, PROCEDURES AND ORGANIZATION ✦

The Group ethics manager, who was appointed in late 2011, reports directly to the Chairman and CEO. He also informs the Board of Directors and the Audit, Risk and Ethics Committee (CARE) of actions taken under his authority.

His three main objective are to:

- reinforce the Group's body of ethical doctrine in order to contribute to the application of all legal requirements, regulations, standards and obligations;
- put in place regulatory and organizational procedures:
  - set up and coordinate the Ethics and Compliance Committee (CEC),
  - manage through the personal data protection correspondent (*Correspondant informatique et liberté* – CIL) issues related to the regulations and recommendations of the French data protection authority (*Commission nationale de l'informatique et des libertés* – CNIL),
  - set up a whistleblowing procedure in compliance with regulatory requirements, including those of the CNIL,
  - create and support an ethics correspondents network in the countries;
- implement the ethics policy and represent Renault with official entities and in meetings and seminars relating to ethical issues in order to affirm the Group's presence in this field, both inside and outside the company.

FIRST OBJECTIVE: THE BODY OF DOCTRINE

THE CHARTER OF ETHICS

The Charter of Ethics sets out the Group's key principles and fundamental values and is applicable worldwide.

It is intended for all 121,000 employees in the more than 120 countries where the Group is present.

It has been translated into 14 languages and is distributed to each employee by his or her management. The Charter of Ethics is also available from the company's intranet site in the Ethics section and from the Renault Web portal. Employees must indicate that they are familiar with this Charter during their annual performance appraisal.

THE "ETHICS IN PRACTICE" GUIDE

This guide is a practical interpretation of the Charter. Available in the Ethics section of the company's intranet site, it helps answer any questions that may arise regarding ethical issues in one's work.

One specific feature of this guide is that it can be adapted according to new ethical issues reported by operational staff.

THE CODES OF GOOD CONDUCT

Six codes of good conduct have been drawn up for business functions with major ethical requirements: safety, information technology, governance, purchasing, stock exchange and sales. Their aim is to explicitly set out what employees must do and, more particularly, what they must not do. They are available in the Ethics section on the intranet.

The code of good conduct for Safety comprises nine technical sheets that set forth the regulatory and ethical framework, related procedures, and the codes of good conduct in the safety functions.

The code of good conduct for Information Technologies is intended for everyone who works in the information technologies area and consists of four technical sheets.

The code of good conduct for Governance, which exists in eleven languages, is intended for the company's top management. The Chairman and CEO has formally stated its purpose: to set forth the values to which Renault executives are to adhere. This code of good conduct has been given individually to 150 members of the company's top management.

The code of good conduct for Purchasing has been prepared for employees who do purchasing for Renault. It goes along with the recommendations in the Renault-Nissan CSR Guidelines for Suppliers.

The code of good conduct for the stock market, which pertains to the Renault group's financial communications policy and the prevention of insider trading, is systematically given to everyone who may be privy to inside information.

New codes of good conduct will be added to the body of doctrine of the Renault group in 2014.

For example, the **code of good conduction for Sales and Marketing** is to be validated by the end of the first quarter of 2014.

SECOND OBJECTIVE: REGULATORY AND ORGANIZATIONAL PROCEDURES

In 2013, the Ethics manager met regularly with the Chairman and CEO to report on the progress in his work and on proposed actions. He also gave a report on two occasions to the Board of Directors and six times to the Chairman of the Audit, Risk and Ethics Committee (CARE), including twice with the full committee present.

THE ETHICS AND COMPLIANCE COMMITTEE (CEC)

The Ethics and Compliance Committee is made up of representatives from the following functions and departments: auditing, risk management and organization, legal, human resources, corporate social responsibility, environment, Group prevention and protection, finance, technical regulations and homologation. It met four times in 2013.

This committee contributes to creating internal jurisprudence for the processing of ethics-related cases and responds to all requests for assistance and advice within this field of expertise. Over the past two years, it has dealt with 65 ethics-related cases.

THE FRAUD AND CORRUPTION PREVENTION COMMITTEE (CAFC)

The Fraud and Corruption Prevention Committee is chaired by the Ethics manager and composed of the following CEC members: legal, human resources, safety and internal control. It met six times in 2013. In particular, it monitored progress in a project begun in 2013 concerning the prevention of fraud and corruption. The Ethics manager reported on the work of the CAFC at the CEC meetings.

DATA PROTECTION CORRESPONDENT (CIL)

The CIL, who reports to the Ethics department, is responsible for seeing that the company meets its legal obligations and for supporting Renault's commitment to respecting the private lives and personal data of its employees and customers. This involves heightening employees' awareness of these issues, instituting procedures, leading a network of internal correspondents, serving as a liaison to the CNIL, exchanging best practices with Nissan, participating in working groups focused on new regulations, and preparing professional codes and guidelines.

THE WHISTLEBLOWING PROCEDURE

The whistleblowing procedure, which is applicable worldwide, strictly complies with the most recent regulatory requirements. It is combined with a procedure involving the compulsory completion of a number of documents to avoid any errors, oversights or shortcomings. These documents have been approved by the CNIL. A description of this procedure is available to all employees in the Ethics section of the intranet.

NETWORK OF COUNTRY ETHICS CORRESPONDENTS

Ethics correspondents approved by the Renault Ethics manager are being progressively appointed in the countries. They will lead local Ethics and Compliance Committees, which will ensure that laws and regulations specific to the countries in which the Renault group operates are taken into account. These committees will see to the implementation of the missions and prerogatives of the Group Ethics and Compliance Committee, with the agreement and support of the Ethics manager as the final authority. Five country ethics correspondents were appointed in 2013, in Romania, Algeria, Morocco, Colombia and India.

THIRD OBJECTIVE: DEPLOYMENT OF THE POLICY AND ENHANCEMENT OF THE GROUP IMAGE

Internally: The Ethics department has developed materials for training in ethical practices and the prevention of fraud and corruption. Some of these materials have been prepared in cooperation with the NGO Transparency International France.

Communicating the ethics policies to all employees calls first for enlisting the involvement of top management through sessions to build awareness in the Group's governance bodies (regional management committees, executive committees, etc.).

The business functions are progressively introducing the recommendations of the codes of good conduct drawn up specifically for their employees. As part of this process, the Group Prevention and Protection department (D2P) held an internal convention during which the Group Safety Code was presented and explained.

Externally: To enhance the Group's image externally, the Ethics manager is a member of the Board of Directors of the Cercle éthique des affaires, an association of ethics and compliance professionals in France.

The Renault Ethics department is a member of the Ethics Commission of the Institut français des administrateurs (IFA), whose role is to develop recommendations for ethics best practices for corporate governance bodies.

The Ethics department has presented Renault's ethics policy at conferences and roundtables organized by universities, leading engineering and business schools, public and semi-public organizations, and the press.

In its 2012 evaluation submitted to the Prime Minister and the Minister of Justice, the Corporate Corruption Prevention department (SCPC) ranked Renault among the top eight corporations in the CAC 40 for its corruption prevention reporting.

ACTIONS IN 2014

In 2014, the emphasis will be placed on communicating and firmly anchoring ethics policies to reinforce an approach to ethics shared by everyone. The creation of structures (CECP) to promote these policies at the local level will be continued.

"Training packs" have been provided to the business functions and the country ethics correspondents to aid in the dissemination of best practices at the local level. Directives and recommendations related to the prevention of fraud and corruption will be formalized and personnel informed of them.

In 2014, the CIL will be deploying the Group policy. This will include broad promotion of a culture of personal data protection, the creation of a special section on the intranet, the development of a network of country correspondents, and support for Renault's implementation of the European regulation currently in preparation.

3.1.4 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES ✦

3.1.4.1 GROUP OBJECTIVES AND STANDARDS FOR INTERNAL CONTROL AND RISK MANAGEMENT

INTERNAL CONTROL AND RISK MANAGEMENT OBJECTIVES

The Renault group has adopted organizational structures and procedures to contain the risks inherent in its activities and to limit their negative impact. This internal control system is implemented in all the Company's businesses and activities. Its primary objectives are to:

- identify and manage risks to which the Company is exposed;
- ensure compliance with laws, regulations and the Company's by-laws;
- control quality, cost and delivery times in its activities;
- ensure that financial, accounting and management disclosures are reliable, relevant and of a high standard.

These structures and procedures cannot, however, offer an absolute guarantee that internal control objectives will be achieved.

REGULATORY FRAMEWORK FOR INTERNAL CONTROL

Since 2007, the Renault group has applied the reference framework and implementation guidelines of the French securities regulator, AMF, which were updated in July 2010, and the recommendations of the Audit Committee working group published in July 2010.

In its sales financing activity, RCI Banque is subject to banking and financial regulations. It accordingly applies the internal control framework specified by Regulation 97-02, as discussed in chapter 3.1.4.4 (Sales Financing).

3.1.4.2 MANAGEMENT OF OPERATIONS AND INTERNAL CONTROL

ROLE OF THE EXECUTIVE BODIES

Management Committees operating at two levels oversee the Group's operations:

- level 1 committees, whose scope covers the entire Group, include (see paragraph 1.1.5):
  - the Group Executive Committee (GEC), which is in charge of strategic orientations and decisions. Headed by the Chairman and Chief Executive Officer, its members are: the Chief Competitive Officer; the Chief Performance Officer; the Executive Vice-President (EVP), Group Sales and Marketing; Executive Vice-President (EVP), Group Human Resources; the EVP, Group Engineering, Quality and Information Technologies; the EVP, Group Product, Programs and Light Commercial Vehicles; the EVP, Group Manufacturing and Supply Chain; the EVP, Chairman of Europe Region operations; the EVP, Chairman of France operations; the Group Chief Financial Officer and Chairman and CEO of RCI Banque; and the EVP, CEO Office. Its decisions are submitted to the Board of Directors for approval when they fall under the Board's authority, following the recommendation, if need be, of the International Strategy Committee and Industrial Strategy Committee. The Chairman and CEO reports to the Board of Directors on their implementation. The Group Executive Committee oversees operations and controls the execution of directives by monitoring budget commitments and strategic objectives as well as policies and operations in the Regions, programs and corporate functions,
  - the monthly "Operational Review" committee, headed by the Chairman and Chief Executive Officer, is responsible for operational decisions. It has the same members as the Group Executive Committee, with the Chairmen of regional operations, the EVP, Purchasing, and the EVP, Group Performance and Control,
  - specialized committees (eg, Project Product Committees) headed by either the Chairman and CEO or, by delegation, the Chief Competitive Officer. They make decisions at Group level as well as in the Group's cooperative undertakings within the Renault-Nissan Alliance (including with AVTOVAZ and Daimler);
- level 2 committees, which are specialized by general management area or by function (for example, engineering and quality, planning, products, programs, manufacturing and logistics, sales and marketing, purchasing, design, legal, Office of the CEO, etc.) or by Region.

The operating rules and characteristics of these committees – Chairman and membership, frequency, length and agenda of meetings, reporting methods, communication of decisions, and the archiving of minutes – are formally recorded in a standardized catalogue.

There is a Regional Management Committee (RMC) for each Region (Europe, Euromed-Africa, Americas, Asia-Pacific and Eurasia). Each RMC is made up of representatives of the corporate functions and vehicle programs as well as managers from the main countries in each Region.

There are Programme departments for the automotive segments as well as for the electric vehicle programs and the development of new mobility offerings. The Programme departments are assigned long-term profitability objectives for the life cycles of the products they develop, manufacture and market. They receive support from the Regions and corporate functions.

In addition to command-line structures, the Group has set up a staff reporting system so that support function managers can provide leadership for their function correspondents throughout the Group.

Strategic decision-making, supervision of financial and legal matters, human resources, and the Audit, Risk Management and Organization department (DAMRO) are under the direct managerial authority of the Chairman and CEO. The Chief Competitive Officer and the Chief Performance Officer are directly responsible for operational decisions.

The decision-making process is based on a system of internal delegation that determines in which areas and at which levels operational managers may make decisions. All the rules for delegating decision-making authority are communicated to the personnel over the intranet. When a decision is required, a workflow chart specifies the persons involved, in accordance with internal control procedures.

Decisions concerning certain transactions, and notably those related to the capital of the subsidiaries, disposals/acquisitions, partnerships, cooperation, and the hedging of raw materials and currency risks, along with general policies, are made following a special review by a committee of experts, which gives an opinion. The final decision is then made by the Chairman and Chief Executive Officer.

RISK MANAGEMENT, INTERNAL CONTROL AND ETHICS SYSTEM

In 2011 the Group adopted a new organization for governance, ethics, internal control and risk management. It is part of the ethics system described in paragraph 3.1.3 and supplemented by the following:

- a Risk and Internal Control Committee (CRCI), whose role is to deploy the risk and internal control system across all the Group's operational activities and entities;
- an Audit, Risk Management and Organization department (DAMRO), reporting directly to the Chairman and CEO and comprising the Organization department, the Risk Management department, the Internal Control department and the Internal Audit department.

In addition to the information set out in paragraph 3.1.3 above, the following points should be mentioned with regard to the multi-year action plan for the deployment of this system:

- the Ethics and Compliance Committee focused on the following areas in 2013:
  - the setting of policies and deployment of the system for fighting fraud and corruption,
  - the validation of regulatory compliance procedures in 16 areas;
- the Risks and Internal Control Committee addressed the following subjects:
  - diagnosis by risk owners of the level of control of risks identified in the risk mapping done in 2012,
  - validation of additional plans proposed by risk owners to improve the level or control,
  - validation of the multi-year project to secure the main company processes.

Last, the means for combatting fraud and corruption were strengthened during the year. In addition to the work described in paragraph 3.1.3, risks and categories were mapped, and the roles and responsibilities of those involved were clarified.

MANAGEMENT OF INTERNAL CONTROL

In compliance with the AMF's general rules for internal control, and respecting the principle of the separation of tasks, Renault's internal control system is based on:

- the senior management, which determines the Group's objectives in agreement with the Board of Directors and its specialized committees. It decides on the operating rules and procedures as well as the quantified performance objectives;
- within DAMRO, the Internal Control department, which defines and prescribes internal control principles, rules and techniques pertaining to operational processes as well as accounting and management processes.

Implementation and management of the internal control system are performed by:

- management, which adapts and applies within its scope of responsibility the internal control rules and methods defined at Group level;
- employees, who are expected to comply with the internal control system established for their work areas and with the Group code of ethics;
- management control, which ensures that all personnel comply with management rules.

Permanent oversight to verify that the system is properly and effectively applied is provided by:

- the Internal Control department, using internal control questionnaires in self-assessment programs. It also sees that action plans are carried out if any shortcomings are observed;
- the Risk and Internal Control Committee (CRCI), which assesses the effectiveness of the risk control system;
- the Internal Audit department in DAMRO, which makes independent and objective assessments of the degree of control over operational performance, gives advice and recommends improvements to the control system, gives senior management reasonable assurance of the degree of control over operations *via* a summary report presented to the Audit, Risk and Ethics Committee (CARE) and the GEC;
- the CARE, whose missions are defined in chapter 3.4.3.1.

As part of their mission, the statutory auditors assess the internal control of the preparation and treatment of accounting and financial data and, when necessary, issue reports and recommendations.

3.1.4.3 INTERNAL CONTROL OBJECTIVES

IDENTIFYING AND MANAGING RISKS

The global risk management system has been formally set out by the Risk Management department (DMR) in a document that informs everyone of the organization and methods used by the Company.

The Group applies a risk management method based partly on identifying a wide range of risks, which are then mapped, and partly on carrying out action plans to deal with risks by eliminating, preventing, guarding against or transferring them. This method applies to the Group, entities and projects.

To carry out its duties, the Risk Management department relies on two networks:

- one is made up of experts who manage a specific area of risks. These may be risks common to any company or specific to Renault's sector of activity. These experts are the consultants for the standardized risk management plans in their area of expertise;
- the other network is made up of correspondents, chiefly from the management control function for the entities and from the quality function for projects. They liaise with the DMR in the operational implementation of risk management approaches in entities and projects.

To draw up the audit plan for the Company's major risks, which is validated by senior management and approved by the CARE, the Internal Audit department uses risk maps to identify the most pertinent audit themes and assess risk coverage. Through its auditing task, the Internal Audit department provides the DMR with insight on the effective level of management of major risks.

In 2013 the Risk Management department focused on:

- deploying risk maps for the main vehicle development projects;
- updating methodological standards to take into account feedback from the deployment of risk management procedures in the Group's operational entities;
- strengthening processes to improve the management of major risks identified in the mapping in 2012.

The risk factors to which the Group is exposed are described in chapter 1.5.

COMPLIANCE WITH LAWS, REGULATIONS AND COMPANY RULES

Compliance with laws and regulations is a major objective of internal control, which must see that the means for assuring regulatory compliance are available. This control is provided by the Ethics and Compliance Committee (CEC). Within the Internal Control department, the Regulatory Compliance department is responsible for working with the decision-making departments (technical regulations, legal, human resources, environmental, etc.) to see that reliable procedures are in place to guarantee regulatory compliance.

In 2012, the Regulatory Compliance department developed a method to assess existing procedures, approved by the CEC. This method will be gradually deployed in all areas subject to regulation to regularly assess the level of control.

CONTROL OF OPERATIONS

Senior management updates and communicates Renault's overall objectives, in line with the multi-year plan and annual budgets, as well as the allocation of resources to the Regions, businesses and programs. Group Management Control draws up an instruction memorandum for each of the operational sectors, Regions, businesses and programs. These memorandums include macroeconomic assumptions to be taken into account (exchange rates, interest rates, inflation rates, raw materials prices, etc.), financial and non-financial indicators that will be measured over the course of the following financial year, the calendar, and the segmentation of the activity scope. Each Region sends these instructions to the subsidiaries within its scope of responsibility after adding elements specific to business functions.

The management control function stimulates and measures economic performance at the various levels of the organization (Group, operational sectors, Regions, businesses, programs).

Management control is decentralized so as to take account of the specifics of each business. Its mission is laid out in instructions prepared periodically by the Corporate Control and Reporting department.

In the Group's management model, its role consists in:

- adjusting the Company's economic objectives and budget;
- coordinating the Group by measuring the performance of its entities, Regions, businesses and vehicle programs and, in particular, monitoring free cash flow indicators;
- coordinate the internal control system in the entities;
- making an economic analysis of proposed management decisions at every level, checking compliance with standards, plans and budgets, assessing economic relevance, and formulating an opinion and recommendation in each recommendation.

Operating procedures and methods

The Group provides operational staff with a set of standard management procedures for use in determining accounting and financial data.

All the documentation is available to staff in all the Group's entities through the intranet portal for the management, internal control and risk management functions. Documentation includes:

- all standards, rules and instructions, whether they pertain to a specific business or apply across the entire Group;
- an economics dictionary to help employees better understand the main concepts and aggregates used to guide the Group's business performance;
- internal control and risk management.

Information systems

The risk management and internal control systems of the Renault Information Systems department (RID) are managed as follows:

- general risks related to financial processes (investments, purchases, profitability measurement, etc.) are monitored by the Economic Performance department of the DI-R;
- specific risks related to operational IT processes (declining quality or productivity in development activities, operations, support, skills, etc.) are monitored by the Renault Information Systems – Organization department (DI-RO). This department is responsible for defining and monitoring these processes (project management, operational quality, support, etc.) at Group level. It uses the DI-R performance indicators (incidents, results, etc.) and a self-assessment questionnaire concerning DI-R procedures that is completed by the sites, subsidiaries and Corporate departments;

- risks related to information systems security (interruptions of IT operations due to malevolence, theft of confidential data or destruction of electronic data) are also monitored by the Renault Information Security department (DI-RS) through:
  - a Group-level IT Risks Committee set up by the DI-R in collaboration with the Protection and Prevention department (D2P), the Risk Management department, and representatives of the main operational departments and the Information Management Program,
  - Security Monitoring Committees, which verify the application of IT security procedures at operational level in accordance with our Information Systems Security Policy (PSSI) and international best practice (ISO 27001 policy and approach),
  - an organizational structure for approving the architecture and security levels in projects,
  - compliance reviews carried out by the DI-RS in addition to the controls performed by DAMRO or the Group Prevention and Protection department (D2P).

A training system to adapt skills

The main corporate business lines and functions have set up schools to raise the professional standards of their staff. These schools reflect their strong belief in employee training as a way to enhance performance and to better satisfy management expectations.

Work on the internal control system

Key developments in 2013 included:

- completion of the development of the general internal control system begun in 2012 specifying the structure and scope of the self-assessment questionnaires at the Group level;
- review of the questionnaires on the distribution activities of Renault Retail Group following organizational changes and the simplification of the information systems questionnaire;
- continuation of a multi-year, Group-wide project aimed at bringing together everyone involved in the company's risk control processes. This approach focusing on operational risks is crucial to securing processes and performance.

QUALITY, RELIABILITY AND RELEVANCE OF ACCOUNTING, FINANCIAL AND MANAGEMENT INFORMATION

The internal control system for accounting and financial data is based on the AMF reference framework updated in 2010. It covers not only the processes for preparing financial data for the accounts, forecasting and financial reporting, but also the operational processes upstream that go into the production of this information.

The Group's information systems enable it to simultaneously produce accounts according to local accounting rules and those of the Group. This mechanism ensures that data remain consistent even though they are centralized and consolidated in short timeframes. The administrative and financial directors of the subsidiaries, under the operational authority of the subsidiaries' Chairmen and CEOs and the functional authority of the director of Group Accounting (DCgr), are responsible for preparing the financial statements.

The Group has a manual setting out presentation and evaluation standards. This manual is updated annually and provided to all entities so that financial information is reported in a uniform manner.

Principles applied in preparing the financial statements

The Renault group's consolidated financial statements are prepared under International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB) and endorsed for application by a regulation published in the Official Journal of the European Union at year-end close.

The Group Accounting department, which is under the direct authority of the Group's Chief Financial Officer, has an "Accounting Standards and Rules" unit. The department has the authority to enforce prevailing accounting rules. Company employees are regularly informed of changes and updates to IFRS.

The Renault group, whose activities are divided into two separate operational sectors – Automotive and Sales Financing (RCI Banque) – prepares its consolidated financial statements using a single consolidation system based on an accounting Charter common to all consolidated entities.

The Group publishes half-yearly and annual statements. These statements are prepared on the basis of two closing dates: May 31 for the end-June statement and October 31 for end-December statement. Summary meetings are organized with the statutory auditors and attended by senior management as part of an ongoing process of dialogue with the latter. The CARE is involved at every key stage of the approval process for financial and accounting disclosures.

Key components of the process for controlling financial and accounting disclosures

The Renault group manages the decentralized operations of the subsidiaries in its two business divisions in France and abroad by relying on two key strategies that deliver high-quality accounting and financial information while reducing the time needed to prepare the financial statements:

- operational systems upstream from accounting are standardized as far as possible;
- ERP financial and accounting modules chosen by the Group are introduced at industrial and/or commercial entities worldwide.

This highly structured software package ensures that processed data are reliable and consistent. In particular, the definition and monitoring of user profiles helps to ensure that the rules of task separation are respected.

Control of basic transactions handled by operational systems, where the initial control takes place, is key to ensuring that accounting and financial data are reliable. The operational systems feed data to the auxiliary accounting systems through a number of interfaces. These interfaces, which are continually monitored to ensure they capture all economic events for each upstream process, then rapidly and regularly send these data to the centralized accounting system.

The accounting teams have worked with IT staff to develop a security process to protect the ERP in the event of a major malfunction. A business continuity plan has been introduced at central level as well as at the subsidiaries that use ERP.

Statutory Auditors' Charter

In connection with legal audit, Renault took the initiative in 2004 of drafting a Charter concerning the engagements and independence of the statutory auditors and signing it with them. This Charter governs the relationship between the Renault group (the parent company and the fully consolidated French and foreign subsidiaries) and its statutory auditors. To renew the appointment of the statutory auditors, a request for proposals was made in 2013. The Charter will be updated in 2014.

Financial communication

Given the growing importance of financial communication, its multiple forms, and the vital need to provide a high standard of financial disclosure, the Renault group has turned over all its financial communication to the Financial Relations department in the Financial department and given it the resources to supply the reliable, high-quality information required.

The Financial Relations department is in charge of:

- the preparation of the half-yearly and annual financial reports and quarterly data as well as the filing of the RD with the AMF;
- communication with financial markets;
- relations with analysts and investors specialized in socially responsible investments;
- relations with investors and individual shareholders;
- relations with the regulatory authority (AMF).

3.1.4.4 SALES FINANCING: RCI BANQUE

In compliance with Regulation 97-02 on internal control at credit institutions, RCI Banque has set up an internal control system that also seeks to identify and analyze the main risks that may compromise the Company's objectives; ensure that procedures are in place for managing those risks; and monitor the corrective and preventive measures aimed at mitigating the likelihood of their occurrence.

This special framework for credit institutions is described in RCI Banque's Internal Control Charter, which defines the target framework for the entire RCI Banque group. It describes in particular:

- the general arrangements for managing internal control;
- the local arrangements for credit subsidiaries, branches and joint ventures;
- the special arrangements for various functional areas.

The RCI Banque group internal control system has three levels of audit:

- **level 1** consists of self-inspection mechanisms for each department and geographical location. These entities are responsible for, among other things, applying existing procedures and performing all related controls in their own area of operations. Being primarily operational, first-level control is carried out by process owners in each subsidiary, who have been specially trained for this purpose. It covers all main risks;
- **level 2** is directed by the Permanent Control department and led by local internal controllers independent of operating units, who ensure that operations are lawful and compliant;
- **level 3** is conducted by independent oversight bodies (supervisory authorities, specially commissioned independent firms, etc.) and by the Periodic Control department. In this respect, Renault's Internal Audit department supplies RCI Banque with additional resources under an external service provider agreement to carry out its Level 3 audits either as part of an annual audit plan approved by the Audit and Accounts Committee or at the request of the Chairman and CEO of RCI Banque.

These arrangements are directed by:

- **the RCI Banque Board of Directors,** whose role is to implement internal control. The Board devotes at least one meeting a year to a full review of the internal control system in order to sign off on the annual report on internal control, which is based on the work of the Audit and Accounts Committee and submitted to the French Banking Authorities (Banque de France);
- **RCI Banque Audit and Accounts Committee,** which operates under the authority of the Board of Directors and is responsible for assessing the standard of internal control and especially the systems used to measure, supervise and manage risks. It examines the draft company and consolidated financial statements and ensures that the methods used to prepare them comply with standards. It reviews the statutory auditors' summary report, gives its opinion of the statutory auditors' work, and sees that the rules guaranteeing their independence are adhered to. The committee meets twice a year, and its members are appointed by the Board of Directors from among its members;
- **RCI Banque Internal Control Committee,** which comprises all the members of the Executive Committee and meets four times a year to assess the quality of the internal control system and the related systems, stays abreast of trends in operational risks and monitors the compliance mechanism. It provides the Audit and Accounts Committee and the Board of Directors with the information they need to carry out their tasks;
- **special-purpose committees** composed of members of the Executive Committee regularly monitor the risk areas covered by Regulation 97-02: *i.e.,* they monitor the Group's exposure to credit risk, analyze the overall profitability of Group companies as well as the profitability of each type of product; control the Group's exposure to financial risks (interest rates, liquidity, currencies, counterparties), and ensure that operations are compliant in light of the list of authorized products.

3.2 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMPANY LAW (*CODE DE COMMERCE*), ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF RENAULT

This is a free translation into English of the statutory auditor's report issued in French prepared in accordance with article L.225-235 of French Company Law (Code de Commerce) on the report prepared by the Chairman of the Board of Directors of Renault on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with and construed in accordance with, French law and the relevant professional standards applicable in France.

Year ended December 31, 2013

To the Shareholders,

In our capacity as statutory auditors of Renault and in accordance with article L. 225-235 of the French company Law (*Code de commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with article L. 225-37 of French company Law (*Code de commerce*) for the year ended December 31, 2013.

It is the Chairman's responsibility to prepare and submit to the Board of Directors for approval a report on internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-37 of the French company Law (*Code de commerce*) particularly in terms of corporate governance.

It is our responsibility:

- to report to you on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that the report includes the other information required by article L. 225-37 of the French company law (*Code de commerce*). It should be noted that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with article L. 225-37 of the French company Law (*Code de commerce*).

Other information

We hereby attest that the report prepared by the Chairman of the Board of Directors also contains the other information required by article L. 225-37 of the French company law (*Code de commerce*).

Neuilly-sur-Seine and Paris-La Défense, February 19, 2014

French original signed by the statutory auditors

DELOITTE & ASSOCIES ERNST & YOUNG Audit

3.3 REMUNERATION OF SENIOR EXECUTIVES

3.3.1 REMUNERATION OF THE EXECUTIVE DIRECTOR ✦

In accordance with the Afep-Medef recommendations and with the position of the French securities regulator, *Autorité des marchés financiers* (AMF), the executive director does not also hold an employment contract with Renault.

3.3.1.1 COMPONENTS OF REMUNERATION ✦

The components of the remuneration due or attributed to the executive director in respect of 2013, which will be submitted for a consultative opinion to the shareholders at the General Meeting to be held on April 30, 2014, are set forth in this chapter and summarized in a table in chapter 6 of the Registration document.

FIXED AND VARIABLE REMUNERATION

It should be noted that the executive director is not remunerated for his function as Chairman of the Board of Directors.

Acting on a proposal from the Remuneration Committee, the Board of Directors chose the following principles to guide the remuneration of Mr Ghosn in his capacity as Chief Executive Officer.

The Remuneration Committee worked with a specialized consultancy on the basis of an analysis of remuneration practice at comparable French blue chip companies and in foreign corporations operating in the same sector.

This remuneration comprises:

- a fixed portion;
- and a variable portion, representing a percentage of the fixed portion, whose amount is set depending on performance criteria. The Board of Directors sets performance targets and assesses their implementation.

The variable portion can total up to 150% of the fixed portion if all the performance targets are reached. In exceptional cases, if all the targets were to be exceeded, the variable portion could represent up to 180% of the fixed portion.

The performance criteria set by the Board of Directors are as follows:

- ROE – Return on Equity (up to 15% of the variable portion);
- operating margin (up to 25% of the variable portion);
- free cash flow (up to 50% of the variable portion);
- a qualitative element linked to management and strategy (up to 60% of the variable portion), based on the following themes:
  - implementation of industrial strategy: allocation of vehicle and powertrain projects, application of competitiveness agreements in France, industrial performance (manufacturing performance and sourcing strategy),
  - environmental leadership: vehicle carbon emissions in Europe, Renault's carbon footprint,
  - R&D strategy multi-year development: Common big Modules Families (CMF) approach and continued implementation of the module policy, rollout of the Research and Advanced Engineering Plan,
  - CSR: verification of extra-financial data, visibility, social impact,
  - Daimler: manufacturing, co-development, new cooperation agreements,
  - Alliance synergies: increase the value of synergies.

Each of the six themes above is worth 10% of the qualitative element.

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 variable portion is paid in the following manner:

- 25% of the variable portion is paid in cash;
- the remainder is paid in shares, on a deferred basis, as follows.

The shares granted as part of the deferred variable portion will not be acquired until 2018, and subject to the following conditions:

- the executive director is still at Renault in 2018;
- performance conditions based on the financial criteria for the variable portion of the remuneration of the Chairman and CEO, which are assessed for the years 2014, 2015 and 2016.

The number of shares acquired by the Chairman and CEO will be determined on the basis of the amount of the deferred variable portion, of the risk of non-payment of this deferred variable portion and of the Group's performance over the period from 2014 through 2016.

In respect of 2013, the Board of Directors meeting of February 12, 2014, acting on a proposal from the Remuneration Committee, decided that the extent to which the financial criteria had been achieved represented 60.6% of the fixed portion and the extent to which the qualitative element had been fulfilled represented 52% of the fixed portion.

Therefore, in respect of 2013, the Board of Directors set the variable portion of the remuneration of the Chairman and CEO at 112.6% of the fixed portion, which was €1,384,980 (compared with 117% of the fixed portion, or €1,439,100 for 2012).

The Board of Directors meeting of February 12, 2014, acting on a proposal from the Remuneration Committee, approved the payment of the variable portion on the following terms:

- variable portion paid in cash (25% of the variable portion): €346,245;
- variable portion paid in shares on a deferred basis (75% of the variable portion): €1,038,735.

MULTI-YEAR VARIABLE REMUNERATION

The executive director is not paid any multi-year variable remuneration.

EXCEPTIONAL VARIABLE REMUNERATION

The executive director was not paid any exceptional variable remuneration in 2013.

LONG-TERM REMUNERATION

Starting in 2013, the Renault group decided not longer to implement stock-option plans, but only performance share plans.

The executive director thus benefits from stock options in accordance with the authorization granted by the General Meeting of April 29, 2011 and performance shares in accordance with the authorization granted by the General Meeting of April 29, 2013. The terms of these plans are described in chapter 3.3.3.

Stock options (authorization granted by the General Meeting of April 29, 2011)

Under the authorization granted by the Extraordinary General Meeting of April 29, 2011, the Board of Directors meeting of December 13, 2012, acting on a proposal from the Remuneration Committee, allocated 150,000 stock options to the Chairman and CEO for 2013.

That allocation represented 0.05% of the registered share capital. The exercise of the options is subject to the following performance conditions:

- free cash flow, for 80% of the options;
- operating margin, for 20% of the options.

On February 12, 2014, acting on a proposal from the Remuneration Committee, the Board of Directors decided that 88.48% of the 150,000 stock options allocated were exercisable, given the partial achievement of the performance criteria above, namely 132,720 options.

These options can be exercised over a period of four years from their allocation, following a lock-in period of the same length, *i.e.* from December 13, 2016 to December 12, 2020.

Under the authorization granted by the General Meeting of April 29, 2011, the Board of Directors of April 29, 2011, acting on a proposal from the Remuneration Committee, granted 100,000 stock options to the CEO for the 2011-2013 period(1). The exercise of these options was subject to a free cash flow performance criterion.

On February 12, 2014, the Board of Directors, acting on a proposal from the Remuneration Committee, decided that 100% of the 100,000 stock options allocated for the period 2011-2013 would be exercisable since the performance criteria had been achieved.

These options can be exercised over a period of four years from their allocation, following a lock-in period of the same length, *i.e.* from April 30, 2015 until April 28, 2019.

For the record, the CEO is obliged to hold shares equivalent to 50% of the net capital gain (net of tax and mandatory contributions) made on exercise of the options for 2013 plan and the plan for the period 2011-2013 until such time as he leaves his position.

Performance shares (authorization granted by the General Meeting of April 29, 2013)

The executive director was not granted any performance shares in 2013.

As a consequence of Renault decision to discontinue stock-option plans from 2013, the executive director has been granted performance shares for 2014, on the same terms as other senior executives, with an additional performance criterion reflecting his position as a corporate officer.

As authorized by the Extraordinary General Meeting of April 30, 2013, on February 12, 2014, the Board of Directors, acting on a proposal from the Remuneration Committee, granted the CEO 100,000 performance shares for 2014.

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

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

The number of shares vested will depend on the following performance criteria, evaluated over the period 2014, 2015 and 2016:

- free cash flow for one-third of the shares;
- the percentage variation in the auto operating margin compared to a sample group of auto manufactures with the same geographical and sector drivers, for a third of the shares (PSA auto, Fiat auto EMEA, VW Brand et Skoda Brand);
- 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 for as long as he remains in his current position.

DIRECTORS' FEES

The method of allotment of directors' fees is reiterated in chapter 3.3.3.2 of the Registration document. As a member of the Board of Directors, Mr Ghosn received €48,000 gross for 2013.

3

(1) On April 29, 2011, the Board of Directors enacted the decision of the Chairman and CEO to refuse 50,000 stock options of the 150,000 initially proposed by the Board of Directors.

COMPENSATION FOR TERMINATION OF OFFICE AND NON-COMPETE INDEMNITY

Mr Ghosn is not entitled to any compensation for termination of office or non-compete indemnity.

SUPPLEMENTARY PENSION PLAN

Mr Ghosn benefits from the collective supplementary pension scheme set up for members of the Group Executive Committee.

This plan was approved by the Board of Directors meetings of October 28, 2004 and October 31, 2006 and by the General Meeting of April 30, 2010 (tenth resolution). The scheme was confirmed by the Board of Directors meeting of February 12, 2014 and is subject to the approval of the General Meeting of April 30, 2014 (seventh resolution).

The supplementary pension plan for the benefit of the Chairman and CEO comprises:

- a defined contribution scheme equivalent to 8% (5% paid by the Company, 3% by the beneficiary) of the annual remuneration falling between eight and sixteen times the upper earnings limit for social security contributions;
- a supplementary scheme with defined benefits.

  Eligibility for this scheme is subject to a minimum length of service of five years and at least two years as a GEC member.

  The annual amount is equal to 10% of the reference compensation, plus 1.40% per year of service beyond five years as a member of the GEC and 0.40% per year outside GEC if the length of service at Renault exceeds five years.

This amount is capped at 30% of the reference compensation.

The reference earnings used for calculating the amount of the pension benefits under the defined-benefit plan is equal to the average of the three highest annual earnings in the last ten years before retirement. The reference earnings are capped at 65 times the annual social security ceiling. The total amount of the Chairman and CEO's pension is less than or equal to 45% of his reference earnings.

3.3.1.2 SUMMARY TABLES

The tables below are based on the recommendations of the Afep-Medef and the French securities regulator.

TABLE 1

Summary table of remunerations, stock options and shares allocated to Mr Ghosn

	2011	2012	2013
CARLOS GHOSN – Chairman and CEO			
Remuneration owing in respect of the year (details in table 2)	2,890,104	2,728,356*	2,291,532
Value of options granted during the year (details in table 4)	1,489,000**	750,258**	0***
Value of performance shares granted during the year (details in table 6)	0	0	0
TOTAL	**4,379,104**	**3,478,614**	**2,291,532**

* *Following the signing of the Competiveness Agreement, payment of 30% of the variable portion included in this amount is postponed and made conditional on Renault's fulfillment of all the fixed-term commitments made under this Agreement.*

** *The valuation method adopted in the consolidated accounts follows a suitable binomial mathematical model, with exercise of the options anticipated and spread over the exercise period on a straight-line basis. The value of the options in this column corresponds to the total expenses that will be accounted for over the four-year period of exercise (see chapter 4 note 19-H of the notes to the consolidated financial statements).*

*** *No options have been granted during the year 2013. Those granted for Fy 2013 have been executed on 12/13/2012. See table 4 hereafter.*

TABLE 2

Summary table of the remuneration of Mr Ghosn

a) The total remuneration of the Chairman and CEO paid by Renault SA and the companies it controls was as follows *(in €)*:

	AMOUNTS 2011		AMOUNTS 2012		AMOUNTS 2013	
CARLOS GHOSN	OWING FOR THE YEAR	PAID DURING THE YEAR	OWING FOR THE YEAR	PAID DURING THE YEAR	OWING FOR THE YEAR	PAID DURING THE YEAR
Fixed remuneration	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000
Variable remuneration (1)	1,599,000	0 (2)	1,439,100 (3)	1,599,000	1,439,100	1,007,370
Exceptional remuneration	0	0	0	0	0	0
Directors' fees	48,000	28,000	48,000	48,000	48,000	48,000
In-kind benefits	13,104	13,104	11,256	11,256	6,162	6,162
TOTAL	**2,890,104**	**1,271,104**	**2,728,356**	**2,888,256**	**2,723,262**	**2,291,532**

(1) Paid the following year.
(2) At the meeting of the Board of Directors on March 14, 2011, Mr Ghosn waived his variable remuneration for 2010, i.e. €1,658,880.
(3) Following the signing of the Competiveness Agreement, payment of 30% of the variable portion included in this amount is postponed and made conditional on Renault's fulfillment of all the fixed-term commitments made under this Agreement.

b) Remuneration of Mr Ghosn in his capacity as President and CEO of Nissan Motors Co., Ltd.

In compliance with the information published by Nissan on June 30, 2012 and June 30, 2013 in its annual financial report, Yukashoken-Houkokusho for the financial years 2011 (April 1, 2011 to March 31, 2012) and 2012 (April 1, 2012 to March 31, 2013), the total remuneration received by Mr Ghosn in his capacity as President and CEO of Nissan Motors Co., Ltd. was ¥987 million for FY 2011 and ¥988 million for FY 2012.

FINANCIAL YEAR (FROM APRIL 1, 2011 TO MARCH 31, 2012)	REMUNERATION	STOCK OPTIONS	TOTAL
2012	988*	0	988*

* *Figures published by Nissan in compliance with JGAAP accounting standards.*

This information is directly accessible, with all updates, on the Renault website at the address:
http://www.renault.com/fr/finance/gouvernance/pages/dirigeants.aspx

c) Remuneration of Mr Ghosn in his capacity as a director of AVTOVAZ.

In his capacity as a director of AVTOVAZ, Mr Ghosn receives directors' fees.

The directors' fees due in respect of 2013 were not known at the time of writing. For reference, the directors' fees due in respect of 2012 and paid in 2013, totaled RBL1,894,910.

TABLE 3

Summary table of benefits paid to the Chief Executive

CHIEF EXECUTIVE	EMPLOYMENT CONTRACT	SUPPLEMENTARY PENSION PLAN*	COMPENSATION FOR TERMINATION OF OFFICE	NON-COMPETE INDEMNITY
CARLOS GHOSN **Chairman and CEO**	No	Yes	No	No

* *See chapter 3.3.1.1.*

TABLE 4

Options granted during the year to the Chief Executive

	PLAN NO. AND DATE	TYPE OF OPTIONS	VALUE OF OPTIONS BASED ON THE METHODS ADOPTED FOR THE CONSOLIDATED ACCOUNTS*	NBR OF OPTIONS GRANTED DURING THE YEAR	EXERCISE PRICE	EXERCISE PERIOD
CARLOS GHOSN	No. 18 04/29/2011	PURCHASE	931,000	100,000***	€38.80	From 04/30/2015 to 04/28/2019
	No. 19 12/08/2011	PURCHASE	558,000	100,000**	€26.87	From 12/09/2015 to 12/07/2019
	No. 20 12/13/2012	PURCHASE	750,258	150,000****	€37.43	From 13/12/2016 to 12/12/2020

* *The valuation method adopted in the consolidated accounts follows a suitable binomial mathematical model, with exercise of the options anticipated and spread over the exercise period on a straight-line basis. The value of the options in this column corresponds to the total expenses that will be accounted for over the four-year period of exercise (see chapter 4 note 19-H of the notes to the consolidated financial statements).*

** *50,000 after calculation of the achievement of the performance conditions.*

*** *100,000 after calculation of the achievement of the performance conditions.*

**** *132,720 after calculation of the achievement of the performance conditions.*

TABLE 5

Options exercised during the year by Mr Ghosn

	PLAN NO. AND DATE	NBR OF OPTIONS EXERCISED DURING THE YEAR	EXERCISE PRICE	GRANT YEAR
CARLOS GHOSN	-	None	-	-

TABLE 6

Performance shares allocated during the year to Mr Ghosn

	PLAN NO. AND DATE	NUMBER OF SHARES	VALUE OF SHARES (BASED ON THE METHOD ADOPTED FOR THE CONSOLIDATED ACCOUNTS)	DATE OF ACQUISITION	DATE OF AVAILABILITY	PERFORMANCE CONDITIONS
CARLOS GHOSN	-	None	-	-	-	-

TABLE 7

Performance shares available to Mr Ghosn during the year

	PLAN NO. AND DATE	NBR OF SHARES BECOMING AVAILABLE DURING THE YEAR	TERMS OF ACQUISITION
CARLOS GHOSN	-	None	-

3.3.2 DIRECTORS' FEES ✦

The Annual General Meeting may allocate directors' fees, the amount of which remains fixed until otherwise decided.

3.3.2.1 AMOUNT

The Mixed General Meeting on April 29, 2011 voted an annual amount of €1,200,000[1] to be apportioned among the directors for the current year and subsequent years, until further notice. The Board is responsible for allotting these fees.

(1) The amount of €1,200,000 is consistent with the median of directors' fees paid by other CAC 40 companies.

3.3.2.2 METHOD OF ALLOTMENT

The Board of Directors meeting of April 29, 2011 apportioned the directors' fees for FY 2013, and reiterated the breakdown on February 12, 2014, according to the following criteria:

- a fixed portion, linked to the responsibilities arising from Board membership, of up to €24,000;
- a variable portion, linked to directors' actual attendance at the Board meetings, of up to €24,000.

Two additional payments may also be made:

- one payment, of up to €7,500 per committee, for sitting on one of the Board's committees;
- one payment, of up to €7,500, for chairing a committee.

The above amounts are calculated on a time-apportioned basis depending on the length of the director's term of office, over a 365-day basis.

Total fees allocated to directors in 2013 amounted to €1,099,825[1] (compared with €1,131,000 in 2012).

The Board of Directors has decided to review the method of allotment of directors' fees in 2014. In accordance with the Afep-Medef Code, the Board would like the variable portion, paid for actual attendance of Board and committee meetings, to be the larger portion of directors' fees.

TABLE 8

Fees allotted to directors for the year based on attendance at Board and committee meetings

	ATTENDANCE RATE, BOARD AND COMMITTEE MEETINGS IN 2013[(1)]						TOTAL GROSS FEES RECEIVED *(in €)*[(2)]	
DIRECTORS	BOARD	AUDIT, RISK AND ETHICS COMMITTEE	REMUNERATION COMMITTEE	APPOINTMENTS AND GOVERNANCE COMMITTEE	INTERNATIONAL STRATEGY COMMITTEE	INDUSTRIAL STRATEGY COMMITTEE	2012	2013
Mr Ghosn	100%	-	-	100%	-	-	48,000	48,000
Mr Azéma[(3)]	87.5%	100%	-	-	-	100%	22,364	60,000
Mr Belda	75%	-	100%	50%	100%	-	75,000	72,000
Mr de Croisset	100%	83.3%	-	-	-	100%	60,000	63,000
Mr Delpit	87.5%	-	-	-	0%	-	52,500	52,500
Mr Desmarest	75%	-	100%	-	100%	100%	75,000	72,000
Mr Faure[(3)(4)]	75%				100%	100%		52,512
Mr Garnier	87.5%	-	100%	-	100%	100%	75,000	75,000
Mr Gentil	100%	-	-	-	100%	100%	14,770	63,000
Mr Isayama[(4)]	100%	-	-	-	-	-	42,000	10,825
Miss Koike[(4)(5)]	50%	-	-	-	-	-	-	-
Mr Ladreit de Lacharrière	100%	-	100%	100%	-	-	70,500	70,500
Mrs. de La Garanderie	87.5%	100%	-	50%	-	-	63,000	60,000
Mr Lagayette[(6)]	87.5%	100%	-	100%	-	-	75,000	75,000
Mr Ostertag	100%	100%	-	-	-	100%	63,000	63,000
Mr Personne	100%	-	-	-	100%	-	13,660	55,500
Mr Riboud	87.5%	-	-	-	-	-	36,000	45,000
Mrs Rih	100%	-	-	-	100%	-	13,660	55,500
Mr Rousseau[(3)(4)]	100%	-	-	-	-	-	57,000	7,488
Mr Saikawa	75%	-	-	-	100%	-	49,500	49,500
Mrs Sourisse	75%	66.6%	-	-	-	-	55,500	49,500

(1) For directors whose appointment to the Board or one of the committees began or ended during 2013, the attendance rate is calculated on the duration of their term of office, not the calendar year.
(2) Fees allocated for Board membership, attendance at Board meetings, membership and/or chairmanship of one of the Board Committees.
(3) Directors representing the French State.
(4) Directors whose appointment to the Board or one of the committees began or ended during 2014.
(5) Miss Koike expressed her wish to waive the fees due to her for 2013, the year in which she was appointed as a director. The Board of Directors meeting of February 12, 2014 took note of this waiver.
(6) For 2013, the Renault Board awarded double fees to Mr Lagayette for his work as Chairman of the Audit, Risks and Ethics Committee.

3.3.3 REMUNERATION OF SENIOR EXECUTIVES: PERFORMANCE SHARES

3.3.3.1 LEGAL FRAMEWORK

In its fourteenth resolution, the Mixed General Meeting of April 30, 2013, authorized the Board of Directors to make one or more free grants of "performance shares" (existing shares or shares to be issued in the future) to the Chief Executive and some employees of the Company and its related companies, on the terms set forth in Article L. 225-197-1 of the French Commercial Code.

It is to be noted that performance shares granted under the abovementioned authorization are capped as follows:

- the total number of performance shares granted shall not exceed 1.5% of the share capital over three years, *i.e.* on average 0.5% of the share capital per annum;
- the Chairman and CEO cannot receive more than 15% of the total number of performance shares allocated;
- the members of the Executive Committee cannot receive more than 30% of the total number of performance shares allocated, including those allocated to the Chairman and CEO.

