REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT 2015

GROUPE RENAULT

summary

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

LABEL TRANSPARENCE

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

2015

REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT
APPROVED BY THE BOARD OF DIRECTORS ON FEBRUARY 11, 2016

This Registration Document is online on the website
www.groupe.renault.com

The French version has been filed with the AMF (French Financial Markets Authority) on March 24, 2016.

ALASKAN

TOTAL STAFF
AS OF YEAR-END 2015
120,136

GROUP REVENUES
WORLDWIDE (€ MILLIONS)
45,327

COUNTRIES
REPRESENTED IN MORE THAN
120

THE RENAULT GROUP

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

1.1 OVERVIEW OF RENAULT AND THE GROUP

The Group achieved a new sales record, with 2.8 million vehicles in 2015, an increase of 3.3% from 2014.

Our revenues were over €45.3 billion, an increase of 10.4%.

MESSAGE FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Ladies and Gentlemen,

2015 was a good year for Renault. We made decisive progress toward the realization of the goals of our Renault Drive The Change plan.

The Group achieved one of the major objectives of the Renault Drive The Change strategic plan, an operating margin of 5%, two years ahead of schedule. Our challenge now is to accelerate Group growth and achieve our second goal – €50 billion euros in revenues – while maintaining an operating margin of over 5%.

In Europe, we benefited from the market's recovery and consolidated our market share at 10.1%. Outside Europe, we withstood market distress and unfavorable currency fluctuations. Renault's internationalization strategy played a crucial role in diversifying its geographic exposure.

Our new products were very well received, especially the ESPACE, KADJAR and TALISMAN in Europe, the KWID in India and the OROCH in Latin America.

Sales to partners increased by 55%, making a solid contribution to the growth of our income and strengthening the proper use of our production capabilities.

In 2016, we will be marketing 10 new vehicles.

Our launches in Europe, our industrial presence in China, and the expansion of our range outside Europe should help us to improve our sales performance in all of our regions, despite difficult conditions in some markets.

Synergies within the Alliance with Nissan will continue to benefit from the sharing of common architectures, especially for the C&D vehicle segment.

Social and Environmental Responsibility is at the heart of the Group's actions, as demonstrated by our commitment to the COP21 goals. Renault was a solid partner at this event with its range of electric vehicles.

The development of our range of electric vehicles remains a key asset; the Group is leader in this market in Europe, thanks in particular to the success of the ZOE.

Innovation in self-driving vehicles will also continue, within the context of the Alliance. By 2020, the Alliance will launch more than 10 vehicles equipped with driving assist systems. Starting this year, our customers will enjoy new connected services with their smartphones, which will help them to transform their relationship with their vehicle and the brand.

2016 marks the return of Renault as a Formula 1 team. Our investment in F1, and in motor sports more generally, encourages technological innovation to the benefit of our customers. Renault intends to consolidate its status as a hot brand and its global reach. 2016 will also be year of Alpine's return, with a new vehicle in the series that will be revealed before the end of the year.

Finally, for this year, we anticipate global market growth of between 1% and 2% compared with 2015. Europe and France should increase by 2%. Internationally, Brazil (-6%) and Russia (-12%) are expected to experience further decline, while China (+4% to +5%) and India (+8%) should continue their growth apace.

In this context, at constant scope, Groupe Renault aims to:

- increase its revenue (at constant exchange rates);
- increase its operating margin to over 5%;
- generate positive free cash flow for automotive activity.

You will find below the details of all our activities in 2015.

Carlos Ghosn
Renault group Chairman and Chief Executive Officer

1.1.1 STRATEGIC OBJECTIVES

1.1.1.1 DRIVE THE CHANGE

Following the global financial crisis in 2008, in 2011 Renault launched a new six-year strategic plan entitled "Renault Drive the Change." In this plan, Groupe Renault sets itself two priorities: revive sales growth, and generate positive and sustainable free cash flow.

DRIVE THE CHANGE, FIRST STAGE (2011-2013): THREE YEARS OF MAJOR TRANSFORMATION

For the first three years of the plan (2011-2013), two quantified objectives were set:

- achieve sales of 3 million vehicles in 2013;
- generate €2 billion of cumulative free cash flow between 2011 and 2013.

Thanks to the efforts of the whole Company, Renault has maintained strict financial discipline, and has exceeded its target of generating €2 billion in cumulative free cash flow after three years of the plan.

The sales target could not be reached. Following an 8% fall between 2008 and 2010, in 2011 the Group forecast a 6% rise in the European automotive market during the period 2011-2013. In reality, the market continued to fall by a further 10%, reaching a new 20-year low. This gap of 16 points compared with forecasts, combined with the almost total disappearance of Groupe Renault's Iranian market, meant that it was unable to attain its sales target of 3 million vehicles in 2013, despite the steady progress made in emerging markets.

However, during the first three years of the plan, Groupe Renault changed considerably.

In Europe, Groupe Renault withstood the economic crisis by offering new, attractive products.

The overhaul of the models was a major factor in Renault's improved performance in Europe.

- The CLIO IV epitomizes Renault's design overhaul, while offering the latest innovations whether in terms of the environment or new connected technologies.
- The success of the CAPTUR is a testament to the Group's ability to find new growth opportunities, including in traditional segments such as the B-segment. The CAPTUR was the best-selling crossover in France in 2013, and number one in its segment in Europe. The Group returned to the number one spot in the B-segment in 2013.
- Lastly, the ZOE was launched, spearheading the zero emissions range. While sales are below expectations, by the end of 2013 the ZOE had become the best-selling electric vehicle in Europe, with a record customer satisfaction rate.

In 2010, Groupe Renault was still essentially a European car manufacturer; however, by 2013 its sales outside Europe had grown from 37% to 50%.

Groupe Renault has continued to expand its global access range with the LODGY and DOKKER, and to update it with the New LOGAN and SANDERO. In 2013, more than a million vehicles from this platform, assembled at eight production sites, were sold in 111 countries. With DUSTER, the Group has developed a global product, able to meet the very different needs of European, Brazilian, Indian and Russian customers.

The overhaul of the global access range made Groupe Renault an increasingly global competitor in 2013:

- five out of the Group's ten biggest markets are emerging countries, including Brazil in second place and Russia, in third;
- with the exception of Algeria, where Renault already made one in every four cars sold, Renault increased its market share in all emerging countries where it was present;
- in India, major progress has been made; market share is 2.2%, two years after the brand's relaunch.

DRIVE THE CHANGE, SECOND STAGE (2014-2017): A NEW PHASE OF ACCELERATION

In 2014, buoyed by these achievements, Groupe Renault moved up a gear for the second stage of the plan.

To ensure profitable and sustainable growth, two objectives, to be measured in 2017, were set: a growth objective and a profitability objective.

- Growth will be measured by revenue. This will make it possible to better take into account all Group activities: the sale of vehicles, parts and accessories, associated services and sales to partners. This indicator also reflects a desire to increase unit revenues: by adding value to products and brands. Once the plan has been fully rolled out, Renault expects Group revenues to be €50 billion (at exchange rates forecast by bank consensus in early 2014).
- Profitability will be measured by operating margin. From 2011 to 2013, the Company focused its efforts on free cash flow. This proved to be a wise choice in the context of the European economic crisis. Now the balance sheet has been improved, the second stage of the plan is focusing on operational profitability. Once the plan has taken full effect, Renault aims a Group operating margin of at least 5% of revenues. At the same time, and to maintain the greatest possible financial discipline within the Company, positive automotive operational free cash flow is imposed each year.