The meeting made the allocation of performance shares conditional on achieving the performance criteria set during the budgeting process.

The allocation of performance shares pursuant to the fourteenth resolution of the Mixed General Meeting of April 30, 2013 does not dilute the shares owned by shareholders, since the performance shares are allocated from treasury stock.

3.3.3.2 GENERAL POLICY ON PERFORMANCE SHARE PLANS

REMUNERATION COMMITTEE

The Board of Directors approves plans to allocate performance shares on the basis of the report and recommendations of the Remuneration Committee. The committee examines proposals from the Chairman to allocate shares to certain Group employees, in compliance with the general arrangements set by the Annual General Meeting.

AIMS OF PERFORMANCE SHARE PLANS

The main aim of allocations of performance shares is to involve Renault executives worldwide, particularly the members of management bodies, in building the value of the Group by allowing them to have an ownership interest in the Company.

The plan is also a way to reward those executives who, by their actions, make an especially positive contribution to the Group's results.

In addition, the plan helps to secure the loyalty of those executives for whom the Group has long-term ambitions, in particular "high-flyers", *i.e.* young executives with strong potential. Granting stock options and performance shares helps to increase the commitment of these staff members and motivate them to work for the Company's advancement and growth.

The plan reinforces the role of the Group's responsibility centers in Europe and the rest of the world. In Automotive, it applies in particular to sales subsidiaries, vehicle and powertrain engineering teams, managers of body assembly and powertrain plants, industrial subsidiaries and all the heads of vehicle and sub-system programs and projects. The plan also applies to Sales Financing, and to the heads of the Group's major support functions.

ALLOCATION POLICY

Allocations of shares vary according to the beneficiaries' level of responsibility and contribution to the Company, an appraisal of their performance and results, and, for younger staff members, an assessment of their development potential.

Beneficiaries are divided into three categories.

Senior executives

At March 1, 2013, the senior executives are the 28 members of the Renault Management Committee, including the 10 members of the Group Executive Committee.

The Chairman and CEO cannot receive more than 15% and the members of the Executive Committee cannot receive more than 30% of the total number of performance shares allocated.

Managing executives

Managing executives are granted a variable number of performance shares each year, based on the same criteria as those applicable to senior executives, namely levels of responsibility, performance and results. The quantity of shares granted can vary, depending on individual appraisals. Some managing executives may not be eligible for an award.

Other executives benefiting from the plan

The plan's other beneficiaries are generally senior managers and high-flyers with strong professional or managerial potential or expertise. An array of complementary systems is used to assess and select beneficiaries (annual performance and development review, Careers Committees, personal monitoring for high-flyers, job-related variable remuneration). Taken together, these systems form a comprehensive observation platform used to single out the most deserving executives.

Altogether the three categories represent roughly 900 executives annually. The total number of beneficiaries was 849 under the 2011 plan, 892 under the 2012 plan, and 861 under the 2013 plan.

3.3.3.3 SUMMARY TABLES OF THE PLANS

TABLE 9

Stock-option and performance-share allocations

Plans 12 and 14 entitle the holder to subscribe for new issues, while Plans 17, 18, 19 and 20 give the right to buy existing shares.

Plans 17 b, 18 b, 19 b and 20 b cover allocations of free shares to which corporate officers are not entitled.

The total volume of plans underway at December 31, 2013 is equivalent to 2.69% of the number of shares making up the share capital.

Stock-option plans

DATE OF GRANT/BOARD MEETING		TOTAL NBR OF SHARES THAT MAY BE GRANTED OR ACQUIRED	O/W FOR EXEC. DIRECTOR CARLOS GHOSN	OPTION START DATE	EXPIRY DATE	SUBSCRIPTION/ PURCHASE PRICE (1)	NBR OF SHARES SUBSCRIBED AT 12/31/2013	NBR OF CANCELLED OR LAPSED OPTIONS AT 12/31/2013	OPTIONS OUTSTANDING AT 12/31/2013
AGM authorization granted on May 4, 2006									
Plan 12	05/04/2006	1,674,700	100,000	05/05/2010	05/03/2014	87.98	3,000	391,147	1,280,553
Plan 14	12/05/2006	1,843,300	200,000	12/06/2010	12/04/2014	93.86	0	356,494	1,486,806
AGM authorization granted on April 29, 2011									
Plan 17*	04/29/2011	176,000	0	04/30/2015	04/28/2019	38.80	0	176,000	0
Plan 18	04/29/2011	490,000	100,000	04/30/2015	04/28/2019	38.80	0	11,388	478,612
Plan 19**	12/08/2011	300,000	100,000	12/09/2015	12/07/2019	26.87	0	150,000	150,000
Plan 20	12/13/2012	447,800	150,000	12/13/2016	12/12/2020	37.43	0	0	447,800

(1) The subscription/purchase price is equal to the average share price quoted during the twenty trading days prior to the Board of Directors meeting.

** The Board of Directors meeting of February 15, 2012 noted that the 2011 target for operating margin was not reached. As a result, all the stock options corresponding to Plan 17 have been cancelled.*

*** For this 2011 plan, the grantees were informed in early 2012. The Board of Directors meeting of February 13, 2013 noted that the 2012 target for operational margin was not reached. As a result, 50% of the stock options corresponding to Plan n°19 have been cancelled.*

Performance share plans

DATE OF GRANT/BOARD MEETING		TOTAL NBR OF SHARES GRANTED	O/W FOR EXEC. DIRECTOR CARLOS GHOSN	FINAL ACQUISITION DATE	HOLDING PERIOD ENDS	SHARES CANCELLED AT 12/31/2013	SHARES OUTSTANDING AT 12/31/2013
Plan 17 b Shares* **	04/29/2011	544,300	0	04/30/2013****	04/30/2015	544,300	0
Plan 18 b Shares*	04/29/2011	1,233,400	0	04/30/2014****	04/30/2016	43,255	1,190,145
Plan 19 b Shares * ***	12/08/2011	609,900	0	12/09/2013****	12/09/2015	310,750	299,150
Plan 20 b Shares*	12/13/2012	679,900	0	12/13/2014****	12/12/2016	8,700	671,200

** Acquisition and holding periods are different for French tax residents and foreign tax residents, in order to take account of local tax regulations.*

*** The Board of Directors meeting of February 15, 2012 noted that the 2011 target for operating margin was not reached. As a result, all the shares corresponding to Plan 17b have been cancelled.*

**** For this 2011 plan, the grantees were informed in early 2012. The Board of Directors meeting of February 13, 2013 noted that the 2012 target for operational margin was not reached. As a result, 50% of the shares corresponding to Plan n°19b have been cancelled.*

***** French tax residents.*

TABLE 10

Information on the ten employees other than corporate officers

STOCK OPTIONS GRANTED TO AND EXERCISED BY THE TEN EMPLOYEES, OTHER THAN CORPORATE OFFICERS, RECEIVING THE HIGHEST NUMBER OF OPTIONS	TOTAL OPTIONS GRANTED / SHARES ACQUIRED	EXERCISE PRICE	PLAN 18	PLAN 19*	PLAN 20
Options granted during the year by the issuer, or any option-granting company to the ten employees of this issuer or any company within this scope, receiving the highest number of options (aggregate information)	478,800	Plan 18 = €38.80 Plan 19 = €26.87 Plan 20 = €37.43	240,000	62,000	176,800
Options on the shares of the issuer or the aforementioned companies exercised during the year by the ten persons of the issuer and these companies, acquiring or subscribing the largest number of options (aggregate information)	None				

* *The Board of Directors meeting of February 13, 2013 noted that the 2012 target for operating margin was not reached. As a result, 50% of the stock options corresponding to Plan 19 have been cancelled.*

PERFORMANCE SHARES GRANTED TO THE TEN EMPLOYEES OTHER THAN CORPORATE OFFICERS AND SHARES DEFINITIVELY ACQUIRED BY THESE EMPLOYEES	TOTAL SHARES GRANTED	PLAN 18 B	PLAN 19 B*	PLAN 20 B
Shares granted during the year by the issuer, or any option-granting company to the ten employees of this issuer or any company within this scope, receiving the highest number of shares (aggregate information)	222,000	110,000	34,000	78,000
Shares held on the issuer or the aforementioned companies, and acquired during the year, by the ten persons of the issuer and these companies, acquiring the largest number of shares (aggregate information)	None			

* *The Board of Directors meeting of February 13, 2013 noted that the 2012 target for operating margin was not reached. As a result, 50% of the stock options corresponding to Plan 19 have been cancelled.*

3.3.3.4 ADDITIONAL INFORMATION

Loss of entitlement is governed by regulatory provisions, *i.e.* total loss in the event of resignation, and individual decision in the event of dismissal, by the Chairman and CEO who informs the Remuneration Committee

3.4 INTERNAL RULES OF THE BOARD OF DIRECTORS

These Rules define the operating rules and procedures governing the proceedings of the Board of Directors and its committees, and the rights and obligations of the directors.

These rules were approved by the Board of Directors at its meeting on September 10, 1996, and underwent several amendments, the latest of which was passed by the Board of Directors at its meeting on February 12, 2014.

Certain provisions of these internal rules expressly reiterate the recommendations of the Afep-Medef Code, which is the reference corporate governance code for Renault.

3.4.1 BOARD OF DIRECTORS ✦

3.4.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

Through its composition, the Renault Board of Directors seeks balanced representation, competence and ethical behaviour in its members. For this purpose, it considers the following points when examining candidates for membership:

- the composition of and changes in the share ownership pattern;
- independence;
- balanced representation of men and women;
- diversity of backgrounds and skills, their complementarity and relevance with regard to the strategy and development of Renault;
- diversity of nationalities;
- knowledge of the markets in which Renault is or seeks to be established.

Each candidate's profile is examined on the basis of each of the foregoing criteria.

The candidates are then interviewed by the Nominations and Governance Committee. Following these interviews, the Nominations and Governance Committee makes recommendations to the Board of Directors.

The Board of Directors discusses the candidatures proposed by the committee and votes to determine which of them will be submitted to the Shareholders' General Meeting.

After this, the composition of the Board of Directors is:

- reviewed as part of the annual assessment of the Board's organisation and operation. Whenever it considers it necessary and at least every three years, the Board of Directors conducts a formal assessment;
- described in the Chief Executive Officer's report on the composition of the Board of Directors and on the application of the principle of balanced representation of men and women, the manner in which the Board's proceedings are prepared and organised, and the internal control and risk management procedures implemented by the company.

3.4.1.2 MISSIONS OF THE BOARD OF DIRECTORS

The Board of Directors is a collegiate body.

It has the obligation to act in the corporate interests of the company under all circumstances. It receives its powers from the shareholders as a body, and also takes account of the expectations of other stakeholders.

On a proposal by the Chief Executive Officer, the Board of Directors determines the company's strategy. The Board discusses the company's strategic guidelines on a yearly basis, including those relating to the Alliance, proposed by the Chief Executive Officer. It examines any amendments to those guidelines. The Board gives its opinion beforehand on any major decision that is not in line with the business strategy.

It is alerted promptly by the Chief Executive Officer in the event of any external event or internal change radically affecting the company's prospects or the forecasts submitted to the Board of Directors.

Every year, the Board examines the medium-term plan and the budget.

It is regularly informed of the company's results as reflected in the income statement, balance sheet and cash flow; it is also informed of off-balance-sheet commitments.

The Board oversees the quality of information supplied to shareholders and markets, through its financial statements or whenever significant transactions are carried out. It publicises its opinion on the conduct of transactions in the company's securities whenever warranted by the nature of those transactions.

The Board meets once a year, in the absence of the Chief Executive Officer, to assess the latter's performance and set his/her remuneration.

3.4.1.3 PROCEEDINGS OF THE BOARD OF DIRECTORS

The proceedings of the Board of Directors and the meetings of the Board committees may be conducted using any technical means, provided they guarantee effective participation by directors.

✦ Global Reporting Initiative (GRI) Directives

Accordingly, the directors participating in the Board's proceedings by the aforementioned means are deemed attending, for calculation of the quorum and majority, except for the meetings finalising the separate or consolidated financial statements, appointing or dismissing the Chairman of the Board of Directors, the Managing Director and the delegate Managing Directors, for which proceedings the directors are required to attend in person.

The proceedings of the Board of Directors are conducted on the basis of documents sent to each director not less than five (5) days before the meeting of the Board of Directors.

However, where the aforementioned documents are submitted beforehand to a committee of the Board within a shorter time limit, those documents shall be forwarded to the directors at the close of the relevant meeting of that committee.

In the event of urgency or where the time limit cannot be met, the agenda and the documents relating to the matters for discussion by the Board of Directors shall be transmitted not less than 24 hours before the Board of Directors meets.

3.4.2 RIGHTS AND OBLIGATIONS OF DIRECTORS

3.4.2.1 KNOWLEDGE OF THE LAW GOVERNING *SOCIÉTÉS ANONYMES* (FRENCH PUBLIC LIMITED COMPANIES) AND OF THE COMPANY'S ARTICLES OF ASSOCIATION

Each director must, upon taking up his/her duties, be acquainted with the general and particular obligations arising from his/her office. The director must be acquainted with the legislation and regulations relevant to the operation of *sociétés anonymes,* the recommendations of the Afep-Medef Code which is the reference for Renault, the Renault Articles of Association, these Internal Rules and any other relevant document.

Furthermore, each director may, where he/she considers it necessary, receive additional training in the specific features of the company, its business lines and the automotive industry.

Directors representing employees or employee shareholders receive appropriate training to enable them to discharge their duties.

3.4.2.2 RIGHT TO DISCLOSURE AND DUTY TO KEEP INFORMED

Each director has the duty to keep him/herself informed. He/she must make timely enquiry of the Chairman of the Board of Directors to obtain the information he/she considers necessary to discharge his/her duties and to contribute to discussion of the matters entered on the Board's agenda. Moreover, the Secretariat of the Board of Directors is available to each director to provide documents evidencing such information.

3.4.2.3 DUTY OF DILIGENCE

Each director must devote the time and attention necessary to the discharge of his/her duties. A director must be diligent and, unless materially prevented, attend all meetings of the Board of Directors and of the committees of which he/she is a member.

As such, a director may not hold more than four (4) offices in listed companies outside the Renault group, including foreign companies. A director must keep the Board informed of any office held in other companies, including any involvement in the proceedings of committees of those companies' Boards of Directors.

3.4.2.4 DUTY OF LOYALTY

Each director has the duty to notify the Board of Directors of any potential or actual conflict of interest with the company or with any company within its group, and must refrain from voting with regard to said conflict(s) of interest.

3.4.2.5 PROFESSIONAL SECRECY & PRIVILEGED INFORMATION

Each director must, in addition to the obligation of discretion as provided in Article L. 225-37 of the French Commercial Code, regard him/herself as bound by professional secrecy regarding any information undisclosed to the public of which he/she may be aware in the discharge of his/her duties as director.

Furthermore, each director undertakes, on the same footing as any Group senior executive, to comply with the Renault internal procedure concerning the use and/or disclosure of privileged information relating to Renault and/or Nissan, and with any legislative or regulatory provision governing privileged information.

3.4.2.6 HOLDING OF SHARES IN THE COMPANY

It is recommended that each director hold a number of shares significantly proportional to the directors' fees received. Where a director does not hold such shares upon taking up duties, he/she must use his/her directors' fees to purchase them. This rule shall not apply to directors appointed by the State or to directors representing employees and employee shareholders, who do not receive directors' fees in a personal capacity.

These shares shall be held in registered form.

It should be noted that the law also requires directors' spouses to register the shares they hold or to deposit them with a bank, a financial institution authorised to take deposits of securities by the public, or a stockbroker. Moreover, since the company must disclose to the AMF all transactions performed in shares – purchases, subscriptions, exchanges, etc. – by the directors and any persons with whom they are closely connected, each director undertakes to inform the Secretary of the Board of Directors within twenty-four (24) hours of making such a transaction.

3.4.2.7 REFUND OF EXPENSES

Each director is entitled, upon submitting vouchered evidence, to the refund of travel and commuting expenses and any other expenditure contracted by him/her in the interests of the company.

3.4.3 COMMITTEES OF THE BOARD OF DIRECTORS

In order to assist it in its missions and activities, the Board of Directors has the following five committees:

- an Audit, Risks and Ethics Committee;
- a Remuneration Committee;
- a Nominations and Governance Committee;
- an International Strategy Committee;
- an Industrial Strategy Committee.

The Board of Directors decides on the composition of the committees and the choice of their respective Chairmen based on a proposal of the Nominations and Governance Committee.

The existence in the committees of cross-directorships – as understood by the Afep-Medef Code – should be avoided.

The Chairmen of the committees may, if they wish, attend the meetings of the other committees of which they are not members.

The Chairmen of the committees shall report on the activities and recommendations of their respective committees at the meetings of the Board of Directors. Where prevented from attending, the Chairman shall appoint a member of the committee to deliver his/her report to the Board of Directors.

The Chief Executive Officer may consult the committees on any matter relating to their missions.

The committees shall meet whenever they deem it necessary and at least twice a year.

In any case, the committees shall meet ahead of the meetings of the Board of Directors having on their agenda matters within those committees' remit.

The committees shall meet no later than two (2) days before the meetings of the Board of Directors scheduled to discuss matters examined in the committees, except in cases of urgency or where prevented from meeting.

The documents intended for the following committees shall be sent to their members not less than five (5) days before the committee meeting, except in cases of urgency or where prevented:

- the Industrial Strategy Committee;
- the International Strategy Committee.

The documents intended for the following committees shall be sent to their members not less than two (2) days before the committee meeting, except in cases of urgency or where prevented:

- the Audit, Risks and Ethics Committee;
- the Nominations and Governance Committee;
- the Remuneration Committee.

In order to fulfil their missions, the committees may, at their option:

- meet staff in the divisions relevant to their duties;
- interview functional managers or those of operating entities;
- request company representatives to communicate any document or information they consider necessary to the discharge of their mission;
- call upon organisations and service providers outside the company to perform, at the company's expense, any studies they consider conducive to the fulfilment of their missions.

3.4.3.1 AUDIT, RISKS AND ETHICS COMMITTEE ("CARE")

A) COMPOSITION

The composition of the CARE is as follows:

- at least two-thirds (2/3rds) of independent directors, excluding employee directors or those representing employee shareholders;
- directors having accounting or financial skills;
- a committee Chairman is chosen with particular care from among the independent directors;
- the Chief Executive Officer may not be a member of this committee.

The members of the CARE shall, upon their appointment, be informed of the company's specific accounting, financial and operating features. Furthermore, each director may, where he/she considers it necessary, receive additional training in the company's specific features, its business lines and the automotive industry. Directors representing employees or employee shareholders shall receive appropriate training to enable them to discharge their duties.

B) MISSIONS

The following are the missions of the CARE:

- monitoring the processes for generating financial information, supervising the methods adopted for drawing up financial statements, drawn up in compliance with prevailing standards and in accordance with the IFRS accounting system;
- examining and analyzing the financial statements as prepared by the company's directors, and reporting on its findings in this respect to the members of the Board of Directors;
- monitoring the effectiveness of schemes for risk control, internal control and regulatory and operational compliance;
- ensuring compliance with ethical rules, particularly business ethics;
- ensuring the company has a good level of commitment to social and environmental responsibility (SER).

As such, the CARE:

- examines – as part of its analysis of the financial statements – the memorandum of the statutory auditors highlighting the salient points in the results, the accounting options adopted, and a memorandum from the Financial Director describing the risk exposure, and the off-balance-sheet commitments of the business;
- proposes to the Board the procedure for selecting the statutory auditors, manages the selection procedure, issues an opinion on the quality of those auditors' work and ensures compliance with the rules safeguarding their independence; within this framework, it issues a recommendation regarding the statutory auditors proposed for appointment by the Shareholders' General Meeting;
- regularly interviews the statutory auditors, who must submit their general programme of work and the tests and samplings they have undertaken;
- is informed of the existence of a system for identifying and assessing the Group's risks and ensures that the system's effectiveness is duly monitored;
- ensures that an internal control system exists, and monitors its effectiveness;
- supervises the audit plan, monitors its execution and checks that the recommendations are implemented;
- supervises the proper implementation and assesses the effectiveness of the ethical scheme, and monitors the enforcement of the Group Code of Conduct together with its related procedures;
- receives, from the Ethics Director, the company's annual activity report on ethics and compliance, together with the actions undertaken; this committee examines and issues its opinion on the action programme for the following year, and monitors the developments in it;
- interviews the Ethics Director and, if it considers it necessary, the Chairmen of the Ethics and Compliance Committee and the Risks and Internal Control Committee;
- examines relations with stakeholders regarding any issue relating to ethics and to social and environmental responsibility;
- interviews the company's Social Responsibility Director once a year on the actions conducted in this area;
- examines the section of the report by the Chairman of the Board of Directors referred to in Article L. 225-37 of the French Commercial Code relating to internal control and risk management procedures;
- formulates any recommendation to the Board of Directors or the company's management bodies in the areas within its remit.

Within the scope of its authority, the CARE regularly interviews representatives of the following entities:

- the Audit, Risk Control and Organisation department;
- the Group Protection and Risk Prevention department;
- the Ethics department;
- the Group Finance department;
- the statutory auditors.

3.4.3.2 REMUNERATION COMMITTEE

A) COMPOSITION

The composition of the Remuneration Committee is as follows:

- a majority of independent directors;
- one director representing the employees or employee shareholders;
- a Chairman appointed from among the independent directors;
- the Chief Executive Officer may not be a member of this committee.

B) MISSIONS

The Remuneration Committee's mission is to enable the Board of Directors to determine all the remunerations and benefits of the senior managers holding corporate office.

As such, the Remuneration Committee:

- proposes to the Board of Directors the amount of the fixed portion of the remuneration for the Chief Executive Officer;
- proposes to the Board of Directors the rules for setting the variable portion of the remuneration for the Chief Executive Officer and the amount of that variable portion;
- ensures the consistency of those rules with the annual or multi-year assessment of the Chief Executive Officer's performance, and with the company's medium-term strategy;
- supervises the annual application of those rules;
- makes all recommendations to the Board of Directors concerning the remuneration, non-cash benefits and retirement benefits of the Chief Executive Officer;
- assesses all the remunerations and benefits received including, where applicable, those received from other Group companies, and by the main senior managers not holding corporate office, particularly members of the Executive Committee; the Remuneration Committee may, for this purpose, enlist the help of the senior managers holding corporate office;
- examines the general policy for long-term incentive plans and formulates proposals to the Board of Directors both on that policy and on long-term incentive awards;
- reviews the information sent to shareholders for the purposes of consulting them on the remuneration of a senior manager holding corporate office.

3.4.3.3 NOMINATIONS AND GOVERNANCE COMMITTEE

A) COMPOSITION

The composition of the Nominations and Governance Committee is as follows:

- a majority of independent directors;
- a Chairman appointed from among the independent directors;
- the Chief Executive Officer may not be a member of this committee.

B) MISSIONS

The missions of the Nominations and Governance Committee are as follows:

- drawing up a procedure for selecting directors, the Chairman of the Board of Directors, the Managing Director (whether a separate person or not) and the corporate officers;
- making all proposals to the Board of Directors regarding appointment of the Chairman of the Board of Directors, the Managing Director (whether a separate person or not) and the corporate officers in compliance with that procedure;
- deciding whether to renew corporate officers whose terms of office are expiring, taking into account in particular the pattern of shareholdings in the company, the balance between men and women on the Board of Directors and the need to maintain an appropriate proportion of independent directors;
- proposing solutions to the Board ensuring the succession to senior managers holding corporate office in the event of unforeseen vacancies, in line with a succession plan developed beforehand by the committee;
- making all proposals concerning the chairmanship, composition and duties of the different committees;
- monitoring corporate governance issues and enforcing compliance with the Afep-Medef Code;
- pointing out, where applicable, the Afep-Medef Code recommendations that have not been applied and explaining the reasons therefor in a clearly stated, relevant and detailed manner;
- proposing referral to the High Committee in charge of monitoring implementation of the Afep-Medef Code of any matter relating to a provision or the interpretation of said code;
- examining the section of the report by the Chairman of the Board of Directors referred to in Article L. 225-37 of the French Commercial Code relating to the composition of the Board and to the application of the principle of balanced representation of men and women on the Board, and the manner of preparing and organising the proceedings of the Board;
- drawing up, each year, with the assistance (where necessary) of an organisation outside the company, an assessment of the composition of the Board, the manner of preparing and organising the Board's proceedings, and, where applicable, proposing amendments.

3.4.3.4 INTERNATIONAL STRATEGY COMMITTEE

A) COMPOSITION

The composition of the International Strategy Committee is as follows:

- directors chosen for their awareness of issues relating to the company's international development;
- a Chairman appointed from among the independent directors.

B) MISSIONS

The missions of the International Strategy Committee relate to the company's activity outside France and are as follows:

- studying the strategic development lines proposed by the Chief Executive Officer regarding the international development of the company and the Alliance;
- analysing and examining on behalf of the Board the company's international projects, and giving opinions on those projects;
- monitoring the company's international projects and drawing up reports as requested by the Board of Directors.

3.4.3.5 INDUSTRIAL STRATEGY COMMITTEE

A) COMPOSITION

The composition of the Industrial Strategy Committee is as follows:

- directors chosen for their competence in and awareness of industrial issues;
- a Chairman appointed from among the independent directors.

B) MISSIONS

The following are the missions of the Industrial Strategy Committee:

- reviewing the major policy lines of the Group's industrial strategy, including the social and environmental impacts of those projects;
- reviewing industrial capacity projects;
- reviewing the main plants and the various projects for group expansion and/or reduction;
- examining the competitiveness of the installed manufacturing sites and their supplier base;
- examining strategic agreement plans, partnerships and external acquisition or disposal transactions having a significant impact on the company's industrial strategy;
- examining the main strategic policy lines by preparing the decisions for discussion by the Board of Directors;
- examining major vehicle and engine projects once a year, at the time when those projects are undertaken.

3.4.4 EXERCISE OF THE GENERAL MANAGEMENT FUNCTION

3.4.4.1 CONCENTRATION OF FUNCTIONS

The Board of Directors appoints the Chairman of the Board of Directors and the Managing Director. Since the Board has opted for concentration of functions, the person vested with the relevant powers shall assume the title of Chief Executive Officer. Thus, to simplify, these rules refer exclusively to the position of the Chief Executive Officer, it being stated that this officer acts, depending on the case, as Chairman of the Board of Directors or as Managing Director.

He/she cannot hold more than two other corporate-office positions in listed companies outside the Group, including foreign companies, and must seek the opinion of the Board of Directors before accepting a new corporate-office position in a listed company.

3.4.4.2 MISSIONS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer must, for purposes of his/her duties as Chairman of the Board of Directors, carry out the missions described below.

The Chief Executive Officer organises and leads the proceedings of the Board of Directors, and reports on those proceedings to the Shareholders' General Meeting.

He/she ensures the proper operation of the company's management bodies, with particular emphasis on the committees of the Board of Directors. In particular, in coordination with the referee director, the Chief Executive Officer ensures that the Directors are able to fulfil their missions, particularly on the committees on which they sit.

He/she ensures optimum implementation of the corporate governance principles.

He/she ensures that the Board devotes adequate time to the matters affecting the company's future, with particular emphasis on its strategy, especially as regards the Alliance.

The Chief Executive Officer may attend, in a consultative capacity, all the meetings of the committees of the Board, subject to any conflicts of interest, and may consult them on any matter falling within their remit.

3.4.4.3 BALANCE OF POWERS

In view of the concentration in one person of the functions of the Chairman of the Board of Directors and the Managing Director, the Board of Directors shall strive to institute mechanisms to safeguard the balance of powers.

A) INDEPENDENCE OF THE BOARD OF DIRECTORS

Renault's Board of Directors must be comprised of at least 50% independent directors.

A director is independent when he/she entertains no relationship whatsoever with the company, its group or general management, such as might compromise the exercise of his/her freedom of judgement. Thus, an independent director shall be understood to mean not only a non-executive director, *i.e.* one not performing management duties in the company or its group, but also one devoid of any particular bonds of interest (significant shareholder, employee or other) with these entities.

The Board of Directors shall determine each year the list of its members who are regarded as independent, on the basis of the criteria laid down in the Afep-Medef Code:

- not to be a customer, supplier, investment banker or commercial banker that is material to the corporation or its group, or for which the corporation or its group accounts for a significant part of its business;
- not to be related by close family ties to an executive director [company officer];
- not to have been an auditor of the corporation within the previous five years;
- not to have been a director of the corporation for more than twelve years. The loss of independent-director status by reference to this criterion should occur only at the expiry of the term of office during which such director exceeds the term of twelve (12) years.

B) LEAD DIRECTOR

The Board of Directors must, in line with the decision to concentrate in the same hands the functions of Chairman of the Board of Directors and of Managing Director, appoint from among the members of the Board a "Lead Director".

The role of Lead Director shall consist of coordinating the activities of the independent directors. The Lead Director also liaises between the Chief Executive Officer and the independent directors.

The Lead Director is appointed by the Board of Directors on a proposal by the Nominations and Governance Committee, from among the directors qualifying as independent.

The duties of Lead Director may not be carried out for more than four consecutive years.

The Lead Director has the following missions:

- advising the Chairman of the Board of Directors and the Chairmen of each of the committees;
- ensuring that the directors are capable of fulfilling their missions under the best possible conditions, and in particular that they are very well-informed ahead of the meetings of the Board of Directors;
- managing and preventing conflicts of interest;

- giving opinions on proposed items for inclusion in the agenda for meetings of the Board of Directors;
- chairing the meetings of the Board of Directors in the absence of the Chief Executive Officer; in particular, the Lead Director chairs discussions assessing the performance of the Chief Executive Officer and the setting of the latter's remuneration;
- calling a meeting of the Board of Directors in exceptional circumstances, after having sought the opinion of all the committee Chairmen.

C) LIMITATION OF THE POWERS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer must obtain authorisation from the Board of Directors for any external-growth operation, acquisition or sale of any long-term equity investment in any companies created or to be created where the amount exceeds two hundred and fifty million euros (€250 million).

The Chief Executive Officer must inform the Board of Directors of any external growth operation, acquisition or sale of any long-term equity investment in any companies created or to be created where the amount exceeds 60 million euros (€60 million).

GROUP OPERATING PROFIT IN 2013
MILLION EUROS

1,242 **AND 3% OF REVENUES**

FINANCIAL STATEMENTS

4

The elements of the annual financial report are identified by AFR sign.

✦ Global Reporting Initiative (GRI) Directives

4.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS ✦

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters.

These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken of outside of the finacial statements.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

RENAULT

Year ended December 31, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of Renault;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French company Law (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- for the purpose of preparing the consolidated financial statements, Renault group makes certain estimates and assumptions concerning, in particular, the value of certain asset, liability, income and expense accounts, the main items of which are summarized in note 2-B to the consolidated financial statements. For all these items, we assessed the appropriateness of the accounting rules and methods applied and disclosures provided in the notes to the financial statements. We also reviewed the consistency of the underlying assumptions, the quantified impact thereof and the available documentation and assessed on this basis the reasonableness of estimates made;
- as disclosed in note 13-A to the consolidated financial statements, the group accounts for its investment in Nissan by the equity method; our audit of the scope of consolidation included a review of the factual and legal aspects of the Alliance which serve as the underlying basis for this accounting policy;
- as part of our assessment of the accounting policies applied by your company, we have reviewed the methodology adopted for the capitalization of development costs as intangible assets, their amortization and the verification of their recoverable amount and we verified that these methods were properly disclosed in the notes 2-J and 11-A3;
- as disclosed in the note 8-B to the consolidated financial statements, the group decided not to maintain the net deferred tax assets of French tax group; we have reviewed the consistency of the underlying assumptions for the forecasted taxable incomes and associated consumptions of losses carried forward, the quantified impact thereof and the available documentation and assessed on this basis the reasonableness of estimates made.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, February 19, 2014

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIÉS

ERNST & YOUNG Audit

4.2 CONSOLIDATED FINANCIAL STATEMENTS

4.2.1 CONSOLIDATED INCOME STATEMENT

(€ million)	**2013**	**2012**
Revenues (note 4)	**40,932**	**41,270**
Cost of goods and services sold	(33,611)	(34,092)
Research and development expenses (note 11-A)	(1,812)	(1,915)
Selling, general and administrative expenses	(4,267)	(4,534)
Operating margin (note 5)	**1,242**	**729**
Other operating income and expenses (note 6)	(1,276)	(607)
Other operating income	*222*	*224*
Other operating expenses	*(1,498)*	*(831)*
Operating income (loss)	**(34)**	**122**
Net interest income (expenses)	(267)	(267)
Interest income	*183*	*184*
Interest expenses	*(450)*	*(451)*
Other financial income and expenses	(15)	1
Financial income (expenses) (note 7)	**(282)**	**(266)**
Gain on sale of AB Volvo shares (note 14)	**-**	**924**
Share in net income (loss) of associates and joint ventures	**1,444**	**1,504**
Nissan (note 13)	*1,498*	*1,234*
Other associates and joint ventures (note 14)	*(54)*	*270*
Pre-tax income	**1,128**	**2,284**
Current and deferred taxes (note 8)	(433)	(549)
NET INCOME	**695**	**1,735**
Net income – non-controlling interests' share	109	(37)
Net income – parent company shareholders' share	586	1,772
Basic earnings per share [(1)] (in €) (note 9)	2.15	6.51
Diluted earnings per share [(1)] (in €) (note 9)	2.14	6.50
Number of shares outstanding (in thousands) (note 9)		
For basic earnings per share	*272,290*	*272,256*
For diluted earnings per share	*274,096*	*272,393*

(1) Net income – parent company shareholders' share divided by number of shares stated.

4.2.2 CONSOLIDATED COMPREHENSIVE INCOME

Other components of comprehensive income are reported net of tax effects, which are presented in note 10.

(€ million)	**2013**	**2012**
NET INCOME	**695**	**1,735**
Items that will not be reclassified subsequently to profit or loss	***68***	***(268)***
Actuarial gains and losses on defined-benefit pension plans	68	(268)
Items that have been or will be reclassified subsequently to profit or loss	***215***	***48***
Translation adjustments on foreign activities [(1)]	(383)	(99)
Partial hedge of the investment in Nissan [(2)]	209	35
Fair value adjustments on cash flow hedging instruments [(3)]	34	(20)
Fair value adjustments on available-for-sale financial assets [(2)]	355	132
Total other components of comprehensive income excluding associates and joint ventures (A)	**283**	**(220)**
Items that will not be reclassified subsequently to profit or loss	***42***	***10***
Actuarial gains and losses on defined-benefit pension plans	42	10
Items that have been or will be reclassified subsequently to profit or loss [(4)]	***(1,965)***	***(1,111)***
Translation adjustments on foreign activities	(2,112)	(1,164)
Fair value adjustments on cash flow hedging instruments	5	(19)
Fair value adjustments on available-for-sale financial assets	142	72
Share of associates and joint ventures in other components of comprehensive income (B)	**(1,923)**	**(1,101)**
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	**(1,640)**	**(1,321)**
COMPREHENSIVE INCOME	**(945)**	**414**
Parent company shareholders' share	(1,055)	450
Non-controlling interests' share	110	(36)

(1) Including €9 million reclassified to profit or loss in 2013 (nil in 2012).
(2) There were no reclassifications to profit or loss for this item in 2013 or 2012.
(3) Including €25 million reclassified to profit or loss in 2013 (€31 million in 2012).
(4) Including €(19) million reclassified to profit or loss in 2013 (€(39) million in 2012).

4.2.3 CONSOLIDATED FINANCIAL POSITION

(€ million)	**DECEMBER 31, 2013**	**DECEMBER 31, 2012**
ASSETS		
Non-current assets		
Intangible assets (note 11-A)	3,282	3,482
Property, plant and equipment (note 11-B)	10,973	11,534
Investments in associates and joint ventures	14,874	15,562
Nissan (note 13)	*14,068*	*14,788*
Other associates and joint ventures (note 14)	*806*	*774*
Non-current financial assets (note 22)	1,530	1,032
Deferred tax assets (note 8)	396	416
Other non-current assets (note 18)	1,076	821
TOTAL NON-CURRENT ASSETS	**32,131**	**32,847**
Current assets		
Inventories (note 15)	3,162	3,864
Sales financing receivables (note 16)	23,650	23,230
Automotive receivables (note 17)	970	1,144
Current financial assets (note 22)	1,098	989
Current tax assets	64	39
Other current assets (note 18)	2,256	2,121
Cash and cash equivalents (note 22)	11,661	11,180
TOTAL CURRENT ASSETS	**42,861**	**42,567**
TOTAL ASSETS	**74,992**	**75,414**

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	1,127	1,127
Share premium	3,785	3,785
Treasury shares	(187)	(201)
Revaluation of financial instruments	571	36
Translation adjustment	(3,674)	(1,386)
Reserves	20,629	19,159
Net income – parent company shareholders' share	586	1,772
Shareholders' equity – parent company shareholders' share	**22,837**	**24,292**
Shareholders' equity – non-controlling interests' share	377	255
TOTAL SHAREHOLDERS' EQUITY (NOTE 19)	**23,214**	**24,547**
Non-current liabilities		
Deferred tax liabilities (note 8)	121	123
Provisions – long-term (note 20)	2,544	2,496
Non-current financial liabilities (note 23)	7,100	6,622
Other non-current liabilities (note 21)	1,119	844
TOTAL NON-CURRENT LIABILITIES	**10,884**	**10,085**
Current liabilities		
Provisions – short-term (note 20)	1,095	889
Current financial liabilities (note 23)	2,921	3,094
Sales financing debts (note 23)	23,757	23,305
Trade payables	6,171	6,558
Current tax liabilities	126	131
Other current liabilities (note 21)	6,824	6,805
TOTAL CURRENT LIABILITIES	**40,894**	**40,782**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**74,992**	**75,414**

4.2.4 CHANGES IN SHAREHOLDERS' EQUITY

(€ million)	NUMBER OF SHARES *(thousand)*	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	REVALUATION OF FINANCIAL INSTRUMENTS	TRANSLATION ADJUSTMENT	RESERVES	NET INCOME (PARENT COMPANY SHARE-HOLDERS' SHARE)	SHARE-HOLDERS' EQUITY (PARENT COMPANY SHARE-HOLDERS' SHARE)	SHARE-HOLDERS' EQUITY (NON-CONTROLLING ENTITIES' SHARE)	TOTAL SHARE-HOLDERS' EQUITY
BALANCE AT DECEMBER 31, 2011	**295,722**	**1,127**	**3,785**	**(201)**	**(129)**	**(155)**	**17,567**	**2,092**	**24,086**	**481**	**24,567**
2012 net income								1,772	1,772	(37)	1,735
Other components of comprehensive income [(1)]					165	(1,231)	(256)		(1,322)	1	(1,321)
2012 comprehensive income					***165***	***(1,231)***	***(256)***	***1,772***	***450***	***(36)***	***414***
Allocation of 2011 net income							2,092	(2,092)			
Dividends							(316)		(316)	(68)	(384)
(Acquisitions)/disposals of treasury shares and impact of capital increases											
Impact of changes in the scope of consolidation with no loss of control [(2)]							57		57	(122)	(65)
Cost of stock option plans							15		15		15
BALANCE AT DECEMBER 31, 2012 AS PUBLISHED	**295,722**	**1,127**	**3,785**	**(201)**	**36**	**(1,386)**	**19,159**	**1,772**	**24,292**	**255**	**24,547**
Restatements for application of IFRS 11 and IAS 19 (revised) [(3)]						(2)	42	(23)	17		17
RESTATED BALANCE AT DECEMBER 31, 2012	**295,722**	**1,127**	**3,785**	**(201)**	**36**	**(1,388)**	**19,201**	**1,749**	**24,309**	**255**	**24,564**
2013 net income								586	586	109	695
Other components of comprehensive income [(1)]					535	(2,286)	110		(1,641)	1	(1,640)
2013 comprehensive income					***535***	***(2,286)***	***110***	***586***	***(1,055)***	***110***	***(945)***
Allocation of 2012 net income							1,749	(1,749)			
Dividends							(469)		(469)	(56)	(525)
(Acquisitions)/disposals of treasury shares and impact of capital increases				14					14		14
Impact of changes in the scope of consolidation with or without loss of control [(2)]							19		19	68	87
Cost of stock option plans							19		19		19
BALANCE AT DECEMBER 31, 2013	**295,722**	**1,127**	**3,785**	**(187)**	**571**	**(3,674)**	**20,629**	**586**	**22,837**	**377**	**23,214**

(1) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension funds during the period (€(258) million in 2012 and €110 million in 2013).

(2) Impacts of changes in the scope of consolidation comprise the treatment applied to acquisitions of non-controlling interests and put options for buyouts of non-controlling interests (note 2-C). In 2013, they also included the effects of Renault Pars deconsolidation (note 6-E) and transfer of control over Renault South Africa to the partner (note 6-B). In 2012, the main changes in the scope of consolidation concern Renault's acquisitions of non-controlling interests in Avtoframos and Remosprom in Russia and Nissan's acquisition of non-controlling interests in Aichi Kikai in Japan (note 13).

(3) The restatements resulting from retrospective application of IFRS 11 "Joint Arrangements" and IAS 19 (revised) "Employee benefits" are presented in note 2-A2.

Details of changes in consolidated shareholders' equity in 2013 are given in note 19.

4.2.5 CONSOLIDATED CASH FLOWS

(€ million)	2013	2012
Net income	**695**	**1,735**
Cancellation of dividends received from unconsolidated listed investments [(1)]	(27)	(34)
Cancellation of income and expenses with no impact on cash		
Depreciation, amortization and impairment	3,169	3,307
Share in net (income) loss of associates and joint ventures	(1,444)	(1,504)
Other income and expenses with no impact on cash (note 26-A)	815	(788)
Dividends received from unlisted associates and joint ventures	6	3
Cash flow [(2)]	**3,214**	**2,719**
Dividends received from listed companies [(3)]	**433**	**507**
Net change in financing for final customers	(534)	(568)
Net change in renewable dealer financing	(781)	(896)
Decrease (increase) in sales financing receivables	**(1,315)**	**(1,464)**
Bond issuance by the Sales Financing segment (note 23-A)	2,958	3,509
Bond redemption by the Sales Financing segment (note 23-A)	(2,465)	(2,765)
Net change in other sales financing debts	917	652
Net change in other securities and loans of the Sales Financing segment	(365)	(69)
Net change in financial assets and debts of the Sales Financing segment	**1,045**	**1,327**
Change in capitalized leased assets	**(333)**	**(210)**
Decrease (increase) in working capital (note 26-B)	**528**	**997**
CASH FLOWS FROM OPERATING ACTIVITIES	**3,572**	**3,876**
Capital expenditure (note 26-C)	(2,749)	(2,847)
Disposals of property, plant and equipment and intangibles	198	162
Acquisitions of investments involving gain of control, net of cash acquired	(5)	(5)
Acquisitions of other investments, net of cash acquired	(273)	(112)
Disposals of investments involving loss of control, net of cash transferred	26	-
Disposals of other investments, net of cash transferred and other [(4)]	91	1,473
Net decrease (increase) in other securities and loans of the Automotive segment	(12)	(240)
CASH FLOWS FROM INVESTING ACTIVITIES	**(2,724)**	**(1,569)**
Transactions with non-controlling interests [(5)]	(2)	(91)
Dividends paid to parent company shareholders (note 19-D)	(502)	(338)
Dividends paid to non-controlling interests	(48)	(73)
(Acquisitions) sales of treasury shares	-	-
Cash flows with shareholders	**(552)**	**(502)**
Bond issuance by the Automotive segment (note 23-A)	1,716	1,952
Bond redemption by the Automotive segment (note 23-A)	(1,152)	(1,073)
Net increase (decrease) in other financial liabilities of the Automotive segment	(24)	132
Net change in financial liabilities of the Automotive segment	**540**	**1,011**
CASH FLOWS FROM FINANCING ACTIVITIES	**(12)**	**509**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**836**	**2,816**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends from Daimler (€27 million) and Nissan (€406 million) in 2013. Dividends from Daimler (€34 million), AB Volvo (€47 million) and Nissan (€426 million) in 2012.
(4) AB Volvo shares were sold for €1,476 million in 2012.
(5) Acquisitions of additional investments in controlled companies (note 2-J).

(€ million)	2013	2012
Cash and cash equivalents: opening balance	**11,180**	**8,672**
Increase (decrease) in cash and cash equivalents	836	2,816
Effect of changes in exchange rate and other changes	(355)	(308)
Cash and cash equivalents: closing balance	**11,661**	**11,180**

Details of interest received and paid by the Automotive segment are given in note 26-D.

Current taxes paid by the Group are reported in note 8-A.

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4.2.6 SEGMENT REPORTING

A – INFORMATION BY OPERATING SEGMENT

A1 CONSOLIDATED INCOME STATEMENT BY OPERATING SEGMENT

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2013				
Sales of goods	36,964	33		36,997
Sales of services	1,811	2,124		3,935
External revenues	**38,775**	**2,157**		**40,932**
Intersegment sales	(361)	400	(39)	-
Sales by segment	**38,414**	**2,557**	**(39)**	**40,932**
Operating margin [(1)]	**521**	**747**	**(26)**	**1,242**
Operating income (loss)	**(744)**	**736**	**(26)**	**(34)**
Financial income (expenses) [(2)]	**(107)**	**-**	**(175)**	**(282)**
Share in net income (loss) of associates and joint ventures	**1,430**	**14**	**-**	**1,444**
Pre-tax income	**579**	**750**	**(201)**	**1,128**
Current and deferred taxes	(203)	(238)	8	(433)
Net income	**376**	**512**	**(193)**	**695**
2012				
Sales of goods	37,227	-	-	37,227
Sales of services	1,929	2,114	-	4,043
External revenues	**39,156**	**2,114**	**-**	**41,270**
Intersegment sales	(297)	452	(155)	-
Sales by segment	**38,859**	**2,566**	**(155)**	**41,270**
Operating margin [(1)]	**(15)**	**754**	**(10)**	**729**
Operating income (loss)	**(615)**	**749**	**(12)**	**122**
Financial income (expenses) [(2)]	**85**	**-**	**(351)**	**(266)**
Gain on sale of AB Volvo shares	**924**	**-**	**-**	**924**
Share in net income (loss) of associates and joint ventures	**1,495**	**9**	**-**	**1,504**
Pre-tax income	**1,889**	**758**	**(363)**	**2,284**
Current and deferred taxes	(313)	(239)	3	(549)
Net income	**1,576**	**519**	**(360)**	**1,735**

(1) Details of amortization, depreciation and impairment are provided in the consolidated cash flow statements by operating segment.
(2) Sales financing dividends are included in the Automotive segment's financial income and eliminated as an intersegment transaction.

A2 CONSOLIDATED FINANCIAL POSITION BY OPERATING SEGMENT

DECEMBER 31, 2013 ASSETS *(€ million)*	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
Non-current assets				
Property, plant and equipment and intangible assets	14,146	119	(10)	14,255
Investments in associates and joint ventures	14,859	15		14,874
Non-current financial assets – investments in non-controlled entities	4,036	55	(2,895)	1,196
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	368		(34)	334
Deferred tax assets and other non-current assets	1,301	206	(35)	1,472
TOTAL NON-CURRENT ASSETS	**34,710**	**395**	**(2,974)**	**32,131**
Current assets				
Inventories	3,121	48	(7)	3,162
Customer receivables	1,031	23,997	(408)	24,620
Current financial assets	975	925	(802)	1,098
Current tax assets and other current assets	1,604	2,900	(2,184)	2,320
Cash and cash equivalents	10,704	1,201	(244)	11,661
TOTAL CURRENT ASSETS	**17,435**	**29,071**	**(3,645)**	**42,861**
TOTAL ASSETS	**52,145**	**29,466**	**(6,619)**	**74,992**
Shareholders' equity	**23,127**	**2,899**	**(2,812)**	**23,214**
Non-current liabilities				
Long-term provisions	2,277	267		2,544
Non-current financial liabilities	6,837	263		7,100
Deferred tax liabilities and other non-current liabilities	691	549		1,240
TOTAL NON-CURRENT LIABILITIES	**9,805**	**1,079**		**10,884**
Current liabilities				
Short-term provisions	1,067	28		1,095
Current financial liabilities	3,449		(528)	2,921
Trade payables and sales financing debts	6,349	24,657	(1,078)	29,928
Current tax liabilities and other current liabilities	8,348	803	(2,201)	6,950
TOTAL CURRENT LIABILITIES	**19,213**	**25,488**	**(3,807)**	**40,894**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**52,145**	**29,466**	**(6,619)**	**74,992**

DECEMBER 31, 2012 ASSETS *(€ million)*	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
Non-current assets				
Property, plant and equipment and intangible assets	14,910	116	(10)	15,016
Investments in associates and joint ventures	15,514	48	-	15,562
Non-current financial assets – investments in non-controlled entities	3,433	-	(2,645)	788
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	348	-	(104)	244
Deferred tax assets and other non-current assets	1,047	238	(48)	1,237
TOTAL NON-CURRENT ASSETS	**35,252**	**402**	**(2,807)**	**32,847**
Current assets				
Inventories	3,825	42	(3)	3,864
Customer receivables	1,195	23,649	(470)	24,374
Current financial assets	1,150	514	(675)	989
Current tax assets and other current assets	1,583	2,774	(2,197)	2,160
Cash and cash equivalents	10,072	1,338	(230)	11,180
TOTAL CURRENT ASSETS	**17,825**	**28,317**	**(3,575)**	**42,567**
TOTAL ASSETS	**53,077**	**28,719**	**(6,382)**	**75,414**
SHAREHOLDERS' EQUITY AND LIABILITIES ***(€ million)***				
Shareholders' equity	**24,437**	**2,650**	**(2,540)**	**24,547**
Non-current liabilities				
Long-term provisions	2,262	234	-	2,496
Non-current financial liabilities	6,362	260	-	6,622
Deferred tax liabilities and other non-current liabilities	424	543	-	967
TOTAL NON-CURRENT LIABILITIES	**9,048**	**1,037**	**-**	**10,085**
Current liabilities				
Short-term provisions	857	32	-	889
Current financial liabilities	3,716	-	(622)	3,094
Trade payables and sales financing debts	6,663	24,199	(999)	29,863
Current tax liabilities and other current liabilities	8,356	801	(2,221)	6,936
TOTAL CURRENT LIABILITIES	**19,592**	**25,032**	**(3,842)**	**40,782**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**53,077**	**28,719**	**(6,382)**	**75,414**

A3 CONSOLIDATED CASH FLOWS BY OPERATING SEGMENT

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2013				
Net income	**376**	**512**	**(193)**	**695**
Cancellation of dividends received from unconsolidated listed investments [1]	(27)	-	-	(27)
Cancellation of income and expenses with no impact on cash				
Depreciation, amortization and impairment	3,164	5	-	3,169
Share in net (income) loss of associates and joint ventures	(1,430)	(14)	-	(1,444)
Other income and expenses with no impact on cash	825	(2)	(8)	815
Dividends received from unlisted associates and joint ventures	6	-	-	6
Cash flow [2]	**2,914**	**501**	**(201)**	**3,214**
Dividends received from listed companies [3]	**433**	-	-	**433**
Decrease (increase) in sales financing receivables	-	(1,240)	(75)	(1,315)
Net change in financial assets and sales financing debts	-	1,063	(18)	1,045
Change in capitalized leased assets	(334)	1	-	(333)
Decrease (increase) in working capital	790	(198)	(64)	528
CASH FLOWS FROM OPERATING ACTIVITIES	**3,803**	**127**	**(358)**	**3,572**
Purchases of intangible assets	(827)	(4)	-	(831)
Purchases of property, plant and equipment	(1,914)	(4)	-	(1,918)
Disposals of property, plant and equipment and intangibles	198	-	-	198
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	24	(3)	-	21
Acquisitions and disposals of other investments and other assets	(183)	1	-	(182)
Net decrease (increase) in other securities and loans of the Automotive segment	(20)	-	8	(12)
CASH FLOWS FROM INVESTING ACTIVITIES	**(2,722)**	**(10)**	**8**	**(2,724)**
Cash flows with shareholders	(539)	(188)	175	(552)
Net change in financial liabilities of the Automotive segment	461	-	79	540
CASH FLOWS FROM FINANCING ACTIVITIES	**(78)**	**(188)**	**254**	**(12)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS [4]	**1,003**	**(71)**	**(96)**	**836**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends received from Daimler (€27 million) and Nissan (€406 million).
(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2013				
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**10,072**	**1,338**	**(230)**	**11,180**
Increase (decrease) in cash and cash equivalents	1,003	(71)	(96)	836
Effect of changes in exchange rate and other changes	(371)	(66)	82	(355)
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**10,704**	**1,201**	**(244)**	**11,661**

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2012				
Net income	**1,576**	**519**	**(360)**	**1,735**
Cancellation of dividends received from unconsolidated listed investments (1)	(34)	-	-	(34)
Cancellation of income and expenses with no impact on cash				
Depreciation, amortization and impairment	3,299	8	-	3,307
Share in net (income) loss of associates and joint ventures	(1,495)	(9)	-	(1,504)
Other income and expenses with no impact on cash	(772)	(15)	(1)	(788)
Dividends received from unlisted associates and joint ventures	3	-	-	3
Cash flow (2)	**2,577**	**503**	**(361)**	**2,719**
Dividends received from listed companies (3)	**507**	**-**	**-**	**507**
Decrease (increase) in sales financing receivables	-	(1,562)	98	(1,464)
Net change in financial assets and sales financing debts	-	1,483	(156)	1,327
Change in capitalized leased assets	(228)	18	-	(210)
Decrease (increase) in working capital	922	95	(20)	997
CASH FLOWS FROM OPERATING ACTIVITIES	**3,778**	**537**	**(439)**	**3,876**
Purchases of intangible assets	(900)	(2)	-	(902)
Purchases of property, plant and equipment	(1,936)	(9)	-	(1,945)
Disposals of property, plant and equipment and intangibles	162	-	-	162
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	(5)	-	-	(5)
Acquisitions and disposals of other investments and other assets (4)	1,363	(2)	-	1,361
Net decrease (increase) in other securities and loans of the Automotive segment	(252)	-	12	(240)
CASH FLOWS FROM INVESTING ACTIVITIES	**(1,568)**	**(13)**	**12**	**(1,569)**
Cash flows with shareholders	(493)	(360)	351	(502)
Net change in financial liabilities of the Automotive segment	1,071	-	(60)	1,011
CASH FLOWS FROM FINANCING ACTIVITIES	**578**	**(360)**	**291**	**509**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (5)	**2,788**	**164**	**(136)**	**2,816**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends from Daimler (€34 million), AB Volvo (€47 million) and Nissan (€426 million).
(4) AB Volvo shares were sold for €1,476 million in 2012.
(5) Excluding the effects on cash of changes in exchange rate and other changes.

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2012				
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**7,618**	**1,171**	**(117)**	**8,672**
Increase (decrease) in cash and cash equivalents	2,787	165	(136)	2,816
Effect of changes in exchange rate and other changes	(333)	2	23	(308)
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**10,072**	**1,338**	**(230)**	**11,180**

B – INFORMATION BY REGION

The Regions presented correspond to the geographic divisions used for Group management.

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 (1)	AMERICAS	ASIA-PACIFIC	EUROMED-AFRICA	EURASIA	CONSOLIDATED TOTAL
2013						
Revenues	23,803	5,933	3,753	4,446	2,997	40,932
Property, plant and equipment and intangibles	10,285	639	475	2,214	642	14,255
2012						
Revenues	24,661	6,141	4,010	3,992	2,466	41,270
Property, plant and equipment and intangibles	10,777	686	616	2,321	616	15,016

(1) Including the following for France:

(€ million)	2013	2012
Revenues	*10,004*	*10,894*
Property, plant and equipment and intangibles	*8,613*	*9,180*

4.2.7 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.2.7.1 ACCOUNTING POLICIES AND SCOPE OF CONSOLIDATION ✦

NOTE 1 – APPROVAL OF THE FINANCIAL STATEMENTS

The Renault group's consolidated financial statements for 2013 were finalized at the Board of Directors' meeting of February 12, 2014 and will be submitted for approval by the shareholders at the General Shareholders' Meeting.

NOTE 2 – ACCOUNTING POLICIES

In application of regulation 1606/2002 passed on July 19, 2002 by the European Parliament and the Council of Europe, Renault's consolidated financial statements for 2013 are prepared under IFRS (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board) at December 31, 2013 and adopted by the European Union at the year-end.

A – Changes in accounting policies

A1 Changes in 2013

At December 31, 2013 the Group applies the new standards and amendments shown below, which were published in the Official Journal of the European Union and mandatory at the closing date.

STANDARD		EFFECTIVE DATE
IFRS 13	Fair Value Measurement	January 1, 2013
IAS 19 (revised)	Employee Benefits	January 1, 2013
Improvements to several standards	Annual improvements – 2009-2011 cycle	January 1, 2013
Amendment to IFRS 7	Financial instruments: Disclosure – Offsetting financial assets and financial liabilities	January 1, 2013
Amendment to IAS 1	Presentation of financial statements – Presentation of other components of comprehensive income	January 1, 2013
Amendment to IAS 12	Income Taxes – Deferred Tax: Recovery of Underlying Assets	January 1, 2013

The amendment to IAS 1 requires other components of comprehensive income to be presented in two separate categories: items that will be reclassified to profit and loss in the future, and other items.

IAS 19 (revised) "Employee benefits" is applied retrospectively. The impact of its first application is not significant at Group level, as shown in the tables of restatements of 2012 figures presented in note 2-A2.

IFRS 13 "Fair Value Measurement" is applied prospectively. Its application has no significant impact on book values.

The Group also opted for early application of the following standards and amendments, which were published in the Official Journal of the European Union but were not mandatory at the closing date.

STANDARD		EFFECTIVE DATE
IFRS 10	Consolidated financial statements	January 1, 2014
IFRS 11	Joint arrangements	January 1, 2014
IFRS 12	Disclosure of interests in other entities	January 1, 2014
Amendments to IFRS 10, IFRS 11 and IFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance	January 1, 2014
Amendment to IAS 28	Investments in Associates and Joint Ventures	January 1, 2014

IFRS 11 "Joint Arrangements", which is applied retrospectively, has an impact on the Group's consolidated financial statements, but this impact is non-significant, as shown in the tables of restatements of 2012 figures presented in note 2-A2. IFRS 12 has an impact on the disclosures provided in the notes to the financial statements.

The Group has not undertaken early application of the following amendments, which have been published in the Official Journal of the European Union but are not mandatory at January 1, 2013.

STANDARD		EFFECTIVE DATE
Amendment to IAS 32	Financial instruments: Presentation – Offsetting of financial assets and financial liabilities	January 1, 2014
Amendment to IFRS 10, IFRS 12 and IAS 27	Investment entities	January 1, 2014
Amendment to IAS 36	Recoverable amount disclosures for non-financial assets	January 1, 2014
Amendment to IAS 39	Novation of derivatives and continuation of hedge accounting	January 1, 2014

The Group does not currently expect adoption of these amendments to have any significant impact on the consolidated accounts.

A2 First application of IFRS 11 and IAS 19 (revised)

APPLICATION OF IFRS 11 "JOINT ARRANGEMENTS"

IFRS 11 replaces IAS 31 "Interests in joint ventures" and interpretation SIC 13 "Jointly-controlled entities – Non-monetary contributions by venturers".

IFRS 11 no longer allows the proportionate consolidation method for jointly-controlled entities. The equity method must now be applied to joint arrangements classified as joint ventures, and joint arrangements classified as joint operations must be consolidated on the basis of the percentage share specific to each balance sheet and income statement item.

The following Renault group companies have been classified as joint ventures: Française de Mécanique, Indra Investissements, RCI Financial Services s.r.o. and Renault Credit Car. These companies were proportionately consolidated until December 31, 2012 and are accounted for under the equity method from January 1, 2013. Française de Mécanique was deconsolidated at December 31, 2013 after Renault's investment was sold. RCI Financial Services s.r.o. has been fully consolidated since October 2013 after the Group acquired control.

RNTBCI has been classified as a joint operation, and is therefore consolidated on the basis of the percentage share specific to each balance sheet and income statement item in 2013.

The Group's investments in joint ventures are presented on a specific line in the consolidated statement of financial position, "Investments in associates and joint ventures". The share in the net income of these entities is reported in the consolidated income statement as "Share in net income (loss) of associates and joint ventures".

APPLICATION OF IAS 19 (REVISED) "EMPLOYEE BENEFITS"

The main changes introduced by revision of IAS 19 were as follows:

- all actuarial gains and losses must be immediately recognized in other components of comprehensive income; since the Group opted for this accounting method in 2007, this change has no impact on the consolidated financial statements at December 31, 2013;
- the past service cost resulting from an amendment or curtailment of a plan must be recognized immediately in full in the income statement; before revision of the standard, the past service cost was recorded in the income statement on a straight-line basis over the average vesting period for benefit entitlements;
- the expected return on plan assets must now be valued using the same rate as the discount rate applied to the obligations.

The Group also modified the income statement presentation of the financial component of employee benefits in 2013. The net interest on the net liability (or asset) corresponds to the cost of unwinding the present value of the obligation, and the expected return on plan assets. It is now included in financial income, whereas it was previously included in the operating margin.

RESTATEMENT OF THE 2012 CONSOLIDATED FINANCIAL STATEMENTS FOLLOWING APPLICATION OF IFRS 11 AND IAS 19 (REVISED)

IFRS 11 and IAS 19 (revised) must be applied retrospectively. The impacts of the restatements resulting from application of these standards on the key items published in the consolidated financial statements for 2012 are as follows:

Restatements of the consolidated income statement for 2012

(€ million)	YEAR 2012 AS PUBLISHED	IFRS 11 RESTATEMENT	IAS 19 R RESTATEMENT	YEAR 2012 RESTATED
Revenues	**41,270**	**(550)**		**40,720**
Automotive	*39,156*	*(544)*		*38,612*
Sales Financing	*2,114*	*(6)*		*2,108*
Operating margin	**729**	**(1)**	**54**	**782**
Automotive	*(25)*	*5*	*54*	*34*
Sales Financing	*754*	*(6)*		*748*
Other operating income and expenses	(607)	8		(599)
Operating income (loss)	**122**	**7**	**54**	**183**
Financial income (expenses)	**(266)**	**1**	**(56)**	**(321)**
Gain on sale of AB Volvo shares	**924**			**924**
Share in net income (loss) of associates and joint ventures	**1,504**	**(8)**	**(21)**	**1,475**
Nissan	*1,234*		*(21)*	*1,213*
Other associates and joint ventures	*270*	*(8)*		*262*
PRE-TAX INCOME	**2,284**		**(23)**	**2,261**
NET INCOME	**1,735**		**(23)**	**1,712**
Net income – parent company shareholders' share	1,772		(23)	1,749
Basic earnings per share (in €)	6.51		(0.08)	6.43

Restatements of the consolidated statement of financial position at December 31, 2012

(€ million)	DECEMBER 31, 2012 AS PUBLISHED	IFRS 11 RESTATEMENT	IAS 19 R RESTATEMENT	DECEMBER 31, 2012 RESTATED
Non-current assets				
Investments in associates and joint ventures	15,562	36	15	15,613
Nissan	*14,788*		*15*	*14,803*
Other associates and joint ventures	*774*	*36*		*810*
Other non-current assets	17,285	(85)		17,200
Total non-current assets	**32,847**	**(49)**	**15**	**32,813**
Current assets				
Sales financing receivables	23,230	(291)		22,939
Other current assets	19,337	(77)		19,260
Total current assets	**42,567**	**(368)**		**42,199**
TOTAL ASSETS	**75,414**	**(417)**	**15**	**75,012**

(€ million)	DECEMBER 31, 2012 AS PUBLISHED	IFRS 11 RESTATEMENT	IAS 19 R RESTATEMENT	DECEMBER 31, 2012 RESTATED
Total shareholders' equity	**24,547**		**17**	**24,564**
Non-current liabilities	**10,085**	**(21)**		**10,064**
Current liabilities				
Sales financing debts	23,305	(254)		23,051
Other current liabilities	17,477	(142)	(2)	17,333
Current liabilities	**40,782**	**(396)**	**(2)**	**40,384**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**75,414**	**(417)**	**15**	**75,012**

B – Estimates and judgments

In preparing its financial statements, Renault has to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expense items, and the information disclosed in certain notes. Renault regularly revises its estimates and assessments to take account of past experience and other factors deemed relevant in view of the economic circumstances. If changes in these assumptions or circumstances are not as anticipated, the figures reported in Renault's future financial statements could differ from the estimates established at the time the financial statements were finalized.

The main items in the financial statements that are sensitive to estimates and judgments at December 31, 2013 are the following:

- fixed assets (note 2-L and 12);
- property, plant and equipment (leased vehicles) and inventories related to used vehicles (notes 2-G, 11-B and 15);
- investments in associates, notably Nissan and AVTOVAZ (notes 2-L, 13 and 14);
- sales financing receivables (notes 2-G and 16);
- deferred taxes (notes 2-I and 8);
- provisions, particularly vehicle and battery warranty provisions (note 2-G), provisions for pensions and other long-term employee benefit obligations (note 20-C) and provisions for workforce adjustment measures (note 6-A);
- the value of assets in Iran, mainly comprising shares, a shareholder loan and commercial receivables (note 6-E).

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.

Non-consolidated companies are recorded as other non-current assets even when they fulfil the above criteria.

None of these companies' individual contributions to consolidated figures exceeds the following:

- revenues: €20 million;
- inventories: €20 million.

Their consolidation would have a negligible impact on the consolidated financial statements, since they are Group-financed entities whose losses, if any, are recognized *via* impairment losses, and which:

- acquire almost all their purchases from Group companies, most of these companies being dealership-type establishments; or
- carry out almost all their sales transactions with Group companies.

Put options on non-controlling interests are carried at fair value and classified in liabilities in the consolidated financial position, with a corresponding adjustment to equity.

D – Presentation of the financial statements

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 corresponds to the operating income before other operating income and expenses, which cover:

- restructuring costs and costs relating to workforce adjustment;
- gains or losses on partial or total disposal of businesses or operating entities, other gains and losses relating to changes in the scope of consolidation, and direct acquisition costs;
- gains or losses on disposal of property, plant and equipment or intangible assets (except vehicle sales);
- unusual items, *i.e.* income and charges that are unusual in their frequency, nature or amount, particularly impairment of fixed assets.

Reporting by operating segment

The operating segments used by Renault are:

- the Automotive segment, comprising the production, sales, and distribution subsidiaries for passenger and light commercial vehicles, automobile service subsidiaries, and the subsidiaries in charge of the Automotive segment's cash management for the Group;
- the Sales Financing segment, which the Group considers as an operating activity, carried out by RCI Banque and its subsidiaries for the distribution network and final customers.

The information by operating segment is based on internal reporting to the Group Executive Committee, identified as the "Chief Operating Decision-Maker". This information is prepared under the IFRSs applicable to the consolidated financial statements. All Group financial data are assigned to the operating segments. The "Intersegment transactions" column is reserved for transactions between the two segments, which are carried out on near-market terms. Dividends paid by the Sales Financing segment to the Automotive segment are included in the Automotive division's financial income.

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

Apart from taxes and the associates' share in net income, income and expenses relating to sales financing are recorded as operating items. The tax effect inherent to the French consolidated taxation system is 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 recognises 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.

E – Translation of the financial statements 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.

To determine whether a country is in hyperinflation, the Group refers to the list published by the AICPA (American Institute of Certified Public Accountants) Task Force. In 2013, this list included none of the countries where Renault has significant business activity.

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 rate of exchange;
- 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 and valuation adjustments generated by a business combination with a foreign company are treated as an asset or liability of the entity acquired, as appropriate. They are 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 net income.

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 items 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 (note 2-V).

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 margin.

Derivatives are measured and recorded as described in note 2-V.

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 margin recognition

SALES AND MARGIN RECOGNITION

Sales of automotive goods are recognized when the goods are made available to the distribution network in the case of non-Group dealers, or upon delivery to the end-user in the case of direct sales. The margin on sales is recognized immediately for normal sales by the Automotive segment, including sales with associated financing contracts that can be considered as finance leases (long-term or with a purchase option). However, no sale is recognized when an automotive item (vehicle or electric car battery) is covered by an operating lease from a Group finance company or the Group has made a buy-back commitment with a high probability of application, if the term of the contract covers an insufficient portion of the item's useful life.

In such cases, the transactions are recorded as operating leases and included in sales of services. 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 sale of the automotive item as second-hand at the end of the lease gives rise to recognition of sales revenue and the related margin. 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. When the overall position of the lease contract (rental income and income on resale) shows a loss, an additional provision is also recorded immediately to cover the future loss.

SALES INCENTIVE PROGRAMMES

When based on the volume or price of the products sold, the cost of these programmes is deducted from revenues when the corresponding sales are recorded. Otherwise, the cost is included in selling, general and administrative expenses. If programmes are approved after the sales, a provision is established when the decision is made.

The Group sometimes organizes promotional campaigns offering reduced-interest loans to end-users. The cost of these operations is recognized immediately when the rates offered cannot cover refinancing and administration costs, and charged to sales financing revenues over the duration of the loan otherwise.

WARRANTY

The estimated or incurred costs relating to manufacturer's product or part warranties not covered by insurance are charged to expenses when the sales are recorded. Provisions for costs to be borne by Renault are valued on the basis of observed data by model and engine, *i.e.* 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

Renault offers its customers extended warranty and maintenance contracts, the income and margin on which are recognized over the period covered by the contract.

Sales financing revenues and margin recognition

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

The costs of sales financing are considered as operating expenses and included in the operating margin. They mainly comprise interest incurred by sales financing companies to refinance their customer 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 other than those relating to refinancing of receivables.

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.

IMPAIRED RECEIVABLES

Impairment for credit risk is recognized to cover the risk of non-recovery of receivables. When there is objective evidence of a loss of value (payments overdue, deterioration in the financial position, litigation procedures, etc.) for an individual receivable, impairment is determined on an individual basis (using a statistical or case-by-case approach as appropriate). Otherwise, a collectively based provision may be recorded (for example in the event of unfavourable developments in a macro-economic and/or segment indicator associated with otherwise sound receivables).

Impairment for country risk is determined based on assessment of the systemic credit risk to which debtors are exposed in the event of long-term continuous decline in the economic and general environment of the countries included in the base.

H – Financial income (expenses)

Except for derivatives, interest income and expenses are recognized under the effective interest rate method, whereby interest and transaction costs are spread on an actuarial basis over the duration of the loan or borrowing.

Other interest income and expenses include accrued interest on interest rate derivatives used in fair value and cash flow hedging (when this income or expense is transferred from shareholders' equity). Changes in the fair value of interest rate derivatives, excluding accrued interest, are included in other financial income and expenses.

Other financial income and expenses also include changes in the fair value of Renault SA redeemable shares, the net interest expense on provisions for pensions, and dividends from companies that are neither controlled nor under significant influence, which are recognized in the year they are distributed.

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 postion. 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 fully consolidated companies, a deferred tax liability is recorded in respect of dividend distributions likely to be made by the Group.

For joint ventures and associates, a deferred tax liability on dividend distributions is booked for all 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.

J – Intangible assets

Goodwill

Non-controlling interests (formerly 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.

Goodwill is not amortized, but impairment tests 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 is included in the "investments in associates" asset 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.

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.

Research and development expenses

Development expenses incurred between the decision to begin development and implement production facilities for a new vehicle or part (*eg* 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.

K – Property, plant and equipment

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 deducted 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 used by the Group under finance leases are treated as assets financed by credit.

Fixed assets leased to customers are vehicles and batteries under a lease of more than one year from a Group finance company, for which the Group has a repurchase commitment, or vehicles sold under an agreement including a buy-back clause (note 2-G).

Depreciation

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	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 part from the market.

L – Impairment

Impairment of fixed assets (other than leased 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 and component-specific assets

Vehicle-specific and component-specific assets are 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 or component.

- At the level of other cash-generating units

A cash-generating unit is defined as a coherent subset that generates largely independent cash flows. Other cash-generating units may represent an economic entity (plant or subsidiary) or the whole Automotive segment. Fixed assets related to cash-generating units comprise goodwill, specific assets and capacity assets.

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 continuing 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 the dividends paid by the Sales Financing segment to the Automotive segment; these dividends represent, in cash form, the Sales Financing segment's contribution as taken into consideration in internal assessments of project profitability. 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. Value in use is the present value of future cash flows as determined in the most recent 5-year forecasts for each cash-generating unit group, consisting of legal entities or groups of legal entities in a given country. The same discount rate is used for all cash-generating units tested: a risk-free 10-year rate increased by the average risk premium for the sector in which the cash-generating units operate.

Impairment of investments in associates

Impairment tests of the value of investments in associates 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 with the share of the present value of future estimated cash flows expected from the associate.

When the recoverable value is lower than the book value, impairment equivalent to the difference is recorded against the relevant investment in an associate.

M – Non-current assets or groups of assets held for sale

Assets held for sale are non-current assets or groups of assets that are available for immediate sale and have a high probability of being sold.

Non-current assets or groups of assets considered to be held for sale are measured and recorded at the lower of net book value or fair value less selling costs. No further impairment or amortization is recorded once an asset is classified as held for sale (or included in a group of assets held for sale). These assets are reported on a specific line of the consolidated financial position.

N – Inventories

Inventories are stated at the lower of cost or net realisable 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 normal level of activity. The normal level of activity is assessed site by site, in order to determine the share of fixed costs to be excluded in the event of below-normal activity.

Inventories are valued under the FIFO (First In First Out) method.

When the net realisable value is lower than the financial position value, impairment equal to the difference is recorded.

O – Assignment of receivables

Receivables assigned to third parties (through securitization or discounting) are removed from Group assets when the associated risks and benefits are also substantially transferred to the third parties in question.

The same treatment applies to assignments between the Automotive and Sales Financing segments.

P – Treasury shares

Treasury shares are shares held for the purposes of stock-option plans and free share plans awarded to Group managers and Executives. 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.

Q – Stock option plans/Free share attribution plans

The Group awards stock option plans (purchase and subscription options) and share attribution plans, all for Renault shares. The grant date is the date at which beneficiaries are informed of the decision to grant these options or shares, and the terms of the relevant plans. For plans subject to performance conditions, an estimate of achievement of those conditions is taken into account in determining the number of options or free shares attributed. 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 attribution of options or free shares is measured by reference to the fair value of those options or shares at their grant date, using a binomial mathematical model. Entitlements to attribution of free shares are valued based on the share value at grant date less dividends expected during the vesting period. Where relevant, a discount is applied to reflect the fact that the shares must be held for a certain period.

The fair value is spread on a straight-line basis over the vesting period for the relevant plan. The cost is included in personnel expenses, with a corresponding adjustment to consolidated reserves. When the option is exercised, 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.

R – Provisions

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.

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 margin. The interest expense on the net defined-benefit liability (asset) is recorded in the net financial income and expenses.

Restructuring measures/Termination benefits

The estimated cost of restructuring measures that are considered as an employee benefit is covered by a provision over the estimated residual employment period of the employees concerned.

The estimated cost of termination indemnities is recognized as soon as a detailed plan has either been announced or is in progress.

S – Financial assets

The Group recognizes a financial asset when it becomes a party to the contractual provisions of the 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 (note 2-V).

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 "available-for-sale" assets. 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.

Changes in the fair value of "available-for-sale" assets are included in other components of comprehensive income. If there is a significant or prolonged decrease in the fair value such that it falls below the acquisition price, impairment is recorded in the income statement. A decrease is considered significant if it exceeds 40% of the amount and prolonged if it is observed in more than four successive published financial reports.

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 instruments are classified as "available-for-sale" assets and carried at fair value.

Loans

Loans essentially include interbank loans for investment of cash surpluses and loans to associates.

They are initially recognized at fair value, plus directly attributable transaction costs.

Loans are valued at amortized cost. Impairment is recognized in the income statement when there is objective evidence of depreciation in value caused by an event arising after the initial recognition of the asset.

T – 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. These instruments are stated at amortized cost.

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 readily convertible for a known amount of cash and be subject to an insignificant risk of change in value. Fixed or variable-income instruments that are not listed on an active market are stated at amortized cost. Other instruments are carried at fair value.

U – 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 the instrument.

Financial liabilities and sales financing debts comprise redeemable shares, bonds, other debts represented by a certificate, borrowings from credit institutions, other interest-bearing borrowings and derivative liabilities related to financial transactions (note 2-V).

Redeemable shares

In accordance with IAS 39, the Group considers that the variable interest on redeemable shares is an embedded derivative which cannot be valued separately. Consequently, the Group states all its redeemable shares at fair value, which is equal to market value.

Changes in the fair value of Automotive segment redeemable shares are recorded in financial income and expenses, while changes in the fair value of Sales Financing segment redeemable shares are recorded in the operating margin.

Bonds, other debts represented by a certificate, borrowings from credit institutions and other interest-bearing borrowings

Bonds, other debts represented by a certificate, borrowings from credit institutions and other interest-bearing borrowings are initially stated at fair value, less any directly attributable transaction costs.

At each reporting date, apart from specific hedge accounting methods (note 2-V), these financial liabilities are generally restated at amortized cost using the effective interest rate method. The 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.

Renegotiations of the terms of borrowings and similar operations are recorded as an extinction of the former liability with recognition of a new liability only if there are substantial differences between the old and new terms. When this is the case, the costs borne for renegotiation are included in the financial expenses for the period during which the negotiation takes place.

V – 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 is based on market conditions. The fair value of 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 any unrealized gains or losses based on interest rates 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. 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 in view of 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 financial instruments used to hedge the investment in Nissan (forward sales and fixed/fixed cross-currency swaps) is treated as an ineffective portion and consequently 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 margin.

NOTE 3 – CHANGES IN THE SCOPE OF CONSOLIDATION

	AUTOMOTIVE	SALES FINANCING	TOTAL
Number of companies consolidated at December 31, 2012	**127**	**37**	**164**
Newly consolidated companies (acquisitions, formations, etc)	2	3	5
Deconsolidated companies (disposals, mergers, liquidations, etc)	(6)	(4)	(10)
Number of companies consolidated at December 31, 2013	**123**	**36**	**159**

The main changes in the scope of consolidation were as follows:

■ 2013

The following sales financing companies founded by the Group were first included in the scope of consolidation in 2013:

- the Moroccan insurance brokerage subsidiary RDFM and the Russian business agent subsidiary OOO RN FINANCE RUS are fully consolidated;
- the Turkish customer credit associate company Orfin Finansman Anonim Sirketi is accounted for under the equity method.

Renault's investments in the associates Française de Mécanique (a manufacturer of automotive parts) and Nissan Renault Finance Mexico (a sales financing company) were sold in 2013.

Société des Automobiles Alpine Caterham, which makes vehicles in France, is consolidated based on the percentage in each balance sheet and income statement item following the sale of a 50% stake to a new partner in June 2013. It was fully consolidated in the first half-year of 2013.

Renault South Africa, an automobile importer in South Africa, was fully consolidated until November 30, 2013, at which date the Group transferred control to its partner. Renault South Africa has been accounted for under the equity method since December 2013.

■ 2012

ES Mobillity srl, a company formed in 2011 to lease batteries for electric vehicles in Italy, has been fully consolidated since January 1, 2012.

In December 2012 Renault sold all the shares it held in the AB Volvo group, which was consequently deconsolidated from October 1, 2012 onwards.

4.2.7.2 INCOME STATEMENT AND COMPREHENSIVE INCOME

NOTE 4 – REVENUES

A – 2012 revenues applying 2013 Group structure and methods

The consolidated revenues for 2013 and 2012 are calculated under identical Group structure and methods.

(€ million)	AUTOMOTIVE	SALES FINANCING	TOTAL
2012 revenues as published	**39,156**	**2,114**	**41,270**
Restatement for application of IFRS 11 [(1)]	(544)	(6)	(550)
2012 revenues, restated	**38,612**	**2,108**	**40,720**
Changes in scope of consolidation	(172)	(5)	(177)
2012 revenues applying 2013 Group structure and methods	**38,440**	**2,103**	**40,543**
2013 REVENUES	**38,775**	**2,157**	**40,932**

(1) As a result of the IFRS 11 restatement, joint arrangements that qualify as joint ventures are accounted for under the equity method (previously, joint ventures were proportionately consolidated) (note 2-A2).

B – Breakdown of revenues

(€ million)	2013	2012
Sales of goods – Automotive segment	**36,964**	**37,227**
Rental income on leased assets [1]	372	429
Interest income on sales financing receivables	-	-
Sales of other services	1,439	1,500
Sales of services – Automotive segment	**1,811**	**1,929**
Sales of goods – Sales Financing segment	**33**	**-**
Rental income on leased assets [1]	20	17
Interest income on sales financing receivables	1,496	1,519
Sales of other services [2]	608	578
Sales of services – Sales Financing segment	**2,124**	**2,114**
TOTAL REVENUES	**40,932**	**41,270**

(1) Rental income recorded by the Group on vehicle sales with a buy-back commitment or fixed asset rentals.
(2) Mainly income on services comprising insurance, maintenance, and replacement vehicles under a financing contract or otherwise.

NOTE 5 – OPERATING MARGIN: DETAILS OF INCOME AND EXPENSES BY NATURE

A – Cost of goods and services sold

The Group's information systems are designed to present income statements by function, and cannot therefore supply the value of purchases consumed.

B – Personnel expenses

	2013	2012
Personnel expenses (€ million)	5,494	5,801
Workforce at December 31	121,807	127,086

Details of pensions and other long-term employee benefit expenses are presented in note 20-C.

The income recorded in 2013 in respect of the French "CICE" Tax Credit for Competitivity and Employment amounted to €36 million.

C – Share-based payments

Share-based payments concern stock options and free shares granted to personnel, and amounted to a personnel expense of €33 million for 2013 (€14 million in 2012).

The plan valuation method is presented in note 19-H.

D – Rental expenses

Rents amounted to €234 million in 2013 (€291 million in 2012).

E – Foreign exchange gains/losses

In 2013, the operating margin includes a net foreign exchange loss of €120 million, partly related to movements in the Argentinian peso and the Russian rouble against the Euro (compared to a net foreign exchange loss of €63 million in 2012, notably related to movements in the Iranian rial).

NOTE 6 – OTHER OPERATING INCOME AND EXPENSES

(€ million)	2013	2012
Restructuring and workforce adjustment costs	(423)	(110)
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	13	-
Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)	140	18
Impairment of fixed assets	(488)	(279)
Provisions related to operations in Iran	(514)	(304)
Other unusual items	(4)	68
TOTAL	**(1,276)**	**(607)**

A – Restructuring and workforce adjustment costs

Restructuring costs and workforce adjustment measures mainly relate to Europe in 2013 and in 2012, and Korea in 2012.

The costs for 2013 particularly include €327 million for the "Contract for Renault's new growth and labour development in France" agreement signed in March 2013. This agreement is designed to roll out a set of balanced measures which generates competitivity gains. One of the measures adopted broadens the career-end work exemption arrangements. Under IAS 19 (revised), this is considered as an employee benefit and the cost must be covered by a provision established over the residual forecast working life of the employees concerned. The expense recorded for 2013 therefore covers the total cost for employees who have already stopped working at December 31, 2013 and a share of the discounted cost for the population likely to sign up to this arrangement between January 1, 2014 and January 1, 2017.

B – 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

In 2013, this item corresponds to the profits generated by the sale of shares in Société des Automobiles Alpine Caterham and Renault South Africa which the Group no longer controls.

C – Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)

Most of the gain on disposal of property, plant and equipment and intangible assets (except leased asset sales) results from sales of land and buildings located in Europe in 2013 and 2012 and Korea in 2012.

D – Impairment of fixed assets

Impairment was booked on intangible assets (€153 million) and tangible assets (€197 million) in 2013 (note 11), mainly following impairment tests on electric and internal-combustion engine vehicles. A provision of €119 million was also recorded in respect of the electric vehicle range, corresponding to the estimated amount of indemnities payable for failure to meet expected minimum purchase volumes.

In 2012, impairment of €243 million was booked in respect of intangible assets and €36 million on tangible assets relating to the electric and internal-combustion vehicle range.

E – Provisions related to operations in Iran

In Iran, Renault works with two local industrial partners, Iran Khodro and Pars Khodro, which make the Logan and the Mégane using certain parts supplied by Group entities. Parts for the Logan mainly transit through Renault Pars, a fully-consolidated subsidiary owned 51% by Renault.

Due to the economic sanctions imposed on Iran, settlements of commercial and financial debts in foreign currencies remained at a very low level in 2013. The sanctions were extended in June 2013 and now specifically cover the automobile sector. The gradual lifting of some of these sanctions under the agreement reached in Geneva in November 2013 will not begin until 2014.

This situation is reflected as follows in the Group's consolidated financial statements for 2013:

- the subsidiary Renault Pars is now non-significant and is deconsolidated as of June 30, 2013;
- the Group did not recognize any operating margin, financial income or free cash flow on operations in Iran for the first half of 2013. In the second half of 2013, the Group limited recognition of operating margin and free cash flow to operations completed and settled during the half-year;
- the Group's exposure to risks on business in Iran is materialized by all the assets held (securities, shareholder loan and trade receivables). The overall gross exposure at December 31, 2013 was €833 million (including €729 million of receivables);
- given the tightening of economic sanctions, this exposure is fully covered by provisions, leading to recognition of additional provision of €514 million in 2013, recorded in other operating income and expenses.

In 2012, a foreign exchange loss of €304 million was recorded in other income and expenses to reflect the effect of the rial's devaluation on the Group's Iranian entities' debts denominated in Euros to Renault s.a.s. and its subsidiaries.

F – Other unusual revenues and expenses

In 2012, other unusual items of operating income and expenses include an operating tax credit amounting to €94 million, which resulted from signature in March 2012 of an agreement with a Brazilian local authority for a change in the tax option regarding prior years' import taxes.

NOTE 7 – FINANCIAL INCOME

The net interest expense for 2013 amounts to €267 million (€267 million in 2012).

Other financial income and expenses comprise:

(€ million)	2013	2012 RESTATED	2012
Change in fair value of redeemable shares (note 23-A)	(65)	(18)	(18)
Foreign exchange gains and losses on financial operations	30	29	29
Net interest expense on the net defined-benefit liability (asset) corresponding to pension and other long-term employee benefit obligations	(42)	(56)	-
Other	62	(10)	(10)
TOTAL	**(15)**	**(55)**	**1**

From 2013, other financial income and expenses include the net interest expense on the net defined-benefit liability (asset) corresponding to pension and other long-term employee benefit obligations (note 20-C3), which was previously recorded in the operating margin. This net expense amounted to €42 million for 2013 (€56 million in 2012). This change of presentation is described in note 2-A2.

Other items of financial income and expenses include dividends received from Daimler at their gross value of €37 million in 2013 (€36 million in 2012). They also include an impairment expense of €11 million (€46 million in 2012) on the shares in the Modernization Fund for Automotive Equipment Manufacturers (*Fonds de Modernisation des Équipementiers Automobiles* – FMEA) (note 22-A1).

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, and the UK.

A – Current and deferred tax expense

Breakdown of the tax charge

(€ million)	2013	2012
Current income taxes	(443)	(493)
Deferred taxes income (expenses)	10	(56)
CURRENT AND DEFERRED TAXES	**(433)**	**(549)**

In 2013, €365 million of current income taxes were generated by foreign entities (€413 million in 2012).

Current income taxes paid by the Group during 2013 totalled €356 million (€345 million in 2012).

B – Breakdown of the tax charge

(€ million)	2013	2012
Income before taxes and share in net income of associates and joint ventures	**(316)**	**780**
Statutory income tax rate in France, including the additional contribution (1)	38.0%	36.1%
Theoretical tax income (charge)	**120**	**(282)**
Effect of differences between local rates and the French rate (2)	222	93
Tax credits	53	39
Distribution taxes	(209)	(60)
Change in unrecognized deferred tax assets	(486)	(679)
Other impacts (3)	(133)	340
Current and deferred tax income (charge)	**(433)**	**(549)**

(1) In France, the Group is liable for an exceptional 10% contribution in 2013 (5% in 2012) applicable until the end of the 2014 financial year. The theoretical tax rate including this exceptional contribution stands at 38.0% in 2013 compared to 36.1% in 2012.

(2) The main countries contributing to the tax rate differential in 2013 are Romania, Russia, Switzerland, and Turkey.

(3) Other impacts are primarily permanent differences, income subject to reduced tax rates, the cost of tax reassessments, and prior year adjustments. They also include the effect of the differential between the income tax rate including the exceptional contribution applicable in France (38.0%) used for the tax breakdown between theoretical and actual taxes, and the 34.43% tax rate used to calculate deferred taxes for the French tax consolidation group (unfavourable effect of €76 million for 2013 and €28 million for 2012). In 2012, other impacts included the effect of partial tax-exemption of the gain on sale of shares in Volvo that took place in December 2012 (favourable effect of €290 million).

As there was no prospect of reporting taxable income in the foreseeable future, the Group has not recognized the net deferred tax assets of the French tax consolidation group at December 31, 2013 or December 31, 2012. In the second half of 2012, the Group stopped recognizing net deferred tax assets of the French tax group that were previously recognized at December 31, 2011, amounting to €215 million; this resulted in a negative impact of €138 million on net income and €77 million on shareholders' equity.

The effective tax rate across all foreign entities was 24% at December 31, 2013 (29% at December 31, 2012). The decrease compared to 2012 principally results from the favourable impact of differences between local rates and the rates in force in France, and changes in recognition of deferred taxes due to the improved results of the year and prospects for profits in South Korea.

C – Breakdown of net deferred taxes

C1 Change in deferred tax assets and liabilities

(€ million)	2013	2012
Deferred tax assets	416	566
Deferred tax liabilities	(123)	(135)
Net deferred tax assets (liabilities) at January 1	**293**	**431**
Deferred tax income (expense) for the period	10	(56)
Deferred tax income (expense) included in shareholders' equity	(10)	-
Translation adjustments	(25)	(81)
Change in scope of consolidation and other	7	(1)
Net deferred tax assets (liabilities) at December 31	**275**	**293**
deferred tax assets	*396*	*416*
deferred tax liabilities	*(121)*	*(123)*

C2 Breakdown of net deferred tax assets by nature

(€ million)	December 31, 2013	December 31, 2012
Deferred taxes on:		
Investments in associates and joint ventures (1)	(136)	(141)
Fixed assets	(1,577)	(1,732)
Provisions and other expenses or valuation allowances deductible upon utilization	847	1,047
Loss carryforwards (2)	4,190	4,060
Other	387	349
Net deferred tax assets (liabilities)	**3,711**	**3,583**
Unrecognized deferred tax assets (note 8-C3)	(3,436)	(3,290)
NET DEFERRED TAX ASSETS (LIABILITIES) REPORTED	**275**	**293**

(1) Including tax on future dividend distributions.

(2) Including €3,656 million for the French tax consolidation entities and €534 million for other entities at December 31, 2013 (respectively €3,451 million and €609 million December 31, 2012).

The residual unrecognized net deferred tax assets of entities included in the French tax consolidation group amounted to €2,839 million at December 31, 2013 (€2,600 million at December 31, 2012). €589 million of these unrecognized assets arose on items booked through shareholders' equity (chiefly the effects of the partial hedge of the investment in Nissan, revaluation of financial instruments, and actuarial gains and losses), and €2,250 million arose on items affecting the income statement (respectively €783 million and €1,817 million at December 31, 2012).

Excluding the French tax consolidation group, unrecognized deferred tax assets totalled €597 million (€690 million in 2012), and essentially related to tax loss carryforwards generated by the Group in Brazil, and to a lesser extent in South Korea.

C3 Breakdown of unrecognized net deferred tax assets, by expiry date

(€ million)	December 31, 2013	December 31, 2012
Net deferred tax assets that can be carried forward indefinitely (1)	3,286	3,159
Other net deferred tax assets expiring in more than 5 years	85	119
Other net deferred tax assets expiring between 1 and 5 years	43	10
Other net deferred tax assets expiring within 1 year	22	2
TOTAL UNRECOGNIZED NET DEFERRED TAX ASSETS	**3,436**	**3,290**

(1) Including €2,839 million at December 31, 2013 (€2,600 million at December 31, 2012) corresponding to unrecognized net deferred tax assets of entities included in the French tax consolidation group (note 8-C2), mainly corresponding to tax loss carryforwards.

NOTE 9 – BASIC AND DILUTED EARNINGS PER SHARE

(In thousands of shares)	2013	2012
Shares in circulation	295,722	295,722
Treasury shares	(4,048)	(4,059)
Shares held by Nissan x Renault's share in Nissan	(19,384)	(19,407)
Number of shares used to calculate basic earnings per share	**272,290**	**272,256**

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 average number of treasury shares and Renault shares held by Nissan.

(In thousands of shares)	2013	2012
Number of shares used to calculate basic earnings per share	272,290	272,256
Dilutive effect of stock options and free share attribution rights	1,806	137
Number of shares used to calculate diluted earnings per share	**274,096**	**272,393**

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 stock options and rights to free share attribution that have a dilutive effect and fulfil the performance conditions at the year-end when issuance is conditional.

NOTE 10 – OTHER COMPONENTS OF COMPREHENSIVE INCOME

Tax effects of other components of comprehensive income

	OTHER COMPONENTS OF COMPREHENSIVE INCOME					
	2013			2012		
(€ million)	BEFORE TAX	TAX	AFTER TAX	BEFORE TAX	TAX[1]	AFTER TAX
Items that will not be reclassified subsequently to profit or loss, excluding the share of associates and joint ventures	***73***	***(5)***	***68***	***(271)***	***3***	***(268)***
Actuarial gains and losses on defined-benefit pension plans	73	(5)	68	(271)	3	(268)
Items that have been or will be reclassified subsequently to profit or loss, excluding the share of associates and joint ventures	***220***	***(5)***	***215***	***128***	***(80)***	***48***
Translation adjustments on foreign activities	(383)	-	(383)	(99)	-	(99)
Partial hedge of the investment in Nissan	209	-	209	110	(75)	35
Cash flow hedges	39	(5)	34	(18)	(2)	(20)
Available-for-sale financial assets	355	-	355	135	(3)	132
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME EXCLUDING ASSOCIATES AND JOINT VENTURES (A)	**293**	**(10)**	**283**	**(143)**	**(77)**	**(220)**
SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	**(1,923)**	**-**	**(1,923)**	**(1,107)**	**6**	**(1,101)**
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A)+(B)	**(1,630)**	**(10)**	**(1,640)**	**(1,250)**	**(71)**	**(1,321)**

(1) Including an expense of €77 million in 2012 related to the non-recognition of the French tax group's net deferred tax assets (note 8-B).

4.2.7.3 OPERATING ASSETS AND LIABILITIES, SHAREHOLDERS' EQUITY

NOTE 11 – INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

A – Intangible assets

A1 Intangible assets at December 31

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Capitalized development expenses	8,657	8,362
Goodwill	222	243
Other intangible assets	596	557
Intangible assets, gross	**9,475**	**9,162**
Capitalized development expenses	(5,781)	(5,329)
Other intangible assets	(412)	(351)
Amortization and impairment	**(6,193)**	**(5,680)**
INTANGIBLE ASSETS, NET	**3,282**	**3,482**

Most goodwill is in Europe.

A2 Changes during the year

(€ million)	GROSS VALUE	AMORTIZATION AND IMPAIRMENT	NET VALUE
Value at December 31, 2011	**8,483**	**(4,765)**	**3,718**
Acquisitions (note 26-C)/(amortization)	897	(1,118)	(221)
(Disposals)/reversals	(216)	203	(13)
Translation adjustment	(2)	-	(2)
Change in scope of consolidation and other	-	-	-
Value at December 31, 2012	**9,162**	**(5,680)**	**3 ,482**
Acquisitions (note 26-C)/(amortization)	833	(1,005)	(172)
(Disposals)/reversals	(467)	466	(1)
Translation adjustment	(25)	11	(14)
Change in scope of consolidation and other	(28)	15	(13)
Value at December 31, 2013	**9,475**	**(6,193)**	**3,282**

Acquisitions of intangible assets in 2013 comprise €745 million of self-produced assets and €88 million of purchased assets (respectively €764 million and €133 million in 2012).

Amortization and impairment in 2013 include €153 million of impairment of capitalized development expenses relating to electric and internal-combustion vehicles (note 6-D), compared to €243 million of impairment in 2012.