Groupe Renault has various levers it can use to achieve its objectives:

- To enhance economies of scale and competitiveness, the Group is accelerating the rollout of CMF platforms within the Alliance, which will provide savings that would never have been possible alone, and keep investment and R&D spending at under 9% of TO. Two shared Alliance platforms, CMF C-D and CMF B will each have 3 million vehicles, placing them in the top five worldwide. For Renault, 80% of future vehicles will be produced on a platform shared with a partner. Further, the development of standard modules makes it possible to cover two-thirds of the value of future vehicles, compared with one-third in 2013.
- In line with its international growth, in areas where vehicles are manufactured, Renault expects a local supply rate of 80%. This local sourcing is critical to ensure product competitiveness, particularly to reduce the exposure to changes in exchange rates.

- In Europe, thanks to its partners and the implementation of competitiveness plans, manufacturing capacity will be better used. In France, for example, Renault made a commitment in 2013 to a production volume of 710,000 vehicles by 2017, including 132,000 MICRA cars for its partner Nissan.

For the second stage of the plan, the product remains the key to growth and profitability, with attractive, competitive products. The product offensive is accelerating, both by renewing key models, and by extending the range and its geographical coverage.

- Buoyed by the success of its global access range, a new entry-level vehicle, the KWID, was launched in 2015 to extend the coverage of emerging markets. The aim is to offer a modern car for less than €5,000 in India, followed by South America. The KWID is based on the Alliance CMF-A joint platform.
- In the A-segment in Europe, the New TWINGO was launched in 2014. It is produced on the innovative platform developed with its partner Daimler.
- Since 2015, C- and D-segment vehicles have gradually been completely updated based on an Alliance CMF platform. In Europe, they will be produced at the Douai and Palencia plants. This approach makes it possible, for example, for the new generation MEGANE to be developed on a platform of 3 million units, compared with 700,000 on the old platform. The TALISMAN, a new D-segment saloon, has also been developed on this 3 million-unit platform, compared with 160,000 units for the LAGUNA in the past. Replacements for the ESPACE, MEGANE, SCENIC and a new D-segment vehicle will thus be launched successively.
- Following the success of the CAPTUR, a complete range of crossover vehicles will be introduced by extending the offering to the C (KADJAR) and D-segments.
- Finally, the range of light commercial vehicles is joined by two new pick-ups. This will improve coverage of this segment, which is the core market in many emerging countries. In Europe, the New TRAFIC was launched in 2014. It is produced in the Sandouville plant, and developed in partnership with GM.

Strengthening the Renault brand remains a priority:

- the product plan, innovations and improvements in quality and customer satisfaction are contributing to this;
- the attractiveness and competitiveness of the cars is being improved by introducing useful, appealing innovations accessible to as many people as possible. In this regard, connected and driverless vehicles are a major area of development opportunities between now and 2020. These vehicles will be launched on the market in successive stages;
- Renault's commitments to environmental responsibility will be honored by continuing to work on developing EVs and reducing the CO2 emissions of its internal combustion vehicles.

Commercially the Group aims to:

- secure Renault's position as the world's leading French automotive brand;
- position Renault permanently as the second-largest brand in Europe;
- build on Dacia's position as the leading brand in its category.

Establishing a presence in China is another major priority for Renault. In December 2013, the joint venture with Dong Feng was made official, and the initial 150,000 vehicle capacity plant built in Wuhan is now operational. The first models, C and D-segment crossovers, will be launched from 2016.

At the start of 2014 a project to increase synergies between Renault and Nissan was announced. It led to joint management being set up in four spheres: purchasing, engineering, manufacturing and logistics, and human resources. For 2016, the Alliance set itself an objective of at least 4.3 billion of synergies. These synergies will contribute to the success of the Renault plan.

1.1.2 MANAGEMENT BODIES AT APRIL 1, 2016

The Renault Board of Directors has chosen as its mode of governance, to combine the roles of Chairman of the Board of Directors and CEO.

A detailed explanation of the mode of governance is given in section 3.1.1.4.

The Chairman and CEO relies on the Group Executive Committee (GEC) to steer the Group's operational management. The GEC benefits from the support of the Renault Management Committee (RMC) and the Operations Review Committee, which have a larger number of members.

1.1.2.1 GROUP EXECUTIVE COMMITTEE

The Group Executive Committee takes strategic, financial and operational decisions subject to the functions allocated at the Board of Directors' meeting.

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

The members of the Group Executive Committee regularly attend Board meetings.

The Group Executive Committee has twelve members:

- the Chairman and CEO;
- the Chief Competitive Officer, whose main roles are to ensure the development of an attractive product range, make the product offering more competitive, optimize costs, boost quality and improve the profitability of programs;
- the Chief Performance Officer, whose main responsibility is to ensure the profitable growth of the Group. To do so, he is fully responsible for the Regions and the After Sales Business on a worldwide basis. The scope of responsibility of the Region includes the full business scope, including all upstream and downstream activities. He ensures the regional needs are taken into account by the respective Functions of the Company. He ensures the profitability through cost & profit optimization by models & by markets, and fosters cross-regional synergies. He supports the process and methods defined by the Functions to support regional needs and profitable growth;
- the Group Sales Director, whose main responsibility is to ensure the market share growth and profitability of the sales while enhancing brand image and customer satisfaction. He defines the process and methods of the Sales Function in Sales, Marketing and Digital areas. He supports and challenges the Regions;
- the Executive Vice President, Office of the CEO, who supervises the following: the Legal Affairs department, the Public Affairs department, the Communications department, the Public Relations department, the Corporate Social Responsibility department, the Property & General Services department, the Prevention and Group Protection department, the Transversal Teams department, the Operational Costs Economic Efficiency Program;
- the Executive Vice President, Engineering;
- the Executive Vice President for Human Resources Group and Alliance;
- the Executive Vice President for Group Product and Planning Programs;
- the Executive Vice President for Group Manufacturing and Logistics;
- the Executive Vice President for Quality and Customer Satisfaction;
- the Group Chief Financial Officer;
- the Executive Vice President, Europe Region.

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

1.1.2.2 RENAULT OPERATIONS REVIEW COMMITTEE

The Operations Reviewing Committee is in charge of operational decisions and eviewing performance at the regional level:

- business KPIs;
- free cash flow management;
- profitability, programs and planning;
- various reports: quality, electric vehicles, fixed costs, etc.
- The Operations Review Committee has 18 permanent members:
- the 12 members of the Group Executive Committee;
- the Executive Vice Presidents of the Eurasia, Americas, Africa-Middle East-India and Asia-Pacific Regions (the Executive Vice President for Europe is on the Group Executive Committee and takes part in the Operations Review Committee in this capacity);
- the SVP, Group Control;
- the SVP, Purchasing.

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

1.1.2.3 RENAULT MANAGEMENT COMMITTEE

At RMC meetings, decisions and discussions of the Group Executive Committee are presented for implementation within the Group.

The Management Committee includes the 12 members of the Group Executive Committee and the representatives of the Group's main departments. It is chaired by Mr. Carlos Ghosn.

The RMC meets once a month.

UNITED FOR PERFORMANCE

GROUP EXECUTIVE COMMITTEE

MARIE-FRANÇOISE DAMESIN
EVP, Group and Alliance Human Resources

CARLOS GHOSN
Chairman and CEO

JOSÉ-VICENTE DE LOS MOZOS
EVP, Group Manufacturing & Logistics

THIERRY KOSKAS
EVP Group Sales and Marketing

THIERRY BOLLORÉ
Chief Competitiveness Officer

GASPAR GASCON ABELLAN
EVP, Engineering

2015 was a good year for Renault, which saw decisive progress towards achieving the goals of our «Renault Drive the Change» plan.

Carlos Ghosn, Chairman and CEO

MOUNA SEPEHRI
EVP, Office of the Renault CEO

BRUNO ANCELIN
EVP, Group Product Planning and Programs

JEAN-CHRISTOPHE KUGLER
EVP, Europe Region

STEFAN MUELLER
EVP, Chief Performance Officer

CHRISTIAN VANDENHENDE
EVP, Quality and Total Customer Satisfaction

DOMINIQUE THORMANN
Group CFO, Chairman of RCI Banque

1.1.3 KEY FIGURES

MAIN CONSOLIDATED FIGURES OVER THREE YEARS – PUBLISHED DATA(1)

(€ million)	2015	2014	2013
Revenues	45,327	41,055	40,932
Operating margin	2,320	1,609	1,242
Share in Nissan Motors net income	1,976	1,559	1,498
Renault net income	2,823	1,890	586
Earnings per share (€)	10.35	6.92	2.15
Share capital	1,127	1,127	1,127
Shareholders' equity	28,474	24,898	23,214
Total assets	90,605	81,551	74,992
Dividends (€)	2.40[2]	1.90	1.72
Automotive cash flows[3]	3,451	3,138	2,914
Automotive net cash position	2,661	2,104	1,761
TOTAL WORKFORCE AT DECEMBER 31	**120,136**	**117,395**	**121,807**

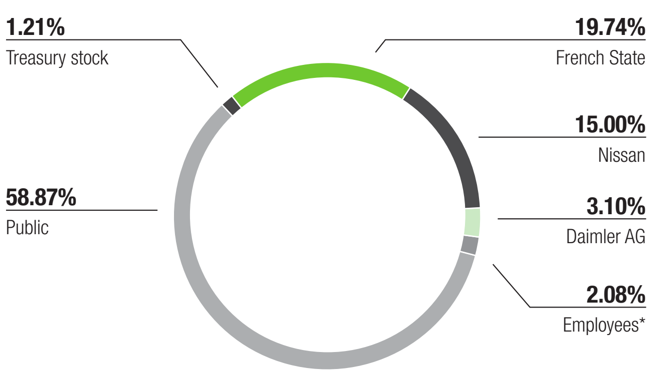
(1) This information is for reference only and is not always directly comparable year-on-year, since it may include changes in scope and/or accounting practices. See chapter 4, note 3 in the notes to the consolidated financial statements.
(2) Proposal to be submitted to the AGM on April 29, 2016.
(3) Excludes dividends received from listed companies.

OPERATING MARGIN (€ millions)	2015	2014	CHANGE
AUTOMOTIVE	**1,496**	**858**	**+638**
As a % of Automotive revenues	3.5%	2.2%	+1.3 pt
SALES FINANCING	**824**	**751**	**+73**
GROUP OPERATING MARGIN	**2,320**	**1,609**	**+711**
As a % of Group revenues	5.1%	3.9%	+1.2 pt

	2015	2014	CHANGE
Worldwide registrations (units)	2,801,592	2,712,432	+3.3%
Group revenues (€ millions)	45,327	41,055	+10.4%
Including:			
Automotive	43,108	38,874	+10.9%
Sales financing	2,219	2,181	+1.7%

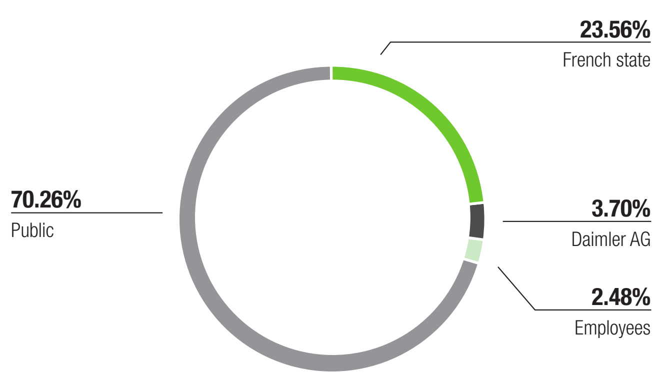
RENAULT SHAREHOLDERS AT DECEMBER 31, 2015

BREAKDOWN OF CAPITAL AS A %



** The portion of shares held by employees and former employees that are taken into account in this category corresponds to shares held in the FCPE mutual fund.*

BREAKDOWN OF VOTING RIGHTS* AS A %



** Cf. chapter 5.2.6.1.*

1.1.3.1 GROUP RENAULT, ONE GROUP THREE BRANDS

An automaker since 1898, the Renault Group today is a multi-brand international group, which in 2015 sold more than 2.8 million vehicles in 125 countries. It has over 120,000 employees and produces vehicles and mechanical products at 36 manufacturing sites. In order to address the great technological challenges of the future and pursue its profitable growth strategy, Groupe Renault:

- is committed to sustainable mobility for everyone, through innovative solutions such as electric vehicles;
- is developing profitable growth, in particular due to the Renault-Nissan Alliance and its other partners.

RENAULT, THE GROUP'S GLOBAL BRAND

2,170,644 Vehicles sold

Renault is present in 125 countries and has more than 12,000 points of sale. With more than 116 years of history, Renault has forged its identity through ingenious innovation in the service of people.

DACIA, THE GROUP'S REGIONAL BRAND

550,920 Vehicles sold

Dacia is sold in 44 countries in Europe, Northwest Africa and Turkey. The brand has attracted 3.5 million customers since 2004, by offering a robust line of vehicles at a reasonable price.

RSM, THE GROUP'S LOCAL BRAND

80,028 Vehicles sold

RSM is sold in South Korea. Its product line covers the middle-end and high-end market segments, as well as Sport Utility Vehicles.

1.1.3.2 THE RENAULT GROUP'S TOP FIFTEEN MARKETS

	REGISTRATIONS	RANKING 2014	VOLUMES 2015* (in units)	PC / LCV MARKET SHARE 2015 (%)	CHANGE IN MARKET SHARE ON 2014 (points)
1	France	1	607,173	26.4	-0.2
2	Brazil	2	181,504	7.3	+0.2
3	Germany	4	177,787	5.2	-0.2
4	Turkey	5	162,175	16.8	-0.6
5	Spain	7	156,108	13.1	-0.0
6	Italy	6	154,730	9.1	+0.2
7	United Kingdom	8	128,269	4.3	+0.4
8	Russia	3	120,411	7.5	-0.3
9	Algeria	9	90,182	35.6	+8.7
10	Belgium + Luxembourg	12	82,374	13.3	+0.3
11	South Korea	11	80,017	4.4	-0.5
12	Argentina	10	79,383	12.7	-0.2
13	India	15	53,848	1.7	+0.2
14	Iran	20	51,500	4.8	+1.9
15	Morocco	14	50,369	38.2	+1.2

* *Figures as of end-December 2015.*

1.1.4 HIGHLIGHTS

2015

February

Renault RECRUITS

Renault announced 1,000 recrutments in France in 2015, consistent with the "Contract for a new dynamic of growth and social development".