A3 Research and development expenses included in income

(€ million)	2013	2012
Research and development expenses	(1,793)	(1,889)
Capitalized development expenses	732	764
Amortization of capitalized development expenses	(751)	(790)
TOTAL REPORTED IN INCOME STATEMENT	**(1,812)**	**(1,915)**

B – Property, plant and equipment

B1 Property, plant and equipment at December 31

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Land	565	593
Buildings	6,053	6,113
Specific tools	13,479	13,359
Machinery and other tools	10,046	10,007
Fixed assets leased to customers	2,090	2,040
Other tangibles	772	852
Construction in progress	1,625	1,653
Property, plant and equipment, gross	**34,630**	**34,617**
Land and buildings	(3,320)	(3,272)
Specific tools	(11,433)	(10,956)
Machinery and other tools	(7,492)	(7,421)
Fixed assets leased to customers	(718)	(690)
Other tangibles	(694)	(744)
Depreciation and impairment	**(23,657)**	**(23,083)**
PROPERTY, PLANT AND EQUIPMENT, NET	**10,973**	**11,534**

Depreciation and impairment in 2013 include impairment of €197 million on electric and internal-combustion vehicles (note 6-D), compared to €36 million of impairment in 2012.

B2 Changes during the year

Changes during 2013 in property, plant and equipment were as follows:

(€ million)	DECEMBER 31, 2012	ACQUISITIONS/ (DEPRECIATION AND IMPAIRMENT)	(DISPOSALS)/ REVERSALS	TRANSLATION ADJUSTMENTS	CHANGE IN SCOPE OF CONSOLIDATION AND OTHER (1)	DECEMBER 31, 2013
Land	593	9	(25)	(7)	(5)	565
Buildings	6,113	263	(113)	(101)	(109)	6,053
Specific tools	13,359	663	(273)	(175)	(95)	13,479
Machinery and other tools	10,007	620	(288)	(170)	(123)	10,046
Fixed assets leased to customers	2,040	622	(572)	(1)	1	2,090
Other tangibles	852	39	(67)	(17)	(35)	772
Construction in progress (2)	1,653	85	(34)	(26)	(53)	1,625
Gross values	**34,617**	**2,301**	**(1,372)**	**(497)**	**(419)**	**34,630**
Land	-	-	-	-	-	-
Buildings	(3,272)	(234)	86	35	65	(3,320)
Specific tools	(10,956)	(1,009)	287	128	117	(11,433)
Machinery and other tools	(7,421)	(570)	279	106	114	(7,492)
Fixed assets leased to customers (3)	(690)	(307)	281	1	(3)	(718)
Other tangibles	(744)	(52)	61	12	29	(694)
Construction in progress	-	-	-	-	-	-
Depreciation and impairment	**(23,083)**	**(2,172)**	**994**	**282**	**322**	**(23,657)**
Land	593	9	(25)	(7)	(5)	565
Buildings	2,841	29	(27)	(66)	(44)	2,733
Specific tools	2,403	(346)	14	(47)	22	2,046
Machinery and other tools	2,586	50	(9)	(64)	(9)	2,554
Fixed assets leased to customers	1,350	315	(291)	-	(2)	1,372
Other tangibles	108	(13)	(6)	(5)	(6)	78
Construction in progress (2)	1,653	85	(34)	(26)	(53)	1,625
Net values	**11,534**	**129**	**(378)**	**(215)**	**(97)**	**10,973**

(1) Including a €90 million decrease in net value resulting from retrospective application of IFRS 11 "Joint Arrangements" (see note 2-A2).
(2) Items classified as "construction in progress" are transferred to completed asset categories via the "acquisitions/(depreciation and impairment)" column.
(3) Depreciation of assets leased to customers amounts to €227 million at December 31, 2013 (€248 million at December 31, 2012).

Changes during 2012 in property, plant and equipment were as follows:

(€ million)	GROSS VALUE	DEPRECIATION AND IMPAIRMENT	NET VALUE
Value at December 31, 2011	**33,306**	**(21,949)**	**11,357**
Acquisitions/(depreciation and impairment)	2,935	(2,189)	746
(Disposals)/reversals	(1,490)	941	(549)
Translation adjustments	(153)	114	(39)
Change in scope of consolidation and other	19	-	19
Value at December 31, 2012	**34,617**	**(23,083)**	**11,534**

NOTE 12 – IMPAIRMENT TESTS ON FIXED ASSETS (OTHER THAN LEASED ASSETS)

The Group carried out impairment tests on its fixed assets under the approach described in the section on accounting policies (note 2-L).

A – Impairment tests on vehicle-specific and component-specific assets

Following impairment tests of assets dedicated to specific vehicles or components, impairment of €350 million was booked during 2013 (€279 million at December 31, 2012). This impairment concerns electric and internal-combustion engine vehicles and was primarily recorded against capitalized development expenses. A provision of €119 million was also recorded in respect of electric vehicles, corresponding to the estimated amount of indemnities payable for failure to meet expected minimum purchase volumes.

Apart from vehicles for which impairment has been recorded, other vehicles tested in previous half-years no longer display any evidence of impairment.

B – Impairment tests on other cash-generating units of the Automotive segment

In 2013, only the Korea cash-generating unit was subjected to an impairment test, as there were no indications of impairment in the Group's other geographically-based cash-generating units.

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

KOREA	2013	2012
Business plan duration	6 years	6 years
Growth rate to infinity	1.75%	1.75%
After-tax discount rate	8.8%	8.8%

In 2013 as in 2012, no impairment was recognized on assets included in this cash-generating unit as a result of the impairment tests.

An impairment test was also carried out on the Automotive segment as a cash-generating unit, following the same procedure as for tests of geographically-based cash-generating units.

The assumptions used for the Automotive segment are as follows:

	2013	2012
Business plan duration	6 years	6 years
Forecast sales volumes over the projected horizon *(units)*	3,344,000	3,432,000
Growth rate to infinity	1.8%	1.8%
After-tax discount rate	8.8%	8.8%

In 2013 as in 2012, no impairment was recognized on assets included in the Automotive segment as a result of the impairment tests.

Changes in the assumptions underlying the calculations show that to cover the assets, for each factor considered individually:

- the volume reduction over the projected horizon must not exceed 275,000 units (300,000 units in 2012);
- the after-tax discount rate must not exceed 14% (13% in 2012).

With a growth rate to infinity close to zero, the conclusions of the test are unaffected.

NOTE 13 – INVESTMENT IN NISSAN

A – Nissan consolidation method

Renault and the Japanese automaker Nissan have chosen to develop a unique type of alliance between two 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 is not assured of holding the majority of voting rights in Nissan's Shareholders' Meeting;
- the terms of the Renault-Nissan agreements do not entitle Renault to appoint the majority of Nissan directors, nor to hold the majority of voting rights at meetings of Nissan's Board of Directors; Renault cannot unilaterally appoint the President of Nissan; at December 31, 2013, Renault occupies one of the nine seats on Nissan's Board of Directors (compared to three at December 31, 2012)*;
- Renault-Nissan b.v., owned 50% by Renault and 50% by Nissan, is the Alliance's joint decision-making body for strategic issues concerning either group individually. Its decisions are applicable to both Renault and Nissan. This decision-making power was conferred on Renault-Nissan b.v. to generate synergies and bring both automakers worldwide economies of scale. This entity does not enable Renault to direct Nissan's financial and operating strategies, which are governed by Nissan's Board of Directors and cannot therefore be considered to represent contractual control by Renault over Nissan. The matters examined by Renault-Nissan b.v. since it was formed have remained strictly within this contractual framework, and are not an indication that Renault exercises control over Nissan;
- Renault can neither use nor influence the use of Nissan's assets in the same way as its own assets;
- Renault provides no guarantees in respect of Nissan's debt.

In view of this situation, Renault is considered to exercise significant influence over Nissan, and therefore uses the equity method to include its investment in Nissan in the consolidation. The Group's early application of the new standard IFRS 10, "Consolidated financial statements", as of January 1, 2013, has not affected the conclusion that Renault has significant influence over Nissan.

* *Erratum : At December 31, 2013, Renault occupies two, and not only one, of the nine seats on Nissan's Board of Directors (compared to three at December 31, 2012).*

B – Nissan consolidated financial statements included under the equity method in the Renault consolidation

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

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

Nissan held 0.68% of treasury shares at December 31, 2013 (0.68% at December 31, 2012). Consequently, Renault's percentage interest in Nissan was 43.7% at December 31, 2013 (43.7% at December 31, 2012). Renault held 43.4% of voting rights in Nissan at December 31, 2013 (43.4% at December 31, 2012).

C – Changes in the investment in Nissan as shown in Renault's statement of financial position

	SHARE IN NET ASSETS			NET GOODWILL	TOTAL
(€ million)	BEFORE NEUTRALIZATION	NEUTRALIZATION PROPORTIONAL TO NISSAN'S INVESTMENT IN RENAULT (1)	NET		
At December 31, 2012	**14,948**	**(975)**	**13,973**	**815**	**14,788**
2013 net income	1,498		1,498		1,498
Dividend distributed	(405)		(405)		(405)
Translation adjustment	(1,885)		(1,885)	(175)	(2,060)
Other changes (2)	247		247		247
At December 31, 2013	**14,403**	**(975)**	**13,428**	**640**	**14,068**

(1) Nissan has held 15% of Renault since the acquisition in 2002, excluding the subsequent impacts of Renault's treasury share repurchases.

(2) Other changes include the effect of Renault dividends received by Nissan, the change in actuarial gains and losses on pension obligations, the change in the financial instruments revaluation reserve, the change in Nissan treasury shares and a €15 million increase resulting from retrospective application of IAS 19 (revised) "Employee benefits" (see note 2-A2). Application of IFRS 11 "Joint arrangements" has no impact on Nissan net assets or net income restated for the purposes of the Renault consolidation.

D – Changes in Nissan equity restated for the purposes of the Renault consolidation

(¥ billion)	DECEMBER 31, 2012	2013 NET INCOME	DIVIDENDS	TRANSLATION ADJUSTMENT	OTHER CHANGES (1)	DECEMBER 31, 2013
Shareholders' equity – Nissan share under Japanese GAAP	**3,368**	**384**	**(115)**	**529**	**55**	**4,221**
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations (2)	(137)	24		(11)	28	(96)
Capitalization of development expenses	522	31		1		554
Deferred taxes and other restatements	(105)	(23)		26	(12)	(114)
Net assets restated for compliance with IFRS	**3,648**	**416**	**(115)**	**545**	**71**	**4,565**
Restatements for Renault group requirements (3)	238	26	(8)	(54)	3	205
Net assets restated for Renault group requirements	**3,886**	**442**	**(123)**	**491**	**74**	**4,770**
(€ million)						
Net assets restated for Renault group requirements	**34,206**	**3,428**	**(927)**	**(4,311)**	**564**	**32,960**
Renault's share	43.7%					43.7%
(before neutralization effect described below)	14,948	1,498	(405)	(1,885)	247	14,403
Neutralization of Nissan's investment in Renault (4)	(975)					(975)
Renault's share in the net assets of Nissan	**13,973**	**1,498**	**(405)**	**(1,885)**	**247**	**13,428**

(1) Other changes include the effect of Renault dividends received by Nissan, the change in the actuarial gains and losses on pension obligations, the change in the financial instruments revaluation reserve, the change in Nissan treasury shares and the effect of retrospective application of IAS 19 (revised) "Employee benefits"(see note 2-A2). Application of IFRS 11 "Joint arrangements" has no impact on Nissan net assets or net income restated for the purposes of the Renault consolidation.

(2) Including actuarial gains and losses recognized in equity.

(3) Restatements for Renault group requirements essentially correspond to revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002, and elimination of Nissan's investment in Renault accounted for by the equity method.

(4) Nissan has held 15% of Renault since the acquisition in 2002, excluding the subsequent impacts of Renault's treasury share repurchases.

E – Nissan net income under Japanese GAAP

Since Nissan's financial year ends at March 31, the Nissan net income included in the 2013 Renault consolidation is the sum of Nissan's net income for the final quarter of its 2012 financial year and the first three quarters of its 2013 financial year.

	JANUARY TO MARCH 2013		APRIL TO JUNE 2013		JULY TO SEPTEMBER 2013		OCTOBER TO DECEMBER 2013		JANUARY TO DECEMBER 2013	
	FOURTH QUARTER OF NISSAN'S 2012 FINANCIAL YEAR		FIRST QUARTER OF NISSAN'S 2013 FINANCIAL YEAR		SECOND QUARTER OF NISSAN'S 2013 FINANCIAL YEAR		THIRD QUARTER OF NISSAN'S 2013 FINANCIAL YEAR		REFERENCE PERIOD FOR RENAULT'S 2013 CONSOLIDATED FINANCIAL STATEMENTS	
	(¥ billion)	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (1)
Net income –parent company shareholders' share	110	903	82	636	108	823	84	617	384	2,979

(1) Converted at the average exchange rate for each quarter of 2013.

F – Nissan financial information under IFRS

The table below presents Nissan financial information, restated for the purposes of the Renault consolidation, for the period January 1 – December 31 of 2013 and 2012. The restatements do not include the fair value adjustments of assets and liabilities applied by Renault at the time of the acquisitions in 1999 and 2002, or the elimination of Nissan's investment in Renault accounted for by the equity method.

	2013		2012 (2)	
	(¥ billion)	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (3)
Revenues	9,841	75,899	8,469	82,527
Net income				
Parent company shareholders' share	416	3,209	297	2,894
Non-controlling interests' share	29	223	34	331
Other components of comprehensive income				
Parent company shareholders' share	538	4,149	227	2,212
Non-controlling interests' share	18	139	10	98
Comprehensive income				
Parent company shareholders' share	954	7,358	524	5,106
Non-controlling interests' share	47	362	44	429
Dividends received from Nissan	54	406	44	426

	DECEMBER 31, 2013		DECEMBER 31, 2012	
	(¥ billion)	*(€ million)* (1)	*(¥ billion)*	*(€ million)* (3)
Non-current assets	6,684	46,186	5,590	49,203
Current assets	8,284	57,241	6,631	58,367
Total assets	**14,968**	**103,427**	**12,221**	**107,570**
Shareholders' equity				
Parent company shareholders' share	4,565	31,544	3,648	32,110
Non-controlling interests' share	318	2,197	288	2,535
Non-current liabilities	5,123	35,399	3,870	34,064
Current liabilities	4,962	34,287	4,415	38,861
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**14,968**	**103,427**	**12,221**	**107,570**

(1) Converted at the average exchange rate for 2013 i.e. 129.7 JPY = 1 EUR for income statement items, and at the December 31, 2013 rate i.e. 144.7 JPY = 1 EUR for financial position items.
(2) Financial information for 2012 and December 31, 2012 is restated following application of IFRS 11 "Joint arrangements".
(3) Converted at the average exchange rate for 2012, i.e. 102.6 JPY = 1 EUR for income statement items, and at the December 31, 2012 rate i.e. 113.6 JPY = 1 EUR for financial position items.

G – Hedging of the investment in Nissan

The Group has partially hedged the Yen/Euro exchange risk on its investment in Nissan since 1999.

At December 31, 2013, the corresponding hedging operations totalled ¥112 billion (€773 million), comprising ¥27 billion (€187 million) of private placements on the EMTN market and ¥85 billion (€586 million) in bonds issued directly in yen on the Japanese Samurai bond market.

During 2013, these operations generated favourable net-of-tax foreign exchange differences of €209 million (favourable net-of-tax difference of €35 million in 2012), which were included in the Group's translation adjustment reserves (note 19-E).

H – Valuation of Renault's investment in Nissan at stock market prices

Based on the quoted price at December 31, 2013 of JPY 884 per share, Renault's investment in Nissan is valued at €11,985 million (€14,006 million at December 31, 2012 based on the price of JPY 811 per share).

I – Impairment test of the investment in Nissan

At December 31, 2013, the stock market value of the investment was 14.8% lower than its book value in the assets of Renault's statement of financial position. In view of this, an impairment test was carried out in application of the approach presented in the note on accounting policies (note 2-L).

As this investment is strategic, in compliance with IAS 36 the recoverable value was determined based on the higher of stock market value, representing "fair value", and value in use, estimated on the basis of discounted cash flows defined in the business plan drawn up by Nissan management. An after-tax discount rate of 7.9% and a growth rate to infinity of 3.1% were used to calculate value in use. The terminal value was calculated under profitability assumptions consistent with Nissan's past data and balanced medium-term prospects.

The test results did not lead to recognition of any impairment on the investment in Nissan in 2013.

A 200 base point increase in the discount rate associated with a 40 base point decrease in the growth rate to infinity or a 100 base point decrease in the operating margin would have no impact on the book value of the investment in Nissan.

J – Operations between the Renault group and the Nissan group

Renault and Nissan follow joint strategies for vehicle and part development, purchasing and production and distribution resources.

The cooperation between the two groups in 2013 principally takes the following forms:

Joint investments

Renault and Nissan share development costs and investments for gearbox and engine production.

The two groups have made joint investments since 2007 for production of Logan vehicles. This type of cooperation now exists in South Africa, where the Nissan group has manufactured the Sandero since 2009.

Since 2011, the Alliance's Chennai plant in India has produced the first cross-badged Renault Pulse, an adaptation of the Nissan Micra using a 1.5 dCi diesel engine made at the Cleon plant in France.

Vehicle manufacturing

In Brazil, Renault supplies Nissan with assembly services for its Frontier pick-up and Livina models at the Curitiba plant. 27,200 vehicles were assembled during 2013.

Renault Samsung Motors produced 1,770 Nissan-badged SM3 vehicles in 2013, purchased by Nissan for sale through its own network (mainly in Russia and the Middle East).

The Chennai plant has provided assembly services for the Fluence, Koleos, Duster, Pulse and Scala vehicles sold on the Indian market by Renault dealers. In 2013, the volume of assembled vehicles totalled 88,580 units.

Concerning light commercial vehicles, Nissan produced 67,970 Trafic vans over the year at its Barcelona plant in Spain in 2013. 8.2% of these are sold through the Nissan network. Renault, meanwhile, produced 3,610 Interstars (Nissan-badged Masters), which are purchased by Nissan for sale through its own network.

Part sales

In Europe, the Renault group produces engines common to the Alliance at its Cléon plant in France, for use by Nissan's Japanese and UK plants in the Nissan Qashqai and X-Trail vehicles.

Renault also supplies gearboxes and engines manufactured at the plants in Cacia in Portugal, Valladolid and Seville in Spain, Cléon in France and Pitesti in Romania to Nissan's plants in Sunderland in the UK, Barcelona in Spain, Saint Petersburg in Russia and Chennai in India.

In South America, Renault supplies gearboxes made by Cormecanica to Nissan plants located mostly in Mexico and Brazil.

In total Renault supplied 717,450 gearboxes and 305,130 engines during 2013.

In South Korea, Nissan supplies Renault Samsung Motors with parts used in production of the SM3 (Fluence), the SM5 (Latitude), the SM7 and the Koleos.

Renault also uses Nissan's pinions for the Mégane range, and automatic gearboxes, with continuous variable transmissions for the Mégane and the Espace. Renault also uses a 2.0 litre engine developed jointly with Nissan for the Laguna. Nissan supplies rear axles for the Dacia Duster.

Sales

In Europe, Renault markets Nissan vehicles in Bulgaria, Croatia, Romania, Serbia and Slovenia.

Conversely, Nissan markets Renault vehicles in Japan and Australia.

Finance

From trading rooms in Lausanne and Singapore, Renault Finance acts as the Nissan group's counterparty in financial instruments trading to hedge foreign exchange, interest rate and commodity risks, in addition to its business for Renault. On the foreign exchange markets during 2013, Renault Finance undertook foreign exchange transactions totalling approximately €20.3 billion on behalf of Nissan. Foreign exchange, interest rate and commodity derivative transactions, undertaken for Nissan, are recorded at market price and included in the positions managed by Renault Finance.

Relations with the Sales Financing segment

The Sales Financing segment helps to attract customers and build loyalty to the Nissan brands through a range of financing products and services incorporated into its sales policy, principally in Europe. In 2013, the consolidated RCI Banque subgroup recorded €149 million of income in the form of commission and interest received from Nissan.

Total figures for 2013

Total sales by Renault to Nissan and purchases by Renault from Nissan amounted to an estimated €2,100 million and €2,200 million respectively.

The joint policies for purchasing and other administrative functions such as information systems departments are reflected directly in the Renault and Nissan financial statements, and therefore generate no financial exchanges between the two groups. The same applies to sales of powertrain parts by the Alliance to partners such as Daimler and AVTOVAZ.

NOTE 14 – INVESTMENTS IN OTHER ASSOCIATES AND JOINT VENTURES

Details of investments in other associates and joint ventures are as follows:

- value in the Group's statement of consolidated financial position was €806 million at December 31, 2013 (€774 million at December 31, 2012);
- Renault's share in the net income of other associates and joint ventures was a loss of €54 million for 2013, including a negative €34 million for AVTOVAZ's contribution in 2013 (€270 million for 2012, including €186 million from AVTOVAZ and €80 million from AB Volvo).

The investment in AB Volvo was sold in December 2012. This sale generated a profit of €924 million, which is reported on a specific line of the Group's consolidated income statement due to its significant, non-recurrent nature.

AVTOVAZ is now the most significant investment in other associates and joint ventures.

A – AVTOVAZ

The Russian automaker AVTOVAZ's financial year-end is December 31. For the purposes of the Renault consolidation, given the existing time constraints for production of financial information, the accounts of AVTOVAZ are consolidated with a 3-month time-lag. Consequently, the AVTOVAZ net income included in Renault's 2013 consolidated financial statements is the sum of AVTOVAZ's net income for the final quarter of its 2012 financial year and the first three quarters of its 2013 financial year.

A1 Changes in the value of Renault's investment in AVTOVAZ as shown in Renault's statement of financial position

Renault's percentage interest in AVTOVAZ, through the entity Alliance Rostec Auto B.V., is 35.91% at December 31, 2013 compared to 25% at December 31, 2012. The increase results from application of the partnership agreement signed in December 2012.

This agreement created a joint venture named Alliance Rostec Auto B.V. between Renault, Nissan and the public Russian holding company Russian Technologies. This joint venture was formed to hold all the interests in AVTOVAZ owned by Renault, Nissan and Russian Technologies. Following the equity operations undertaken during the first half of 2013, Alliance Rostec Auto B.V. now holds 74.51% of the capital and the voting rights in the Shareholders' Meeting of AVTOVAZ.

In the first half of 2013, the Group undertook the following operations in connection with this venture:

- contribution of its 25% stake in AVTOVAZ to Alliance Rostec Auto B.V.;
- subscription to a capital increase by Alliance Rostec Auto B.V. for €113 million;
- acquisition of shares in Alliance Rostec Auto B.V. from Russian Technologies for €77 million.

Since the end of the first half-year of 2013, Renault has held 48.2% of the capital and the voting rights at the Shareholders' Meeting and on the Board of Directors of Alliance Rostec Auto B.V..

AVTOVAZ's Board of Directors consists of eight members nominated by Renault and Nissan and seven members nominated by Russian Technologies. On June 27, 2013, the Chairman and CEO of Renault and President of Nissan was elected Chairman of the Board of AVTOVAZ. As of December 31, 2013, Renault occupies three seats.

The Renault group does not control Alliance Rostec Auto B.V. or AVTOVAZ, because it does not hold the majority of voting rights in the governing bodies of Alliance Rostec Auto B.V. or the Board of Directors of AVTOVAZ. All major strategic and operating decisions must be approved by a majority shareholder vote.

Alliance Rostec Auto B.V. and AVTOVAZ are accounted for by the equity method in the Group financial statements. The table below reports consolidated figures for Alliance Rostec Auto B.V. and the AVTOVAZ group.

(€ million)	SHARE IN NET ASSETS			NET GOODWILL	TOTAL
	BEFORE NEUTRALIZATION	NEUTRALIZATION OF RENAULT'S SHARE IN THE DEBT OF ALLIANCE ROSTEC AUTO B.V. [1]	NET		
At September 30, 2012	**429**	**-**	**429**	**-**	**429**
Net income for the period October 1, 2012 to September 30, 2013 [2]	(34)	-	(34)	-	(34)
Effects of the investment in Alliance Rostec Auto B.V. [3]	185	(58)	127	63	190
Translation adjustment, actuarial gains and losses and revaluation of financial instruments	(49)	13	(36)	-	(36)
At September 30, 2013	**531**	**(45)**	**486**	**63**	**549**

(1) During the first half of 2013, Alliance Rostec Auto B.V. acquired the shares in AVTOVAZ held by Troika Dialog, which agreed to defer payment by the joint venture to June 2014.

(2) The share in net income of AVTOVAZ has been calculated by applying a 25% interest to the net income for the first two quarters of the period, and the rates of 32.98% and 35.91% for the final two quarters of the period.

(3) Renault invested €190 million during the first half of 2013 in equity securities of Alliance Rostec Auto B.V., raising its percentage interest in AVTOVAZ. This operation generated goodwill of 2,772 million roubles (€63 million at September 30, 2013). Renault's contribution to Alliance Rostec Auto B.V. of its 25% stake in AVTOVAZ is considered as an ownership restructuring, with no impact on the value of the investment.

A2 Changes in AVTOVAZ and Alliance Rostec Auto B.V. shareholders' equity restated for the purposes of the Renault consolidation

(€ million)	OCTOBER 1, 2012	NET INCOME FOR THE PERIOD OCTOBER 1, 2012 – SEPTEMBER 30, 2013	CONTRIBUTION OF AVTOVAZ SHARES TO ALLIANCE ROSTEC AUTO B.V.	EFFECTS OF THE INVESTMENT IN ALLIANCE ROSTEC AUTO B.V. [1]	TRANSLATION ADJUSTMENT AND OTHER CHANGES	SEPTEMBER 30, 2013
Shareholders' equity – parent company shareholders' share	1,671	(113)	-	-	(125)	1,433
Restatements for Renault group requirements [2]	43	2	-	-	1	46
Net assets restated for Renault group requirements	**1,714**	**(111)**	**-**	**-**	**(124)**	**1,479**
Contribution of AVTOVAZ shares to Alliance Rostec Auto B.V. (A)	**429**	**-**	**(429)**	**-**	**-**	**-**
Share in AVTOVAZ held by Alliance Auto Rostec B.V. (74.51%)	-	(70)	977	289	(94)	1,102
Net debt of Alliance Rostec Auto B.V. [3]	-	-	(88)	(26)	20	(94)
Restated net assets of Alliance Rostec Auto B.V.	-	(70)	889	263	(74)	1,008
Share in Alliance Rostec Auto B.V. held by Renault (48.2%) (B)	**-**	**(34)**	**429**	**127**	**(36)**	**486**
Goodwill on acquisitions of shares in AVTOVAZ and Alliance Rostec Auto B.V. (C)	**-**	**-**	**-**	**63**	**-**	**63**
RENAULT'S SHARE IN THE NET ASSETS OF AVTOVAZ (A) + (B) + (C)	**429**	**(34)**	**-**	**190**	**(36)**	**549**

(1) Renault invested €190 million during the first half of 2013 in equity securities of Alliance Rostec Auto B.V., raising its percentage interest in AVTOVAZ. Renault's contribution to Alliance Rostec Auto B.V. of its 25% stake in AVTOVAZ is considered as an ownership restructuring, with no impact on the value of the investment.

(2) Restatements for Renault group requirements essentially correspond to valuation of intangible assets (the Lada brand) and fair value measurement of financial assets.

(3) During the first half of 2013, Alliance Rostec Auto B.V. acquired the shares in AVTOVAZ held by Troika Dialog, which agreed to defer payment by the joint venture to June 2014.

A3 AVTOVAZ financial information under IFRS

AVTOVAZ's published financial information under IFRS for 2012 (year ended December 31) and the first three quarters of the year 2013, is summarized below:

	FROM JANUARY TO SEPTEMBER 2013		2012	
	(in millions of roubles)	*(€ million)* (1)	*(in millions of roubles)*	*(€ million)* (2)
Revenues	132,047	3,170	190,061	4,761
Net income (3)				
Parent company shareholders' share	(4,272)	(103)	29,110	729
Non-controlling interests' share	(34)	(1)	70	2
Other components of comprehensive income				
Parent company shareholders' share	87	2	(169)	(4)
Non-controlling interests' share	-	-	-	-
Comprehensive income				
Parent company shareholders' share	(4,185)	(101)	28,941	725
Non-controlling interests' share	(34)	(1)	70	2
Dividends received from AVTOVAZ	-	-	-	-

	SEPTEMBER 30, 2013		DECEMBER 31, 2012	
	(in millions of roubles)	*(€ million)* (1)	*(in millions of roubles)*	*(€ million)* (2)
Non-current assets	92,543	2,112	90,193	2,236
Current assets (including assets held for sale)	50,932	1,162	51,585	1,279
Total assets	**143,475**	**3,274**	**141,778**	**3,515**
Shareholders' equity				
Parent company shareholders' share	62,806	1,433	66,991	1,661
Non-controlling interests' share	481	11	515	13
Non-current liabilities	32,398	739	33,881	840
Current liabilities (including liabilities related to assets held for sale)	47,790	1,091	40,391	1,001
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**143,475**	**3,274**	**141,778**	**3,515**

(1) Converted at the average exchange rate for January to September 2013, i.e. 41.66 RUB = 1 EUR for income statement items and the exchange rate at September 30, 2013, i.e. 43,82 RUB = 1 EUR for balance sheet items.

(2) Converted at the average exchange rate for 2012 i.e. 39.92 RUB = 1 EUR for income statement items and the exchange rate at December 31, 2012 i.e. 40.33 RUB = 1 EUR for balance sheet items.

(3) Rescheduling of loans from Russian Technologies generated a gain of 28.6 billion roubles (€718 million) for 2012.

A4 Valuation of Renault's investment in AVTOVAZ at stock market prices

Based on AVTOVAZ's stock market share price, Renault's 35.91% investment in AVTOVAZ is valued at €179 million at December 31, 2013, (€198 million for 25% of the capital at December 31, 2012).

A5 Impairment test of the investment in AVTOVAZ

At December 31, 2013, the stock market value of the investment was 67% lower than the value of AVTOVAZ in Renault's statement of financial position (54% lower at December 31, 2012).

The price paid for transactions during 2013 between the various parties in the partnership agreement, who are all independent, is approximately 40 roubles per share. This is higher than the average value of the shares in the portfolio which are valued at 32 roubles per share at December 31, 2013. The price calculation was based on prospects for change in production volumes and profitability that are coherent with the most recent updates to the Company's business plan.

In application of the approach presented in the note on accounting policies (note 2-L), an impairment test was carried out. An after-tax discount rate of 14.5% and a growth rate to infinity of 3.4% were used to calculate value in use. The terminal value was calculated under reasonable profitability and medium-term prospects assumptions. If one of these assumptions is varied while the other remains stable, with a growth rate to infinity of 2% or an after-tax rate discount rate of 15.3%, the recoverable value will still be higher than the book value. The test results at December 31, 2013 did not indicate any loss of value in the investment in AVTOVAZ, and no impairment was recognized.

A6 Operations between the Renault group and the AVTOVAZ group

The Renault group continued to provide technical assistance to AVTOVAZ for vehicle, engine and gearbox projects implemented by the Renault-Nissan Alliance and AVTOVAZ, and for assembly of the B0 platform shared by AVTOVAZ and the Alliance. Consulting services are also provided by Renault in areas such as purchases, quality and IT. During 2013, Renault invoiced €54 million to AVTOVAZ for this technical assistance.

Following the start of production on the Lada "Largus" minivan using the B0 platform in 2012, in 2013 Renault supplied AVTOVAZ with parts required for assembly for a total amount of €356 million.

Renault's share in the B0 platform investment is recorded in tangible assets at the amount of €174 million at December 31, 2013.

In 2013, Renault paid AVTOVAZ €52 million in the form of 10-year loans. The total amount of loans by the Group to AVTOVAZ at December 31, 2013 is €123 million.

B – Associates and joint ventures accounted for under the equity method, other than Nissan and AVTOVAZ

B1 Information on other associates and joint ventures accounted for under the equity method

			PERCENTAGE OWNERSHIP AND VOTING RIGHTS HELD THE GROUP	
NAME	**COUNTRY OF LOCATION**	**MAIN ACTIVITY**	**DECEMBER 31, 2013**	**DECEMBER 31, 2012**
Entities under significant influence				
Automotive				
Boone Comenor	France	Metal trading	33	33
Maïs	Turkey	Automotive sales	49	49
Renault-Nissan Automotive India Private Limited (RNAIPL)	India	Automaker	30	30
Renault South Africa	South Africa	Automotive import	40 (1)	51 (1)
Sales Financing				
Nissan Renault Finance Mexico	Mexico	Automotive sales financing	- (2)	15
Joint ventures (3)				
Automotive				
Francaise de Mécanique	France	Production of automotive parts	- (2)	50
Indra Investissements	France	Dismantling of end-of-life vehicles	50	50
Sales Financing				
Renault Credit Car	Belgium	Automotive sales financing	50	50
RCI Financial Services s.r.o.	Czech Republic	Automotive sales financing	50 (4)	50
Orfin Finansman Anonim Sirketi	Turkey	Automotive sales financing	50 (5)	-

(1) Renault South Africa was fully consolidated until November 30, 2013, at which date the Group transferred control to its partner.
(2) Investments sold in the final quarter of 2013.
(3) Partnerships classified as joint ventures were proportionately consolidated in 2012 prior to application of IFRS 11, "Joint arrangements" (see note 2-A2).
(4) The Group took control of RCI Financial Services s.r.o. on October 1, 2013 following signature of a new partnership agreement, and it is fully consolidated as of that date.
(5) First consolidated in 2013.

B2 Cumulative financial information on associates accounted for under the equity method

(€ million)	**DECEMBER 31, 2013**	**DECEMBER 31, 2012**
Investments in associates	243	346
Share in income (loss) of associates	(21)	3
Share of associates in other components of comprehensive income	(11)	(13)
Share of associates in comprehensive income	(31)	(10)

B3 Cumulative financial information on joint ventures accounted for under the equity method

(€ million)	**DECEMBER 31, 2013**
Investments in joint ventures	15
Share in income (loss) of joint ventures	1
Share of joint ventures in other components of comprehensive income	(6)
Share of joint ventures in comprehensive income	(5)

In application of IFRS 11, "Joint arrangements", joint ventures previously proportionately consolidated are accounted for under the equity method in 2013 (note 2-A2).

NOTE 15 – INVENTORIES

	DECEMBER 31, 2013			DECEMBER 31, 2012		
(€ million)	GROSS VALUE	IMPAIRMENT	NET VALUE	GROSS VALUE	IMPAIRMENT	NET VALUE
Raw materials and supplies	989	(214)	775	1,161	(208)	953
Work in progress	146	(1)	145	232	-	232
Used vehicles	926	(95)	831	1,079	(130)	949
Finished products and spare parts	1,540	(129)	1,411	1,860	(130)	1,730
TOTAL	**3,601**	**(439)**	**3,162**	**4,332**	**(468)**	**3,864**

NOTE 16 – SALES FINANCING RECEIVABLES

A – Sales financing receivables by nature

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Dealership receivables	7,277	6,736
Financing for end-customers	12,536	12,516
Leasing and similar operations	4,569	4,776
Gross value	**24,382**	**24,028**
Impairment	(732)	(798)
NET VALUE	**23,650**	**23,230**
FAIR VALUE	**23,745**	**23,412**

The fair value 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.

B – Assignments and assets pledged as guarantees for management of the liquidity reserve

B1 Assignments of sales financing assets

	DECEMBER 31, 2013		DECEMBER 31, 2012	
(€ million)	BALANCE SHEET VALUE	FAIR VALUE	BALANCE SHEET VALUE	FAIR VALUE
Assigned receivables carried in the balance sheet	7,680	7,792	8,814	8,842
Associated liabilities	3,602	3,643	3,902	3,949

The Sales Financing segment has undertaken several securitization operations through special purpose vehicles and conduit financing operations (in Germany, France, Italy and the United Kingdom) involving loans to final customers and receivables on the dealership network. This does not lead to derecognition of the receivables assigned, as all risks are retained by the Group. The associated liabilities correspond to securities resulting from the securitization operations, 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.

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B2 Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, RCI Banque provided guarantees of €3,394 million in 2013 (€2,933 million in 2012) to the Banque de France: €2,479 million in the form of shares in securitization vehicles, and €565 million in sales financing receivables (€2,773 million and €160 million at December 31, 2012) and €350 million in short-term loans from the Banque de France. This liquidity reserve was unused at December 31, 2013 (it was used to the extent of €400 million at December 31, 2012, classified as borrowings from credit institutions in sales financing debts).

At December 31, 2013, RCI Banque had also provided guarantees to the *Société de Financement de l'Économie Française* (SFEF) in the form of receivables with book value of €380 million (€341 million at December 31, 2012), in return for financing of €210 million (€210 million at December 31, 2012) recorded in borrowings from credit institutions in debts of the Sales Financing segment (note 23).

C – Sales financing receivables by maturity

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
-1 year	13,884	13,964
1 to 5 years	9,665	9,162
+5 years	101	104
TOTAL SALES FINANCING RECEIVABLES, NET	**23,650**	**23,230**

D – Breakdown of overdue sales financing receivables (gross values)

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Receivables for which impairment has been recognized (1): overdue by	**503**	**577**
0 to 30 days	14	14
30 to 90 days	53	53
90 to 180 days	61	57
More than 180 days	375	453
Receivables for which no impairment has been recognized: overdue by	**14**	**16**
0 to 30 days	14	16
More than 30 days	-	-

(1) This only includes sales financing receivables partly or totally written off through impairment on an individual basis.

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 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 €655 million at December 31, 2013 (€538 million at December 31, 2012).

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.

E – Changes in impairment of sales financing receivables

(€ million)	
Impairment at December 31, 2012	**(798)**
Impairment recorded during the year	(326)
Reversals for use of impairment	209
Reversals of unused residual amounts	174
Translation adjustment and other (1)	9
Impairment at December 31, 2013	**(732)**

Net credit losses amounted to €65 million in 2013 (€61 million in 2012).

NOTE 17 – AUTOMOTIVE RECEIVABLES

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Gross value	1,736	1,226
Impairment	(766) (1)	(82)
AUTOMOTIVE RECEIVABLES, NET	**970**	**1,144**

(1) Of which €(729) million related to Iran at December 31, 2013 as disclosed in note 6-E.

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.

When substantially all the risks and benefits are not transferred, although from a legal standpoint receivables have been assigned to Group sales financing companies or other non-Group entities, they remain in Automotive receivables and a corresponding financial liability is recorded (in other interest-bearing borrowings). The amount of assigned Automotive receivables that remain in the balance sheet because the Group retains the credit risk or risk of late settlement is not significant at December 31, 2013.

There is no significant concentration of risks within the Automotive customer base, and no single non-Group customer accounts for more than 10% of the Group's total sales revenues.

The fair value of Automotive receivables is equal to their net book value due to their short-term maturities. This is a level 3 fair value, as it involves assessment of the credit risk associated with the portfolio of receivables that is not based on observable market data.

NOTE 18 – OTHER CURRENT AND NON-CURRENT ASSETS

	DECEMBER 31, 2013			DECEMBER 31, 2012		
(€ million)	NON- CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Prepaid expenses	120	224	344	90	194	284
Tax receivables (excluding current taxes)	412	906	1,318	274	996	1,270
Other receivables	473	925	1,398	338	599	932
Investments in controlled unconsolidated entities	71	-	71	119	-	119
Derivatives on operating transactions of the Automotive segment	-	-	-	-	-	-
Derivatives on financing transactions of the Sales Financing segment	-	201	201	-	332	332
TOTAL	**1,076**	**2,256**	**3,332**	**821**	**2,121**	**2,942**
Gross value	*1,183*	*2,309*	*3,492*	*959*	*2,193*	*3,152*
Impairment	*(107)*	*(53)*	*(160)*	*(138)*	*(72)*	*(210)*

NOTE 19 – SHAREHOLDERS' EQUITY

A – Share capital

The total number of ordinary shares issued and fully paid-up at December 31, 2013 was 295,722 thousand, with par value of €3.81 per share (unchanged from December 31, 2012).

Treasury shares do not bear dividends. They accounted for 1.28% of Renault's share capital at December 31, 2013 (1.37% at December 31, 2012).

The Nissan group holds 15% of Renault through its wholly-owned subsidiary Nissan Finance Co. Ltd. (the voting rights attached to these shares cannot be exercised).

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 actively manages its capital structure, making adjustments in view of developments in economic conditions. To maintain or adjust the capital structure, 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 Group manages the Automotive segment's capital by reference to a ratio equal to the segment's net indebtedness divided by the sum of shareholders' equity (net 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). Shareholders' equity is as reported in the Group's financial position. The Group had a net liquidity position at December 31, 2013 (net liquidity position at December 31, 2012).

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 (excluding the Basel I floor effect) was 14.2% at December 31, 2013 (13.7% at December 31, 2012).

The Group also partially hedges its investment in Nissan (note 13-G).

C – Renault treasury shares

In accordance with decisions approved at General Shareholders' Meetings, the Board of Directors decided to allocate all Renault treasury shares to current stock option plans awarded to Group managers and executives.

	DECEMBER 31, 2013	DECEMBER 31, 2012
Total value of treasury shares (€ *million)*	187	201
Total number of treasury shares	3,784,305	4,059,255

D – Distributions

At the General and Extraordinary Shareholders' Meeting of April 30, 2013, it was decided to distribute a dividend of €1.72 per share representing a total amount of €502 million (€1.16 per share or a total of €338 million in 2012). This dividend was paid during May.

E – Translation adjustment

The change in translation adjustment over the year is analysed as follows:

(€ million)	2013	2012
Change in translation adjustment on the value of the investment in Nissan	(2,060)	(1,120)
Impact, net of tax, of partial hedging of the investment in Nissan (note 13-H)	209	35
Total change in translation adjustment related to Nissan	**(1,851)**	**(1,085)**
Other changes in translation adjustment	(435)	(143)
TOTAL CHANGE IN TRANSLATION ADJUSTMENT	**(2,286)**	**(1,228)**

In 2013, other changes in the translation adjustment mostly resulted from movements in the Argentinian peso, the Brazilian real, the Russian rouble and the Korean won against the Euro. In 2012, they mostly resulted from movements in the Brazilian real, the Argentinian peso, the Iranian rial and the Korean won against the Euro.

F – Financial instrument revaluation reserve

F1 Change in the financial instrument revaluation reserve

The figures below are reported net of tax effects.

(€ million)	CASH FLOW HEDGES	AVAILABLE-FOR-SALE FINANCIAL ASSETS	TOTAL
At December 31, 2012 (1)	**(117)**	**153 (3)**	**36**
Changes in fair value recorded in shareholders' equity	10	524	534
Transfer from shareholders' equity to the income statement (2)	28	(27)	1
At December 31, 2013 (1)	**(79)**	**650 (3)**	**571**

(1) For the schedule of amounts related to cash flow hedges transferred to shareholders' equity, see note F-3 below.
(2) For a breakdown of the amounts related to cash flow hedges transferred to shareholders' equity, see note F-2 below.
(3) The revaluation reserve partly relates to Daimler shares (note 22-A).

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

(€ million)	2013	2012
Operating margin	24	31
Other operating income and expenses	3	-
Net financial income (expense)	1	-
Share in net income of associates and joint ventures	-	10
Current and deferred taxes	-	-
TOTAL TRANSFERRED TO THE INCOME STATEMENT FOR CASH FLOW HEDGES	**28**	**41**

F3 Schedule of amounts related to cash flow hedges transferred from the financial instruments revaluation reserve to the income statement

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Within one year	3	(12)
After one year	(34)	(57)
Revaluation reserve for cash flow hedges excluding associates and joint ventures	**(31)**	**(69)**
Revaluation reserve for cash flow hedges – associates and joint ventures	(48)	(48)
TOTAL REVALUATION RESERVE FOR CASH FLOW HEDGES	**(79)**	**(117)**

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

G – Stock option and free share attribution plans

Since October 1996, the Board of Directors has periodically granted stock options to Group executives and managers, with prices and exercise periods specific to each plan.

No new stock-option or free share plans were introduced in 2013. All plans introduced since 2006 include performance conditions which determine the number of options or shares granted to beneficiaries.

G1 Changes in the number of stock options held by personnel

	2013			2012		
	QUANTITY	WEIGHTED AVERAGE EXERCISE PRICE *(€)*	WEIGHTED AVERAGE SHARE PRICE AT GRANT AND EXERCISE DATES *(€)*	QUANTITY	WEIGHTED AVERAGE EXERCISE PRICE *(€)*	WEIGHTED AVERAGE SHARE PRICE AT GRANT AND EXERCISE DATES *(€)*
Outstanding at January 1	**5,156,196**	**76**	**-**	**8,595,407**	**70**	**-**
Granted (1)	297,800	37	40	350,000 (1)	31	33
Exercised	-	-	-	-	-	-
Expired	(1,610,225)	69	N/A	(3,789,211)	59	N/A
Outstanding at December 31	**3,843,771**	**76**	**-**	**5,156,196**	**76**	**-**

(1) These stock option allocations correspond to plan 20 dating from December 13, 2012, which was announced to the beneficiaries in 2013.

G2 Options and free share attribution rights outstanding at December 31, 2013

PLAN	TYPE OF PLAN	GRANT DATE	EXERCISE PRICE (€)	OUTSTANDING	EXERCISE PERIOD
Plan 12	Stock subscription options	May 4, 2006	87.98	1,280,553	May 5, 2010 – May 5, 2014
Plan 14	Stock subscription options	December 5, 2006	93.86	1,486,806	December 6, 2010 – December 4, 2014
Plan 18	Stock purchase options	April 29, 2011	38.80	478,612	April 30, 2015 – April 28, 2019
Plan 18 bis	Attribution of free shares	April 29, 2011	-	1,092,545	April 30, 2014 – April 30, 2016
				94,800	April 30, 2015
Plan 19	Stock purchase options	December 8, 2011	26.87	150,000	December 9, 2015 – December 7, 2019
Plan 19 bis	Attribution of free shares	December 8, 2011	-	27,000	December 8, 2013 – December 8, 2015
Plan 20	Stock purchase options	December 13, 2012	37.43	447,800	December 13, 2016 – December 12, 2020
Plan 20 bis	Attribution of free shares	December 13, 2012	-	584,400	December 13, 2014 – December 12, 2016
				86,800	December 13, 2016

H – Share-based payments

Share-based payments exclusively concern stock options and free shares awarded to personnel.

Plan values

The options awarded under these plans only become vested after a period of four years for plans 12 to 20. For stock option plans, the exercise period then covers four years for plans 12 to 20. Loss of the benefit of these options follows the applicable regulations: all options are forfeited in the event of resignation, and a decision is made for each individual case when an employee leaves at the Company's instigation.

The plans have been valued as follows:

PLAN	INITIAL VALUE *(thousand of €)*	UNIT FAIR VALUE	EXPENSE FOR 2013 *(€ million)*	EXPENSE FOR 2012 *(€ million)*	SHARE PRICE AT GRANT DATE *(€)*	VOLATILITY	INTEREST RATE	EXERCISE PRICE *(€)*	DURATION OF OPTION	DIVIDEND PER SHARE *(€)*
Plan 12 (1)	17,324	16.20	-	-	87.05	28.1%	3.90%	87.98	4-8 years	2.40 – 4.50
Plan 14 (1)	26,066	15.00	-	-	92.65	26.7%	3.88%	93.86	4-8 years	2.40 – 4.50
Plan 18	3,422	9.31	(2)	(1)	36.70	37.28%	2.28%	38.80	4-8 years	0.30 – 1.16
Plan 18 bis	28,711	31.04	(17)	(9)	36.70	N/A	2.28%	N/A	3-5 years	0.30 – 1.16
Plan 19	1,608	5.36	-	-	27.50	42.24%	1.99%	26.87	4-8 years	1.19 – 1.72
Plan 19 bis	15,966	26.18	(4)	(4)	34.18	N/A	1.68%	N/A	2-4 years	1.17 – 1.73
Plan 20	2,708	6.87	(1)	-	40.39	35%	0.71%	37.43	4-8 years	1.57 – 2.19
Plan 20 bis	21,767	36.38	(9)	-	43.15	N/A	0.87%	N/A	2-4 years	1.57 – 1.97
TOTAL	**117,572**		**(33)**	**(14)**						

(1) For these plans, options or free share attribution rights have been awarded at different dates within the stated period. The information reported may correspond to weighted averages based on quantities awarded per grant date.