March

ZOE gets MORE RANGE

ZOE's range is increased to 240km NEDC(1) thanks to the new R240 motor combined with a battery with optimized electronic management. The 100% Renault motor was designed by the engineers at the Technocentre and the Cléon plant, where it is manufactured.

April

"Renault – Passion FOR LIFE"

To accompany the market launch of New ESPACE, Renault rolls out its new brand signature "Renault – Passion for life".

Five years of cooperation between DAIMLER AND THE RENAULT-NISSAN ALLIANCE

The strategic partnership between Daimler and the Renault-Nissan Alliance celebrates its fifth anniversary. The number of joint projects has risen from 3 to 13 in Europe, Asia and the Americas.

June

ALPINE, 60 YEARS OF HISTORY

ALPINE celebrates 60 years of motorsport passion by unveiling its new ALPINE Celebration show car, developed specially for the Le Mans race.

First title in the history OF ALL-ELECTRIC MOTORSPORT

The e.dams-Renault team wins the first Formula E Championship title.

July

Record synergies for THE RENAULT-NISSAN ALLIANCE

The Renault-Nissan Alliance publishes the record amount of synergies generated in 2014: €3.8 billion.

September

Renault reveals ALASKAN SHOW TRUCK

After DUSTER Oroch, Renault pursues its conquest of the international pick-up market with the revealing of the Alaskan show truck with a one-tonne payload.

October

TWINGO out to conquer ASIA

TWINGO makes its first appearance in Asia at the Tokyo Motor Show. Launch is planned for 2016.

November

Already 3.5 million DACIAS SOLD!

In a little over ten years, Dacia has won over 3,500,000 customers in Europe and the Mediterranean countries.

December

Renault-Nissan Alliance AT COP21

Some 200 Alliance electric vehicles transport nearly 8,000 COP21 participants, in the process preventing the atmospheric emission of 18 tonnes of CO2 during the event.

Renault returns with a FORMULA 1 TEAM IN 2016

The Renault Group and Gravity Motorsports SARLs, finalize the Group's acquisition of a majority shareholding in the capital of Lotus F1 Team Limited.

LAUNCHES

2015

New ESPACE

Revealed in late 2014 and launched in early 2015, Renault ESPACE offers a customizable driving and onboard experience with Renault MULTI-SENSE®. It boasts unique agility and roadholding thanks to 4CONTROL® (4-wheel steering) technology.

KADJAR

Renault presents KADJAR, the brand's first C-segment crossover and big brother to CAPTUR, with international ambitions.

CLIO R.S. 220 EDC TROPHY

CLIO R.S. The 220 EDC adopts the Trophy badge following in the footsteps of MEGANE R.S. in 2014. The Trophy label, making its debut on CLIO R.S. in 2005, is synonymous with powerful engines and chassis and with exclusive style and ambiance.

Limited series DACIA TENTH ANNIVERSARY

To celebrate its 10 years of success, the brand presents a special limited series featuring the Media Nav Evolution navigation system.

KWID

Renault launches KWID in India. The new compact car offers the comfort and practicality of a city car for all the family. It had a promising start, with 85,000 orders in the first three months it was marketed.

DUSTER OROCH

Renault DUSTER Oroch, world-revealed in Argentina, is the manufacturer's first foray into the pick-up segment.

(1) New European Driving Cycle.

SANDERO R.S. 2.0.

Also presented at the Buenos Aires Motor Show, Renault SANDERO R.S. 2.0 is the first Renault Sport car manufactured outside Europe, designed for Latin America.

TALISMAN

Renault unveils its new D-segment saloon, TALISMAN (also available in an Estate version). With its generous dimensions and record cabin space, the TALISMAN features the classic and prestigious styling of this segment.

New Renault MEGANE

Twenty years after the launch of MEGANE, Renault renews its core range with New MEGANE. The new model stands out with its dynamic styling and distinctive light signatures at the front and rear.

SALES FINANCING

In 2015, RCI Banque experienced record activity and financed 1,389,836 contracts, with growth of 11.6% over the year.

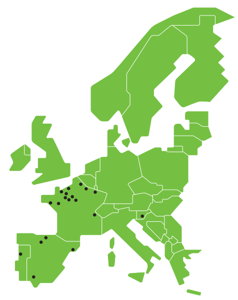
The penetration rate was 37.1% versus 35.2% in 2014. Outside Turkey, Russia and India (companies consolidated by the equity method), this rate is even 40.0%, versus 36.9% in 2014.

In this context, new finance contracts (excluding cards and personal loans) were up across all Alliance brands for a volume of €15.6 billion, up 23.9% over the year.

A pillar of the RCI Banque group strategy, the Services activity is a success, since the volume of new service contracts jumped 31.5% in the year to around 2.9 million services (including close to 60% services associated with vehicles).

HIGHLIGHTS

Europe Region



Industrial sites:

Batilly, Caudan, Choisy-le-Roi, Cléon, Dieppe, Douai, Flins, Grand-Couronne, Le Mans, Maubeuge, Ruitz, Sandouville, St-André-de-l'Eure, Villeurbanne (France),
Cacia (Portugal), Novo Mesto (Slovenia),
Palencia, Seville, Valladolid (Spain)

Strong increase of over 10%

Sales increased in all European countries in 2015.

- With 1,613,499 registrations, the Group recorded a 10.2% increase in sales, raising its market share to 10.1%. All the countries posted sales increases, with particularly strong performances in Spain (up 22.3%, with the Renault brand in the no. 1 spot), the UK (up 17.7%) and Italy (up 18%, with record market share of 9.1%).
- For the first time since 2006, sales in the G9 countries topped the one million mark.
- Renault reaffirmed its leadership in the electric vehicle market, notably thanks to ZOE, the market number-one with a 68% rise in volume.
- The Renault brand was the LCV leader for the 18th consecutive year.
- Renault maintained its leadership position in the city-car market with the success of CLIO and CAPTUR. The strong starts made by KADJAR – with over 50,000 sales already – and New ESPACE – with three times more sales than the previous version in 2014 – show considerable promise.
- Ten years after its debut in Europe, the Dacia brand once again increased its registrations in 2015 (up 3.6%) and set a new sales record with 374,458 registrations.
- The four vehicles launched in Europe in 2015 (ESPACE, KADJAR, TALISMAN and MEGANE) are all produced in European plants. The Palencia plant was transformed to take on production of KADJAR and New MEGANE, with the installation of 350 new robots.
- Since 2011, the diesel mix of the European car market continued to drop by 1 point per year, falling from 59.5% to 55.6% in 2015. This decline is largely in favor of gasoline. Electric vehicle sales grew 0.1 points per year (0.1% in 2011, 0.6% in 2015) and hybrids/rechargeable hybrids by 0.3 points per year (0.7% in 2011, 2% in 2015). For Groupe Renault at the end of 2015, the diesel mix represented 61.3% of sales in Europe.

Renault ESPACE

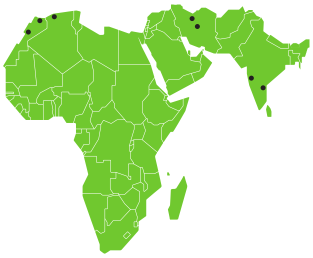
Close-up on France

Renault strengthens its French market leadership

Sales growth of 5.1% for a 26.4% share of the market.

- Groupe Renault PC+LCV sales grew 5.1% in 2015, topping the 600,000 mark for the first time in four years. The Group took a 26.4% share of the market.
- Groupe Renault ranked five vehicles in the PC top ten and four in the LCV top six.
- The Renault brand strengthened its PC leadership (20% market share, up 0.2 point) and its LCV leadership (32%, up 1.8 point).
- CLIO was the top-selling vehicle in France for the sixth year running, with over 100,000 registrations.
- TWINGO, CLIO, CAPTUR and ESPACE (PCs) and KANGOO, TRAFIC and MASTER (LCVs) are the leaders of their respective segments.
- ZOE, the undisputed leader in electric vehicles, further strengthened its position, accounting for a full 60% of the fast-growing electric PC market.
- Dacia is number-five in the PC market, and even ranks number-four in sales to private motorists.

Africa, Middle East, India Region



Industrial sites:

Casablanca, Tangiers (Morocco),
Chennai, Pune (India),
Oran (Algeria),
Tehran (Iran)

Growth of 17% in 2015

In 2015 the Africa, Middle East, India Region became Renault's second-biggest market in terms of sales volumes, behind Europe.

- Group registrations in the Africa, Middle East, India Region grew 17% in 2015 to nearly 360,000 vehicles, for a 4.5% share of the market (up 0.7 point). Group market share increased in the main markets of Algeria, India, Iran and Morocco.
- The Group accounts for more than one-third of the North African market. It posted record market share of 35.6% in Algeria, an increase of some 8.7 points. The performance was driven by local production of SYMBOL in Oran. In Morocco, where Dacia and Renault rank as the number-one and number-two brands respectively, registrations grew 11.5%. Group market share came to 38.2%, up 1.2 point.
- In Egypt, Africa's second-largest market, sales rose 73.8% for a market share of 7.5% (up 3.4 points).
- In India, Renault continues to rank as the number-one European automotive brand, with sales up 20.1%. KWID is off to a highly promising start with 85,000 orders taken between launch in September and the month of December.
- Group plants in the Region increased production by more than 29% on 2014. In Morocco, a third shift was introduced at the Casablanca and Tangiers plants. In Algeria, a second shift was rolled out at Oran.
- Importers also contributed to success in the Region, especially in Egypt, the Middle East and the overseas departments.

Renault CLIO

Renault KWID in Chennai (India)

Eurasia Region

Industrial sites:

Bursa (Turkey), Moscow, Togliatti (Russia), Pitesti (Romania)

Renault shores up its positions despite a contrasted economic environment

Group market share rose 1.6 point, to 11.9%, mainly thanks to strong momentum in Turkey, where it set a new sales record.

- With over 360,000 registrations (down 8.6%), the Group's market share rose 1.6 point to 11.9%, mainly thanks to strong momentum in Turkey (up 21.7%).
- Despite the economic crisis in Russia, where the market plunged by over 35% and Groupe Renault registrations were down 38.1%, market share was practically stable at 7.5% as part of a policy to safeguard margins.
- DUSTER was the top-selling SUV in Turkey, Russia and Ukraine in 2015. The car's position in Russia was boosted by the arrival of new DUSTER in July 2015. Sales of the popular SUV in Ukraine grew a full 82%. In Turkey, thanks to DUSTER's success, Groupe Renault set a new sales record.
- Renault was the leader in Belarus and Ukraine in 2015. In Belarus, one in four cars on the road is a Renault*. In Ukraine, where Renault celebrated 15 years of presence, the brand topped the sales rankings with a record market share of 10.2% (up 4.4 points) through the leadership status of LOGAN and the success of DOKKER in the LCV segment.
- The Group led the market in Bulgaria, where for the third consecutive year Dacia ranked first and Renault second. The Group took a 24.4% share of the market, posting a 3.3% rise in sales. ZOE was voted Car of the Year in Bulgaria in the most environmental vehicle category.
- In Romania, Dacia's Pitesti plant produced the 500,000th Energy TCe 90 engine in 2015. In 2012, Pitesti was the first Group plant to produce this engine, to be fitted on models in the Dacia and Renault range. Also in 2015, the plant celebrated the production of the 300,000th DUSTER phase 2 model.

Asia-Pacific Regione

Industrial sites:

Busan (South Korea), Wuhan (China)

Developments in China

The Wuhan plant inaugurated on February 1, 2016, will start producing two SUVs for the Chinese market in 2016.

- With 116,868 registrations, Groupe Renault sales were down 12.3% in the Asia Pacific Region, the result of heightened competition and major economic challenges.
- In China, the Wuhan plant opened on February 1, 2016, just two years after the signature of the joint venture with Dongfeng. The production site includes a vehicle plant, an engine plant and an R&D center. The site's production capacity of 150,000 vehicles a year is likely to be doubled. The plant will start producing two SUVs for the Chinese market in 2016.
- The C-segment SUV, KADJAR, was revealed in November 2015 at the Guangzhou Motor Show and won the best car launch prize.
- In South Korea, the Group's number-one market in the Region, sales stabilized after strong growth in 2014. Renault Samsung Motors (RSM) maintained its sales volumes and ranked number-one in the electric vehicles segment. Intense efforts were made on revitalising the network, boosting the competitiveness of the Busan plant and preparing for the launch of two new models in 2016, including the large saloon SM6 (named TALISMAN in Europe), which was revealed in January.
- RSM is the only foreign-capital company to have received the "USD 2 billion Export Tower Award" from the Korea International Trade Association (KITA) for its contribution to the local automotive sector.
- Renault sales grew strongly in Australia thanks to light commercial vehicles and Renault Sport models (11,525 units, up 15%).
- Electric vehicles enjoyed strong momentum, with a number of contracts signed in Hong Kong, South Korea and Tahiti.

Renault DUSTER in Moscow

Renault KADJAR at the 2015 Guangzhou Motor Show

* *Data taken from the Belarus Automobile Association.*

Americas Region

Industrial sites:

Cordoba (Argentina),
Curitiba (Brazil),
Envigado (Colombia),
Los Andes (Chile)

Two major launches: SANDERO R.S. and the DUSTER Oroch pick-up

Vehicles produced in the Region for the Region and aimed at boosting growth.