I – 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, 2013	DECEMBER 31, 2012	2013	2012	DECEMBER 31, 2013	DECEMBER 31, 2012	2013	2012
Automotive									
Renault Samsung Motors	Korea	20%	20%	4	(31)	102	102	-	-
Renault Pars (1)	Iran	N/A (1)	49%	1	(102)	N/A	(91)	-	-
Oyak Renault Otomobil Fabrikalari	Turkey	49%	49%	54	47	230	216	(39)	(51)
Other	N/A	N/A	N/A	13	15	29	28	(5)	(7)
TOTAL – AUTOMOTIVE				**72**	**(71)**	**361**	**255**	**(44)**	**(58)**
Sales Financing									
Companhia de Arrendamento Mercantil RCI do Brasil (2)	Brazil	40%	40%	11	12	-	-	-	(7)
Companhia de Credito, Financiamento e Investimento RCI do Brasil (2)	Brazil	40%	40%	17	15	-	-	(12)	(3)
Rombo Compania Financiera (2)	Argentina	40%	40%	8	7	-	-	-	-
Other	N/A	N/A	N/A	1	-	16	-	-	-
TOTAL – SALES FINANCING				**37**	**34**	**16**	**-**	**(12)**	**(10)**
TOTAL				**109**	**(37)**	**377**	**255**	**(56)**	**(68)**

(1) Renault Pars is deconsolidated as of June 30, 2013 (note 6-E).
(2) The Group has granted minority shareholders in these companies put options to sell their investments. A liability corresponding to these put options is included in other liabilities, amounting to €182 million for the two Brazilian subsidiaries and €22 million for the Argentinean subsidiary at December 31, 2013 (€181 million and €23 million respectively at December 31, 2012). 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.

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.

J – Joint operations

ENTITY	COUNTRY OF LOCATION	MAIN ACTIVITY	PERCENTAGE OF OWNERSHIP HELD BY THE GROUP	
			DECEMBER 31, 2013	DECEMBER 31, 2012
Automotive				
Société des Automobiles Alpine Caterham (1)	France	Automaker	50	100
Renault-Nissan Technology and Business Centre India Private Limited (RNTBCI) (2)	India	Shared service centre	67	67

(1) Société des Automobiles Alpine Caterham was previously controlled and fully consolidated until June 30, 2013.The percentage of voting rights is identical to the percentage of ownership.
(2) The Group holds 50% of voting rights in Renault-Nissan Technology and Business Center India Private Limited.

NOTE 20 – PROVISIONS

A – Provisions at December 31

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Provisions for pension and other long-term employee benefit obligations [1]	**1,558**	**1,649**
Provisions (other than provisions for pension and other long-term employee obligations)		
Provisions for restructuring and workforce adjustment costs	443	258
Provisions for warranty costs	702	688
Provisions for tax risks and litigation	366	336
Provisions related to insurance activities	191	161
Other provisions	379	293
Total provisions (other than provisions for pension and other long-term employee obligations)	**2,081**	**1,736**
TOTAL PROVISIONS	**3,639**	**3,385**
Provisions – long-term	*2,544*	*2,496*
Provision – short-term	*1,095*	*889*

(1) The impacts of application of IAS 19 (revised) "Employee benefits" are presented in note 2-A2.

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.

B – Changes in provisions (other than provisions for pension and other long-term employee obligations)

(€ million)	RESTRUCTURING PROVISIONS	WARRANTY PROVISIONS	TAX RISKS AND LITIGATION PROVISIONS	INSURANCE ACTIVITIES [1]	OTHER PROVISIONS	TOTAL
At December 31, 2012	**258**	**688**	**336**	**161**	**293**	**1,736**
Increases	331	435	119	44	178	1,107
Reversals of provisions for application	(121)	(380)	(34)	(14)	(37)	(586)
Reversals of unused balance of provisions	(21)	(17)	(28)	-	(47)	(113)
Changes in scope of consolidation	(3)	(3)	(1)	-	(1)	(8)
Translation adjustments and other changes	(1)	(21)	(26)	-	(7)	(55)
At December 31, 2013	**443**	**702**	**366**	**191**	**379**	**2,081**

(1) Mainly technical reserves established by the sales financing activity's insurance companies.

Increases to restructuring provisions essentially comprise the effect of workforce adjustment measures in Europe (note 6-A). Increases to other provisions include the cost corresponding to the estimated amount of indemnities payable for failure to meet expected minimum purchase volumes for certain electric vehicles (note 6-D).

At December 31, 2013, the "other provisions" item included €30 million of provisions established in application of environmental regulations (€28 million at December 31, 2012). They include provisions to cover recycling obligations for end-of-life vehicles and used batteries (note 28-A2), and environmental compliance costs for industrial land that the Group intends to sell (particularly on the Boulogne-Billancourt site). They also include €4 million for depollution of commercial land belonging to Renault Retail Group (RRG) (€4 million at December 31, 2012).

As greenhouse gases emissions were lower than the Group's allocated quotas, no associated provisions were booked at December 31, 2013.

C – Provisions for pensions and other long-term employee benefit obligations

C1 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 was €579 million in 2013 (€578 million in 2012).

DEFINED-BENEFIT PLANS

The accounting treatment of defined-benefit plans is described in note 2-R, 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, Korea and Turkey;
- supplementary pensions providing employees with contractual income; the countries applying this type of plan are in Europe (*eg* United Kingdom, Germany, France, Netherlands, Switzerland);
- other long-term benefits, chiefly long-service awards, flexible holiday entitlements, and additional career-end leave in France.

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 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 are entirely covered by provisions, and account for most of the Group's liabilities for retirement and termination 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, the other RCI Financial Services Ltd. This plan has been closed to new beneficiaries since 2004, and concerns approximately 1,900 people.

This pension fund (a trust) is a legal entity in its own right. 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. 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, etc).

The fund compartment dedicated to the Automotive segment is underfunded and the Group has made a commitment to cover the shortfall by 2022 through payments amounting to £3 million maximum per year. The deficit is valued at £15 million at September 30, 2013.

C2 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, 2013	DECEMBER 31, 2012
Retirement age	60 to 65	60 to 65
Discount rate (1)	2.8% – 3.2%	2.6% – 3.3%
Salary increase rate	2.2% – 3%	2.7% – 3%
Duration of plan	12 to 20 years	12 to 20 years
Gross obligation	€1,137 million	€1,225 million

(1) The rate most frequently used to value the Group's obligations in France is 2.9% in 2013 (2.6% in 2012) However, the rate varies 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 at December 31, 2013 and 2012.

MAIN ACTUARIAL ASSUMPTIONS AND ACTUAL DATA FOR THE GROUP'S SUPPLEMENTARY PENSIONS IN THE UK	DECEMBER 31, 2013	DECEMBER 31, 2012
Financial discount rate	4.7% – 4.8%	4.5% – 4.7%
Salary increase rate	2% – 3.3%	2% – 3%
Duration of plan	20 – 27 years	20 – 27 years
Actual return on fund assets	6.8% – 7.6%	11.2% – 14.3%
Gross obligation	€258 million	€248 million
Fair value of assets invested vi*a p*ension funds	€238 million	€229 million

C3 Net expense for the year

(€ million)	2013	2012
Current service cost	109	93
Past service cost and gain/loss on settlement	-	(7)
Net interest on the net liability (asset)	42	57
Effects of workforce adjustment measures	(1)	-
Amortization of past service cost	-	(3)
Net expense (income) for the year recorded in the income statement	**150**	**140**

C4 Breakdown of the balance sheet provision

			DECEMBER 31, 2013
(€ million)	PRESENT VALUE OF THE OBLIGATION	FAIR VALUE OF FUND ASSETS	NET DEFINED-BENEFIT LIABILITY (ASSET)
Retirement and termination indemnities			
France	1,137	-	1,137
Europe (excluding France and the UK)	18	(1)	17
Americas	2	-	2
Asia-Pacific [(1)]	77	(16)	61
Euromed-Africa [(2)]	47	-	47
TOTAL RETIREMENT AND TERMINATION INDEMNITIES	**1,281**	**(17)**	**1,264**
Supplementary pensions			
France	77	(44)	33
United Kingdom	258	(238)	20
Europe (excluding France and the UK) [(3)]	216	(154)	62
Americas	6	-	6
TOTAL SUPPLEMENTARY PENSIONS	**557**	**(436)**	**121**
Other long-term benefits			
France [(4)]	171	-	171
Europe (excluding France and the UK)	2	-	2
TOTAL OTHER LONG-TERM BENEFITS	**173**	**-**	**173**
TOTAL	**2,011**	**(453)**	**1,558**

(1) Korea.
(2) Essentially Romania and Turkey.
(3) Essentially Germany, the Netherlands and Switzerland.
(4) Flexible holiday entitlements, additional career-end leave and long-service awards.

C5 Changes in obligations, fund assets and the provision

(€ million)	PRESENT VALUE OF THE OBLIGATION (A)	FAIR VALUE OF PLAN ASSETS (B)	ASSET CEILING AND OTHER (C)	NET DEFINED-BENEFIT LIABILITY (ASSET) (A)+(B)+(C)
Balanced at December 31, 2012 (1)	**2,084**	**(437)**	**2**	**1,649 (1)**
Current service cost	109	-	-	109
Past service cost and gain/loss on settlement	-	-	-	-
Net interest on the net liability (asset)	58	(16)	-	42
Effects of workforce adjustment measures	(1)	-	-	(1)
Net expense (income) for 2013 recorded in the income statement (note 20-C3)	**166**	**(16)**	**-**	**150**
Actuarial gains and losses on the obligation resulting from changes in demographic assumptions	(3)	-	-	(3)
Actuarial gains and losses on the obligation resulting from changes in financial assumptions	(43)	-	-	(43)
Actuarial gains and losses on the obligation resulting from experience effects	(10)	-	-	(10)
Net return on fund assets (not included in net interest above)	-	(12)	-	(12)
Change in asset ceiling (not included in net interest above)	-	-	-	-
Net expense (income) for 2013 recorded in other components of comprehensive income	**(56)**	**(12)**	**-**	**(68)**
Employer's contributions to funds	-	(9)	-	(9)
Employees' contributions to funds	-	(2)	-	(2)
Benefits paid under the plan	(130)	17	-	(113)
Effect of changes in exchange rates	(18)	6	-	(12)
Effect of changes in scope of consolidation	(35)	-	(2)	(37)
Balance at December 31, 2013	**2,011**	**(453)**	**-**	**1,558**

(1) After restatement for retrospective application of IAS 19 (revised), the balance of the provision at December 31, 2012 amounts to €1,647 million (compared to €1,649 million before application of the revised standard). The restatement consists of immediate recognition of past service costs that were previously spread over the vesting period for benefit entitlements (note 2-A2).

Accumulated actuarial gains and losses, net of tax (excluding the associates' share) recorded in other components of comprehensive income amounted to an expense of €481 million at December 31, 2013 (€(546) million at December 31, 2012).

A 50 base point decrease in discount rates used for each plan would result in a €115 million increase in the amount of obligations at December 31, 2013.

The weighted average duration of plans is 14 years at December 31, 2013.

C6 Fair value of plan assets

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

	DECEMBER 31, 2013		
(€ million)	LISTED ON ACTIVE MARKETS	UNLISTED	TOTAL
Pension funds			
Cash and cash equivalents	-	-	-
Shares	72	-	72
Bonds	149	-	149
Real estate property	-	-	-
Shares in mutual funds and other	19	3	22
TOTAL – PENSION FUNDS	**240**	**3**	**243**
Insurance companies			
Cash and cash equivalents	19	-	19
Shares	9	-	9
Bonds	134	19	153
Real estate property	18	2	20
Shares in mutual funds and other	9	-	9
TOTAL – INSURANCE COMPANIES	**189**	**21**	**210**
TOTAL	**429**	**24**	**453**

Pension fund plan assets mainly relate to plans located in the United Kingdom (52.8%). Insurance contracts principally concern Germany (5.5%), Korea (3.5%), France (9.8%), the Netherlands (18%) and Switzerland (9.4%). The actual returns on plan assets in the United Kingdom are shown in note 20-C2.

The weighted average actual rate of return on the Group's main funds is 6.4% in 2013 (8.1% in 2012).

At the date of this report, the best estimate of contributions that will be payable to the funds in 2014 is approximately €11 million.

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

NOTE 21 – OTHER CURRENT AND NON-CURRENT LIABILITIES

	DECEMBER 31, 2013			DECEMBER 31, 2012		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Tax liabilities (excluding current taxes)	140	923	1,063	170	855	1,025
Social liabilities	19	1,470	1,489	17	1,555	1,572
Other liabilities	268	3,837	4,105	262	3,846	4,108
Deferred income	692	594	1,286	395	545	940
Derivatives on operating transactions of the Automotive segment	-	-	-	-	4	4
TOTAL	**1,119**	**6,824**	**7,943**	**844**	**6,805**	**7,649**

Other liabilities mainly correspond to deferred income recorded in connection with sales contracts including a buy-back commitment (€531 million at December 31, 2013 and €535 million at December 31, 2012).

4.2.7.4 FINANCIAL ASSETS AND LIABILITIES, FAIR VALUE AND MANAGEMENT OF FINANCIAL RISKS

NOTE 22 – FINANCIAL ASSETS – CASH AND CASH EQUIVALENTS

A – Current/non-current breakdown

	DECEMBER 31, 2013			DECEMBER 31, 2012		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Investments in non-controlled entities	1,196	-	1,196	788	-	788
Marketable securities and negotiable debt instruments	-	135	135	-	171	171
Loans	190	707	897	68	622	690
Derivatives on financing operations by the Automotive segment	144	256	400	176	196	372
TOTAL FINANCIAL ASSETS	**1,530**	**1,098**	**2,628**	**1,032**	**989**	**2,021**
Gross value	*1,531*	*1,102*	*2,633*	*1,033*	*1,002*	*2,035*
Impairment	*(1)*	*(4)*	*(5)*	*(1)*	*(13)*	*(14)*
Cash equivalents	-	3,732	3,732	-	3,647	3,647
Cash on hand and bank deposits	-	7,929	7,929	-	7,533	7,533
TOTAL CASH AND CASH EQUIVALENTS	**-**	**11,661**	**11,661**	**-**	**11,180**	**11,180**

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

A1 Investments in non-controlled entities

Investments in non-controlled entities include €1,035 million (€680 million at December 31, 2012) for the Daimler shares purchased under the strategic partnership agreement.

These shares are classified as available-for-sale financial assets and their fair value is determined by reference to the market price. At December 31, 2013, the stock market price (€62.90 per share) was higher than the acquisition price (€35.52 per share). The corresponding increase in value, amounting to €355 million, is recorded in other components of comprehensive income for 2013.

Investments in non-controlled entities also include €59 million at December 31,2013 (€69 million at December 31, 2012) paid to the Modernization Fund for Automotive Equipment Manufacturers (*Fonds de Modernisation des Equipementiers Automobiles* - FMEA), as part of the support plan for these suppliers introduced by the French authorities and automakers. Renault has undertaken a commitment to pay a total of €200 million as funds are called.

The fair value of these securities is determined by reference to the most recent net asset value reported by the FMEA's management company, after adjustment for any relevant information that becomes known afterwards. In 2013, the decline in their fair value was considered durable, and was recognized in other financial expenses in the amount of €11 million at December 31, 2013.

A2 Non-available cash

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, and so this cash is available to the Group.

B – Breakdown by category of financial instruments and fair value

(€ million)	INSTRUMENTS HELD FOR TRADING (1)	HEDGING DERIVATIVES	AVAILABLE-FOR-SALE INSTRUMENTS	TOTAL INSTRUMENTS CARRIED AT FAIR VALUE	LOANS AND RECEIVABLES	TOTAL
Investments in non-controlled entities	-	-	1,196	1,196	-	1,196
Marketable securities and negotiable debt instruments	-	-	135	135	-	135
Loans	-	-	-	-	897	897
Derivatives on financing operations by the Automotive segment	305	95	-	400	-	400
TOTAL FINANCIAL ASSETS AT DECEMBER 31, 2013	**305**	**95**	**1,331**	**1,731**	**897**	**2,628**
Cash equivalents	-	-	84	84	3,648	3,732
Cash	-	-	-	-	7,929	7,929
TOTAL CASH AND CASH EQUIVALENTS AT DECEMBER 31, 2013	**-**	**-**	**84**	**84**	**11,577**	**11,661**
Investments in non-controlled entities	-	-	788	788	-	788
Marketable securities and negotiable debt instruments	-	-	171	171	-	171
Loans	-	-	-	-	690	690
Derivatives on financing operations by the Automotive segment	233	139	-	372	-	372
TOTAL FINANCIAL ASSETS AT DECEMBER 31, 2012	**233**	**139**	**959**	**1,331**	**690**	**2,021**
Cash equivalents	-	-	132	132	3,515	3,647
Cash	-	-	-	-	7,533	7,533
TOTAL CASH AND CASH EQUIVALENTS AT DECEMBER 31, 2012	**-**	**-**	**132**	**132**	**11,048**	**11,180**

(1) Including derivatives not designated as hedges for accounting purposes.

No financial assets were reclassified between categories in 2013 (or 2012).

NOTE 23 – FINANCIAL LIABILITIES AND SALES FINANCING DEBTS

A – Current/non-current breakdown

	DECEMBER 31, 2013			DECEMBER 31, 2012		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Renault SA redeemable shares	313	-	313	249	-	249
Bonds	4,506	1,538	6,044	4,525	1,249	5,774
Other debts represented by a certificate	-	63	63	-	158	158
Borrowings from credit institutions (at amortized cost)	1,524	670	2,194	787	1,455	2,242
Borrowings from credit institutions (at fair value)	-	218	218	220	-	220
Other interest-bearing borrowings	458	174	632	521	53	574
Financial liabilities of the Automotive segment (excluding derivatives)	**6,801**	**2,663**	**9,464**	**6,302**	**2,915**	**9,217**
Derivatives on financing operations of the Automotive segment	39	258	297	60	179	239
Total financial liabilities of the Automotive segment	**6,840**	**2,921**	**9,761**	**6,362**	**3,094**	**9,456**
Diac redeemable shares	10	-	10	9	-	9
Bonds	-	11,643	11,643	-	11,513	11,513
Other debts represented by a certificate	250	4,315	4,565	251	6,785	7,036
Borrowings from credit institutions	-	3,227	3,227	-	3,930	3,930
Other interest-bearing borrowings	-	4,442	4,442	-	973	973
Total financial liabilities and debts of the Sales Financing segment (excluding derivatives)	**260**	**23,627**	**23,887**	**260**	**23,201**	**23,461**
Derivatives on financing operations of the Sales Financing segment	-	130	130	-	104	104
Financial liabilities and debts of the Sales Financing segment	**260**	**23,757**	**24,017**	**260**	**23,305**	**23,565**
TOTAL FINANCIAL LIABILITIES AND SALES FINANCING DEBTS	**7,100**	**26,678**	**33,778**	**6,622**	**26,399**	**33,021**

Redeemable shares

The redeemable shares issued in October 1983 and April 1984 by Renault SA are subordinated perpetual shares. 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 return on redeemable shares, amounting to €17 million for 2013 (€17 million for 2012), is included in interest expenses. These shares are listed on the Paris Stock Exchange, and traded for €312 at December 31, 2012 and €392 at December 31, 2013 for par value of €153, leading to a corresponding €65 million adjustment to the fair value of redeemable shares recorded in other financial expenses (note 7).

The return on Diac redeemable shares issued in 1985 comprises a fixed portion equal to the Annual Monetary Rate, and a variable portion calculated by multiplying an amount equal to 40% of the Annual Monetary Rate by the rate of increase in net consolidated profit of the Diac sub-group compared to the prior year.

Changes in bonds

In 2013, Renault SA redeemed bonds issued between 2006 and 2011 for a total of €1,152 million, and undertook new bond totalling €1,716 million and maturing between 2015 and 2018, including €695 million on the Chinese and Japanese markets.

RCI Banque also redeemed bonds for a total of €2,465 million in 2013 and issued new bonds totalling €2,958 million and maturing between 2014 and 2018.

Loans from the European Investment Bank

During the first half of 2013, Renault SA redeemed the €400 million loan issued by the European Investment Bank (EIB) in 2009 and issued two new EIB loans with terms of 6 years and 3.5 years respectively, for a combined total of €400 million.

Credit lines

At December 31, 2013, Renault SA had confirmed credit lines opened with banks worth €3,435 million (€3,485 million at December 31, 2012). The short-term portion amounted to €555 million at December 31, 2013 (€355 million at December 31, 2012). These credit lines were unused at December 31, 2013 (and December 31, 2012).

Sales Financing's confirmed credit lines opened in several currencies with banks amounted to €4,661 million at December 31, 2013 (€4,696 million at December 31, 2012). The short-term portion amounted to €874 million at December 31, 2013 (€657 million at December 31, 2012). These credit lines were unused at December 31, 2013 (and December 31, 2012).

The contractual documentation for financial liabilities and confirmed credit lines contains no clause that could affect the continued supply of credit in the event of any change in Renault's credit rating or financial ratio compliance.

B – Breakdown by category of financial instrument and fair value

DECEMBER 31,2013 (€ million)	INSTRUMENTS MEASURED AT FAIR VALUE				INSTRUMENTS MEASURED AT AMORTIZED COST (2)		
	INSTRUMENTS HELD FOR TRADING (1)	HEDGING DERIVATIVES	INSTRUMENTS DESIGNATED AS MEASURED AT FAIR VALUE FROM INITIAL RECOGNITION	TOTAL INSTRUMENTS MEASURED AT FAIR VALUE	BALANCE SHEET VALUE	FAIR VALUE	BALANCE SHEET VALUE
Renault SA redeemable shares	-	-	313	313	-	-	313
Bonds	-	-	-	-	6,044	6,406	6,044
Other debts represented by a certificate	-	-	-	-	63	63	63
Borrowings from credit institutions	-	-	218	218	2,194	2,147	2,412
Other interest-bearing borrowings	-	-	-	-	632	646	632
Derivatives on financing operations of the Automotive segment	293	4	-	297	-	-	297
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT	**293**	**4**	**531**	**828**	**8,933**	**9,262**	**9,761**
Diac redeemable shares	-	-	10	10	-	-	10
Bonds	-	-	-	-	11,643	11,924	11,643
Other debts represented by a certificate	-	-	-	-	4,565	4,607	4,565
Borrowings from credit institutions	-	-	-	-	3,227	3,268	3,227
Other interest-bearing borrowings	-	-	-	-	4,442	4,442	4,442
Derivatives on financing operations of the Sales Financing segment	37	93	-	130	-	-	130
FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT	**37**	**93**	**10**	**140**	**23,877**	**24,241**	**24,017**

(1) Including derivatives not classified as hedges for accounting purposes.
(2) Including financial liabilities subject to fair value hedges.

DECEMBER 31,2012 (€ million)	INSTRUMENTS MEASURED AT FAIR VALUE				INSTRUMENTS MEASURED AT AMORTIZED COST (2)		
	INSTRUMENTS HELD FOR TRADING (1)	HEDGING DERIVATIVES	INSTRUMENTS DESIGNATED AS MEASURED AT FAIR VALUE FROM INITIAL RECOGNITION	TOTAL INSTRUMENTS MEASURED AT FAIR VALUE	BALANCE SHEET VALUE	FAIR VALUE	BALANCE SHEET VALUE
Renault SA redeemable shares	-	-	249	249	-	-	249
Bonds	-	-	-	-	5,774	6,015	5,774
Other debts represented by a certificate	-	-	-	-	158	158	158
Borrowings from credit institutions	-	-	220	220	2,242	2,194	2,462
Other interest-bearing borrowings	-	-	-	-	574	605	574
Derivatives on financing operations of the Automotive segment	236	3	-	239	-	-	239
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT	**236**	**3**	**469**	**708**	**8,748**	**8,972**	**9,456**
Diac redeemable shares	-	-	9	9	-	-	9
Bonds	-	-	-	-	11,513	11,682	11,513
Other debts represented by a certificate	-	-	-	-	7,036	7,074	7,036
Borrowings from credit institutions	-	-	-	-	3,930	3,984	3,930
Other interest-bearing borrowings	-	-	-	-	973	973	973
Derivatives on financing operations of the Sales Financing segment	50	54	-	104	-	-	104
FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT	**50**	**54**	**9**	**113**	**23,452**	**23,713**	**23,565**

(1) Including derivatives not classified as hedges for accounting purposes.
(2) Including financial liabilities subject to fair value hedges.

The fair value of financial liabilities and debts of the Sales Financing segment measured at amortized cost is essentially determined by discounting future cash flows at rates offered to Renault at December 31, 2013 and 2012 for loans with similar conditions and maturities. The rates proposed to Renault 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.

C – 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, 2013.

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

C1 Financial liabilities of the Automotive segment

	DECEMBER 31, 2013							
(€ million)	BALANCE SHEET VALUE	TOTAL CONTRACTUAL FLOWS	-1 YR	1 – 2 YRS	2 – 3 YRS	3 – 4 YRS	4 – 5 YRS	+5 YRS
Bonds issued by Renault SA (by issue date)								
2003	41	41	41	-	-	-	-	-
2006	28	28	28	-	-	-	-	-
2007	60	60	50	-	-	10	-	-
2009	749	750	750	-	-	-	-	-
2010	1,119	1,150	-	650	-	500	-	-
2011	569	548	48	-	500	-	-	-
2012	1,577	1,600	431	69	250	850	-	-
2013	1,855	1,848	246	605	97	-	900	-
Accrued interest, expenses and premiums	46	57	57	-	-	-	-	-
Total bonds	**6,044**	**6,082**	**1,651**	**1,324**	**847**	**1,360**	**900**	**-**
Other debts represented by a certificate	63	63	63	-	-	-	-	-
Borrowings from credit institutions	2,412	2,413	889	345	438	219	160	362
Other interest-bearing borrowings	632	784	92	34	15	16	16	611
Total other financial liabilities	**3,107**	**3,260**	**1,044**	**379**	**453**	**235**	**176**	**973**
Future interest on bonds and other financial liabilities	**-**	**902**	**229**	**209**	**152**	**115**	**51**	**146**
Redeemable shares	**313**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives on financing operations	**297**	**297**	**258**	**6**	**27**	**2**	**2**	**2**
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT	**9,761**	**10,541**	**3,182**	**1,918**	**1,479**	**1,712**	**1,129**	**1,121**

The portion of financial liabilities of the Automotive segment maturing within one year breaks down as follows:

	DECEMBER 31, 2013			
(€ million)	CONTRACTUAL FLOWS MATURING WITHIN 1 YEAR	-1 MONTH	1 – 3 MONTHS	3 MONTHS – 1 YEAR
Bonds	1,651	-	-	1,651
Other financial liabilities	1,044	168	453	423
Future interest on bonds and other financial liabilities	229	7	28	194
Derivatives on financing operations	258	43	17	198
TOTAL FINANCIAL LIABILITIES MATURING WITHIN 1 YEAR	**3,182**	**218**	**498**	**2,466**

C2 Financial liabilities and debts of the Sales Financing segment

(€ million)	BALANCE SHEET VALUE	TOTAL CONTRACTUAL FLOWS	-1 YR	1 – 2 YRS	2 – 3 YRS	3 – 4 YRS	4 – 5 YRS	+5 YRS
	DECEMBER 31, 2013							
Bonds issued by RCI Banque (year of issue)								
2005	10	10	-	10	-	-	-	-
2006	12	12	-	12	-	-	-	-
2010	1,327	1,300	-	600	700	-	-	-
2011	4,220	4,136	2,349	610	1,177	-	-	-
2012	3,019	3,039	947	1,176	195	721	-	-
2013	2,833	2,883	68	163	1,133	113	1,406	-
Accrued interest, expenses and premiums	222	246	246	-	-	-	-	-
Total bonds	**11,643**	**11,626**	**3,610**	**2,571**	**3,205**	**834**	**1,406**	**-**
Other debts represented by a certificate	4,565	4,568	1,370	1,713	686	-	799	-
Borrowings from credit institutions	3,227	3,225	2,260	601	343	15	6	-
Other interest-bearing borrowings	4,442	4,441	3,798	223	186	143	91	-
Total other financial liabilities	**12,234**	**12,234**	**7,428**	**2,537**	**1,215**	**158**	**896**	**-**
Future interest on bonds and other financial liabilities	**-**	**1,286**	**300**	**526**	**328**	**87**	**39**	**6**
Redeemable shares	**10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivative liabilities on financing operations	**130**	**95**	**16**	**12**	**4**	**20**	**6**	**37**
TOTAL FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT	**24,017**	**25,241**	**11,354**	**5,646**	**4,752**	**1,099**	**2,347**	**43**

The portion of financial liabilities and debts of the Sales Financing segment maturing within one year breaks down as follows:

(€ million)	CONTRACTUAL FLOWS MATURING WITHIN 1 YEAR	-1 MONTH	1 – 3 MONTHS	3 MONTHS – 1 YEAR
	DECEMBER 31, 2013			
Bonds	3,610	920	114	2,576
Other financial liabilities	7,428	4,256	1,024	2,148
Future interest on bonds and other financial liabilities	300	13	29	258
Derivative liabilities on financing operations	16	9	2	5
TOTAL FINANCIAL LIABILITIES MATURING WITHIN 1 YEAR	**11,354**	**5,198**	**1,169**	**4,987**

NOTE 24 – FAIR VALUE OF FINANCIAL INSTRUMENTS AND IMPACT ON NET INCOME

A – Fair value of financial instruments by level

The following breakdown by level 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;
- 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.

	DECEMBER 31, 2013			
(€ million)	FAIR VALUE IN BALANCE SHEET	LEVEL 1	LEVEL 2	LEVEL 3
Investments in non-controlled entities	1,196	1,035	-	161
Marketable securities and negotiable debt instruments	135	77	58	-
Derivative assets on financing operations by the Automotive segment	400	-	400	-
Derivative assets on transactions undertaken for operating purposes by the Automotive segment	-	-	-	-
Derivative assets on financing operations by the Sales Financing segment	201	-	201	-
Cash equivalents	84	84	-	-
Financial instruments stated at fair value in the balance sheet assets	**2,016**	**1,196**	**659**	**161**
Renault SA redeemable shares	313	313	-	-
Borrowings from credit institutions by the Automotive segment	218	-	218	-
Derivative liabilities on transactions undertaken for financing purposes by the Automotive segment	297	-	297	-
Derivative liabilities on transactions undertaken for operating purposes by the Automotive segment	-	-	-	-
Diac redeemable shares	10	10	-	-
Derivative liabilities on financing operations of the Sales Financing segment	130	-	130	-
Financial instruments stated at fair value in the balance sheet liabilities	**968**	**323**	**645**	**-**

Estimated fair values are based on information available on the markets and determined at using valuation methods appropriate to the types of instrument in question. However, the methods and assumptions used are by nature theoretical, and judgment plays a major role in interpreting market data.

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 general, the valuation methods for each level are as follows:

- level 1: fair value is identical to the most recent quoted price;
- level 2: fair value is generally determined by recognized valuation models that use observable market data, such as zero-coupon interest rate curves and secondary market listed prices for securities issued by the Group;
- level 3: the fair value of investments in non-controlled companies is based on the share of net assets.

In 2013 no financial instruments were transferred between Level 1 and Level 2, or into or out of Level 3.

The Group's financial statements carry no assets or liabilities measured at fair value on a non-recurring basis in the balance sheet.

B – Changes in Level 3 financial instruments

Level 3 financial instruments amounted to €161 million at December 31, 2013 (€108 million at December 31, 2012). They increased by €53 million over the year, essentially due to subscription of €51 million of shares for the capital increase by the unconsolidated company RN SF BV, the holding company for the future bank that will handle sales financing for the Alliance in Russia. These companies will be consolidated in 2014.

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C – Impact of financial instruments on net income

2013 *(€ million)*	INSTRUMENTS HELD FOR TRADING	AVAILABLE-FOR-SALE INSTRUMENTS (FINANCIAL ASSETS OTHER THAN DERIVATIVES)	LOANS AND RECEIVABLES (FINANCIAL ASSETS OTHER THAN DERIVATIVES)	INSTRUMENTS DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (FINANCIAL LIABILITIES OTHER THAN DERIVATIVES)	INSTRUMENTS MEASURED AT AMORTIZED COST [(1)] (FINANCIAL LIABILITIES OTHER THAN DERIVATIVES)	DERIVATIVES	TOTAL IMPACT ON NET INCOME
Interest income	1	-	142	-	-	40	183
Interest expenses	-	-	-	(17)	(414)	(19)	(450)
Change in fair value	-	(2)	24	(62)	81	(55)	(14)
Impairment	-	(11)	(540)	-	-	-	(551)
Dividends	-	38	-	-	-	-	38
Gains (losses) on sale	-	-	2	-	-	-	2
Net foreign exchange gains and losses	29	-	3	-	(124)	-	(92)
TOTAL IMPACT ON NET INCOME - AUTOMOTIVE SEGMENT	**30**	**25**	**(369)**	**(79)**	**(457)**	**(34)**	**(884)**
Including:							
- operating margin	*1*	*-*	*(26)*	*-*	*(118)*	*-*	*(143)*
- other operating income and expenses	*-*	*-*	*(514)*	*-*	*-*	*-*	*(514)*
- net financial income (expenses)	*29*	*25*	*171*	*(79)*	*(339)*	*(34)*	*(227)*
Interest income	-	-	1,567	-	-	107	1,674
Interest expenses	-	-	-	-	(1,124)	(38)	(1,162)
Change in fair value	-	-	-	-	182	(184)	(2)
Impairment	-	-	(65)	-	-	-	(65)
Dividends	-	-	-	-	-	-	-
Gains (losses) on sale	-	-	-	-	-	-	-
Net foreign exchange gains and losses	-	-	-	-	-	-	-
TOTAL IMPACT ON NET INCOME - SALES FINANCING SEGMENT IN OPERATING MARGIN	**-**	**-**	**1,502**	**-**	**(942)**	**(115)**	**445**
TOTAL GAINS AND LOSSES WITH IMPACT ON NET INCOME	**30**	**25**	**1,133**	**(79)**	**(1,399)**	**(149)**	**(439)**

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

For the Automotive segment, the impact of financial instruments on net income mainly corresponds to foreign exchange gains and losses on operating transactions, and impairment of operating receivables.

D – Fair value hedges

(€ million)	**2013**	**2012**
Change in fair value of the hedging instrument	307	51
Change in fair value of the hedged item	(236)	(22)
Net impact on net income of fair value hedges	**71**	**29**

This net impact of fair value hedges on net income corresponds to the ineffective portion of hedges. Hedge accounting methods are described in note 2-V.

NOTE 25 – DERIVATIVES AND MANAGEMENT OF FINANCIAL RISKS

A – Derivatives

A1 Fair value of derivatives

The fair value of derivatives corresponds to their balance sheet value.

DECEMBER 31, 2013 *(€ million)*	FINANCIAL ASSETS		OTHER ASSETS	FINANCIAL LIABILITIES AND SALES FINANCING DEBTS		OTHER LIABILITIES
	NON-CURRENT	CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Cash flow hedges	-	-	-	-	-	-
Fair value hedges	-	-	24	-	74	-
Hedge of the net investment in Nissan	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	6	252	3	-	263	-
TOTAL FOREIGN EXCHANGE RISK	**6**	**252**	**27**	**-**	**337**	**-**
Cash flow hedges	2	-	77	-	13	-
Fair value hedges	92	-	94	2	8	-
Derivatives not classified as hedges and derivatives held for trading	44	4	-	37	30	-
TOTAL INTEREST RATE RISK	**138**	**4**	**171**	**39**	**51**	**-**
Cash flow hedges	-	-	3	-	-	-
Fair value hedges	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	-	-	-	-	-	-
TOTAL COMMODITY RISK	**-**	**-**	**3**	**-**	**-**	**-**
TOTAL	**144**	**256**	**201**	**39**	**388**	-

DECEMBER 31, 2012 *(€ million)*	FINANCIAL ASSETS		OTHER ASSETS	FINANCIAL LIABILITIES AND SALES FINANCING DEBTS		OTHER LIABILITIES
	NON-CURRENT	CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Cash flow hedges	-	-	-	-	-	4
Fair value hedges	-		70	-	(1)	-
Hedge of the net investment in Nissan	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	-	109	15	-	175	-
TOTAL FOREIGN EXCHANGE RISK	**-**	**109**	**85**	**-**	**174**	**4**
Cash flow hedges	3	-	70	3	55	-
Fair value hedges	116	20	177	-	-	-
Derivatives not classified as hedges and derivatives held for trading	57	67	-	57	54	-
TOTAL INTEREST RATE RISK	**176**	**87**	**247**	**60**	**109**	**-**
Cash flow hedges	-	-	-	-	-	-
Fair value hedges	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	-	-	-	-	-	-
TOTAL COMMODITY RISK	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**176**	**196**	**332**	**60**	**283**	**4**

The Renault group's specialist subsidiary Renault Finance handles the Automotive segment's short-term interbank investments. It is also Nissan's counterparty in derivatives trading to hedge exchange, interest rate and commodity risks.

The fair values of derivatives reported as financial assets and liabilities in the Group's consolidated financial position mainly relate to Renault Finance's business conducted on its own behalf and its transactions with Renault and Nissan subsidiaries.

A2 Framework agreements for derivatives 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 (*Fédération Bancaire Française*).

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.

DECEMBER 31, 2013 *(€ million)*	AMOUNTS IN THE STATEMENT OF FINANCIAL POSITION	AMOUNTS NOT NETTED IN THE STATEMENT OF FINANCIAL POSITION *FINANCIAL INSTRUMENTS*	NET AMOUNTS
Assets/liabilities			
ASSETS			
Derivatives on financing operations of the Automotive segment	275	(147)	128
Derivatives on financing operations of the Sales Financing segment	203	(81)	122
TOTAL ASSETS	**478**	**(228)**	**250**
LIABILITIES			
Derivatives on financing operations of the Automotive segment	281	(147)	134
Derivatives on financing operations of the Sales Financing segment	130	(81)	49
TOTAL LIABILITIES	**411**	**(228)**	**183**

B – Management of financial risks

The Group is exposed to the following financial risks:

- liquidity risks;
- market risks (foreign exchange, interest rate, equity and commodity risks);
- counterparty risks;
- credit risks.

B1 Liquidity risk

The Group is financed via the capital markets, through:

- long-term resources (bond issues, private placements, project financing, etc.);
- short-term bank loans or commercial paper issues;
- securitization of receivables by RCI Banque.

The **Automotive** segment needs sufficient financial resources to finance its day-to-day business and the investments necessary for future growth. It therefore regularly borrows on the banking and capital markets to refinance its gross debt and guarantee liquidity for the Automotive segment, and this exposes it to liquidity risk in the event of extended market closures or tensions over credit availability. As part of its centralized cash management policy, 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 treasury notes, or project financing via the banking sector or semi-public bodies.

Medium-term refinancing for the Automotive segment in 2013 was mostly provided by a 5-year bond totalling €1,105 million as part of Renault SA's EMTN programme (including €900 million of issues in euros) and 2-year "Shelf documentation" issues on the Japanese market for an amount of 87.6 billion yen.

In 2013 Renault issued a new loan of €400 million from the EIB, and redeemed the matured loan of €400 million issued in 2009.

The contractual documentation for this financing contains no clause that could affect the continued supply of credit in the event of any change in Renault's credit rating or financial ratio compliance. However, certain types of financing, particularly market financing, contain standard clauses (*pari passu*, negative pledge and cross-default clauses).

The Automotive segment also has confirmed credit lines opened with banks worth €3,435 million, maturing at various times up to 2018. None of these credit lines was used in 2013. These confirmed credit facilities form a liquidity reserve for the Automotive segment, and act partly as backup lines of credit for short-term commercial paper issues.

The contractual documentation for these confirmed bank credit facilities contains no clause that might adversely affect credit availability or continuation as a result of a change in Renault's credit rating or financial ratio compliance.

Given its available cash reserves (€10.7 billion) and confirmed credit lines unused at year-end (€3.4 billion), the Automotive segment has sufficient financial resources to cover its commitments over a 12-month horizon.

Confirmed credit lines open but unused are described in note 23-A

The **Sales Financing** segment's business depends on reliable access to financial resources: any restriction on access to banking and financial markets would lead to downscaling of its financing activity and/or raise the cost of the financing negotiated. The liquidity risk is closely monitored on a regular basis. The static liquidity position, which has been constantly positive over the last few years, reflecting surplus long-term resources compared to applications, remains positive. RCI Banque therefore distributes loans from resources raised several months previously, enabling the segment to maintain a stable financial margin.

In 2013, the Sales Financing segment made new issues equivalent to €2.8 billion on the bond market. RCI Banque raised the equivalent of €2.1 billion through its traditional markets (four new bonds and additional issues in euros, and one issue in Swiss francs), undertook borrowings in pounds sterling (£300 million) and issues in US dollars ($600 million). The Group's subsidiaries also undertook issues on their home markets in Argentina, Korea and particularly Brazil (1.4 billion Brazilian reals).

A new French securitization fund placed €800 million of debt securities with investors. RCI continues to issue self-subscribed securities which are eligible as collateral for European Central Bank monetary policy operations.

After the launch in 2012 of a savings account intended for the general public in France, the Group pursued this strategy in Germany. Savings collected thus increased by €3.4 billion (€0.8 billion of which are term deposits).

In addition to these resources, the Sales Financing segment has €4.7 billion in undrawn confirmed credit lines (€4.1 billion for RCI Banque) and €2.5 billion of available liquid receivables that can be redeemed at the Banque de France (this amount is after application of discounts and excludes receivables already redeemed at the year-end). RCI Banque is thus able to fund ongoing commercial business for nearly 12 months assuming a total lack of external resources.

B2 Foreign exchange risks

MANAGEMENT OF FOREIGN EXCHANGE RISKS

The Automotive segment is exposed to foreign exchange risks in the course of its industrial and commercial business. These risks are monitored and centralized by Renault's Cash and Financing department.

It is Renault's general policy not to hedge operating future cash flows in foreign currencies. As a result, the Group's operating margin is exposed to foreign exchange risks. The main exceptions authorized by the General Management in 2013 concerned a foreign exchange hedge that partly hedges the risk of the Argentinian peso against the US dollar, a partial hedge of purchases in Turkish lira, and a partial hedge of purchases in yen against the won.

Subsidiaries' financing and investing cash flows in foreign currencies are usually hedged in the same currencies.

Most financial liabilities and debts of Sales Financing, after hedges, are in Euros.

Equity investments are not hedged, apart from the investment in Nissan, totalling 112 billion yen at December 31, 2013 (note 13-G).

Renault Finance undertakes operations unrelated to operating cash flows on its own behalf. These operations are controlled daily and strict risk limits apply. They have no significant impact on Renault's consolidated results.

The Sales Financing segment has low exposure to foreign exchange risks since its policy is to provide refinancing for subsidiaries in their own currencies. At 31 December 2013, RCI Banque's consolidated foreign exchange position reached 1 million.

The Group made no major changes to its foreign exchange risk management policy in 2013.

ANALYSIS OF THE SENSITIVITY OF FINANCIAL INSTRUMENTS TO FOREIGN EXCHANGE RISKS

This analysis concerns the sensitivity to foreign exchange risks of monetary assets and liabilities (including intercompany balances) and derivatives in a currency other than the currency of the entity that holds them. However, it does not take into account items covered by fair value hedges (hedged assets or liabilities and derivatives), for which changes in fair value of the hedged item and the hedging instrument almost totally offset each other in the income statement.

The Group has financial instruments denominated in Japanese yen, held for the purposes of the policy to partially hedge its investment in Nissan (note 13-G).

Impacts are estimated solely on the basis of instant conversion of the financial assets and liabilities concerned at year-end after application of the 1% variation in the Euro exchange rate.

The impact on equity concerns the 1% variation in the Euro against other currencies applied to available-for-sale financial assets, cash flow hedges and the partial hedge of the investment in Nissan. All other impacts affect net income.

For the Automotive segment, the impact on shareholders' equity (before taxes) of a 1% rise in the Euro against the principal currencies, applied to financial instruments exposed to foreign exchange risks, would have an unfavourable effect of €7 million at December 31, 2013, chiefly resulting from yen bond issues associated with the partial hedge of the investment in Nissan. This impact should be offset by a symetrical, opposite variation in the translation adjustment on the value of the investment in Nissan (note 19). The estimated impact on net income at December 31, 2013 is expected be unfavourable at €58 million.

CURRENCY DERIVATIVES

	DECEMBER 31, 2013				DECEMBER 31, 2012			
(€ million)	NOMINAL	-1 YR	1 – 5 YRS	+5 YRS	NOMINAL	-1 YR	1 – 5 YRS	+5 YRS
Currency swaps – purchases	2,116	866	1,250	-	1,855	896	959	-
Currency swaps – sales	2,002	727	1,275	-	1,842	852	990	-
Forward purchases	17,970	17,970	-	-	15,106	15,106	-	-
Forward sales	17,979	17,979	-	-	15,103	15,103	-	-

B3 Interest rate risk

INTEREST RATE RISK MANAGEMENT

The Renault group's exposure to interest rate risk mainly concerns the sales financing business of RCI Banque and its subsidiaries. Customer loans are generally issued at fixed interest rates, for durations of between 12 and 72 months. Dealer credit is issued at floating rates for durations of less than 12 months.

Interest rate risk is monitored using a methodology common to the entire RCI Banque group, to allow overall management of interest rate risks at consolidated group level. Exposure is assessed daily and hedging is systematic, using swaps to convert floating-rate liabilities to fixed-rate liabilities (cash flow hedges). The objective for each subsidiary is to hedge all risks in order to protect the sales margin.

The Automotive segment's interest rate risk management policy applies two principles: long-term investments use fixed-rate financing, and investments for cash reserves use floating-rate financing. In addition, the financing in yen undertaken as part of the partial hedge of Nissan equity is fixed-rate.

Finally, Renault Finance carries out interest rate transactions on its own behalf, within strictly defined risk limits. This arbitrage activity has no significant impact on Renault's consolidated net income.

The Group made no major changes to its interest rate risk management policy in 2013.

ANALYSIS OF THE SENSITIVITY OF FINANCIAL INSTRUMENTS TO INTEREST RATE RISKS

The Group is 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 the 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.

The impact on shareholders' equity corresponds to the change in fair value of available-for-sale fixed-rate financial assets 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 and shareholders' equity (before taxes) of a 100 base point rise in interest rates applied to financial instruments exposed to interest rate risks would be a positive €55 million and €1 million respectively at December 31, 2013.

For the Sales Financing segment, the impact on net income and shareholders' equity (before taxes) of a 100 base point rise in interest rates applied to financial instruments exposed to interest rate risks would be a negative €51 million and a positive €33 million respectively at December 31, 2013. The impact on equity results mainly from the change in the fair value of swaps undertaken to hedge future cash flows.

FIXED RATE/FLOATING RATE BREAKDOWN OF FINANCIAL LIABILITIES AND SALES FINANCING DEBTS, AFTER THE EFFECT OF DERIVATIVES (EXCLUDING DERIVATIVES)

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Fixed rate	16,895	19,085
Floating rate	16,456	13,593
TOTAL FINANCIAL LIABILITIES AND SALES FINANCING DEBTS (EXCLUDING DERIVATIVES)	**33,351**	**32,678**

INTEREST RATE DERIVATIVES

	DECEMBER 31, 2013				DECEMBER 31, 2012			
(€ million)	NOMINAL	-1 YR	1 - 5 YRS	+5 YRS	NOMINAL	-1 YR	1 - 5 YRS	+5 YRS
Interest rate swaps	15,626	3,484	11,797	345	20,260	9,515	10,745	-
Other interest rate hedging instruments	-	-	-	-	-	-	-	-

B4 Equity risks

MANAGEMENT OF EQUITY RISKS

The Group's exposure to equity risks essentially concerns the Daimler shares acquired in connection with the cooperation agreements, and marketable securities indexed to share prices. The Group does not use equity derivatives to hedge this risk.

The Group made no major changes to its equity risk management policy in 2013.

ANALYSIS OF SENSITIVITY OF FINANCIAL INSTRUMENTS TO EQUITY RISKS

The sensitivity to equity risks resulting from application of a 10% decrease in share prices to the financial assets concerned at the year-end would have an unfavourable impact of €104 million on shareholders' equity. The impact on net income is not significant at December 31, 2013.

B5 Commodity risks

MANAGEMENT OF COMMODITY RISKS

Renault's Purchases department may hedge part of its commodity risks using financial instruments such as forward purchase contracts, purchase options and tunnel contracts. These hedges are subject to volume, duration and price limits.

Commodity hedging transactions in progress at December 31, 2013 include forward purchases of aluminium, lead, copper, platinum and palladium. These transactions are classified for accounting purposes as cash flow hedges, and accordingly changes in their fair value are included in shareholders' equity. The Group had no outstanding commodity hedges at December 31, 2012.

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 that risk.

A 10% increase in commodity prices for derivatives classified as hedging derivatives would have a positive impact of €6 million on shareholders' equity at December 31, 2013.