- In the Americas Region, with 355,151 registrations (down 14.8%), Groupe Renault held up against economic difficulties with a market share of 6.3% (down 0.1 point).
- In **Brazil**, the Group's number-two market, market share grew 0.2 point to a new high of 7.3% in a market that contracted by 25.5%. In **Argentina**, the Group limited the fall in registrations, with a strong performance in the last quarter. It took a 12.7% share of the market for the year as a whole. In **Colombia**, Renault considerably strengthened its positions with market share up 2 points to 18.6%.
- The big news in the Americas Region in 2015 was the launch of two important vehicules, for the first time produced in the Region and sold locally: **SANDERO R.S.** and **DUSTER Oroch**.
- **SANDERO R.S.** was launched at the Buenos Aires Motor Show in June 2015 and marketed initially in Brazil. SANDERO R.S. marks the arrival of Renault Sport in the Americas Region. It is assembled at the Curitiba plant in Brazil.
- **The DUSTER Oroch pick-up**, also revealed at the Buenos Aires show in June 2015, was launched in Brazil in November. DUSTER Oroch is Renault's debut in the pick-up sector. Referred to by the press as a "sport utility pick-up", it beat out all the pick-ups in the lower and upper segments in comparative tests.
- **The Group announced the industrial development of a one-tonne pick-up at the Santa Isabel plant in Argentina**. Starting in 2018, this plant will produce the vehicle for Renault, Nissan and Daimler.
- The range was also expanded in Colombia with the start-up of local production at the Envigado plant of two highly anticipated models: **New Renault LOGAN and New Renault SANDERO**.

DUSTER Oroch in Brazil

1.1.5 THE GROUP'S FIVE MAIN ACTIVITIES AND PERFORMANCES PER REGION

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):
  - PP 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,
  - PP used vehicles and spare parts,
  - PP Renault powertrains, sold B2B;

miscellaneous services: sales financing, leasing, maintenance and service contracts.

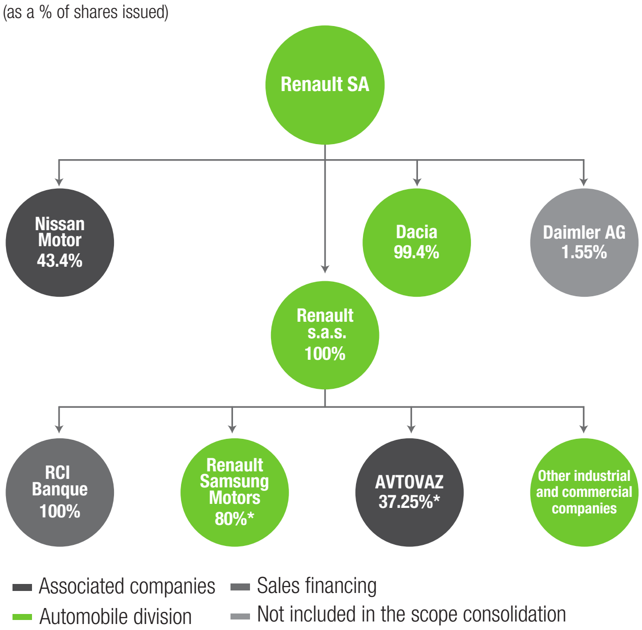
In addition to these two business lines, Renault has equity investments in the following two companies:

- Nissan;
- AVTOVAZ.

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

STRUCTURE OF THE RENAULT GROUP

(as a % of shares issued)



** Indirect interest by Renault s.a.s*

1.1.5.1 AUTOMOTIVE: BRANDS AND BADGES

Groupe Renault designs, develops and sells passenger cars and light commercial vehicles under three brands, Renault, Dacia and Renault Samsung Motors.

THE RENAULT BRAND: PASSION FOR LIFE

Renault designs cars so that its customers can live their lives to the full. They appeal to every sense, with quality in every last detail. The New ESPACE is the brand's flagship model, with its robust and stylish crossover design and customizable MULTI-SENSE system. Renault cars boast ingenious and innovative on-board systems allowing each occupant to make the most of every minute. The New TWINGO takes the hard work out of urban driving with the best turning circle of its class, while the New ESPACE offers one-touch modularity via the central screen with seats that fold away into the floor at the press of a button... In short, our cars and the services we offer, particularly with the built-in R-LINK multimedia tablet, take the stress out of everyday life.

The Renault brand can be found in 125 countries, and is distributed at 12,000 dealerships. Its range comprises over 30 models across all countries.

Renault – one of the few automotive brands to have been created in the eighteenth century – is helping to shape the history of the car.

In keeping with its wide reputation for innovation, Renault continues to renew its automotive product lines. In 2015, five new models embodied this spirit of creating a better life for the customer in each and every moment, through innovation: the KADJAR, KWID, DUSTER Oroch, TALISMAN and the New MEGANE.

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 budget and fulfill everyone's passion. On November 20, 2015, Renault unveiled the KADJAR at the Canton Motor Show in China. The KADJAR will be the first vehicle produced at the new Wuhan plant and will go on sale in 2016.

PASSENGER CARS (PCS)

In the small car segment (A and B segments and passenger-carrying vans), Renault offers a wide range of complementary models: the KWID, LOGAN, SANDERO, SANDERO Stepway, TWINGO, CLIO, CAPTUR, SYMBOL, SCALA and KANGOO.

The KWID was launched in India in October. In less than three months, it already has more than 80,000 satisfied customers. Its success is a testament to the unique, credible product offering designed to be affordable for as many people as possible – not to mention the effective sales strategy that accompanied the launch. The dealer network is motivated and fully supported by modern and efficient digital tools, including a virtual showroom with live chat sessions and an app that allows customers to configure their vehicle. Buoyed by this early success, the KWID is firmly on track for global expansion.

The SANDERO and LOGAN continued their geographical expansion with a launch in Colombia in mid-2015. Theirs is a global success story, capitalizing on the strengths that underpinned their success, particularly in Russia and Brazil.

In 2015, the Renault brand was the market leader in the small car segments (A+B) in Europe.

In the city car A-segment, the New TWINGO, with its rear-engine design, is a good illustration of the brand's ingenious and innovative positioning. What sets it apart are its exceptional agility, its connectivity and its in-car experience. In 2015, the TWINGO continued to be the benchmark for its segment in France (29.3% share of segment A) and to maintain its positions in Europe (7.6% share of segment A).

In the B segment, the CLIO IV has been highly successful and looks set to keep its place as the second biggest seller in Europe (7.2% share of segment B). 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 tactile multimedia system with connected navigation, a rich array of equipment, and engines combining dynamic performance with best-in-class fuel efficiency.

The Estate version, with its attractive shooting-brake styling, remains in second place in this sub-segment in Europe (33% of the B station wagon sub-segment). The RS version completes the range. The CLIO Trophy version, fitted with a 220hp turbocharged petrol engine mated to EDC dual-clutch automatic transmission, offers unprecedented versatility in the sports car segment.

Older generations of the CLIO still live on, however, since the CLIO II, which features Renault's new design identity, is found in Northwest Africa, Brazil and Argentina.

Renault continued its B segment expansion with the CAPTUR, the first urban crossover in the range, on the market since April 2013. A distinctive vehicle, the 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 hatch. Sold in 45 countries, the CAPTUR is a global car which has cemented its leadership in the crossover B-segment in Europe amid increasing competition (23.7% market share). In June 2015, the CAPTUR's international rollout continued with its launch in China, spearheading Renault's product offensive in the high-growth crossover segment in the world's largest market.

Sales of the KANGOO continued to do well not only in Europe, but also worldwide. The KANGOO passenger car is sold in 35 countries. It is manufactured in Maubeuge (France) and is one of the leaders in its segment in terms of $CO2$ emissions and low fuel consumption.

The DUSTER is also hugely successful on the international markets, with its robust, attractive design, space, reliability and equipment tailored to the needs of different markets. In 2015, the DUSTER accounted for around 46% of Renault PC sales in India and 37% in Russia.

The share of the C-MPV (compact MPV) category within the C-segment in Europe stabilized at 14% in 2015. In a segment invented by Renault, the SCENIC – one of the brand's flagship models – stood up to renewed competition in 2015, a year dominated by the novelty effect. The SCENIC was ranked third in the compact MPV category of the C-segment in Europe at the end of 2015, with a 12.8% market share.

The FLUENCE, combining dynamic, modern styling with a range of powertrains tailored to customers' expectations, proved resilient in the C-segment in Turkey, with 11% market share.

Worldwide, the C-SUV (compact crossover) segment has seen steady growth for the past ten years. In 2015, sales approached 10 million units for the first time; since 2009 the volume has more than tripled in Europe to reach 1.6 million units.

Based on the Alliance's CMF-C/D joint platform and Renault's first crossover in the C-segment, the KADJAR offers a new vision of the crossover by offering a complete range based on three main advantages:

1. a new style in the world of crossovers: The KADJAR has fluid and athletic external lines, as well as a refined and sporty interior;
2. versatility & connectivity: the KADJAR has all the advantages of an estate (527 liters of boot space, one of the largest in the segment, with a maximum loading length of over 2.5 m), together with the driving pleasure of a sedan with a complete range of driving aids borrowed from the New ESPACE and its R-LINK 2 multimedia system with 7-inch customizable touchscreen;
3. its restrained spirit of adventure: The KADJAR offers three transmission modes (4WD, 2WD, and 2WD with Extended Grip), a 100% Energy engine range (Stop & Start and braking energy recovery), and some of the best fuel consumption and emissions figures in the segment, particularly with the Energy dCi 110 at 99g $CO2$/km and 3.8 l/100km NEDC.

The launch of the KADJAR, unveiled to the public at the Geneva Motor Show in March 2015 followed by international press trials in May 2015, was in the main very positively received by the press, which praised its design, engine efficiency and comfort.

The KADJAR went on sale in the first countries in June 2015 and had already sold more than 54,000 units at the end of December. This bolsters Renault's performance in the European C-segment during the same period (with a one-point rise in market share between the last four months of 2014 and 2015).

The KADJAR is most definitely a global vehicle. In 2016 it will become Renault's first vehicle to be made in China, a new market that will join the 70+ countries where the KADJAR will be marketed.

In the highly competitive C-hatch segment which is driven by innovation, the MEGANE held up well in 2015 after adopting a new brand identity, Euro6 engines and the latest technology in the form of the Renault R-LINK 2 multimedia system. In Europe, the MEGANE has maintained its position in the C-hatch segment with market share of 3.8%.

Unveiled at the Frankfurt Motor Show in September 2015, the New MEGANE boasts a dynamic design and a wealth of high-end technology:

1. a dynamic exterior design with a distinctive front and rear 3D-effect LED light signature, paired with a meticulously crafted cockpit-style interior;
2. technology from the next segment up, introduced on the New ESPACE and TALISMAN, such as MULTI-SENSE, which allows the driving experience to be customized, a color head-up display, 8.7 inch R-LINK 2 portrait touchscreen and various driver assist systems;
3. an exclusive GT version, released to coincide with the launch, harnessing all the expertise of Renault Sport: 4CONTROL 4-wheel steering system, a world first in this segment, coupled with a grip developed by Renault Sport engineers and a special interior/exterior design inspired by Renault Sport heritage.

The New MEGANE is available with a wide range of engines, from 90 to 205hp, mated to manual and dual clutch EDC automatic gearboxes. On launch, emissions start at 86g CO2/km NEDC. In future, new diesel hybrid technology known as "Hybrid Assist" will reduce emissions to 76g CO2/km (NEDC, subject to certification).

The first orders were received at the end of 2015 and the vehicle goes on sale in early 2016.

In 2015, Renault embarked on the effective rejuvenation of its top-of-the-range fleet. The fifth generation of the Renault ESPACE was unveiled at the Paris Motor Show on October 2, 2014, before going on sale across Europe in the spring of 2015. One of the brand's iconic vehicles and creator of the MPV segment, the four previous generations have sold 1.25 million units in 30 years (1984-2014). In 2015, the new generation continued this success: with over 22,600 units, sales of the ESPACE V have significantly exceeded targets.

The new Renault ESPACE has addressed the changing needs of its customers through major innovation:

- aesthetics: the vehicle's silhouette is now a crossover with clear references to the world of the SUV but with streamlined, aerodynamic and elegant styling;
- technology and safety: the vehicle incorporates all of the driver assist systems available on the market, building them into an innovative interior with Renault's signature capacitive screen at its center. The vehicle will also have the 4CONTROL chassis, 4-wheel steering technology which offers improved agility and extremely dynamic road holding;
- quality: the choice of interior materials, powertrain reliability and new industrial processes are designed to meet customers' highest expectations.

With the "INITIALE PARIS" version accounting for over 40% of ESPACE sales, Renault is making its upmarket ambitions clear. This version, which comes with the highest trim level on offer, represents not only the best of Renault in terms of on-board comfort, but also features an exclusive portfolio of services.

In addition to the ESPACE, Renault has continued to upgrade its premium range with the TALISMAN, in the highly competitive large prestige sedan segment (D-segment). To appeal to potential clients – whether private individuals or company executives – the TALISMAN boasts four key strengths:

- sleek, assertive styling with a hint of Latin sensuality while adhering to the strict rules of the three-box sedan (or the segment's station wagons);
- a spacious and comfortable cabin with front seats inspired by airline business class: High quality workmanship and best-in-class functionality with heating, ventilation and integrated massage function;
- immersive driving pleasure: MULTI-SENSE technology to match the driver's mood. The TALISMAN is the only D-segment sedan to combine 4CONTROL four-wheel steering with active damping, allowing it to deliver unique road manners, plus safe, dynamic, agile handling, and outstanding ride comfort;
- modern petrol and diesel engines that balance performance and efficiency with fuel economy and CO2 emissions, starting at 3.6 l/100km and 95g CO2/km.

The Renault TALISMAN went on sale in France and Belgium in December 2015, with the rest of Europe following in the spring of 2016. An ESTATE version will also follow.

The launch of the TALISMAN marks the end of sales for the Renault LAGUNA and the Renault LATITUDE. After three generations and almost 3 million vehicles sold, the LAGUNA went out of production in May 2015. The LATITUDE was withdrawn from Europe, Eurasia and Latin America in 2015. It will remain on sale in the first half of 2016, mainly in Asia and the Middle East.

The KOLEOS, launched in 2008 and sold in 60 countries, remains the most widely sold top-of-the-range model in the Renault stable, selling over 320,000 units worldwide. In 2015, in this highly competitive SUV segment, close to 22,000 customers bought a KOLEOS, approximately 80% of them outside Europe.

LIGHT COMMERCIAL VEHICLES (LCVS)

Groupe Renault is continuing to develop light commercial vehicles, not only under the Renault brand but also through manufacturing partnerships with General Motors, Nissan, Renault Trucks and, since late 2012, with Daimler on the CITAN small van.

Renault made its entry in the pick-up segment with the Renault DUSTER Oroch, launched in Brazil in early November 2015. This is the first step in the brand's global offensive in the pick-up market, before the launch of a 1-metric ton pick-up in mid-2016, with sights set firmly on the international market.