COMMODITY DERIVATIVES

	DECEMBER 31, 2013				DECEMBER 31, 2012			
(€ million)	NOMINAL	-1 YR	1 – 5 YRS	+5 YRS	NOMINAL	-1 YR	1 – 5 YRS	+5 YRS
Purchases of swaps	62	57	5	-	-	-	-	-

B6 Counterparty risk

All Group entities use a fully-coordinated counterparty risk management procedure involving a scoring system, based principally on the counterparties' long-term credit rating and equity level. For Group companies with significant exposure, compliance with authorized limits is monitored on a daily basis under strict internal control procedures.

The counterparties for deposits are subject to special monitoring, unless this is impossible. Most deposits are with large network banks, as this allows a good spread of the risk and lowers the systemic risk. They are almost all overnight deposits, such that assets can be reallocated rapidly if there is stress on any counterparty.

The Group is not subject to any significant risk concentration for its operations on the financial and banking markets.

No losses were recorded in 2013 due to default by a banking counterparty.

4.2.7.5 CASH FLOWS AND OTHER INFORMATION

NOTE 26 – CASH FLOWS

A – Other income and expenses with no impact on cash

(€ million)	2013	2012
Net allocation to provisions	964	82
Net effects of sales financing credit losses	(57)	(63)
Net (gain) loss on asset disposals [1]	(153)	(928)
Change in fair value of redeemable shares	65	18
Change in fair value of other financial instruments	(61)	30
Deferred taxes	(10)	55
Other	67	18
OTHER INCOME AND EXPENSES WITH NO IMPACT ON CASH	**815**	**(788)**

(1) Including the €924 million gain on sale of the AB Volvo shares in 2012.

B – Change in working capital

(€ million)	2013	2012
Decrease (increase) in net inventories	477	495
Decrease (increase) in Automotive net receivables	(92)	(10)
Decrease (increase) in other assets	(727)	(406)
Increase (decrease) in trade payables	18	451
Increase (decrease) in other liabilities	852	467
INCREASE (DECREASE) IN WORKING CAPITAL	**528**	**997**

C – Capital expenditure

(€ million)	2013	2012
Purchases of intangible assets	(829)	(902)
Purchases of property, plant and equipment (other than assets leased to customers)	(1,681)	(2,274)
Total purchases for the period	**(2,510)**	**(3,176)**
Deferred payments	(239)	329
TOTAL CAPITAL EXPENDITURE	**(2,749)**	**(2,847)**

D – Interest received and paid by the Automotive segment

(€ million)	2013	2012
Interest received	193	178
Interest paid	(443)	(391)
INTEREST RECEIVED AND PAID	**(250)**	**(213)**

NOTE 27 – RELATED PARTIES

A – Remuneration of Directors and Executives and Executive Committee members

A1 Remuneration of Directors and Executives

The Board of Directors has combined the functions of Chairman of the Board of Directors and Chief Executive Officer. The Chairman and CEO receives no remuneration for his duties as Chairman of the Board.

The table below reports the remuneration paid, pro rata to the periods in which the functions were occupied:

(€ million)	2013	2012
Basic salary	1.2	1.2
Performance-related salary	1.4	1.0
Employer's social security charges	0.7	0.8
Complementary pension	1.0	0.5
Other components of remuneration	0.2	0.1
Total remuneration excluding stock options	**4.5**	**3.6**
Stock-option plans	0.5	0.3
Stock-option plans – effect of cancellations	-	-
Total stock option plans	**0.5**	**0.3**
Chairman and Chief Executive Officer	**5.0**	**3.9**

Directors' fees amounted to €1,099,825 in 2013 (€1,131,000 in 2012), of which €48,000 were paid for the Chairman and CEO's functions (€48,000 in 2012).

A2 Remuneration of Executive Committee members (other than the Chairman and Chief Executive Officer)

The remuneration and related benefits of members of the Executive Committee (other than the Chairman and Chief Executive Officer), were recognized in expenses as follows:

(€ million)	2013	2012
Basic salary	4.3	4.0
Retirement indemnities	0.0	1.0
Performance-related salary	4.0	2.6
Employer's social security charges	3.6	3.1
Complementary pension	3.8	2.0
Other	1.0	0.5
Total remuneration excluding stock options	**16.7**	**13.2**
Stock option plans	2.6	1.6
Stock option plans – effect of cancellations	-	-
Total stock option plans	**2.6**	**1.6**
Executive Committee members (other than the Chairman and CEO)	**19.3**	**14.8**

B – Renault's investments in associates

Details of Renault's investments in Nissan and AVTOVAZ are provided in notes 13 and 14-A respectively.

NOTE 28 – OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

Renault enters into a certain number of commitments in the course of its business. When these commitments qualify as liabilities, they are covered by provisions (e.g. retirement and other employee benefits, litigations, etc.). Details of 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).

A – Off-balance sheet commitments given and contingent liabilities

A1 Ordinary operations

The Group is committed for the following amounts:

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Sureties, endorsements and guarantees given	318	229
Financing commitments in favour of customers (1)	1,493	1,465
Firm investment orders	483	612
Lease commitments	369	396
Assets pledged, provided as guarantees or mortgaged, and other commitments (2)	110	124

(1) Confirmed credit lines opened for customers by the Sales Financing segment lead to a maximum payment of this amount within 12 months after the year-end.

(2) Assets pledged, provided as guarantees or mortgaged mainly concern guarantees of financial liabilities, provided by Renault Samsung Motors when it was acquired by Renault in 2000.

Lease commitments include rent from non-cancellable leases. The breakdown is as follows:

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Less than 1 year	35	26
Between 1 and 5 years	199	212
More than 5 years	135	158
TOTAL	**369**	**396**

A2 Specific operations

END-OF-LIFE VEHICLES

The Group establishes provisions for its recycling obligations on a country-by-country basis, in accordance with regulatory requirements, as and when the procedures for recycling operations are defined. These provisions are regularly reviewed to ensure they take account of changes in each country's situation.

For countries where the legislation is not yet complete, until the laws are in existence, it is impossible to accurately determine whether the Group will have to bear a residual cost.

OTHER COMMITMENTS

Disposals of subsidiaries or businesses by the Group generally include representations and warranties in the buyer's favour. At December 31, 2013, Renault had not identified any significant risk in connection with these operations.

Following partial sales of subsidiaries in previous years, Renault holds put options covering some or all of the residual investment retained. The exercise of these options would not have a significant impact on the Group's financial statements.

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.

B – Off-balance sheet commitments received and contingent assets

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
Sureties, endorsements and guarantees received	2,088	1,872
Assets pledged or mortgaged (1)	2,636	2,290
Buy-back commitments (2)	1,759	1,791
Other commitments	16	31

(1) The Sales Financing segment receives guarantees from its customers in the course of sales financing for new or used vehicles. Guarantees received from customers amount to €2,609 million at December 31, 2013 (€2,248 million at December 31, 2012).

(2) Commitments received by the Sales Financing segment for sale to a third party of rental vehicles at the end of the rental contract.

Off-balance sheet commitments received concerning confirmed opened credit lines are presented in note 23-A.

NOTE 29 – FEES PAID TO STATUTORY AUDITORS AND THEIR NETWORK

The fees paid to the Group's statutory auditors and their networks were as follows:

	E&Y NETWORK				DELOITTE NETWORK			
	AMOUNT		%		AMOUNT		%	
(€ thousands)	2013	2012	2013	2012	2013	2012	2013	2012
Audit								
Statutory audit, certification, review of individual and consolidated accounts	**6,785**	**5,073**	**93.5%**	**87.9%**	**6,708**	**6,841**	**91.7%**	**91.1%**
• Renault SA and Renault s.a.s.	3,737	2,687	51.5%	46.6%	2,551	2,570	34.9%	34.2%
• Fully consolidated subsidiaries	3,048	2,386	42.0%	41.3%	4,157	4,271	56.8%	56.9%
Other work and services directly linked to the statutory auditor's mission	**409**	**618**	**5.6%**	**10.7%**	**376**	**544**	**5.1%**	**7.2%**
• Renault SA and Renault s.a.s.	99	238	1.3%	4.1%	47	169	0.6%	2.2%
• Fully consolidated subsidiaries	310	380	4.3%	6.6%	329	375	4.5%	5.0%
SUBTOTAL	**7,193**	**5,691**	**99.1%**	**98.6%**	**7,084**	**7,385**	**96.8%**	**98.3%**
Other services								
• Legal, tax, labour-related	63	83	0.9%	1.4%	209	125	2.9%	1.7%
• Other	-	-	-	-	26	-	0.3%	-
SUBTOTAL	**63**	**83**	**0.9%**	**1.4%**	**235**	**125**	**3.2%**	**1.7%**
TOTAL	**7,256**	**5,774**	**100%**	**100%**	**7,319**	**7,510**	**100%**	**100%**

NOTE 30 – SUBSEQUENT EVENTS

No significant events have occurred since the year-end.

NOTE 31 – CONSOLIDATED COMPANIES

A – Fully consolidated companies (subsidiaries)

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2013	DECEMBER 31, 2012
Renault SA	France	Consolidating company	Consolidating company
AUTOMOTIVE			
France			
Renault s.a.s	France	100	100
Arkanéo	France	100	100
Auto Châssis International (ACI) Le Mans	France	100	100
Auto Châssis International (ACI) Villeurbanne	France	100	100
Fonderie de Bretagne	France	100	100
IDVU	France	100	100
IDVE	France	100	100
Maubeuge Construction Automobile (MCA)	France	100	100
Renault Environnement	France	100	100
Renault Développement Industriel et Commercial (RDIC)	France	100	100
Renault Retail Group SA and subsidiaries	France	100	100
Renault Samara	France	100	100
RDREAM	France	100	100
SCI Parc industriel du Mans	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 des Automobiles Alpine Caterham [1]	France	-	100
Sofrastock International	France	100	100
Société de Transmissions Automatiques	France	100	80
Société de Véhicules Automobiles de Batilly (SOVAB)	France	100	100
Société Immobilière de Construction Française pour l'Automobile et la Mécanique (SICOFRAM) and subsidiaries	France	100	100
Société Immobilière Renault Habitation (SIRHA)	France	100	100
Société Immobilière d'Epone	France	100	100
Société Immobilière pour l'Automobile (SCIA)	France	100	100
SODICAM 2	France	100	100
Technologie et Exploitation Informatique (TEI)	France	100	100
Europe			
Renault Deutsche AG and subsidiaries	Germany	100	100
Renault Österreich and subsidiaries	Austria	100	100
Renault Belgique Luxembourg and subsidiaries	Belgium	100	100
Renault Industrie Belgique (RIB)	Belgium	100	100
Renault Croatia	Croatia	100	100
Renault Espana Comercial SA (RECSA) and subsidiaries	Spain	100	100
Renault Espana SA and subsidiaries	Spain	100	100
Renault Hungaria and subsidiaries	Hungary	100	100
Renault Irlande	Ireland	100	100
Renault Italia and subsidiaries	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
Cacia	Portugal	100	100
Renault Portuguesa and subsidiaries	Portugal	100	100
Renault Ceska Republica and subsidiaries	Czech Republic	100	100

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2013	DECEMBER 31, 2012
Grigny Ltd.	United Kingdom	100	100
Renault Retail Group U.K. Ltd.	United Kingdom	100	100
Renault U.K.	United Kingdom	100	100
Renault Slovakia	Slovakia	100	100
Renault-Nissan Slovenia d.o.o.	Slovenia	100	100
Revoz	Slovenia	100	100
Renault Nordic	Sweden	100	100
Renault Finance	Switzerland	100	100
Renault Suisse SA and subsidiaries	Switzerland	100	100
Americas			
Groupe Renault Argentina	Argentina	100	100
Renault do Brasil LTDA	Brazil	100	100
Renault do Brasil SA	Brazil	100	100
Sociedad de Fabricacion de Automotores (Sofasa) and subsidiaries	Colombia	100	100
Renault Corporativo SA de C.V.	Mexico	100	100
Renault Mexico	Mexico	100	100
Asia–Pacific			
Renault Beijing Automotive Company	China	100	100
Renault Samsung Motors	South Korea	80	80
Renault Private Ltd	India	100	100
Renault Pars	Iran	-	51
Euromed–Africa			
Renault South Africa and subsidiaries [(2)]	South Africa	-	51
Renault Algérie	Algeria	100	100
Renault-Nissan Bulgarie	Bulgaria	100	100
Renault Maroc	Morocco	80	80
Renault Maroc Service	Morocco	100	100
Renault Tanger Exploitation	Morocco	100	100
Renault Tanger Méditerranée	Morocco	100	100
Société marocaine de construction automobile (Somaca)	Morocco	77	77
Dacia and subsidiaries	Romania	99	99
Renault Industrie Roumanie [(3)]	Romania	-	99
Renault Mécanique Roumanie	Romania	100	100
Renault-Nissan Roumanie	Romania	100	100
Renault Technologie Roumanie	Romania	100	100
Oyak-Renault Otomobil Fabrikalari	Turkey	52	52
Eurasia			
AFM Industrie	Russia	100	100
Avtoframos	Russia	100	100
Remosprom	Russia	100	100
Renault Ukraine	Ukraine	100	100
SALES FINANCING			
France			
Cogéra [(3)]	France	-	100
Diac	France	100	100
Diac Location	France	100	100
RCI Banque and branches	France	100	100
Sogesma	France	100	100
Europe			
RCI Versicherungs Service GmbH	Germany	100	100
RCI Financial Services S.A.	Belgium	100	100
Renault AutoFin S.A.	Belgium	100	100

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2013	DECEMBER 31, 2012
Overlease	Spain	100	100
ES Mobility SRL	Italy	100	100
RCI Zrt Hongrie	Hungary	100	100
RCI Insurance Ltd	Malta	100	100
RCI Life Ltd	Malta	100	100
RCI Services Ltd	Malta	100	100
RCI Financial Services B.V.	Netherlands	100	100
RCI Bank Polska	Poland	-	100
Renault Credit Polska Sp. Z.o.o.	Poland	100	100
RCI Gest Instituiçao Financiora de Credito SA.	Portugal	100	100
RCI Gest Seguros – Mediadores de Seguros	Portugal	100	100
RCI Finance CZ s.r.o.	Czech Republic	100	100
RCI Financial Services s.r.o. (4)	Czech Republic	50	-
RCI Financial Services Ltd	United Kingdom	100	100
Renault Acceptance Ltd (3)	United Kingdom	-	100
RCI Finance S.A.	Switzerland	100	100
Americas			
Courtage S.A.	Argentina	100	100
Rombo Compania Financiera	Argentina	60	60
Companhia de Arrendamento Mercantil RCI do Brasil	Brazil	60	60
Companhia de Crédito, Financiamento e Investimento RCI do Brasil	Brazil	60	60
Administradora de Consorcio Renault do Brasil	Brazil	100	100
Corretora de Seguros RCI do Brasil	Brazil	100	100
Asia–Pacific			
RCI Financial Services Korea	South Korea	100	100
Euromed–Africa			
RCI Finance Maroc	Morocco	100	100
RDFM	Morocco	100	-
RCI Broker De Asigurare	Romania	100	100
RCI Finantare Romania	Romania	100	100
RCI Leasing Romania IFN	Romania	100	100
Eurasie			
OOO RN FINANCE RUS	Russia	100	-

B – Companies consolidated based on the percentage share specific to each balance sheet and income statement item (joint operations) (5)

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2013	DECEMBER 31, 2012
AUTOMOTIVE			
Société des Automobiles Alpine Caterham (1)	France	50	-
Renault-Nissan Technology and Business Centre India Private Limited (RNTBCI)	India	67	67

C – Companies accounted for by the equity method (associates and joint ventures) [5]

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2013	DECEMBER 31, 2012
AUTOMOTIVE			
Boone Comenor	France	33	33
Française de Mécanique [5] [6]	France	-	-
Indra Investissements [5]	France	50	-
Renault-Nissan Automotive India Private Limited	India	30	30
Nissan group	Japan	43,7	43,7
Alliance Rostec Auto B.V.	Russia	48,2	-
AVTOVAZ group	Russia	35,9	25
MAIS	Turkey	49	49
Renault South Africa and subsidiaries [2]	South Africa	40	-
SALES FINANCING			
Renault Credit Car [5]	Belgium	50	-
Nissan Renault Finance Mexico. [6]	Mexico	-	15
Orfin Finansman Anonim Sirketi	Turkey	50	-

(1) Société des Automobiles Alpine Caterham: joint venture consolidated based on the percentage share specific to each balance sheet and income statement item since the sale of a 50% stake to the new partner in June 2013.

(2) Renault South Africa: associate accounted for under the equity method since transfer of control to Renault's partner in December 2013.

(3) Cogera, Renault Acceptance Ltd and Renault Industrie Roumanie: subsidiaries absorbed in 2013 by fully consolidated companies.

(4) RCI Financial Services s.r.o.: fully consolidated since acquisition of control in October 2013.

(5) Française de Mécanique, Indra Investissements, Renault Credit Car and RCI Financial Services s.r.o.: in application of IFRS 11 "Joint Arrangements", these joint ventures are accounted for under the equity method in 2013. They were proportionately consolidated in the 2012 financial statements (note 2-A2).

(6) Française de Mécanique and Nissan Renault Finance Mexico: these investments were sold in 2013.

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4.3 STATUTORY AUDITORS' REPORT

4.3.1 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the Group's management report.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

RENAULT

Year ended December 31, 2013

To the Shareholders

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying financial statements of Renault;
- the justification of our assessments;
- the specific verification and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French company Law (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- as disclosed in note 1.A to the financial statements and in accordance with the recommendation no. 34 of the French national accounting body (*Conseil national de la comptabilité*), your company has elected to use the equity method to value its investments in subsidiaries over which it exercises exclusive control. The equity value of these investments is determined in accordance with the accounting rules and methods used to draw up the consolidated financial statements of the Group. Our assessment of this equity value is based on the result of the procedures performed to audit the financial statements of the Renault Group for the 2013 fiscal year;
- these assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC PROCEDURES AND DISCLOSURES

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the Shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French company Law (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests, the cross-shareholdings and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris-La Défense, February 19, 2014

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIÉS

ERNST & YOUNG Audit

4.3.2 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

General Meeting of Shareholders held to approve the financial statements for the year ended December 31, 2013.

This is a free translation into English of the statutory auditors' special report on related party agreements and commitments that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on related party agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French company Law and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby report to you on related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with article R. 225-31 of the French company Law (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with article R. 225-31 of the French company Law (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the General Meeting of Shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE GENERAL MEETING OF SHAREHOLDERS

AGREEMENTS AND COMMITMENTS AUTHORIZED DURING THE YEAR

In accordance with article L. 225-40 of the French company Law (*Code de commerce*), we have been advised of certain related party agreements and commitments which received prior authorization from your Board of Directors.

With Nissan Motor Co., Ltd.

Persons concerned

Mr Carlos Ghosn, Chairman-CEO of Renault SA, and of Nissan Motor Co., Ltd. and Chairman of Renault-Nissan b.v. ; Mr Hiroto Saikawa, director of Renault SA and Executive Vice President of Nissan Motor Co., Ltd. ; Ms Yuriko Koike, director of Renault SA, and representing Nissan.

Nature and purpose

Amendment to the Master Cooperation Agreement, entered into by Renault SA, Nissan Motor Co., Ltd., Daimler AG and Renault-Nissan b.v.

Terms and conditions

On April 6, 2010, Renault SA, Nissan Motor Co., Ltd., Daimler AG and Renault-Nissan b.v. have entered into the Master Cooperation Agreement which details the terms and conditions of cooperations by and between these companies.

At its December 13, 2013 meeting, your Board of Directors authorized the signature, on December 19, 2013, of an amendment to the Master Cooperation Agreement, in order to extend the scope of these cooperations.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE THE GENERAL MEETING OF SHAREHOLDERS

AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR YEARS WHICH REMAINED IN FORCE DURING THE YEAR

In accordance with article R. 225-30 of the French company Law *(Code de commerce)*, we have been advised that the implementation of the following agreements and commitments which were approved by the General Meeting of Shareholders in prior years continued during the year.

With Nissan Motor Co., Ltd.

Persons concerned: Mr Carlos Ghosn, Chairman-CEO of Renault SA and of Nissan Motor Co., Ltd.; Mr Hiroto Saikawa, director of Renault SA and Executive Vice-President of Nissan Motor Co., Ltd.; Ms Yuriko Koike, director of Renault SA and representing Nissan.

On March 28, 2002, Renault SA ("Renault") and Nissan Motor Co., Ltd. ("Nissan") concluded the Restated Alliance Master Agreement, which governs the capital relationship between Renault and Nissan and the Alliance's current method of governance. The agreement specifies the operational terms and conditions of Renault-Nissan b.v. ("RNBV") as the Alliance's strategic management entity. A first amendment to the Restated Alliance Master

Agreement was signed on April 29, 2005 and submitted for approval to the General Meeting of Shareholders' of May 4, 2006.

At its October 3, 2012 meeting, your Board of Directors authorized the signature, on November 7, 2012, of amendment no. 2 to the Restated Alliance Master Agreement, that modified the composition of the RNBV Management Board and as a result, the voting arrangements within the Management Board.

This agreement does not generate any financial flows.

With RCI Banque (100% indirectly-held subsidiary)

During its meeting of September 28, 2010, your Board of Directors has authorized the signature of a credit facility agreement, in the framework of the regulation relating to the control of the "Large Risks" ratio as defined in Article 1.1 of French Banking and Financial Regulation Committee (*Comité de la réglementation bancaire et financière*) regulation n°.93-05, with which RCI Banque activity must comply as a credit institution, with RCI Banque for an amount of €550,000,000, with a view to allowing to reduce its credit exposure on Renault Retail Group, the Group's business distribution network. This agreement replaces the €450,000,000 credit facility agreement with Cogera. In the 2013 fiscal year, the amount of interest income relating to this credit facility agreement reached €2,847,640.

With Renault s.a.s (100% directly-held subsidiary)

Common directors: Mr Carlos Ghosn, Chairman-CEO of Renault SA and Chairman of Renault s.a.s., as all of the members of the Board of Directors of Renault SA who also sit on the Board of Renault s.a.s.

a) Contracting-out agreements

Contracting-out agreements were entered into between Renault SA and Renault s.a.s. within the scope of an operation to refinance loans granted under the "1% construction" scheme (French Social Construction Tax), in particular, for the purpose of reinforcing the liquidity of these non-interest bearing loans and to freeze the cost of refinancing at current, exceptionally low interest rates up to the maturity date in 2020. In the 2013 fiscal year, the amount of finance interest income concerning this agreement totaled €251,144.

b) Agreement for the provision of services

As of October 23, 2002, and with retroactive effect to April 1, 2002, your company entered into a contract with Renault s.a.s. under which the latter is to provide a certain number of legal, accounting, tax, customs and financial services to enable your company to meet its legal obligations in these matters. In the 2012 fiscal year, the amount, excluding taxes, invoiced by Renault s.a.s. to Renault SA concerning these services totaled €3,268,000.

Neuilly Sur Seine and Paris-La Défense, February 19, 2014

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIÉS

ERNST & YOUNG Audit

4.4 RENAULT SA PARENT-COMPANY FINANCIAL STATEMENTS

4.4.1 FINANCIAL STATEMENTS

INCOME STATEMENT

(€ million)	2013	2012
Operating expenses	(35)	(28)
Increases to provisions	(3)	(10)
NET OPERATING EXPENSE	**(38)**	**(38)**
Investment income	1,741	683
Increases to provisions related to investments	19	
INVESTMENT INCOME AND EXPENSES (NOTE 2)	**1,760**	**683**
Foreign exchange gains	40	1
Foreign exchange losses	(29)	(83)
Reversals from provisions for exchange risks	24	114
FOREIGN EXCHANGE GAINS AND LOSSES (NOTE 3)	**35**	**32**
Interest and equivalent income	8	4
Interest and equivalent expenses	(303)	(292)
Reversals of provisions and transfers of charges	21	56
Expenses on sales of marketable securities	(9)	
Depreciation and provisions	(8)	(6)
OTHER FINANCIAL INCOME AND EXPENSES (NOTE 4)	**(291)**	**(238)**
NET FINANCIAL INCOME	**1,504**	**477**
PRE-TAX INCOME BEFORE EXCEPTIONAL ITEMS	**1,466**	**439**
Exceptional income on capital transactions	9	
NET EXCEPTIONAL ITEMS	**9**	
INCOME TAX (NOTE 5)	**189**	**135**
NET INCOME	**1,664**	**574**

BALANCE SHEET

ASSETS *(€ million)*	2013 GROSS	2013 DEPRECIATION, AMORTISATION & PROVISIONS	2013 NET	2012 NET
Investments stated at equity	6,880		6,880	9,153
Other investments (Note 6)	7,255	38	7,217	7,217
Advances to subsidiaries and affiliates (Note 7)	11,287	2	11,285	10,043
FINANCIAL ASSETS	**25,422**	**40**	**25,382**	**26,413**
TOTAL FIXED ASSETS	**25,422**	**40**	**25,382**	**26,413**
RECEIVABLES (Note 9)	**387**	**11**	**376**	**378**
MARKETABLE SECURITIES (Note 8)	**146**	**1**	**145**	**149**
CASH AND CASH EQUIVALENTS	**41**		**41**	**38**
OTHER ASSETS (NOTE 9)	**37**		**37**	**71**
TOTAL ASSETS	**26,033**	**52**	**25,981**	**27,049**

SHAREHOLDERS' EQUITY AND LIABILITIES *(€ million)*	2013	2012
Share capital	1,127	1,127
Share premium	4,783	4,783
Revaluation surplus		9
Equity valuation difference	1,064	3,337
Legal and tax basis reserves	112	112
Retained earnings	6,439	6,367
Net income	1,664	574
SHAREHOLDERS' EQUITY (NOTE 10)	**15,189**	**16,309**
REDEEMABLE SHARES (NOTE 11)	**129**	**129**
PROVISIONS FOR RISKS AND LIABILITIES (NOTE 12)	**92**	**122**
Bonds	6,082	5,728
Borrowings from credit institutions	1,276	1,364
Other loans and financial debts	2,424	2,875
FINANCIAL LOANS AND BORROWINGS (NOTE 13)	**9,782**	**9,967**
OTHER LIABILITIES (NOTE 14)	**487**	**428**
DEFERRED INCOME (NOTE 15)	**302**	**94**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**25,981**	**27,049**

STATEMENT OF CHANGES IN CASH

(€ million)	**2013**	**2012**
Cash flow (Note 19)	1,652	468
Change in working capital requirements	74	
CASH FLOW FROM OPERATING ACTIVITIES	**1,726**	**468**
Net decrease/(increase) in other investments	(33)	(3)
Net decrease/(increase) in loans	(1,227)	(718)
Net decrease/(increase) in marketable securities	9	
CASH FLOW FROM INVESTING ACTIVITIES	**(1,251)**	**(721)**
Bond issues	1,756	1,951
Bond redemptions	(1,183)	(993)
Net increase/(decrease) in other interest-bearing borrowings	(547)	(359)
Dividends paid to shareholders	(502)	(338)
Bond issuance expenses and redemption premiums	(5)	(6)
CASH FLOW FROM FINANCING ACTIVITIES	**(481)**	**255**
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**11**	**9**
Increase/(decrease) in cash and cash equivalents	(6)	2
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**5**	**11**

4.4.2 NOTES TO THE FINANCIAL STATEMENTS

4.4.2.1 ACCOUNTING POLICIES

Renault SA draws up its annual financial statements in accordance with French law and accounting regulations as defined by the French chart of accounts 99-03 of April 29, 1999, amended by CRC (*Comité de la Règlementation Comptable*) and ANC (*Autorité des Normes Comptables*) regulations.

The following methods were applied in valuing balance sheet and income statement items:

A - Investments

As allowed by CNC (*Conseil National de la Comptabilité*) avis N°34 (July 1988), as an alternative to the standard valuation method for investments carried in the balance sheet, Renault SA has opted to state investments in wholly-controlled companies at equity:

- this method is applied to all companies that are fully consolidated in the Group's financial statements;
- the shareholders' equity of these companies is determined under the accounting policies applied in the consolidated financial statements; as this is a valuation method, intercompany eliminations are not taken into account;
- in valuing a subsidiary, its holdings in companies wholly controlled by the Group are valued in the same way;
- the change during the year in the overall percentage of shareholders' equity corresponding to these interests is not an income or loss item; it is included in shareholders' equity under "Equity valuation difference". This amount cannot be distributed or used to offset losses; when it is negative, a provision for general depreciation is established as a charge against income.

Investments in companies not wholly controlled by Renault SA are valued at acquisition cost, less related expenses, or at their book value if this is lower. The book value takes account of the share of net assets, profitability prospects and commercial outlets. Provisions are established when the book value of the investments is lower than the gross value.

B - Advances to subsidiaries and affiliates

Loans to related companies and advances to subsidiaries and affiliates are recorded at historical cost. Impairment is recognised when there is a risk that these loans will not be recovered.

C – Marketable securities

Marketable securities are valued at acquisition cost, excluding related expenses and accrued interest for bonds, or at market value if this is lower.

Treasury shares held for the purposes of free share plans and stock option plans are included in marketable securities. These shares are subject to a provision for expenses, corresponding to the difference between the value of shares (acquisition or net worth on the date of reassignment price) and the exercice price of the options for beneficiaries, therefore the exercice price of the option is less than the acquisition cost.

Treasury shares not allocated to a specific plan are also included in marketable securities. Impairment is recorded if the stock market price falls below the book value.

D – Loan costs and issuance expenses

Loan costs, including issuance expenses, and bond redemption premiums, which are recorded in Other Assets, are amortised on a straight-line basis over the corresponding duration.

E - Translation of foreign currency receivables and liabilities

Receivables and liabilities denominated in foreign currencies are translated as follows:

- all receivables and liabilities in foreign currencies are converted at the year-end exchange rate;
- exchange differences arising between the date of transactions and December 31 are recorded in Other assets and Deferred income (translation adjustment);
- a provision for risk equal to the unrealised exchange losses is established after determining an overall foreign exchange position for each currency (including derivatives).

F - Provisions for risks and liabilities

Provisions for risks and liabilities are defined in accordance with CRC regulation 2000-06. They are established for probable payment obligations existing at the year-end. A contingent liability, in contrast, is an obligation that is neither probable nor definite at the date the financial statements are established, or a probable obligation that cannot be reliably estimated. Provisions are not established for contingent liabilities, but an off-balance sheet commitment is reported where relevant.

G - Derivatives

Gains and losses on derivatives designated as hedges are recorded in the income statement in the same way as the revenues and expenses relating to the hedged item.

Derivatives not designated as hedges are adjusted to fair value at each closing date. Any resulting unrealised loss is recognised in the income statement, while unrealised gains are not recognised in income.

The fair value of forward exchange contracts is based on market conditions. The fair value of 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 year-end market conditions into consideration. The market value of derivatives is not recognised in the balance sheet.

H - Net exceptional items

Exceptional items are revenues and expenses resulting from events or transactions that are clearly distinct from the company's normal business operations, and are not expected to recur on a frequent or regular basis.

4.4.2.2 INVESTMENT INCOME AND EXPENSES

Details are as follows:

(€ million)	**2013**	**2012**
Dividends received from Renault s.a.s.	1,095	
Dividends received from Nissan Motor Co Ltd	405	426
Other dividends received	102	94
Interest on loans	139	163
Increases to provisions related to subsidiaries and affiliates	19	
TOTAL	**1,760**	**683**

All interest on loans concerns Group subsidiaries.

4.4.2.3 FOREIGN EXCHANGE GAINS AND LOSSES

The net foreign exchange loss is chiefly attributable to operations in yen undertaken by Renault SA. Since these operations are not classified as part of the hedge of the net assets of Nissan in Renault SA's individual financial statements, they are included in financial income and expenses in the income statement.

Foreign exchange gains and losses in 2013 mainly comprise the following:

- a foreign exchange loss of €10 million on redemption of the bond issued on January 23, 2008 (nominal value 5 billion yen);
- a foreign exchange gains of €34 million on redemption of the bond issued on December 20, 2011 (nominal value 15.4 billion yen);
- a foreign exchange gains of €3 million on redemption of the bond issued on December 09, 2010 (nominal value 7 billion yen);
- a foreign exchange loss of €13 million on redemption of swap related to the bond issued in Renminbi Yuan for €3 million and issued in yen for €10 million;
- a foreign exchange loss of €3 million on dividend payments in RON (Romanian Leu) and COP (Colombian peso New);
- a provision of €2 million for unrealised foreign exchange losses concerning diverse loans in yens and an amount of €26 million reversed from provisions booked in 2012.

Foreign exchange gains and losses in 2012 included a net loss of €82 million.

4.4.2.4 OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses generated a net loss of €291 million in 2013 (compared to a loss of €238 million in 2012) and mainly comprise net interest payments of €303 million on Renault borrowings after swaps and €8 million reversed from impairment recorded in respect of treasury shares.

Details of interest paid and other similar expenses are as follows:

(€ million)	2013	2012
Net accrued interest after swaps on bonds *	(217)	(193)
Net accrued interest after swaps on borrowings from credit institutions	(27)	(40)
Accrued interest on termination of borrowings from subsidiaries	(2)	(7)
Accrued interest on redeemable shares	(17)	(17)
Other financial expenses	(6)	
Other (treasury notes and brokers commissions)	(34)	(35)
TOTAL	**(303)**	**(292)**

* *The net interest on bonds comprises accrued and paid interest amounting to €331 million (€292 million in 2012), and accrued and received interest on swaps amounting to €114 million (€99 million in 2012).*

In 2013, the €217 million of interest received and paid mainly comprise:

- €45 million on the bond issued on October 13, 2009;
- €28 million on the bond issued on March 23, 2010;
- €25 million on the bond issued on September 18, 2012;
- €17 million on the bond issued on June 30, 2010;
- €16 million on the bond issued on May 25, 2011;
- €14 million on the bond issued on September 20, 2010;
- €12 million on the bond issued on December 05, 2012.

The net interest receivable on the swapped portion of bonds and borrowings from credit institutions amounted to €34 million: €132 million on the paying leg and €98 million on the receiving leg.

4.4.2.5 INCOME TAX

As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this regime has applied to the group in which Renault SA is taxed in France since January 1, 2004. French subsidiaries that are more than 95% owned by Renault SA pay their income taxes directly to the company under this regime. Each entity included in the domestic tax consolidation records its theoretical taxes as if it was taxed separately. The tax saving generated by this system is treated as income for Renault SA, the company heading the group of entities concerned. The parent company is not obliged to reimburse the subsidiaries for the tax savings resulting from utilisation of their tax losses when the subsidiaries return to profit or leave the tax consolidated group.

Tax losses can now only be carried forward against taxable income up to the amount of €1 million plus 50% of the taxable income above that amount.

This rule is applicable:

- for determining the income/loss of the tax consolidation group;
- by convention, for determining the income/loss of each company included in the tax consolidation.

The new rules on tax loss carryforwards apply to all losses existing, whatever their origin.

In practice, although the new rules will have an impact on determination of certain subsidiaries' taxable income, they will have no immediate impact on the taxable income of the group as a whole, which continues to report a tax loss, amounting to €759 million (€210 million decrease than in 2012).

Section 16 of the Finance Law for 2014 raises the rate of exceptional contribution to 10.7% of the amount of income tax by entities with sales revenues of over €250 million. This measure is effective for periods ending on or after December 31, 2013 until December 30, 2015. This contribution is due:

- on income tax at the normal rate or reduced rate payable by the tax consolidation group;
- by convention, on income tax at the normal rate or reduced rate payable by the companies included in the tax consolidation group to Renault SA.

The income generated by income taxes for 2013 was €189 million including the income tax proceeds paid by the subsidiaries of Renault SA as if they were imposed separately for an amount of €195 million for the domestic tax consolidation. Note that if the Renault SA was imposed separately, it would have paid an amount of €28 million, an overall tax expense of €223 million before deducting losses of the Group.

So, the income tax can be analyzed as follows:

		TAXES					NET INCOME	
(€ million)	PRE-TAX INCOME	THEORETICAL	NETTING	CREDIT GENERATED	TAX CREDIT	NET TAX DUE	THEORETICAL	AS BOOKED
Current income subject to normal rate	1,475	28				(28)	1,447	1,447
Tax consolidation						223		223
Impairment						(9)		(9)
Other						3		3
TOTAL	**1,475**	**28**	0	0	0	**189**	**1,447**	**1,664**

The deferred taxes Renault SA are as follows:

(€ million)	2013 ASSETS [1]	2013 LIABILITIES [2]	2012 ASSETS [1]	2012 LIABILITIES [2]	VARIATIONS ASSETS	VARIATIONS LIABILITIES
Temporarily non-deductible expenses						
Provisions for risks and liabilities	32		44		(12)	
Expenses deducted (or taxed income)		28		16		12
Not yet recognised for accounting purposes	95	9	30	13	65	(4)
TOTAL	**127**	**37**	**74**	**29**	**53**	**8**

(1) i.e. future tax credit.
(2) i.e. future tax charge.

4.4.2.6 INVESTMENTS

Changes during the year were as follows:

(€ million)	AT START OF YEAR	CHANGE OVER THE YEAR	AT YEAR-END
Investment in Nissan Motor Co. Ltd.	6,622		6,622
Investment in RNBV	11		11
Investment in Daimler	584		584
Other investments	13	25	38
TOTAL BEFORE PROVISIONS	**7,230**	**25**	**7,255**
Impairment	(13)	(25)	(38)
TOTAL NET	**7,217**		**7,217**

4.4.2.7 ADVANCES TO SUBSIDIARIES AND AFFILIATES

Changes during the year were as follows:

(€ million)	AT START OF YEAR	INCREASES	DECREASES	AT YEAR-END
Capitalisable advances	5		(5)	
Dividends receivable		1		1
Loans	10,053	2,820	(1,587)	11,286
TOTAL BEFORE PROVISIONS [1]	**10,058**	**2,821**	**(1,592)**	**11,287**
Impairment	(15)		13	(2)
TOTAL NET	**10,043**	**2,821**	**(1,579)**	**11,285**
(1) Current portion (less than one year).	9,988			11,231
Long-term portion (over 1 year).	70			56

Loans include:

- €6,128 million in short-term investments with Renault Finance (€6,106 million in 2012);
- €25 million in long-term loans to Renault s.a.s. (identical to 2012);
- €5,133 million in current accounts resulting from centralised cash management agreements with Group subsidiaries (€3,922 million in 2012).

All loans relate to Group subsidiaries.

4.4.2.8 MARKETABLE SECURITIES

Marketable securities primarily include €145 million for Renault SA's treasury shares.

Changes in treasury shares were as follows:

	AT START OF YEAR	OPTIONS EXERCISED AND AWARDS	SHARES PURCHASED	TRANSFERS TO OTHER FINANCIAL ASSETS	IMPAIRMENT (REVERSALS)	AT YEAR-END
Number of shares	4,059,255	274,950				3,784,305
Shares allocated	76	(9)		46		113
Shares not allocated	87			(55)		32
Gross value (€ million)	**163**	**(9)**		**(9)**		**145**
Impairment (€ million)	**(14)**			**9**	**5**	
TOTAL	**149**	**(9)**			**5**	**145**

4.4.2.9 RECEIVABLES AND OTHER ASSETS

Receivables mainly comprise:

- an unbilled receivable of €63 million for stock options (€46 million in 2012), under the reinvoicing agreement between Renault SA and Renault s.a.s. introduced in 2012;
- tax receivables:

(€ million)	AT START OF YEAR	INCREASES	DECREASES	AT YEAR-END
RECEIVABLES TAX				
Deposit: Income tax	10		(10)	
CIR: Research tax credit	314	137	(188)	263
CICE: Competitive employment tax credit		36		36
Other receivables tax	15	10		25
TOTAL BEFORE PROVISIONS	**339**	**183**	**(198)**	**324**
IMPAIRMENT				
CIR: Research tax credit	(7)	(7)	5	(9)
CICE: Competitive employment tax credit		(2)		(2)
	(7)	**(9)**	**5**	(11)
TOTAL NET	**332**	**174**	**(193)**	**313**

The decreases consist mainly of the partial assignment of the debt CIR (Research Tax Credit) for the years 2011 and 2012 to a value of €188 million.

The major components of Other Assets are:

(€ million)	AT START OF YEAR	INCREASES	DECREASES	AT YEAR-END
OTHER ASSETS				
Deferred charges	23	5	(5)	23
Redemption premiums amounting	10		(5)	5
Unrealized losses	38	9	(38)	9
TOTAL	**71**	**14**	**(48)**	**37**

- deferred charges consist of final payments and issuance expenses on various loans;
- redemption premiums, mainly on several long-term bonds (5 to 7 years);
- translation adjustments essentially resulting from unrealised foreign exchange losses, covered by provision, on bonds swapped to yen.

4.4.2.10 SHAREHOLDERS' EQUITY

Changes in shareholders' equity were as follows:

(€ million)	BALANCE AT START OF YEAR	ALLOCATION OF 2012 NET INCOME	DIVIDENDS	2013 NET INCOME	OTHER	BALANCE AT YEAR-END
Share capital	1,127					1,127
Share premium	4,783					4,783
Revaluation surplus	9				(9)	
Equity valuation difference	3,337				(2,273)	1,064
Legal and tax basis reserves	112					112
Retained earnings	6,367	574	(502)			6,439
Net income	574	(574)		1,664		1,664
TOTAL	**16,309**		**(502)**	**1,664**	**(2,282)**	**15,189**

Non-distributable reserves amounted to €1,176 million at December 31, 2013.

Renault SA's shareholding structure was as follows at December 31, 2013:

	OWNERSHIP STRUCTURE		VOTING RIGHTS	
	NUMBER OF SHARES HELD	% OF CAPITAL	NUMBER	%
French state	44,387,915	15,01%	44,387,915	17.93%
Employees	7,720,720	2,61%	7,720,720	3.12%
Treasury shares	3,784,305	1,28%		
Nissan	44,358,343	15,00%		
Daimler	9,167,391	3,10%	9,167,391	3.70%
Other	186,303,610	63,00%	186,303,610	75.25%
TOTAL	**295,722,284**	**100%**	**247,579,636**	**100%**

The par value of the Renault SA share is €3.81.

STOCK OPTION AND FREE SHARE ATTRIBUTION PLANS

Since October 1996, the Board of Directors has periodically granted stock options to Group executives and managers, with prices and exercise periods specific to each plan.

During 2013, no new stock option plan or bonus share has been established. All plans introduced since 2006 include performance conditions which determine the number of options or shares granted to beneficiaries.

A - Changes in the number of stock options held by personnel

	2013			2012		
	QUANTITY	WEIGHTED AVERAGE EXERCISE PRICE *(€)*	WEIGHTED AVERAGE SHARE PRICE AT GRANT AND EXERCISE DATES *(€)*	QUANTITY	WEIGHTED AVERAGE EXERCISE PRICE *(€)*	WEIGHTED AVERAGE SHARE PRICE AT GRANT AND EXERCISE DATES *(€)*
Outstanding at January 1	**5,156,196**	**76**		**8,595,407**	**70**	
Granted	297,800	37	40	350,000	31	33
Exercised	-	-	-	-	-	-
Expired	(1,610,225)	69	N/A	(3,789,211)	59	N/A
OUTSTANDING AT DECEMBER 31	**3,843,771**	**76**		**5,156,196**	**76**	

B - Options and free share attribution rights yet to be exercised at December 31, 2013

PLAN	TYPE OF PLAN	GRANT DATE	EXERCISE PRICE *(€)*	OUTSTANDING	EXERCISE PERIOD
Plan 12	Stock subscription options	May 4, 2006	87.98	1,280,553	May 5, 2010 – May 5, 2014
Plan 14	Stock subscription options	December 5, 2006	93.86	1,486,806	December 6, 2010 – December 4, 2014
Plan 18	Stock purchase options	April 29, 2011	38.80	478,612	April 30, 2015 – April 28, 2019
Plan 18 bis	Attribution of free shares	April 29, 2011		1,092,545 94,800	April 30, 2014 – April 30, 2016 April 30, 2015
Plan 19	Stock purchase options	December 8, 2011	26.87	150,000	December 9, 2015 – December 7, 2019
Plan 19 bis	Attribution of free shares	December 8, 2011		27,000	December 8, 2015
Plan 20	Stock purchase options	December 13, 2012	37,43	447,800	December 13, 2016 – December 12, 2020
Plan 20 bis	Attribution of free shares	December 13, 2012		584,400 86,800	December 13, 2014 – December 12, 2016 December 13, 2016

4.4.2.11 REDEEMABLE SHARES

These shares, issued in October 1983 and April 1984 by Renault SA, can be redeemed with a premium on the sole initiative of Renault SA. They earn a minimum annual return of 9% comprising a fixed portion (6.75%) and a variable portion, equal to at least 2.25%, that depends on consolidated revenues and is calculated based on identical structure and methods.

797,659 redeemable shares remained on the market at December 31, 2013, for a total of €129 million including accrued interest. These shares are listed on the Paris Bourse. The market price for redeemable shares with par value of €153 was €392.00 at December 31, 2013 (€312.05 at December 31, 2012).

The 2013 return on redeemable shares, amounting to €17 million (€17 million in 2012) is included in interest and equivalent expenses.

4.4.2.12 PROVISIONS FOR RISKS AND LIABILITIES

Provisions for risks and liabilities break down as follows:

(€ million)	2012	INCREASES	REVERSALS	2013
Foreign exchange losses	26	3	(26)	3
Provisions for expenses [(1)]	54	31	(10)	75
Other provisions for risks [(2)]	42		(28)	14
TOTAL	**122**	**34**	**(64)**	**92**
Current (less than 1 year)	*59*			*8*
Long-term (over 1 year)	*63*			*84*

(1) A provision of €75 million was booked at December 31, 2013 (€54 at December 31, 2012) after it was decided to allocate free shares and stock options. Under a reinvoicing agreement introduced between Renault SA and Renault s.a.s., a €63 million share of this provision is considered as an unbilled receivable on the subsidiary Renault s.a.s (€46 million in 2012).
(2) Other provisions mainly consist of provisions for risks related to investments.

Each known litigation in which Renault SA is involved is examined at year-end. After seeking the opinion of legal and tax advisors, the provisions deemed necessary are, where appropriate, established to cover the estimated risk.

4.4.2.13 FINANCIAL LOANS AND BORROWINGS

A - Bonds

Bonds amounted to €6,082 million at December 31, 2013 (€5,728 million at December 31, 2012).

The principal changes in bonds over 2013 were as follows:

- issuance on April 04, 2013 of a 3-year bond with total nominal value of 7 billion yen, at the fixed rate of 2.15%;
- issuance on April 11, 2013 of a 3-year bond with total nominal value of 750 billion Renminbi Yuan, at the fixed rate of 4.65% (swapped to Euros at the fixed rate of 3.17%);
- issuance on June 12, 2013 of a 2-year bond with total nominal value of 38 billion yen, at the fixed rate of 1.92%;
- issuance on September 19, 2013 of a 5-year bond with total nominal value of €600 million, at the fixed rate of 3.625% (swapped to a floating rate of Eonia +2.6465%);
- issuance on October 30, 2013 of a 3-year bond with total nominal value of 7 billion yen, at the fixed rate of 1.78%;
- issuance on November 15, 2013 of a 5-year bond with total nominal value of €300 million, at the fixed rate of 3.625% (swapped to a floating rate of 3-month Euribor +271.6 bp);

- issuance on November 28, 2013 of a 2-year bond with total nominal value of 49.6 billion yen, at the fixed rate of 1.37%;
- redemption of the January 23, 2008 5-year bond totalling 5 billion yen at the fixed rate of 2.09%;
- redemption of the February 4, 2010 3-year bond totalling 10 billion yen at the fixed rate of 2.53%, swapped to Euros at the fixed rate of 4.28%;
- redemption of the April 16, 2008 5-year bond totalling €300 million at the fixed rate of 4.375%;
- redemption of the May 24, 2006 7-year bond totalling €500 million at the fixed rate of 4.375%, swapped to a floating rate of 3-month Euribor +0.4744;
- redemption of the June 25, 2010 3-year bond totalling 7 billion yen at the fixed rate of 2.76%, swapped to a floating rate of 3-month Euribor +257.5 bp;
- redemption of the December 09, 2008 5-year bond totalling 7 billion yen at the floating rate of 3-month Libor +3.2%;
- redemption of the December 20, 2011 2-year bond totalling 15.4 billion yen at the fixed rate of 3.43%.

Breakdown by maturity

	DECEMBER 31, 2013						
(€ million)	TOTAL	- 1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	6,025	1,504	1,324	937	1,360	900	0
Accrued interest	57	57					
TOTAL	**6,082**	**1,561**	**1,324**	**937**	**1,360**	**900**	0

	DECEMBER 31, 2012						
(€ million)	TOTAL	- 1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	5,671	1,183	1,640	738	750	1,360	0
Accrued interest	57	57					
TOTAL	**5,728**	**1,240**	**1,640**	**738**	**750**	**1,360**	0

Breakdown by currency

	DECEMBER 31, 2013		DECEMBER 31, 2012	
(€ million)	BEFORE DERIVATIVES	AFTER DERIVATIVES	BEFORE DERIVATIVES	AFTER DERIVATIVES
Euro	4,561	4,809	4,461	4,760
Yen	1,273	1,273	1,111	968
CNY	248		156	
TOTAL	**6,082**	**6,082**	**5,728**	**5,728**

Breakdown by interest rate type

	DECEMBER 31, 2013	DECEMBER 31, 2012
(€ million)	AFTER DERIVATIVES	AFTER DERIVATIVES
Fixed rate	3,656	3,284
Floating rate	2,426	2,444
TOTAL	**6,082**	**5,728**

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B - Borrowings from credit institutions

Borrowings from credit institutions stood at €1,276 million at December 31, 2013 (€1,364 million at December 31, 2012) and are mainly contracted on the market.

The principal changes in bonds over 2013 were as follows:

- subscription on March 28, 2013 of a 5-year bond with total nominal value of €50 million at the fixed rate of 3.597%, swapped to the floating rate Eonia +306.6 bp;
- subscription on April 19, 2013 of a 5-year bond with total nominal value of €35 million at the floating rate of 3-month Euribor +270 bp;
- subscription on May 30, 2013 of a 6-year bond with total nominal value of €300 million at the fixed rate of 2.156%, swapped to the floating rate Eonia +171.5833 bp;
- subscription on May 30, 2013 of a 3-year bond with total nominal value of €100 million at the fixed rate of 1.864%, swapped to the floating rate Eonia +164.2 bp;
- subscription on August 30, 2013 of a 5-year bond with total nominal value of €50 million at the floating rate of 3-month Euribor +240 bp;
- redemption on March 31, 2013 of a 4-year bond with total nominal value of €400 million, at the fixed rate of 4.397%;
- redemption on June 19, 2013 of a 5-year bond with total nominal value of €178 million, at the floating rate of 3-month Euribor +1.10%;
- redemption on November 22, 2013 of a 3-year bond with total nominal value of $68 million, at the fixed rate of 3.04%, swapped to the floating rate 3-month Euribor +185 bp.

Breakdown by maturity

	DECEMBER 31, 2013						
(€ million)	**TOTAL**	**- 1 YR**	**1 TO 2 YRS**	**2 TO 3 YRS**	**3 TO 4 YRS**	**4 TO 5 YRS**	**+ 5 YRS**
Nominal value	1,265	266	122	293	137	141	306
Accrued interest	11	11					
TOTAL	**1,276**	**277**	**122**	**293**	**137**	**141**	**306**

	DECEMBER 31, 2012						
(€ million)	**TOTAL**	**- 1 YR**	**1 TO 2 YRS**	**2 TO 3 YRS**	**3 TO 4 YRS**	**4 TO 5 YRS**	**+ 5 YRS**
Nominal value	1,353	659	230	122	193	137	12
Accrued interest	11	11					
TOTAL	**1,364**	**670**	**230**	**122**	**193**	**137**	**12**

Breakdown by currency

	DECEMBER 31, 2013		DECEMBER 31, 2012	
(€ million)	**BEFORE DERIVATIVES**	**AFTER DERIVATIVES**	**BEFORE DERIVATIVES**	**AFTER DERIVATIVES**
Euro	1,276	1,276	1,314	1,364
Other currencies			50	
TOTAL	**1,276**	**1,276**	**1,364**	**1,364**

Breakdown by interest rate type

	DECEMBER 31, 2013	DECEMBER 31, 2012
(€ million)	**AFTER DERIVATIVES**	**AFTER DERIVATIVES**
Fixed rate	41	450
Floating rate	1,235	914
TOTAL	**1,276**	**1,364**

Borrowings from credit institutions maturing within one year include €36 million in bank credit balances.

C - Other loans and financial debts

Other loans and financial debts amounted to €2,424 million at December 31, 2013 (€2,875 million in 2012), and principally comprise:

- borrowings from Group subsidiaries with surplus cash;
- treasury notes amounting to €64 million.

No loans or financial debts are secured.

D – Liquidity risk

The automotive operating segment needs sufficient financial resources to finance its day-to-day business and the investments necessary for future growth. It therefore regularly borrows on the banking and capital markets to refinance its debt, and this exposes it to a liquidity risk in the event of market closure or tensions over credit availability. As part of its centralised cash management policy, Renault SA handles most refinancing automotive operating segment through long-term resources via the capital markets (bond issues, private placements), bank financing, or short-term financing such as treasury notes.

Renault SA also has confirmed credit agreements with banking establishments (see note 18).

The contractual documentation for these financing arrangements and credit agreements contains no clause that might adversely affect credit availability as a result of a change in Renault's credit rating or financial ratio compliance.

Given the available cash reserves, confirmed credit lines unused at the year-end, and the prospects for renewal of short-term financing, Renault SA has sufficient financial resources to cover its commitments over a 12-month horizon.

4.4.2.14 OTHER LIABILITIES

Changes in other liabilities were as follows:

(€ million)	2013	2012	VARIATION 2013/2012
Tax liabilities	480	422	58
Liabilities related to other assets	5	5	
Other liabilities	2	1	1
TOTAL	**487**	**428**	**59**

The €58 million change in tax liabilities results from a €23 million decrease in tax liabilities and a €81 million increase in the liability for tax liabilities payable to subsidiaries under the French domestic tax consolidation system.

4.4.2.15 DEFERRED INCOME

Deferred income mainly comprises unrealised foreign exchange gains on borrowings issued in yen or swapped to yen, totalling €277 million.

4.4.2.16 INFORMATION CONCERNING RELATED COMPANIES

"Related companies" are all entities consolidated in the Group's financial statements, whatever is the consolidation method.

INCOME STATEMENT

	2013		2012	
(€ million)	TOTAL	RELATED COMPANIES	TOTAL	RELATED COMPANIES
Interest on loans	139	126	163	162
Interest and equivalent expenses	(303)	45	(292)	24
Reversals of provisions and transfers of charges	91		205	

BALANCE SHEET

	2013		2012	
(€ million)	TOTAL	RELATED COMPANIES	TOTAL	RELATED COMPANIES
Loans	11,286	11,196	10,058	9,993
Receivables	387	63	385	46
Cash and cash equivalents	41		38	
Borrowings from credit institutions	1,276		1,364	
Loans and financial debts	2,424	2,336	2,875	2,645
Other liabilities	487	479	428	398

4.4.2.17 FINANCIAL INSTRUMENTS

A - Management of exchange and interest rate risk

The corresponding commitments, expressed in terms of notional amount where appropriate, are shown below:

AT DECEMBER 31 *(€ million)*	2013	2012
FOREIGN EXCHANGE RISKS		
CURRENCY SWAPS		
Purchases	246	297
with Renault Finance	*246*	*297*
Sales	240	302
with Renault Finance	*240*	*302*
OTHER FORWARD EXCHANGE CONTRACTS AND OPTIONS		
Purchases	515	85
with Renault Finance	*515*	*85*
Sales	541	85
with Renault Finance	*541*	*85*
INTEREST RATE RISKS		
Interest rate swaps	3,679	2,653
with Renault Finance	*3,099*	*2,567*

Currency risk:

Transactions undertaken to manage exchange rate exposure principally comprise currency swaps and forward currency operations to hedge financing contracted in foreign currencies, apart from financing in yen. Renault SA also carries out forward currency sales to hedge loans to subsidiaries denominated in foreign currencies.

Rate risk:

Renault SA carries most of the Group's indebtedness. Its interest rate risk management policy applies two basic principles: long-term investments use fixed-rate financing, and investments for liquidity reserves use floating-rate financing. The financing in yen undertaken as part of the hedge of Nissan equity is fixed-rate.

Renault SA uses derivatives to implement the above interest rate and exchange risk management policies. Most of its operations on the financial instrument markets are undertaken via Renault Finance, a wholly-owned Group subsidiary.

B - Fair value of financial instruments

The carrying amounts in the balance sheet and the estimated fair values of Renault SA's financial instruments are as follows:

AT DECEMBER 31 *(€ million)*	2013 BALANCE SHEET VALUE	2013 FAIR VALUE	2012 BALANCE SHEET VALUE	2012 FAIR VALUE
ASSETS				
Other gross financial fixed assets[(1)]				
Marketable securities, gross [(1)]	146	221	164	165
Loans	11,286	11,307	10,053	10,071
Cash and cash equivalents	41	41	38	38
LIABILITIES				
Redeemable shares	129	313	129	249
Bonds	6,082	6,359	5,728	6,015
Other interest-bearing borrowings [(2)]	3,700	3,604	4,239	4,189

(1) Including treasury shares.
(2) Excluding redeemable shares.

C - Estimated fair value of off-balance sheet financial instruments

AT DECEMBER 31 *(€ million)*	2013 ASSETS	2013 LIABILITIES	2012 ASSETS	2012 LIABILITIES
Forward exchange contracts	539	(514)	102	(103)
with Renault Finance	*539*	*(514)*	*102*	*(103)*
Currency swaps	246	(249)	362	(351)
with Renault Finance	*246*	*(249)*	*362*	*(351)*
Interest rate swaps	76	(4)	134	(3)
with Renault Finance	*76*	*(4)*	*131*	

Assumptions and methods adopted:

Estimated fair values are based on information available on the markets and arrived at using valuation methods appropriate to the types of instrument in question.

When the financial instrument is listed on an active and liquid market, the last listed price is used to calculate the market value. For unlisted instruments, market value is determined based on recognised valuation models that refer to observable market parameters. If Renault SA has no valuation tools, particularly for complex products, valuation is carried out by quality financial institutions.

The main assumptions and valuation methods are as follows:

- **Financial assets:**
  - **Marketable securities:** the fair value of securities is determined mainly by reference to market prices,
  - **Loans and advances to subsidiaries and affiliates:** for loans with original maturity of less than three months, floating-rate loans and advances to subsidiaries and affiliates, the value recorded in the balance sheet is considered to be the fair value. Other fixed-rate loans have been measured by discounting future cash flows using the risk-free rates offered to Renault SA at December 31, 2013 and December 31, 2012 for loans with similar conditions and maturities.
- **Liabilities:** the fair value of financial liabilities is determined by discounting future cash flows at risk-free rates plus the credit spread of the borrower at December 31, 2012 and December 31, 2011 for borrowings with similar conditions and maturities. The fair value of redeemable shares is based on their year-end stock market value;
- **Off-balance sheet foreign exchange instruments:** The fair value of forward contracts and of currency swaps is determined by discounting future cash flows, using market curves (exchange and interest risk free rate) respectively on December 31, 2012 and December 31, 2011 for the contracts' residual terms;
- **Off-balance sheet interest rate instruments:** the fair value of interest rate swaps represents the amount Renault SA would receive (or pay) if it settled outstanding contracts at the end of the year. Unrealised capital gains or losses, determined on the basis of prevailing interest rates to each contract, are taken into account at December 31, 2013 and December 31, 2012.

4.4.2.18 OTHER COMMITMENTS AND CONTINGENCIES

Off-balance-sheet commitments are as follows:

	2013		2012	
(€ million)	TOTAL	CONCERNING RELATED COMPANIES	TOTAL	CONCERNING RELATED COMPANIES
COMMITMENTS RECEIVED				
Unused credit lines	3,435		3,485	
TOTAL	**3,435**		**3,485**	
COMMITMENTS GIVEN				
Guarantees and deposits	786	712	782	712
TOTAL	**786**	**712**	**782**	**712**

As part of the management of RCI Banque's major risk ratio, Renault SA entered into a pledging agreement in 2010 for a deposit of €550 million by Renault SA with RCI Banque.

In 2011, Renault SA acted as guarantor, with joint and several liability, against default by Renault Tanger Exploitation (the debtor) and undertook a commitment to pay Renault Tanger Méditerranée (the beneficiary) all the amounts due under the sublease, i.e. rents and charges for one year (€81 million) and any penalties due for late delivery of the production unit (€81 million).

When the European Bank for Reconstruction and Development (EBRD) subscribed to the capital increase at Renault Technologie Romania SRL, Renault s.a.s., Renault SA and the EBRD signed a put and call option on the shares as relevant. In the event Renault s.a.s defaults on payment or fails to comply with obligations, Renault SA would be obliged to repurchase the shares in Renault Technologie Romania held by the EBRD (€59 million at December 31, 2013).

There are no restrictive clauses on credit lines opened but unused.

The forward sales and swaps undertaken by Renault SA are described above (note 17. A – Management of exchange and interest rate risk).

4.4.2.19 CASH FLOW

Cash flow is determined as follows:

(€ million)	2013	2012
Net income	1,664	574
Increases to provisions and deferred charges	9	11
Net increase to provisions for risks and liabilities	(30)	(61)
Net increases to impairment	9	(56)
TOTAL	**1,652**	**468**

4.4.2.20 WORKFORCE

Renault SA has no employees.

4.4.2.21 DIRECTORS' FEES

Directors' fees amounted to €1,099,825 in 2013 (€1,070,563 paid for 2012), of which €48,000 were for the function of Chairman (€48,000 in 2012).

4.4.2.22 SUBSEQUENT EVENTS

No significant events have occurred since the year-end.

OTHER INFORMATION – INVESTMENTS STATED AT EQUITY *(€ million)*

COMPANIES	SHARE CAPITAL	RESERVES AND RETAINED EARNINGS	% OF CAPITAL HELD	BOOK VALUE OF SHARES OWNED
INVESTMENTS				
Renault s.a.s.	534	4,223	100%	6,073
Dacia [1]	568	169	99.43%	783
Sofasa [2]	1	126	23.71%	24
TOTAL INVESTMENTS				**6,880**

(1) The exchange rate used for Dacia is 4,471 Romanian lei = 1 euro.
(2) The exchange rate used for Sofasa is 2,658 Colombian pesos = 1 euro.

OTHER INFORMATION – INVESTMENTS STATED AT EQUITY *(€ million)*

COMPANIES	OUTSTANDING LOANS AND ADVANCES FROM RENAULT SA	SALES REVENUES EXCLUDING TAXES 2013	NET INCOME (LOSS), PRIOR YEAR	DIVIDENDS RECEIVED BY RENAULT SA IN 2013
INVESTMENTS				
Renault s.a.s.	2,479	33,590	(1,228)	1,095
Dacia [3]		4,164	75	58
Sofasa [4]		934	35	4

(3) The exchange rate used for Dacia is 4.4193 Romanian lei = 1 euro.
(4) The exchange rate used for Sofasa is 2,482.99 Colombian pesos = 1 euro.

ACQUISITION OF INVESTMENTS

See note 6.

Five-year financial highlights

(€ million)	2009	2010	2011	2012	2013
YEAR-END FINANCIAL POSITION					
Share capital	1,086	1,127	1,127	1,127	1,127
Number of shares and investment certificates outstanding	284,937,118	295,722,284	295,722,284	295,722,284	295,722,284
OVERALL INCOME FROM OPERATIONS					
Income before tax, amortisation, depreciation and provisions [1]	(1,179)	143	(51)	288	1,429
Income tax	92	163	164	135	189
Income after tax, amortisation, depreciation and provisions	49	168	277	574	1,664
Dividends paid		87	339	502	
EARNINGS PER SHARE IN EUROS					
Earnings before tax, amortisation, depreciation and provisions [1]	(4.14)	0.48	(0.17)	0.97	4.83
Earnings after tax, amortisation, depreciation and provisions	0.17	0.57	0.94	1.94	5.63
Net dividend per share		0.30	1.16	1.72	
EMPLOYEES [2]					

(1) Provisions are those recorded during the year, less reversals and applications.
(2) No employees.

+193%

FOR THE RENAULT SHARE OVER THE LAST 5 YEARS

RENAULT AND ITS **SHAREHOLDERS** 5

The elements of the annual financial report are identified by RFA sign.

✦ Global Reporting Initiative (GRI) Directives

5.1 GENERAL INFORMATION

5.1.1 OVERVIEW ✦

5.1.1.1 BUSINESS NAME AND REGISTERED OFFICE ✦

Business name: Renault

Registered office: 13-15, quai le Gallo, 92100 Boulogne-Billancourt – France

5.1.1.2 LEGAL FORM ✦

Organized as a *société anonyme* (public limited company).

5.1.1.3 DATE OF FORMATION AND DURATION OF THE COMPANY

The Company was formed on January 16, 1945 and will cease to exist on December 31, 2088 except in the case of early termination or renewal.

5.1.1.4 PURPOSE RESUME ✦

The Company's corporate purpose includes the design, manufacture, trade, repair, maintenance and leasing of motor vehicles (commercial, light commercial and passenger vehicles, tractors, farm machinery and construction equipment) as well as the design and manufacture of spare parts and accessories used in connection with the manufacture and operation of vehicles. It also encompasses all types of services relative to such operations and, more generally, all industrial, commercial, financial, investment and real estate transactions relating directly or indirectly, in whole or in part, to any of the above purposes (see Article 3 of the articles of incorporation).

5.1.1.5 COMPANY'S REGISTRATION NUMBER

Renault is registered with the Registrar of Companies in Nanterre under the number 441 639 465 RCS Nanterre (APE code 6420 Z).

Siret code: 441.639.465.00018.

5.1.1.6 ACCESS TO LEGAL DOCUMENTS

Legal documents such as the articles of incorporation, minutes of annual general meetings, auditors' reports and all other documents made available to shareholders in accordance with law are available at the company's head office.

5.1.1.7 FISCAL YEAR ✦

The company's fiscal year runs for 12 months from January 1 to December 31.

5.1.2 SPECIAL PROVISIONS OF THE ARTICLES OF INCORPORATION

5.1.2.1 APPROPRIATION OF NET INCOME

Net income is appropriated in compliance with existing legislation.

Distributable income consists of the current year's income, less previous losses and amounts transferred to the legal reserves, plus retained earnings brought forward from previous years as specified by law. Upon recommendation by the Board of Directors, the General Meeting may then determine portions of this income to be allocated to optional ordinary and special reserves or to be carried over. The balance, if any, is divided among the shares in proportion to their paid-up and unamortized value.

In accordance with legal provisions, the General Meeting has the authority to offer shareholders the option of receiving all or part of the dividend payout in cash or in shares.

Requests for the payment of scrip dividends must be submitted within the time period established by the General Meeting, without exceeding three months from the date of the meeting. The Board of Directors may choose to suspend this period for up to three months if the share capital is increased.

5.1.2.2 GENERAL MEETINGS OF SHAREHOLDERS ✦

General Meetings are convened in accordance with legal and regulatory provisions. The meetings are open to all shareholders who have registered their shares under their own name at least three clear days before the meeting. The right to attend the meeting is evidenced by a book entry in the name of the shareholder or the registered intermediary acting on his or her behalf, pursuant to Article L. 228-1 of the French Commercial Code. The entry must be made by midnight (zero hours) CET on the third business day before the General Meeting, either in the registered share account kept by the Company or in the bearer share accounts held by an authorized intermediary. Registration or book entry of bearer shares in the accounts held by the authorized intermediary is evidenced by an attendance certificate issued by said intermediary.

5.1.2.3 SHARES AND VOTING RIGHTS

Shares are registered in an account according to the provisions and terms established by law. Fully paid-up shares are in either registered or bearer form, at the discretion of their owner. However, shares that are not fully paid-up must be in registered form.

Shares entitle the holder to vote, within the limits of French regulations.

5.1.2.4 IDENTIFIABLE BEARER SHARES

The Company is authorized to make use of the appropriate legal provisions for identifying shareholders having immediate or future voting rights in its own shareholders' meetings.

5.1.2.5 SHAREHOLDING DISCLOSURES

In addition to the legal requirement that shareholders inform the Company if they hold certain percentages of its share capital or voting rights, every shareholder or fund management company that comes into possession of a number of shares greater than 2% of the share capital or voting rights, or a multiple of this percentage less than or equal to 5% of the share capital or voting rights, shall inform the Company of the total number of shares held. That disclosure shall be made by registered letter with return-receipt within a time period set forth in a *Conseil d'État* decree, starting from the date of registration of the shares that took the shareholder's interest up to or beyond the threshold. In excess of 5%, the aforementioned disclosure requirement applies to 1% fractions of the share capital or voting rights. For the purposes of determining the thresholds described above, indirectly held shares or equity equivalents held as defined by the provisions of Articles L. 233-7 and L. 233-9 of the Commercial Code will also be taken into account. The declarer must certify that the said declaration includes all shares held or owned within the meaning of the preceding paragraph, and must indicate the acquisition date(s). The disclosure requirement applies in the same manner if the holding falls below any of the aforementioned thresholds, 2% or 1% as applicable.

If the conditions described above are not respected, any shares exceeding the fraction that should have been declared are stripped of voting rights for all shareholders' meetings for a period of two years after the required disclosures are made, insofar as this is requested at the meeting by one or more shareholders who together hold at least 1% of share capital.

✦ Global Reporting Initiative (GRI) Directives

5.2 GENERAL INFORMATION ABOUT RENAULT'S SHARE CAPITAL

5.2.1 CAPITAL AND VOTING RIGHTS

At December 31, 2013, the share capital amounted to €1,126,701,902.04 (one billion one hundred and twenty six million seven hundred and one thousand nine hundred and two euro and four cents) consisting of 295,722,284 shares with a par value of €3.81. The shares are fully subscribed and paid in.

The theoretical number of voting rights is 295,722,284.

In view of the 3,784,305 shares of treasury stock and the 44,358,343 shares held by Nissan Finance Co., Ltd., the total number of exercisable voting rights at that date was 247,579,636.

5.2.2 CHANGE IN THE SHARE CAPITAL

The Extraordinary General Meeting may, as specified by law, increase or reduce the share capital and authorize the Board of Directors to carry out such transactions, with the possibility of delegating them in accordance with law.

5.2.3 CHANGES IN CAPITAL OWNERSHIP

		RESULTING CAPITAL	
DATE	**TRANSACTION**	*In €*	*no. of shares**
01/2001	Conversion of share capital to euro	913,632,540.27	239,798,567
12/2001	Capital increase reserved for employees: 2,397,983 shares issued at €3.81 (par)	922,768,855.50	242,196,550
03/2002	Capital increase reserved for Nissan Finance Co., Ltd.: 37,799,462 shares issued at €50.39 (par: €3.81)	1,066,784,805.72	279,996,012
05/2002	Capital increase reserved for Nissan Finance Co., Ltd.: 4,941,106 shares issued at €52.91 (par: €3.81)	1,085,610,419.58	284,937,118
04/28/2010	Capital increase reserved for Nissan Finance Co., Ltd.: 1,617,775 shares issued at €37 (par: €3.81)	1,091,774,142.33	286,554,893
04/28/2010	Capital increase reserved for Daimler AG: 9,167,391 shares issued at €37 (par: €3.81)	1,126,701,902.04	295,722,284

N.-B.: No changes in the share capital in FY 2000, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2011, 2012 and 2013

* *Shares at €3.81.*

5.2.4 UNISSUED AUTHORIZED CAPITAL

5.2.4.1 OVERALL AUTHORIZATIONS

The General Meeting of Shareholders of April 27, 2012, gave the Board of Directors authorizations to proceed with Miscellaneous financial transactions to increase the Company's share capital, with or without subscription rights.

The Board of Directors has been authorized by the General Meeting of Shareholders of April 30, 2013 to issue shares to the benefit of its salaries for a period of 26 months with a 1% maximum ceiling of the capital. To date, these authorizations have not been used.

These authorizations are detailed hereafter.

New authorizations will be proposed at the General Meeting of Shareholders of April 30, 2014 in order to allow the Board of Directors to proceed, on its sole decision, to various financial operations with an increase in capital effect with or without preferential subscription right.

5.2.4.2 TABLE OF CAPITAL INCREASE AUTHORIZATIONS

The following table summarizes the capital increase authorizations given by the General Meeting to the Board of Directors and that are currently in force:

	DESCRIPTION OF AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS	UTILIZATION
12th resolution GM 2012	Issues of shares or financial securities giving access to capital with preferential subscription right. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €350 million (around 30% of the share capital).	N/A
13th resolution GM 2012	Issues of shares or financial securities giving access to capital excluding the preferential subscription right. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €120 million (around 10% of the share capital).	N/A
14th resolution GM 2012	Issues of shares or financial securities giving access to capital through private placement. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €60 million (around 5% of the share capital).	N/A
15th resolution GM 2012	Issues of shares or financial securities giving access to capital through a public exchange offer. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €120 million (around 10% of the share capital).	N/A
16th resolution GM 2012	Capital increase through issuance of shares by contribution in kind. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €120 million (around 10% of the share capital).	N/A
17th resolution GM 2012	Capital increase through capitalization of reserves, bonuses, etc. Valid 26 months, until the GM called to approve the 2013 financial statements. Capital increase capped at €1 billion.	N/A
16th resolution GM 2013	Capital increase through issuance of shares reserved for employees. Valid 26 months until the GM called to approve the 2014 financial statements. Capital increase capped at 1% of the share capital.	N/A

The total nominal amount of any capital increases that may be carried out by virtue of the twelfth, thirteenth, fourteenth, fifteenth and sixteenth resolutions submitted to the General Meeting on April 27, 2012, may not exceed €350 million (three hundred and fifty million euros).

5.2.5 POTENTIAL CAPITAL

5.2.5.1 OPTIONS

The Company has decided not to grant any new stock option plans.

The latest delegation referring to has been adopted by the mixed General Meeting of Shareholders of April 29, 2011 for a period of 38 months. It's not scheduled to ask the General Meeting of Shareholders of April 30, 2014 a new authorization. For details of current grants and options, see table 8 in chapter 3.3.2.2 of this Registration document.

5.2.5.2 BONUS SHARES

Pursuant to Article L. 225-197-1 of the Commercial Code, the Combined General Meeting of April 30, 2013, authorized for a period of 38 months the Board of Directors to grant bonus shares, either existing or to be issued, to salaried employees of the Company or to certain categories of them and to salaried employees of companies and groupings related to it, as provided for by Article L. 225-197-2 of the Commercial Code. For details of grants and shares in circulation, refer to table 8, chapter 3.3.2.2 of this Registration document.

5.2.5.3 SHARE BUYBACKS (1)

1) TRADING BY RENAULT IN ITS OWN SHARES IN 2013 AND ALLOCATION OF TREASURY STOCK

At December 31, 2013 Renault SA held 3,784,305 shares of €3.81 par value and a book value of €144,880,436.

Pursuant to Article L. 225-209 of the Commercial Code, the thirteenth resolution of the Combined General Meeting of April 30, 2013, authorized the Company to deal in its own stock in order to make use of the possibilities allowed by law for trading in own shares. The authorization is valid until October 30, 2014, unless the General Meeting of April 30, 2014, authorizes a new programme, as described in paragraph 2 below.

Renault acquired no shares in 2013 or as part of the share buyback programme approved by the General Meeting of April 30, 2013. The 3,784,305 shares held directly or indirectly by Renault SA at December 31, 2013, are allocated as follows:

- 3,784,305 to cover buy-back options, bonus share plans, and to cover stock option plans in order to offset dilution arising from the exercise of options to subscribe new shares;
- zero shares remitted for the exercise of rights attached to financial securities creating the right to an allotment of Company stock by conversion, exercise, redemption, exchange, or any other method, in accordance with securities regulations;
- zero shares to enable an investment services provider to maintain a secondary market in or ensure the liquidity of Renault shares under a liquidity contract compliant with an AMF-approved code of conduct;
- zero shares retained and subsequently remitted or as consideration for possible acquisitions;
- zero shares cancelled.

Percentage of treasury stock held directly or indirectly at December 31, 2013: 1.28%.

Number of shares cancelled over the 24 months preceding December 31, 2013: zero shares.

Number of shares held in the portfolio at December 31, 2013: 3,784,305 shares.

Book net value of the portfolio at December 31, 2013: €144,880,436.

Portfolio value at December 31, 2013*: €221,192,627.

** Based on a share price of €58.45 at December 31, 2013.*

OPERATIONS CARRIED OUT BY RENAULT ON ITS OWN SHARES AS PART OF THE PROGRAMMES AUTHORIZED BY THE COMBINED GENERAL MEETINGS OF APRIL 27, 2012 AND APRIL 30, 2013

	TOTAL GROSS FLOWS AT DECEMBER 31, 2013		OPEN INTEREST AT DECEMBER 31, 2013	
	PURCHASES	SALES	LONG POSITIONS	SHORT POSITIONS
Number of shares	none	none	none	none
Average sell, buy or strike price	none	none	none	none
Total	none	none	none	none

2) DESCRIPTION OF THE BUYBACK PROGRAMME SUBMITTED FOR APPROVAL TO THE AGM ON APRIL 30, 2014

Pursuant to Articles 241-1 to 242-7 of the AMF General Regulation and Article L. 451-3 of the Monetary and Financial Code, this section describes the purpose and arrangements for the new treasury stock buyback programme organized by Renault SA ("the Company"), which will be submitted for approval to the Combined General Meeting of Shareholders on April 30, 2014.

The objectives of the programme are to:

- use some or all of the acquired shares to cover a stock option purchase plan or bonus share plan, or any other form of grant, allotment or disposal intended for employees or senior managers of the Company and its Group and to carry out any related hedging transactions in accordance with law;
- cancel such shares, in particular to offset dilution arising from the exercise of share options or the acquisition of bonus shares, subject to the adoption of the seventeenth resolution by the Combined General Meeting of Shareholders on April 30, 2014;

(1) This paragraph contains information that will appear in the programme description, pursuant with Article 241-2 of the AMF general regulations, and the information required pursuant to the measures stipulated in Article L. 225-211 of the Commercial Code.

- remit some or all of the shares acquired by exercising the rights attached to securities creating the right to an allotment of Company stock by conversion, exercise, redemption, exchange or any other method, in connection with securities regulations;
- enable an independent investment services provider to maintain a secondary market in or ensure the liquidity of Renault shares under a liquidity contract compliant with an AMF-approved code of conduct;
- retain and subsequently remit some or all of the acquired shares as consideration for possible acquisitions;
- in general, carry out any transaction that are authorized, now or in future, by law, prevailing regulation or the AMF.

These shares may be acquired, sold, transferred or exchanged by any means permitted by regulations, including over the counter and by blocks of shares, by the use of financial derivatives and options strategies by respecting applicable regulations, at a time chosen by the Board of Directors.

The maximum purchase price shall be €120 per share (ISIN code: FR0000131906) without transaction costs, and the number of shares eligible for acquisition shall be no more than 10% of the share capital, i.e. theoretically 29,572,228 shares. It should be noted that (A) this limit applies to a capital amount that, where necessary, will be adjusted to reflect any transactions carried out subsequent to the General Meeting; and that (B) when the shares are purchased to promote liquidity, in accordance with the AMF General Regulation, the number taken into account to calculate the aforementioned 10% limit shall be the number of shares purchased less the number resold during the authorized period. This limit of 10% of the capital corresponded December 31, 2013 to 29,572,228 shares. The total amount the Company could spend on the buyback of its own shares could not exceed 3,548.7 million euros.

These operations may be carried out at any time, except during a public tender offer concerning the Company, during the share buyback programme.

The number of shares acquired by the Company for retention or exchange as part of a merger, partial merger or demerger shall not exceed 5% of its capital.

If the share capital is increased by capitalization of reserves, the granting of bonus shares, an increase of the par value of the share; or if shares are split or merged or if any other transaction affecting the share capital is carried out, the prices indicated above shall be adjusted using a multiplier coefficient equal to the ratio between the number of shares making up the share capital before the operation and the number after the operation.

Once approved by the General Meeting of April 30, 2014, this programme shall be valid for a period that expires at the next Annual General Meeting called to approve the 2014 financial statements and shall be no longer than 18 months, i.e. until October 30, 2015.

5.2.6 RENAULT SHARE OWNERSHIP ✦

5.2.6.1 RENAULT SHAREHOLDERS AT DECEMBER 31, 2013

OWNERSHIP OF SHARES AND VOTING RIGHTS FOR THE LAST THREE FISCAL YEARS

	12/31/2013			12/31/2012			12/31/2011		
	NUMBER OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS	NUMBER OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS	NUMBER OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS
French State (2)	44,387,915	15.01%	17.93%	44,387,915	15.01%	17.95%	44,387,915	15.01%	17.95%
Nissan Finance. Co, Ltd	44,358,343	15.00%	-	44,358,343	15.00%	-	44,358,343	15.00%	-
Daimler AG (2)	9,167,391	3.10%	3.70%	9,167,391	3.10%	3.71%	9,167,391	3.10%	3.71%
Employees (1)	7,720,720	2.61%	3.12%	8,770,185	2.97%	3.55%	9,038,110	3.06%	3.65%
Treasury stock	3,784,305	1.28%	-	4,059,255	1.37%	-	4,059,255	1.37%	-
Public	186,303,610	63.00%	75.25%	184,979,195	62.55%	74.79%	184,711,270	62.46%	74.69%
TOTAL	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**

(1) The employee-owned shares (present and former employees) counted in this category are those held in company savings schemes.
(2) The number of shares and voting rights hold by the French state and Daimler AG remains unchanged versus 2012. The variation of their % of voting rights is only explained by the variation of the total number of exercisable voting rights (see chapter 5.2.1 of this Registration document).

To the knowledge of the Company no other party other than mentioned here above holds more than 5% of the capital or voting rights, directly or indirectly or in concert.

The share capital is now €1,126,701,902.04 broken down into 295,722,284 shares and divided as follows:

- the French State's holding is unchanged at 15.01%;
- the Nissan group, through its wholly-owned subsidiary Nissan Finance Co., Ltd., holds 15% of Renault's capital, the same percentage as at December 31, 2012). Nissan Finance Co., Ltd. is not entitled to exercise the voting rights attached to these shares, owing to Renault's ownership interest in Nissan;
- the Daimler group holds 3.10% (9,167,391 shares);
- current and former Renault employees hold 2.61% of the capital in the form of shares managed through collective investment schemes;
- the percentage of treasury stock is 1.28%. These shares do not carry voting rights;
- in view of these changes, the free float is now 63.00% of the capital (compared with 62.55% at December, 31 2012).

A survey of the holders of Renault bearer shares was carried out on December 31, 2013 to obtain an estimated breakdown of the public's ownership interest by category of major shareholder. At that date, institutional shareholders owned approximately 53% of the capital, with French institutions holding 9.84% and foreign institutions 43.16%. The 10 largest French and foreign institutional investors held approximately 18.6% of the capital. The remaining capital - 10% - is held primarily by individual shareholders.

5.2.6.2 SHAREHOLDER AGREEMENTS ON SHARES MAKING UP THE AUTHORIZED CAPITAL

RESTRICTIONS ON THE TRANSFER OF SHARES AND THE EXERCISE OF VOTING RIGHTS

As part of the Master Cooperation Agreement on long-term strategic cooperation signed on April 7, 2010 by Renault SA, Nissan Motor Co., Ltd., Renault-Nissan b.v., and Daimler AG, the Parties made the following commitments in accordance with Article L. 225-100-3 of French Commercial Code:

- lock-up commitment: for a five-year period beginning on the date of the Master Cooperation Agreement signature, Daimler commits to not transfer its holding in Renault without the prior agreement of the other parties. However, providing the transfer concerns all Renault shares and that the beneficiary is not a competitor of Renault, the lock-up commitment does not apply to the following cases: (i) transfer to a subsidiary, (ii) a public offer for Renault shares recommended by Renault's Board of Directors, (iii) a change in control of Renault. The commitment will end prematurely if the Master Cooperation Agreement is terminated before the end of the five-year period;
- right of first offer: if Daimler wants to transfer its Renault shares (either at the end of the lock-up commitment or during that period providing it has transfer authorization), Renault benefits from the right of first offer, allowing it to acquire those shares. If Renault chooses not to exercise its right, Daimler may sell its shares to third parties that are not competitors of Renault or sell them in the market;
- commitment in the event of a hostile takeover bid: after the end of the lock-up commitment, Daimler agrees to not tender its shares to a takeover bid for Renault that has not received approval from Renault's Board of Directors. This commitment will end on termination of the Master Cooperation Agreement.

ACTION IN CONCERT BETWEEN THE PARTIES

Renault and Daimler have represented and warranted that they are not acting in concert, directly or indirectly, as defined in Article L. 233-10 of the Commercial Code. To the best knowledge of the Company, and as at the date of this Registration document, there are no shareholder pacts governing relations between the Company's shareholders, and no actions in concert.

5.3 MARKET FOR RENAULT SHARES ✦

5.3.1 RENAULT SHARES

5.3.1.1 LISTING EXCHANGE AND STOCK INDEXES

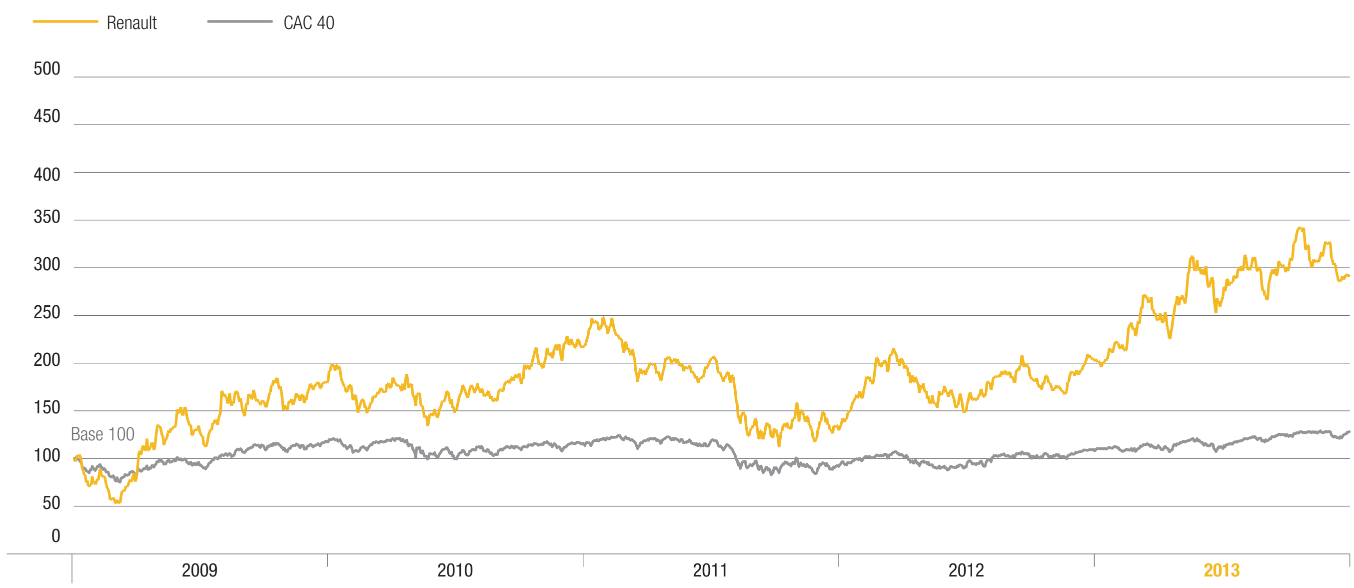
Renault has been listed on Euronext Paris (formerly the Paris Bourse) since November 17, 1994, when the Company was partially privatized. The issue price was FRF165 (€25.15). Renault was added to the CAC 40 index on February 9, 1995.

Renault shares (ISIN code FR0000131906, Symbol: RNO) are listed on Euronext – compartment A and qualify for the deferred-settlement account system (SRD) and for inclusion in French equity savings plans.

The share is also a component of the SBF, Euronext and Euro Stoxx Auto indexes.

Furthermore, Renault receives annual ratings from sustainability agencies for its performance in spheres such as risk management, labor relations and environmental protection, and it is included in diverse indexes (see chapter 2.6).

5.3.1.2 SHARE PRICE PERFORMANCE PAST 5 YEARS : + 193%



Renault share price and markets performance

	2013	2012	2011	2010	2009
Year high (€)	68.39	43.02	49.45	45.60	36.78
Year low (€)	39.67	26.60	22.34	26.765	10.57
Closing price (€)	58.45	40.685	26.80	43.50	36.20
Change during the year (%)	+44.09	+47.4	-39.4	+13.87%	+81.41%
CAC change during the year (%)	+18.0	+15.2	-17.0	-3.3	+22.3
DJES Auto change during the year (%)	+34.09	+35.25	-26.88	+49.19	+12.82
Number of shares exchanged during the year	283,176,634	440,033,635	544,887,488	629,829,836	744,070,260
Market capitalization (€ *million)*	17,285	12,031	7,925	12,864	10,315

The average share price in the last 30 trading days of 2013 was €60.70 (source: Reuters).

✦ Global Reporting Initiative (GRI) Directives

5.3.2 RENAULT AND DIAC REDEEMABLE SHARES ✦

5.3.2.1 RENAULT REDEEMABLE SHARES

CHARACTERISTICS

Renault issued a total of 2,000,000 redeemable shares with a par value of FRF1,000/€152.45, in two fungible issues of 1,000,000 shares in October 1983 and October 1984.

Renault redeemable shares are listed on Euronext Paris under ISIN code FR0000140014.

The issue prospectus (in French) can be downloaded from the Finance section of the renault.com site or obtained on request from the Investor Relations department (toll-free number +33 (0) 800 650 650).

Between March and April 2004 Renault made a public buyback offer for its redeemable shares at €450 per share. In all, 1,202,341 shares, or 60.12% of the total, were bought back and cancelled. The number of shares outstanding after the buyback was 797,659, unchanged at December 31, 2013.

PAYOUT

The gross interest on redeemable shares paid on October 24, 2013 in respect of 2012 was €21.15 (€10.29 for the fixed portion and €10.86 for the variable portion).

The interest on redeemable shares for FY 2013, payable on October 24, 2014, was €21.26, comprising €10.29 for the fixed portion and €10.97 for the variable portion, based on consolidated revenues of €40,932 million for 2013 and €41,270 million for 2012).

TRADING VOLUMES AND PRICES OF RENAULT REDEEMABLE SHARES OVER THE PAST 3 YEARS

	2013	2012	2011
Year high (€)	420.00	347.95	374.95
Year low (€)	306.55	291.05	279.05
Closing price (€)	392.00	312.05	290.50
Number of redeemable shares exchanged during the year	149,827	116,918	83,224

Source Reuters

5.3.2.2 DIAC REDEEMABLE SHARES

Diac, the French credit subsidiary of RCI Banque, issued 500,000 redeemable shares with a par value of FRF1,000/€152.45 in 1985.

Diac redeemable shares are listed on Euronext Paris under ISIN code FR0000047821.

At December 31, 2013, the number of redeemable shares issued by Diac in 1985 and still outstanding was 60,269. At the closing price of €165, they were worth a total of €9,944,385 (€9,188,009 at the par value of €152.45).

In the course of 2013, the share price fluctuated between €150 (Jan. 22) and €166.50 (Aug. 19).

5.3.3 DIVIDENDS ✦

In the first phase of the Renault 2016 Drive the Change plan, the company committed to pay out to shareholders the dividends received from shareholdings in listed companies, with a one-year time lag.

The purpose of that policy was to raise the profile of the dividend while achieving the debt reduction target. That target has now been reached so, for the second phase of the plan, Renault is putting forward a pay-out policy independent of the dividends received on holdings in listed companies.

The aim of this new policy is to offer returns at least equivalent to the average of European automakers.

The dividend will be paid on May 15 (or the following working day).

Meeting on February 12, 2014 the Board of Directors proposed to pay a dividend of €1.72 per share for FY2013. The dividend will be paid on May 15.

5.3.3.1 FIVE-YEAR DIVIDEND RECORD

Dividends are paid out at the times and places specified either by the Annual General Meeting or, failing this, by the Board of Directors.

YEAR	NO. SHARES IN AUTHORIZED CAPITAL AT DECEMBER 31	DIVIDENDS PER SHARE *(€)*	PAYABLE DATE
2009	284,937,118	0	-
2010	295,722,284	0.30	May 16, 2011
2011	295,722,284	1.16	May 15, 2012
2012	295,722,284	1.72	May 15, 2013
2013 (1)	295,722,284	1.72	May 15, 2014

(1) In accordance with the proposal of the Board of Directors and subject to the decision of the Combined General Meeting of April 30, 2014

5.3.3.2 UNCLAIMED DIVIDENDS

Dividends remaining unclaimed after the five-year validity period shall lapse, as specified by law. Unclaimed dividends are paid over to the French Treasury.

5.4 INVESTOR RELATIONS POLICY ✦

Since it was listed in November 1994, Renault has endeavored to provide its shareholders and investors with clear and transparent information on a regular basis.

5.4.1 INDIVIDUAL SHAREHOLDERS

Please see chapter 2.2.4.1

5.4.2 INSTITUTIONAL INVESTORS/SOCIALLY RESPONSIBLE INVESTORS

Please see chapter 2.2.4.2

5.4.3 2014 FINANCIAL CALENDAR

February 13 (before opening)	2013 annual results
April 24 (after close)	2014 Q1 revenues
April 30 (afternoon)	Annual General Meeting 2014
July 29 (before opening)	2014 half-year results
October 29 (after close)	2014 nine-month results

5.4.4 CONTACTS ✦

INVESTOR RELATIONS DEPARTMENT

E-mail: communication.actionnaires@renault.com

Toll-free voicemail: 0 800 650 650

Shareholder hotline: +33 (0) 1 76 84 59 99

Fax: +33 (0) 1 76 89 13 30

Phone information for employee shareholders: +33 (0) 1 76 84 33 38

Website: www.renault.com/Finance

Contact:

Thierry Huon

Renault Investor Relations Director

Telephone: +33 (0) 1 76 84 53 09 – Fax: +33 (0) 1 76 89 13 30

Renault shares can be registered with:
BNP Paribas Securities Service – Shareholder Relations
9 rue du Débarcadère
93761 Pantin Cedex – France
T: 892 23 00 00 in France
+33 (0)1 40 14 11 16 from other countries
F: +33 (0)1 55 77 34 17

5.4.5 PUBLIC DOCUMENTS

The following documents are available in the Finance section of the website www.renault.com:

- the articles of incorporation of the Company;
- financial press releases;
- the regulatory information that is published in full by electronic means (including on the website of the *Autorité des marchés financiers*, AMF), in accordance with the Transparency Directive, through a primary information provider named on a list published by the AMF. This information includes the Registration documents for 2012, 2011, 2010, 2009 and 2008, all filed with the AMF.

VOTE ONLINE

FOR THE AGM
WITH *VOTACCESS*

MIXED GENERAL MEETING OF **APRIL 30, 2014**

6

The elements of the annual financial report are identified by AFR

PRESENTATION OF THE RESOLUTIONS

Ladies and Gentlemen,

We have called a General Meeting in order to submit twenty-five resolutions to you:

- seventeen of them are being submitted to the Ordinary General Meeting;
- eight of them, the implementation of which may cause a change in the amount of the Company's share capital, are being submitted to the Extraordinary General Meeting.

In this report, we present the rationale behind each of the resolutions submitted to the vote of the General Meeting.

The course of business and the financial situation of the Company during the financial year ended on December 31, 2013 are described in the Registration Document (*"document de référence"*) of the Company.

ORDINARY RESOLUTIONS

Approval of the financial statements and the consolidated financial statements and allocation of the results

The first two resolutions deal with the approval of Renault's financial statements and consolidated financial statements for financial year 2013.

The accounts presented have been drawn up, in accordance with the regulations in force, using IFRS (International Financial Reporting Standards) for the consolidated financial statements and in compliance with French statutory and regulatory provisions for the Company's own annual financial statements.

The financial statements show a net profit of EUR 1,664,101,672.88.

The consolidated financial statements show a net profit of EUR 695,017,441.

The third resolution deals with the allocation of the results for financial year 2013 and the payment of dividends.

The dividend policy as defined for the "Renault-Drive the Change 2016" plan is to distribute in year n+1 the dividends received from listed affiliates (Nissan, Daimler, Avtovaz) during year n, plus potentially a percentage of year n operational free cash flow.

The Board of Directors proposes the payment, as a dividend, of an amount of EUR 508,642,328.48, equal to EUR 1.72 per share.

The ex-date for dividend payment would be May 12, 2014 and this dividend would be paid as from May 15, 2014.

As a result of this payment, the retained earnings would amount to EUR 6,438,656,747.67.

Pursuant to Article 243 bis of the French General Tax Code, the table below details the amounts of dividend per share, distributions eligible to the 40% tax relief provided for in paragraph 3-2° of Article 158 of the French General Tax Code for individuals who are French tax residents, and distributions not eligible to the 40% tax relief, that were granted for the preceding three financial years.

FISCAL YEAR	DIVIDEND	AMOUNT OF INCOME DISTRIBUTED ELIGIBLE TO THE 40% ALLOWANCE	AMOUNT OF INCOME DISTRIBUTED NOT ELIGIBLE TO THE 40% ALLOWANCE
2010	€0.30	€0.30	None
2011	€1.16	€1.16	None
2012	€1.72	€1.72	None

Regulated agreements

The fourth resolution relates to the approval of the so-called "regulated" agreements as approved by your Board of Directors pursuant to Article L. 225-38 of the French Commercial Code. The regulated agreements are those entered into during the financial year between the Company and its directors or a company that shares one or more directors with the Company.

In this respect, it is proposed to the General Meeting to approve the only so called new "regulated" agreement entered into during financial year 2013 which was approved by the Board of Directors at its meeting of December 12, 2013. This agreement is an amendment to the Master Cooperation Agreement concluded in 2010 between Renault SA, Nissan Motor Co. Ltd, Renault-Nissan B.V. and Daimler AG. This amendment aims at extending in the commercial area the cooperation as previously established between the parties.

This agreement is referred to in the special report of the statutory auditors relating to the regulated agreements and commitments, presented to the General Meeting for acknowledgement.

It is stated that, pursuant to applicable laws, the regulated commitments and agreements already approved by the General Meeting during the preceding financial years and which remain in effect are not submitted again to the vote of the General Meeting. They are mentioned in the above-mentioned statutory auditors' special report.

This special report is reproduced in Section 4 of the 2013 Registration Document of the Company.

Statutory auditors' report on redeemable shares

The fifth resolution proposes that the General Meeting takes formal note of the statutory auditors' report on elements used to determine the remuneration of redeemable shares, including in particular its variable part, linked to the development of Renault's consolidated turnover in 2013, as determined by constant methods with reference to a constant structure.

Renewal of Mr Carlos Ghosn term of office

The sixth resolution proposes to approve the renewal of the term of office of Mr Carlos Ghosn, for a new period of four years. These duties would expire at the end of the General Meeting which will resolve upon the financial statements of the financial year ending on December 31, 2017.

The profile (including details of his functions and mandates) of Mr Carlos Ghosn is set out in Section 3 of the 2013 Registration Document of the Company.

If this resolution is approved, the Board of Directors has declared that Mr Carlos Ghosn's duties as Chairman and CEO would also be renewed.

It is pointed out that the Company's governance structure is that of a Board of Directors with one Chairman of the Board acting as Chief Executive. This governance structure is adopted by a majority of French listed companies with a Board of Directors. It is viewed as being well suited to the organization and functioning of the Company, providing in particular responsiveness and efficiency in the decision-making process and ensuring greater cohesion in the entire organization.

Approval of the pension benefit in favor of the latter

The renewal of Mr Carlos Ghosn's duties is connected to the seventh resolution, relating to the approval of the pension benefit granted to his benefit.

During its meetings of October 28, 2004 and October 31, 2006, the Board of Directors has authorized the agreement under which a supplementary collective pension scheme was granted to senior executives, including Mr Ghosn.

The General Meeting of April 30, 2010 approved this pension scheme.

The pension benefit is described in the table set out below, summarizing the compensation due or granted to Mr Carlos Ghosn in respect of financial year 2013.

The pension benefit scheme is consistent with the provisions of the AFEP-MEDEF Code as reviewed in June 2013.

It is pointed out that the supplementary pension scheme is also open to other managers in the Group.

The Board of Directors, in his meeting held on February 12, 2014, confirmed Mr Ghosn's pension benefit, in the same conditions as previously approved by the General Meeting.

Advisory opinion on the remunerations due or granted to Mr Carlos Ghosn in respect of financial year 2013

In accordance with recommendation 24.3 of the AFEP-MEDEF Corporate Governance Code, to which the Company refers in accordance with article L. 225-37 of the French Commercial Code, the following elements of Mr Carlos Ghosn's remuneration, due or granted in respect of financial year 2013, are submitted to the shareholders for their advisory opinion.

The relevant elements of remuneration relate to: (i) the fixed part, (ii) the annual variable part and, as the case may be, the multiannual variable part with the objectives contributing to the setting of this variable part, (iii) exceptional compensations, (iv) share options, performance-based shares and any other long-term element of compensation, (v) indemnities related to the appointment or to the termination of office, (vi) the supplementary pension plan and (vii) the benefits of any nature.

Components of Mr Carlos Ghosn's, Chairman and CEO, remunerations due or granted in respect of financial year 2013

Elements of remuneration due or granted in respect of financial year 2013	Amounts or accounting valuation submitted to the vote	Comments
Fixed remuneration	**€ 1,230,000 (amount paid)**	This amount remains unchanged compared to the fixed remuneration granted in respect of financial year 2012. This remuneration was set by the Board of Directors on December 13, 2012, upon proposal of the Remuneration Committee.
Annual variable compensation	**€ 1,384,980 (112.6% of the fixed part) including: - € 346,245 paid in cash, and - € 1,038,735 to be received as a deferred payment in shares, as described in the section "Deferred variable compensation" hereafter.**	The Board of Directors, on a proposal from the Remuneration Committee, set the following performance criteria on December 13, 2012, in respect of financial year 2013: • Return on equity rate (15% maximum); • Operating margin (25% maximum); • Free cash flow (50% maximum); • A qualitative criteria relating to managerial skills, which is based on the following items (60% maximum): □ Implementation of the industrial strategy: assignments of vehicle and mechanical projects, implementation of competitivity agreements in France, industrial performance (development of manufacturing performance and Sourcing strategy), □ leadership in respect of environment: vehicles' CO2 emissions in Europe, Renault's carbon footprin, □ Development of a multi-annual R&D strategy: CMF (Common big Modules Families) approach and development of modules deployment policy, deployment of the Research and Advanced Engineering Plan, □ CSR: auditing of non-financial data, visibility, social impact, □ Daimler: production, co-development, new forms of cooperation, □ Synergies of the Alliance: increasing the amount of synergies. Each of the six items set above accounts for 10% in achieving the qualitative criteria.

Annual variable compensation		For confidentiality reasons, Renault does not communicate on the quantified target for each of the above criteria. Renault, however, communicates on the level of achievement of these criteria. With respect to financial year 2013, the Board of Directors, on a proposal of the Remuneration Committee, decided that the level of achievement of the financial criteria is 60.6% and the level of achievement of the qualitative criteria is 52%. Consequently, the variable compensation for financial year 2013 amounts to 112.6% of the fixed part, i.e. Euro 1,384,980 (compared to 117% of his fixed remuneration, i.e. Euro 1,439,100 for the 2012 financial year). The Board of Directors held on February 12th, 2014, on a proposal from the Remuneration Committee, also confirmed that the variable part of his compensation would be paid as follows: • 25% paid in cash in 2014, i.e. Euro 346,245 • the balance ("the Deferred Variable Compensation"), i.e. Euro 1,038,735, paid in shares, on a deferred basis, under the conditions described hereafter
Deferred variable compensation	**€1,038,735 (accounting valuation)**	The vesting of the shares received under the Deferred Variable Compensation for financial year 2013 May not occur before 2018, subject to the following conditions: **i.** a condition of presence within Renault in 2018, **ii.** performance conditions based on financial criteria regarding the CEO's Variable Compensation and assessed for the years 2014, 2015 and 2016. The number of shares acquired by Mr Carlos Ghosn will be determined depending on the amount of the deferred variable part, the risk of non-payment of this deferred variable part and the Group's performance over the 2014-2016 period.
Multi-annual variable compensation	**NA**	No multi-annual variable compensation.
Exceptional compensation	**NA**	No exceptional compensation.
Long-term element of compensation	**Stock-options (accounting valuation: €750,258)**	Under the authorization granted by the General Meeting of April 29, 2011 (11th resolution), the Board meeting of December 13, 2012, upon proposal of the Remuneration Committee, has decided to allocate: 150,000 stock options, subject to achievement of the following performance criteria: • free cash flow, for 80% of the options • the operating margin, for 20% of the options This allocation represents 0.05% of the share capital. The potential exercise of these options will not result in any dilution for shareholders, the shares potentially acquired being shares held in treasury by the Company. These options do not give rise to any hedging transactions. The Board of Directors held on February 12, 2014, found that the criteria were reached up to: 88.48%. 132,720 stock options granted for 2013 will be exercisable. The options may be exercised over a period of four years from their allocation, following a lock-in period of the same length, i.e. from 13 December 2016 until 12 December 2020. The CEO is obliged to hold shares equivalent to 50% of the net capital gain (net of tax and mandatory contributions) made on exercise of the options for the 2013 plan and the plan for the period 2011-2013 until such time as he leaves his position.
	Shares = NA **Other element = NA**	No allocation.
Attendance fees	**€48,000 (amount paid)**	This gross amount is paid in consideration of his duties as Director of Renault. M. Carlos Ghosn receives attendance fees as a Director of Avtovaz. The amount received in 2013 for the 2012 financial year was 1,894,910 roubles.
Valuation of the benefits in kind	**€6,162 (accounting valuation)**	These benefits in kind correspond to the provision of a company car.

Elements of compensation due or granted in respect of financial year 2013, which have been subject to the vote of the General Meeting pursuant to the regulated agreements procedure	Amounts submitted to the vote	Presentation
Compensation for termination of office	NA	No compensation clause for termination of office has been granted to the Chairman and CEO.
Non-compete indemnity	NA	No non-compete clause has been granted to the Chairman and CEO.
Supplementary pension plan	No amount is due for the last financial year	Mr Carlos Ghosn benefits from the collective supplementary pension scheme set up for members of the Group Executive Committee. This plan was approved by the Board meetings held on October 28, 2004 and October 31, 2006 and by the General Meeting of April 30, 2010 (10th resolution). This scheme has been confirmed by the Board meeting of February 12, 2014 and is subject to the approval of the General Meeting of April 30, 2014 (7th resolution). The supplementary pension plan for the benefit of the Chairman and CEO includes: • a defined contribution scheme equivalent to 8% (5% paid by the Company and 3% by the beneficiary) of annual remuneration, comprised between eight and sixteen times the upper earnings limit for social security contributions; • a supplementary scheme with defined benefits. The benefit of this scheme is subject to a minimum length of service of 5 years and at least 2 years as GEC member. The annual amount is equal to 10% of the reference compensation, plus 1.40% per year of seniority as GEC member beyond 5 years and 0.40% per year outside GEC if the seniority within Renault exceeds 5 years. This amount is capped at 30% of the reference compensation. The reference compensation used for calculating the amount of the pension benefits under the defined benefit plans is equal to the average of the three highest compensations in the past ten years before retirement. Compensation reference activity is capped at 65 times the annual social security ceiling. The total amount of the CEO's pension is less than or equal to 45% of his reference compensation.

In the event of a negative opinion, the Board of Directors shall meet as soon as possible to deliberate on the actions to be taken to follow-up the shareholders' expectations and shall release the result of its resolutions on the Company's website.

Appointment or renewals of directors' term of ofFICE

The ninth, tenth, eleventh, twelfth and thirteenth resolutions deal with the Board of Directors' composition.

- The **ninth resolution** proposes to renew the term of office of **Mr Marc Ladreit de Lacharrière**, for a period of four years, i.e. until the General Meeting resolving upon the financial statements of the financial year ending on December 31, 2017 **Mr Marc Ladreit de Lacharrière**[(1)] was born on November 6, 1940 and is a French national. As of December 31, 2013, **Mr Marc Ladreit de Lacharrière** held 1,020 Renault shares.
- The **tenth resolution** proposes to renew the term of office of **Mr Franck Riboud**, for a period of four years, i.e. until the General Meeting resolving upon the financial statements of the financial year ending on December 31, 2017 **Mr Franck Riboud**[(1)] was born on November 7, 1955 and is a French national. As of December 31, 2013, **Mr Franck Riboud** held 331 Renault shares.
- The **eleventh resolution** proposes to renew the term of office of **Mr Hiroto Saikawa**, as Nissan's Representative, for a period of four years, i.e. until the General Meeting resolving upon the financial statements of the financial year ending on December 31, 2017. **Mr Hiroto Saikawa**[(1)] was born on November 14, 1953 and is a Japanese national. As of December 31, 2013, **Mr Hiroto Saikawa** held 100 Renault shares.
- The **twelfth resolution** proposes to renew the term of office of **Mrs. Pascale Sourisse**, for a period of four years, i.e. until the General Meeting resolving upon the financial statements of the financial year ending on December 31, 2017 **Mrs. Pascale Sourisse**[(1)] was born on March 7, 1962 and is a French national. As of December 31, 2013, **Mrs. Pascale Sourisse** held 1,000 Renault shares.
- The **thirteenth resolution** proposes to appoint **Mr Patrick Thomas**[(1)] as a director, for a period of four years, i.e. until the General Meeting resolving upon the financial statements of the financial year ending on December 31, 2017. **Mr Patrick Thomas** was born on June 16, 1947 and is a French national.

The profiles of these candidates are provided hereafter in the section "Composition of the Board of Directors". The shareholders are also invited to report to this section concerning the situation of these candidates as regards the independence criteria set out by the AFEP MEDEF Corporate Governance Code. Amongst the directors, ten are qualified as independent, namely Mrs. de La Garanderie and Sourisse, Mrsrs. de Croisset, Belda, Delpit, Desmarest, Garnier, Ladreit de Lacharrière, Lagayette and Riboud. Independent Directors would thus represent 66.6% of the Board of Directors.

(1) See the profiles of the Directors on pages 40 to 43 of the 2013 shareholder's meeting notice.

Renewal and appointment of the principal and alternate statutory auditors

The fourteenth and fifteenth resolutions take note of the expiry of the principal and alternate Auditors' term of office and propose the renewal of one of the two groups of Auditors.

At the end of a selection process organized by the management, under the supervision of the Audit, risks and ethics Committee, the Board of Directors decided to ensure continuity of the work of the Statutory auditors while bringing a new and objective insight on the Company's activity.

- Therefore, the **fourteenth resolution** proposes to renew the term of office of Ernst & Young Audit and Auditex (1-2, place des Saisons Paris La Défense 1 – 92400 Courbevoie), as principal and alternate statutory auditors respectively for a new period of six financial years, i.e. until the end of the general meeting deciding on the accounts for the financial year ending on December 31, 2019.
- The **fifteenth resolution**, aims at proposing that the General Meeting appoints KPMG SA and KPMG Audit ID s.a.s (3, cours du Triangle – 92939 Paris La Défense Cedex), as new principal and alternate statutory auditors respectively, in replacement of Deloitte & Associés and BEAS which terms of office have expired, for a period of six financial years, i.e. until the end of the General Meeting deciding on the accounts for the financial year ending on December 31, 2019.

Authorization for the Board of Directors to purchase the Company's own shares

During year 2013, the Company did not acquire any share pursuant to the authorization granted by the General Meeting on April 29, 2013. The Company used 271,150 treasury shares in order to implement a performance shares plan granted to employees or the Chairman and CEO, in accordance with the authorization given by the General Meeting of April 29, 2013.

As at December 31, 2013, the Company held 3,784,305 shares in treasury, representing 1.28% of the Company's share capital. Shares held as treasury stocks are not entitled to dividends or voting rights.

The **sixteenth resolution** proposes to renew the authorization of the Board of Directors to trade in the Company's shares for a maximum period of eighteen months, which authorization would replace the authorization given at the last General Meeting.

This authorization would allow the implementation of a share buy-back program up to a limit of 10% of the share capital, corresponding to 29,572,228 shares as of December 31, 2013, as follows:

- maximum share purchase price: EUR 120 per share (excluding acquisition costs):
- maximum total amount of EUR 3,548.7 million, it being specified that, in the event of any transaction impacting the share capital of the Company, this amount will be adjusted in the same proportion;
- acquisitions at any time except during public offers targeting the Company and by any means within the limits set forth by the applicable laws or regulatory provisions.

The objectives of the share buy back program are described in the resolution submitted to the vote of the General Meeting.

An overview of the transactions carried out in accordance with the authorization granted would be presented to the General Meeting called to resolve upon the financial statements for financial year 2014.

Powers for formalities

The **twenty-fifth resolution** is a standard resolution which relates to the granting of the authority required for the fulfillment of advertisements and legal formalities.

EXTRAORDINARY RESOLUTIONS

Reduction of the share capital through the cancellation of shares

The **seventeenth resolution** proposes that the General Meeting authorizes the Board, to reduce the share capital by cancelling shares acquired as part of the share buy-back program, the terms of which are specified by the sixteenth resolution. The cancellation of shares results in a change in the amount of the share capital, and consequently a change in the terms of the Articles of Association, which can only be authorized by the Extraordinary General Meeting. The purpose of this resolution is therefore to delegate such powers to the Board of Directors.

This authorization would be granted for a period of 18 month and would replace the authorization granted by the Extraordinary General Meeting of April 29, 2013.

Furthermore, you are informed that the Board of Directors did not cancel any shares of the Company during the financial year ended December 31, 2013.

Authorization granted to the Board of Directors to issue shares or securities giving access to the share capital with or without preferential subscription rights

The purpose of the **eighteenth, nineteenth, twentieth, twenty-first** and **twenty-second resolutions** is to grant authorizations to the Board of Directors for a period of 26 months enabling it to conduct, at its sole initiative, different financial transactions through the issuance of ordinary shares or securities giving access to the share capital, with or without preferential subscription rights, and resulting in an increase in the capital of the Company, with a potential dilution effect.

The Extraordinary General Meetings of April 27, 2012 and of April 30, 2013 have granted to the Board of Directors the delegations of authority listed on the table set out below, it being understood that the said table specifies the circumstances and the conditions in which the Board of Directors has used some of these delegations and authorizations until the date of the present report. As these delegations and authorizations are now expiring, it is proposed to the shareholders to renew them.

These authorizations are subject to a global cap of **EUR 350 million** in respect of capital increases (which cap shall also apply to the capital increases made pursuant to the twenty-fourth resolution as described below), and **EUR 1 billion** in respect of the debt portion of the issuance of securities giving access to the capital (such as, for instance, convertible or exchangeable bonds).

In addition to this global cap, individual caps in line with best market practices apply depending on the type of transaction contemplated:

- the **eighteenth resolution** proposes to the shareholders to grant to the Board of Directors the authorizations necessary to implement transactions reserved to shareholders of the Company. These transactions would cover the issuance of ordinary shares and/or securities giving access, immediately or in the future, to ordinary shares of the Company or to debt securities. The securities could be in the form of equity or debt securities. Access to the share capital of the Company would result inter alia, from the conversion or exchange of a security or by the presentation of a warrant (bon). The maximum par value of ordinary shares to be issued as may be decided upon by the Board of Directors, immediately and/or in the future, while maintaining the preferential subscription right, would amount to **EUR 350 million**; this amount would lead to the issuance of new shares amounting to approximately 30% of the share capital existing at the present date. The amount of debt securities would be limited to EUR 1 billion. Under this resolution, if irreducible subscriptions and any reducible subscriptions do not absorb the entire issuance of shares or securities, the Board of Directors may decide to offer to the public all or part of the unsubscribed shares. The subscription price of shares and/or securities which may be issued in application of this resolution would be set by the Board of Directors, in accordance with market practices;
- the **nineteenth resolution** proposes to the General Meeting to grant to the Board of Directors the authorizations necessary to implement transactions through a public offering. These transactions would cover the issuance of ordinary shares and/or securities giving access, immediately or in the future, to ordinary shares of the Company or to debt securities. The securities could be in the form of equity or debt securities. Access to the share capital of the Company would result inter alia, in the conversion or exchange of a security or by the presentation of a warrant (bon).The maximum par value for issues that may be decided upon by the Board of Directors, immediately and/or in the future, while cancelling the preferential subscription right, by way of a public offering would amount to **EUR 120 million**; this amount would lead to the issuance of new shares amounting to approximately 10% of the share capital existing at the present date. This amount shall be subject to the overall cap of **EUR 350 million** mentioned above. The amount of debt securities would be limited to EUR 1 billion. Pursuant to this resolution, a priority right may be granted to shareholders, upon decision of the Board of Directors. This resolution provides that the share issuance price would be at least equal to the minimum amount provided for by applicable laws and regulations in effect at the time of the issuance (i.e., as at the date hereof, the volume-weighted average price on the last three trading days preceding the fixing of the price, less a maximum discount of 5%);
- the **twentieth resolution** proposes to the General Meeting to grant to the Board of Directors the authorizations necessary to implement transactions by way of private placements aimed at persons providing investment services consisting in portfolio management for third parties, qualified investors or a limited group of investors, in accordance with the provisions of article L. 411-2 II of the French monetary and financial Code. These transactions would cover the issuance of ordinary shares and/or securities giving access, immediately or in the future, to ordinary shares of the Company or to debt securities. The securities could be in the form of equity or debt securities. Access to the share capital of the Company would result inter alia, from the conversion or exchange of a security or by the presentation of a warrant (bon). The maximum par value for issues of ordinary shares that may be decided upon by the Board of Directors, immediately and/or in the future, while cancelling the preferential subscription right, in the context of private placements addressed to persons providing investment services consisting in portfolio management for third parties, qualified investors or to a restricted circle of investors under the conditions of article L. 411-2 II of the French Financial and Monetary Code, amounts to **EUR 60 million**, i.e up to a limit of approximately 5% of the share capital at the date hereof. This amount shall be subject to the above mentioned overall cap of **EUR 350 million**, and the specific overall cap of **EUR 120 million** provided in the nineteenth resolution for the issuances without preferential subscription rights. The amount of debt securities would be limited to EUR 1 billion.

  Furthermore, issuances of equity securities carried out by way of an offer as defined in article L. 411-2 II of the French monetary and financial Code are limited to 20% of the share capital of the Company per year.

  The aim is to facilitate the use of this form of financing, which may be faster and simpler than a capital increase by way of a public offering. This resolution provides that the share issuance price would be at least equal to the minimum price provided for by applicable laws and regulations in effect at the time of the issuance (i.e., as at the date hereof, the volume-weighted average price on the last three trading days preceding the fixing of the price, less a maximum discount of 5%);
- the **twenty-first resolution** proposes to the shareholders to grant to the Board of Directors the authorizations necessary to issue shares in exchange for securities tendered to a public exchange offer initiated by the Company on the securities of the Company or the securities of another company listed on a regulated market. The issuance of ordinary shares, immediately and/or in the future without preferential subscription right, that can be made in case of a public exchange offer made by the Company are limited to **EUR 120 million**. This amount shall be comprised in the above mentioned overall cap of **EUR 350 million**, and the specific overall cap of **EUR 120 million** provided in the nineteenth resolution for issuances of shares without preferential subscription rights. The Board of Directors

would have the power to determine the exchange ratios and, if required, the amount of the cash adjustment to be paid;

- the **twenty-second resolution** proposes to the shareholders to grant to the Board of Directors the authorizations necessary to issues shares in consideration for contributions in kind made to Renault and consisting of equity securities or securities giving access to the share capital. The par value for issues of ordinary shares or securities giving access to the share capital which may be carried out immediately and/or in the future in exchange for contributions in kind, without preferential subscription rights, are legally limited to 10% of the share capital existing at the present date, and specifically to **EUR 120 million.** This amount shall be comprised in the above mentioned overall cap of E**UR 350 million**, and the specific overall cap of **EUR 120 million** provided for in the nineteenth resolution. The Board of Directors would have the power necessary to decide any such issuance on the basis of the contribution auditors' report regarding the valuation of the contributions in kind and the granting of special benefits.

These resolutions, which constitute standard authorizations in accordance with market practices, have been specifically adjusted in order to give the Board the greatest latitude to act in the best of the Company's interests and meet the requirements of the market, while taking the expectations and concerns of the shareholders into account.

As every year, the shareholders shall be informed of any use of these authorizations in the summary table of authorizations mentioned in chapter 5.2.4 of the 2014 Registration Document.

Authorization granted to the Board of Directors to increase the share capital through the capitalization of reserves, profits or premiums

Pursuant to the twenty-third resolution, capital increases which would result from the capitalization of reserves, profits, premium or any other element which may be incorporated into the capital would be capped at EUR 1 billion (this amount being strictly identical to previous authorizations). The existence of a distinct and individual cap is justified by the different nature of the capitalization of reserves, profits or premium because this results either in the award of free shares to shareholders, or in the increase in the par value of existing shares, meaning that there is no dilution for the shareholders and no effect on the volume of the Company's equity.

The Board of Directors would have the power to determine the amount and nature of the amounts to be capitalized, determine the number of new shares to be issued and/or the amount by which the existing par value of the shares of the Company will be increased.

Authorization granted to the Board of Directors to increase the share capital by issuing shares reserved to employees

The **twenty-fourth resolution** proposes to the General Meeting, in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code, to approve a resolution allowing a capital increase reserved to employees of the Company or of companies affiliated to the Group within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code relating to employee shareholding, and Articles L. 225-138 and L. 225-138-1 of the French Commercial Code. This resolution grants the Board powers to carry out, in one or more installments, without preferential subscription rights, a capital increase reserved to employees who are members of company savings schemes, through the issuance of new shares and, where applicable, the award of performance shares, within a limit of 1% of the amount of the shares making up the share capital.

This limit is in line with market practices which adjust the cap according to the level of employees' shareholdings. This amount shall be comprised in the above mentioned overall cap of **EUR 350 million**, and the specific overall cap of **EUR 120 million** provided in the nineteenth resolution relating to the issuance of shares with preferential subscription rights.

This resolution provides that:

- the issuance price of ordinary shares cannot be above the weighted average opening market price on the last twenty trading days preceding the date on which the Board of Directors determines the opening date for the subscriptions, nor less than 20% of such average, or 30%, respectively, in the case of a savings plan;
- the characteristics of the issuances of other securities giving access to the capital of the Company shall be determined by the Board of Directors in accordance with applicable regulations.

This delegation is granted to the Board of Directors for 26 months as from the date of the General Meeting of April 30, 2014 and replaces the previous delegation authorized by the previous General Meeting.

Table of delegations regarding capital increases

The table hereafter, reproduced in Section 5 of the Registration Document, details the delegations remaining in effect granted by the shareholders of the Company to the Board of Directors regarding capital increases:

	DESCRIPTION OF THE DELEGATION GRANTED TO THE BOARD OF DIRECTORS	IMPLEMENTATION
12th resolution GM 2012	Issuance of ordinary shares or securities giving access to the share capital with preferential subscription rights of the shareholders. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Maximum cap for capital increases of EUR 350 million (about 30% of the share capital).	None
13th resolution GM 2012	Issuance of ordinary shares or securities giving access to the share capital without preferential subscription rights of the shareholders. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Overall cap for capital increases of EUR 120 million (about 10% of the share capital).	None
14th resolution GM 2012	Issuance of ordinary shares or securities giving access to the share capital by private placement. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Maximum cap for capital.	None
15th resolution GM 2012	Issuance of ordinary shares or securities giving access to the share capital in the event of an exchange tender offer. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Maximum cap for capital increases of EUR 120 million (about 10% of the share capital).	None
16th resolution GM 2012	Increase of the share capital by issuance of shares by contributions in kind. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Maximum cap for capital increases of EUR 120 million (about 10% of the share capital).	None
17th resolution GM 2012	Increase of the share capital by capitalization of reserves, profits or premiums, etc. Duration of 26 month, i.e. until the General Meeting resolving upon the 2013 financial statements. Maximum cap for capital increases of EUR 1 billion.	None
16th resolution GM 2013	Increase of the share capital by issuance of shares reserved for employees. Duration of 26 month, i.e. until the General Meeting resolving upon the 2014 financial statements. Maximum cap for capital increases of 1% of the share capital of the Company.	None

RENAULT'S TECHNICAL LANGUAGE EXPLAINED

ADDITIONAL **INFORMATION**

7

The elements of the annual financial report are identified by AFR sign.

7.1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT ✦

Person who accepts full responsibility for the Registration document and the related supplemental information:

Mr. Carlos Ghosn, Chairman and Chief Executive Officer.

I hereby declare that, to the best of my knowledge, the information in this document is correct and that all reasonable measures have been taken to that end. There are no omissions likely to alter the scope of this information.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the undertakings included in the consolidation taken as a whole; and that the management report in the Registration document includes a fair review of the development and performance of the business, the results and the financial position of the Company and all the undertakings in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

I have received a completion letter from Renault's statutory auditors stating that they have verified the information concerning the financial situation and the financial statements set forth in this Registration document, which they have read in full.

Paris, March 13, 2014

Chairman and Chief Executive Officer

Carlos Ghosn

7.2 INFORMATION CONCERNING FY 2011 AND 2012 ✦

Pursuant to Article 28 of Commission regulation (EC) 809/2004, the following historical data is incorporated by reference in the 2013 Registration document:

7.2.1 FY 2011 ✦

The 2011 Registration document was filed with the *Autorité des marchés financiers* on March 13, 2012 under No. D.12-0152 (French version).

The consolidated financial statements are outlined on pages 186 to 244 of chapter 4 and the corresponding audit report is on page 184 of chapter 4.

Financial information is on pages 54 to 57 of chapter 1.3.2.

Data not incorporated in this document is either not appropriate for investors or covered in another chapter of the Registration document.

7.2.2 FY 2012 ✦

The 2012 Registration document was filed with the *Autorité des marchés financiers* on March 13, 2013, under No. D.13-0128 (French version).

The consolidated financial statements are outlined on pages 196 to 254 of chapter 4, and the corresponding audit report is on page 194 of chapter 4.

Financial information is on pages 51 to 54 of chapter 1.3.2.

Data not incorporated in this document is either not appropriate for investors or covered in another chapter of the Registration document.

7.3 STATUTORY AUDITORS

7.3.1 STATUTORY AUDITORS

Deloitte & Associés

Represented by Thierry Benoit and Antoine de Riedmatten

185, avenue Charles-de-Gaulle

92200 Neuilly-sur-Seine

FRANCE

Deloitte & Associés was appointed by the French Finance Ministry on April 25, 1990. It was reappointed by the Joint General Meeting of June 7, 1996, April 26, 2002 and April 29, 2008 for a period of six years. This term will expire at the close of the Annual General Meeting convened to approve the accounts for 2013.

EY Audit

Represented by Mrs Jean-François Bélorgey and Bernard Heller

Tour First

1-2, place des saisons

92400 Courbevoie – Paris La Défense 1

FRANCE

Ernst & Young Audit was appointed by the French Finance Ministry on March 27, 1979. It was reappointed by the Joint General Meeting of June 7, 1996, April 26, 2002 and April 29, 2008 for a period of six years. This term will expire at the close of the Annual General Meeting convened to approve the accounts for 2013.

7.3.2 ALTERNATE AUDITORS

BEAS

Alternate for Deloitte & Associés

7-9, villa Houssay

92200 Neuilly-sur-Seine

FRANCE

Auditex

Alternate for Ernst & Young Audit

Tour First

1-2, place des saisons

92400 Courbevoie – Paris La Défense 1

FRANCE

The alternate auditors were appointed by the Joint General Meeting of June 7, 1996 for a six-year term. They were reappointed by the Joint General Meeting of June 7, 1996, April 26, 2002 and April 29, 2008 for a period of six years. This term will expire at the close of the Annual General Meeting convened to approve the accounts for 2013.

7.3.3 FEES PAID TO STATUTORY AUDITORS

The fees paid to statutory auditors and their networks are presented in note 29 of the appendix to the consolidated financial statement.

7.4 CROSS REFERENCE TABLES

7.4.1 DISCLOSURE REQUIREMENTS – ANNEX I/EC809/2004 ✦

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2	**Statutory auditors**	**346**
3	**Selected financial information**	
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	3.2 Interim information	n.a.
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	10.4 Information on any restriction on the use of capital resources that have materially affected or could materially affect, directly or indirectly the issuer's operations	n.a.
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12	**Trend information**	**42**
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14	**Administrative, management and supervisory bodies, and senior management**	
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✦ Global Reporting Initiative (GRI) Directives

7.4.2 ANNUAL FINANCIAL REPORT (ART. L. 225-100 AND L. 225-100-2 OF FRENCH COMPANY LAW) ✦

✦ Global Reporting Initiative (GRI) Directives

7.4.3 GLOBAL REPORTING INITIATIVE INDICATORS AND GLOBAL COMPACT PRINCIPLES 2013

	GRI INDICATORS[(1)]	GLOBAL COMPACT PRINCIPLES	PAGES
	STRATÉGY AND ANALYSIS		**1.6; 2.1.1; 7.1**
1.1	Statement from the most senior decision maker in the organization		2.1; 2.1.1
1.2	Description of key impacts, risks, and opportunities		1.5; 1.6; 1.2.1.1; 1.2.1.2
	PROFILE		
2.1	Name of the organization		5.1.1
2.2	Primary brands, products and services		1.1.4.1; 1.1.4.2; 1.1.6; 1.3.1
2.3	Operational structure of the organization		1.1.4.1; 1.1.6.2; 1.2.2
2.4	Location of organization's headquarters		5.1.1
2.5	Number of countries where the organization operates		1.1.4; 1.2.5.1
2.6	Nature of ownership and legal form		5.1.1
2.7	Markets served		1.3.1
2.8	Scale of the organization (number of employees, net sales, quantity of products or services provided)		1.1.1; 1.1.4.1; 1.1.4.2; 1.3.1
2.9	Significant changes regarding the size or structure of the organization…		–
2.10	Awards received during the reporting period		1.4.3
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3.1	Reporting period for information provided		1.1.1; 2.8.4; 4.1; 5.1.1; 7.2
3.2	Date of most recent previous report, if any		7.2.2
3.3	Reporting cycle		5.1.1.7
3.4	Contact point for questions regarding the report or its contents		5.4.4
3.5	Process for determining report content		2.8.3.1
3.6	Boundary of the report		4.2.7.1; 1.1.6.2; Note 3 (p216)
3.7	Information on any specific limitations concerning the boundary or scope of the report		4.2.7.1
3.8	Basis for reporting on joint ventures…		1.2.2
3.9	Data measurement techniques and bases of calculation		2.3
3.10	Any re-statements of information provided in previous reports		7.2.1
3.11	Changes from previous reporting periods		
3.12	Location of information in the report		7.4.1; 7.4.2
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4.3	Number of independent or non-executive directors in the Board of Directors		3.1.1.1; 3.1.1.8
4.4	Mechanisms for shareholders and employees to provide recommendations to the Direction of the organization		2.3.4.3; 3.1.1; 5.1.2; 2.2.4
4.5	Linkage between the compensation of management bodies and executives and the organization's performance		3.3.1
4.6	Procedures in place for avoiding conflicts of interest		3.1.1.3
4.7	Process for determining the qualifications of members of the Board of Directors		3.1.1.7
4.8	Internally developed statements of missions or values, codes of conduct and principles		2.1.5; 2.2.3; 3.1.4; 3.1.3
4.9	Procedures developed for overseeing the organization's management of economic, environmental, and social performance and their compliance with international standards		2.2; 2.4.2; 2.6.2
4.10	Processes for evaluating the highest governance body's own performance particularly with respect to economic, environmental, and social performance		3.1.1.7; 3.4.1
4.12	Externally developed Charters, principles or other initiatives to which the organization subscribes		1.2.3.1; 2.1.6; 2.5.1; 2.5.2
4.13	Memberships in associations		1.4.5.4; 2.5.2.3; 2.5.2.4; 2.2.6; 3.1.3
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(1) The ✦ symbol indicates information relating to the Global Reporting Initiative (GRI) directives.

	GRI INDICATORS[(1)]	GLOBAL COMPACT PRINCIPLES	PAGES
	ECONOMIC PERFORMANCE INDICATORS		
EC1	Economic value generated and distributed		1.1.1; 1.3.2; 2.3.3.2; 2.5.2; 4.2.1; 5.3
EC6	Policy, practices and proportion of spending on locally-based suppliers		2.2.3; 1.1.4.3
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit		2.2; 2.5.1.2; 2.5.2
	ENVIRONMENTAL PERFORMANCE INDICATORS		
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EN2	% of materials used that are recycled input materials	8 & 9	2.4.2.2 & 2.4.2.3
EN3	Direct energy consumption by primary source		2.4.2.1
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EN5	Energy saved due to conservation and efficiency improvements	8 & 9	2.4.3.3
EN8	Total water consumption, by source		2.4.2.4
EN10	% and volume of total water recycled and re-used		
EN11	Strategies for managing impacts on biodiversity	8	2.4.2.9
EN12	Description of significant impacts on biodiversity		2.4.2.9
EN16	Greenhouse gas emissions		2.4.2.1
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EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	8 & 9	2.4.2.1
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EN29	Significant environmental impacts of transporting products, other goods and materials		2.4.2.1 & 2.4.3.2
EN30	Total expenses and investments regarding environmental protections, per type.		
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LA2	Total number and rate of employee turnover by age group, gender, and region	6	2.3.1.1
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LA5	Minimum notice period regarding operational changes		2.3.4.2
LA7	Rates of injury, occupational diseases, lost days, absenteeism and work-related fatalities		2.3.3.1
LA8	Programs in place to assist workforce members, their families or community members regarding serious diseases		2.3.1.4; 2.3.2.1; 2.3.3.1
LA9	Health and safety topics covered in formal agreements with trade unions		2.3.4.1
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LA11	Programs for skills management and lifelong learning		2.3.1.4
LA13	Composition of governance bodies and breakdown of employees per category according to indicators of diversity	6	2.3.2.3
	HUMAN RIGHTS PERFORMANCE INDICATORS		
HR1	% and total number of significant investment agreements that include human rights clauses	1 & 2	2.2.3
HR2	% of suppliers and contractors that underwent screening on human rights and actions taken	1 & 2	1.5.2.1; 2.2.3
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken	1 & 3	2.3.4.1
HR6	Operations identified as having significant risk for incidents of child labor, and actions taken	1 & 5	3.1.3
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and actions taken	1 & 4	3.1.3
	SOCIETAL PERFORMANCE INDICATORS		
SO1	Programs and practices that assess and manage the impacts of operations on communities		2.5
SO2	Strategic business units analyzed for risks related to corruption		3.1.3; 3.1.4.2
SO3	Percentage of employees trained in anti-corruption policies and procedures		3.1.3
SO4	Actions taken in response to incidents of corruption		3.1.3
	PRODUCT AND CUSTOMER SATISFACTION PERFORMANCE INDICATORS		
PR1	Life cycle stages where health and safety impacts of products and services are assessed for improvement and % of products and services subject to such procedures		2.4.2.6; 2.4.3.2; 2.4.2.8
PR3	Type of product and service information required by procedures, and % of significant products and services subject to such information requirements		2.2.1.2
PR5	Practices related to customer satisfaction		2.2.1
PR6	Adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship		2.2.1

(1) The ✦ symbol indicates information relating to the Global Reporting Initiative (GRI) directives.

GLOSSARY

A

AVES: Alliance Vehicle Evaluation System. A system of quality checks conducted on new vehicles as they come off the assembly lines. AVES applies a detailed method comprising a static/visual component and a dynamic component to detect any visual or mechanical defects or abnormal noises.

C

CCT: Cross-Company Team. A team consisting of representatives from Renault and Nissan who explore opportunities for synergy between the two companies within the framework of the Alliance**.**

CVT: Continuously Variable Transmission. A gearbox technology that enable the vehicle to run at optimum power. A CVT delivers better fuel economy than a conventional automatic transmission. It provides a smoother, more comfortable driving experience by shifting seamlessly through gear ratios with no break in acceleration.

D

Downsizing: Reduction of engine size in cc, reducing consumption and gaz emissions while keeping performance on same level.

DPF: Diesel **Particulate Filter**. A particulate filter removes diesel particulate matter from exhaust gases by trapping them in a microporous honeycomb structure. The filter is automatically regenerated every 500 km.

E

EBA: Emergency Brake Assist. A system that detects emergency braking situations and instantaneously increases braking pressure to shorten the distance the vehicle takes to stop.

Engine downsizing. A reduction in engine capacity and number of cylinders. Downsizing fuel engines is one of the most economical ways to cut fuel consumption and greenhouse gas emissions with no loss of power.

Euro **NCAP:** European New Car Assessment Program. Safety standards for crash tests in Europe.

Euro NCAP performs crash tests to give consumers precise information about the safety of their cars.

Since 2009, Euro NCAP has released a single overall rating for each vehicle tested, which comprises assessments of Adult Occupant Protect, Child Occupant Protection, Pedestrian Protection and Safety Assist. Euro NCAP also publishes information about ESC fitment and the results of rear impact (whiplash) tests in terms of seat design.

Euro 5 and Euro 6. European Union emissions standards that set limits on emissions other than carbon dioxide (CO_2) for passenger cars and other vehicles. The Euro 5 emissions standard came into force **in September 2009 for new type approvals and for all new cars in January 2011.** In 2014, Euro 5 will be superseded by Euro 6, which focuses on nitrogen oxides (NOx).

F

FCF: Free Cash Flow. FCF is the amount of cash generated by a company after interest payments, tax and net investments. FCF is us**ed to:**

- reduce the Net Financial Debt of Automotive
- pay dividends
- buy back the company's own shares and minority interests
- make acquisitions and take stakes in affiliates**.**

FTT: Functional Task Team. A team consisting of representatives from Renault and Nissan who share their expertise in processes, standards and management tools within the framework of the Alliance.

Fuel cell. Consisting of a nucleus and a single electron, hydrogen is the simplest and lightest of the elements on the periodic table, fourteen times lighter than air. In a fuel cell, hydrogen and oxygen are brought into contact on either side of a polymer electrolyte membrane. They combine to produce water, the only "emission" of the engine, which generates electricity and heat. It is this electrical energy that powers the vehicle's electric engine.

G

GEC: Group Executive Committee. The GEC is responsible for the company's key policies and strategic decisions.

K

KPI: Key Performance Indicator. KPIs are used to measure the company's performance. They provide an overview of the Group's performance, which is reported monthly to the GEC. KPIs are the main tool for performance management in each geographical region or business line.

L

LAB: Laboratory of Accidentology, Biomechanics and Human Behavior. The LAB reflects will to improve road safety by combining several scientific disciplines at the crossroads between physics and human sciences. The accidentology and driver behavior teams analyze the causes and effects of road accidents with a view to improving prevention. The biomechanics team works toward better occupant protection.

N

NEDC: New European Driving Cycle. The NEDC is a standardized driving cycle and test procedure used to measure the emission levels and fuel economy of all types of vehicles in Europe. The NEDC is thus an objective criterion for assessing the performance of models by different manufacturers. The vehicle is placed on a roller test bench and subjected to three urban (ECE-15) cycles and one extra-urban driving cycle. The average of the four cycles is the average fuel economy.

O

OYAK-Renault: Renault's manufacturing partner in Turkey.

R

R&AE: Research and Advanced Engineering. R&AE activities are managed across the company's engineering departments using a shared, structured plan. The plan covers all vehicle, powertrain, product, process and service applications.

RMC: Regional Management Committee. The RMC represents most of the company's core business lines, meets monthly and works to improve volume and market share in the markets of its region.

T

TAM: Total Automotive Market. The TAM is an aggregate figure representing new registrations of all automotive makes in the same market. TAM is frequently used in conjunction with Market Share (MS).

TCE: Turbo Control Efficiency. TCE engines are equipped with a low inertia turbo that ensures minimal lag, thanks to its small-diameter turbine and compressor. The marriage of small capacity and low inertia turbo ensures lively response from low revs.

INITIALS AND ACRONYMS

A

AAA: French automobile manufacturers' association (*Association auxiliaire automobile*)

ABS: Anti-lock Braking System

ADEME: Environment and energy management agency (*Agence de l'environnement et de la maîtrise de l'énergie*)

AM: Asset Management

APP: EU Agency for the Protection of Programs

ARC: EU Accounting Regulatory Committee

ASFE: Alliance for Synthetic Fuels in Europe

AVES: Alliance Vehicle Evaluation System

AvtoVAZ: Renault's subsidiary in Russia

B

BOT: Build Operate Transfer Agreements

C

CAE: Computer-Aided Engineering

CAFE: Corporate Average Fuel Economy (indicator)

CARE: Renault Audit, Risks and Ethics Committee, also responsible for remuneration, international strategy, etc. (*Comité de l'audit, des risques et de l'éthique*)

CCI: Chamber of Commerce and Industry

CCT: Cross-Company Team

CDC: Public infrastructure investment agency (*Caisse des dépôts et consignations*)

CDP: Carbon Disclosure Project

CECC: Country Ethics and Compliance Committee

CESP: Company Employee Savings Plan

CMS: Constant Maturity Swap

CNC: National audit office (*Conseil national de la comptabilité*)

CNG: Compressed Natural Gas

CVT: Continuously Variable Transmission

D

DRIRE: Regional directorate for industry, research and the environment (*Direction régionale de l'industrie, de la recherche et de l'environnement*)

E

EBIT: Earnings before Interest and Tax

EBS: Emergency Brake Assist

ECB: European Central Bank

EIB: European Investment Bank

EIG: Economic Interest Grouping

ELV: End-of-Life Vehicle

EMU: Economic and Monetary Union

Eonia: Euro Overnight Index Average (overnight interest rate)

EPE: Association of environmentally-concerned companies (*Entreprises pour l'Environnement*)

ESP: Electronic Stability Program, also referred to as Electronic Stability Control (ESC)

EU: European Union

F

Fed: Federal Reserve System (United States central banking system)

G

GESP: Group Employee Savings Plan

GHG: Greenhouse Gases

GmbH: Limited liability company in German-speaking countries (*Gesellschaft mit beschränkter Haftung*)

GNP: Gross National Product

H

HMI: Human-Machine Interface

HR: Human Resources

I

IASB: International Accounting Standards Board

IBS: Identifiable Bearer Securities

ICPE: in France, environmentally-sensitive facilities, which must undergo regular inspections (*installations classées pour la protection de l'environnement*)

ICV: International Corporate Volunteer

IFA: French minimum turnover tax (*imposition forfaitaire annuelle*)

IFRS: International Financial Reporting Standards

ILO: International Labor Organization

ISO 9000: International Organization for Standardization quality management standard

J

JV: Joint Venture

K

KPI: Key Performance Indicator

L

LAB: Laboratory of Accidentology, Biomechanics and Human Behavior (*Laboratoire d'accidentologie, de biomécanique et d'études du comportement humain*)

LCA: Life-Cycle Assessment

LCV: Light Commercial Vehicle

Libor: London Interbank Offered Rate

M

MCV: Multi-Convivial Vehicle

MOU: Memorandum of Understanding

MPV: Multi-Purpose Vehicle

N

NER: New Economic Regulations Act of 2001, requiring listed companies to include environmental impact data in their annual reports (*loi sur les nouvelles régulations économiques*)

NGO: Non-Governmental Organization

NGV: Natural Gas Vehicle

NOx: Nitrogen oxides

NV: New Vehicle

O

OBSAR: Warrant bond (*Obligation à bons de souscription d'actions remboursables*)

OECD: Organisation for Economic Co-operation and Development

ONERA: French aerospace research agency (*Office national d'études et de recherches aérospatiales*)

OOIE: Other Operating Income and Expense

OSCE: Organization for Security and Co-operation in Europe

P

PC: Passenger Car

PDCA: Plan, Do, Check, Act

PEA: Equity investment plan (*plan d'épargne en actions*)

PEL: Homebuyers' savings plan (*plan d'épargne-logement*)

PERP: Retirement savings plan (*plan d'épargne retraite personnalisé*)

PIP: Practical Idea for Progress

PPM: Parts Per Million

R

R&D: Research and Development

R&AE: Research and Advanced Engineering

RCS: French business register (*Registre du commerce et des societés*)

REACH: Registration, Evaluation and Authorization of Chemicals

RGC: Renault Group Committee

RIA: Recyclability Index for Automobiles

ROCE: Return on Capital Employed

ROE: Return on Equity

S

SAM: Sustainable Asset Management, a sustainability rating agency

SRI: Socially Responsible Investing

SRP: Renault System for Restraint and Protection

SUV: Sport Utility Vehicle

T

TAM: Total Automotive Market

TCE: Turbo Control Efficiency

tCO_2eq: metric tons of CO_2 equivalent

TFI: International French-language proficiency test (*Test de Français international*)

TPAM: Third-Party Application Maintenance

U

UCITS: Undertakings for Collective Investment in Transferable Securities

UV: Used Vehicle

V

VAR: Value at Risk

W

WEF: World Economic Forum

WTO: World Trade Organization

Z

ZE: Zero Emissions


ZOE

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