At the end of 2015, Renault launched the specialist brand Renault Pro+. Renault Pro+ identifies and supports business customers all over the world, offering dedicated products and services for the LCV market. The Renault Pro+ specialist network remains the spearhead for the brand, with its dealerships covering the most advanced commitments that the Renault network can offer business customers.

With market share of 14.95% in Europe at the end of 2015, Renault remains Europe's leading LCV brand, a title it has held since 1998. Outside Europe, the Group's LCV market share of 1.1% grew by 0.1 percentage point in a global market (excluding the United States) that contracted by 6.5%.

Renault's LCV range comprises vehicles from 1.6 to 6.5 metric tons and from 2m3 to 22m3, in gasoline, diesel and electric versions (KANGOO Z.E.).

In the light van segment (less than 2 metric tons), the KANGOO Express remains the market leader. In Europe it outperformed the market, boasting three different lengths and introducing three new electric versions for greener driving (the KANGOO Z.E., KANGOO Maxi Z.E. 2-seater, and KANGOO Maxi Z.E. 5-seater).

The first generation of the KANGOO, made in Cordoba (Argentina), has a redesigned front end, becoming the market leader in South America with market share of more than 36% (+7% in volume).

In the van segment (between 2 and 6.5 metric tons), Renault is continuing its offensive with a range that was updated in late 2014: the New TRAFIC and the New MASTER range.

Intended as a mobile office, with a robust, dynamic design that captures the Renault brand identity, the New TRAFIC is larger and more comfortable with increased working length and capacity. The New TRAFIC is fitted with a 1.6 dCi engine and comes in single turbo (90 and 115hp) or Twin Turbo (120 and 140hp) versions. Combining fuel efficiency and performance, the New TRAFIC offers respectable fuel economy of 5.7 l/100km for its dCi 120 engine (fuel consumption reduced by an average of 1 l/100km compared with the previous generation). Developed in partnership with General Motors, the New TRAFIC has seen production return from the Nissan plant in Barcelona to the Renault site at Sandouville, in France.

The Renault TRAFIC took a 16.5% share of the small van segment in Europe, up 2.2% on 2014.

In the large van segment, the biggest change featured in the New MASTER is under the hood. It is now equipped with a 2.3 dCi engine which ranges from 110hp to 165hp, with consumption savings of up to 1.5 l/100km.

"Made-to-measure" is still the focus of the new range. With over 350 versions, four lengths, three heights, vans, combis, platform and chassis cab, front and rear-wheel drive, etc., offering a working volume of between 8 and 22m3.

The MASTER is manufactured at the Batilly plant (France). It is sold in 30 different countries. In Europe, performance has improved with a Large Van LCV segment share of 13.6% (including Renault Trucks sales). Internationally, MASTER sales are impacted by the fall of some markets (Brazil -33%, Algeria -29%). However, the model is still the market leader in these markets: Algeria (41% segment share), Brazil (34%) and Morocco (34%).

ELECTRIC VEHICLES (EVS)

At the end of December 2015, the Alliance reached a milestone with 300,000 electric vehicles sold. It remains the market leader, selling around half of all electric vehicles sold worldwide. Renault has sold 83,300 electric vehicles worldwide since its first model, the KANGOO Z.E., was put on the market in October 2011 [39,200 ZOE, 21,100 KANGOO Z.E., 6,000 FLUENCE Z.E. and 17,000 TWIZY].

100% EV markets continued to enjoy strong growth everywhere, despite slower-than-planned infrastructure development. The global market reached over 280,000 units in 2015. Electric vehicles are growing 8-10 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.

The two largest markets in the world are Europe and China (accounting for two-thirds of the global market between them). China has seen a threefold increase on 2014. In Europe, Norway remains the leading market due to its very strong incentive-based development policy. In 2015, more than one vehicle in seven sold in Norway was electric. For Renault, the most important markets are France, Norway, the United Kingdom and Germany. The growth of electric markets is also linked to infrastructure. The UK is the most developed market in terms of electric vehicle infrastructure. The rapid charging station network already covers 87% of British motorways.

In 2015, Renault continued to roll out its Z.E. range worldwide with, for example, the launch of the ZOE in Jordan and the TWIZY in Canada.

In 2015, the ZOE range has been extended to include a new R240 engine, delivering an NEDC range of 240km. The market leader in Europe with over 18,700 sales in 2015, the ZOE holds a 19.2% share of the 100% EV market. ZOE customers rate their cars highly and put the ZOE range at the top of the Renault customer satisfaction tables.

Three years after its launch, TWIZY sales are steady at around 2,000 sales a year. This is an important advertising medium for the brand and the TWIZY is right at the heart of all electric vehicle promotional initiatives. It is now a brand ambassador in 27 countries.

The KANGOO Z.E. remains the world's best-selling light commercial electric vehicle, with more than 21,000 sold since its launch.

The record level of satisfaction among our ZOE and KANGOO Z.E. customers is another positive sign, which enables us to rely on our customers to boost awareness and the image of our Z.E. range.

DACIA: A NEW RECORD YEAR

- The leading brand in Romania, Morocco and Bulgaria.
- +24.5%: the strongest sales growth by volume of any brand in Europe.

Dacia offers a range of robust, reliable vehicles with a 3-year or 100,000km warranty. Dacia has a clear commercial offering (equipment, price policy), making the purchase as simple as possible. Vehicle equipment and features, kept to a strict minimum, are easy to use and maintain. And of course, Dacia customers enjoy unbeatable value for money. With the Dacia range, customers who previously would have purchased a used vehicle can now afford to buy new. The Dacia range is sold in 44 countries in Europe, Northwest Africa, Turkey and Israel.

Since 2004, it has attracted 3.8 million customers, with sales growing by a factor of 22 between 2005 and 2014.

With over 3.8 million vehicles sold in Europe and the Mediterranean Region since 2004, Dacia remains a remarkable success story. Furthermore, it has just reported a record year for sales, which were up 7.7% on 2014 at 551,000 vehicles as of the end of 2015.This encompasses its entire range, i.e. the DUSTER, SANDERO, SANDERO Stepway, LOGAN, LOGAN MCV, LODGY and DOKKER.

In Europe, Dacia recorded 374,537 new vehicle registrations at the end of 2015, up 3.6% on 2014.

In France, Dacia is ranked sixth in the passenger car (PC) market (fourth if we take retail customers only).

Dacia is market leader in the PC and LCV market in Romania, Morocco and Bulgaria. The brand is also the PC market leader in Algeria.

Dacia achieved strong sales growth in 2015 in Croatia (+71%), Ireland (+40%), Turkey (+30%), Portugal (+26%) and Romania (+25%) compared with 2014.

In addition to its commercial success, Dacia has found a way of uniting its customers around a "smart purchase".

In many countries, customers come together to discuss and share on common values such as freedom of spirit, simplicity and generosity. These community events get bigger every year. They are truly convivial moments which create a strong bond between customers and the brand.

On social networks, Dacia customers are just as keen to express their commitment to the brand on Facebook, with an international page and 26 country-specific pages. The community continues to grow on this social network, and Dacia now has almost 2.5 million followers.

For the first time, Dacia vehicles will feature the "Easy-R" automated manual gearbox. Mated to the TCe 90 engine with Stop & Start, this five-speed gearbox will make life easier for drivers by offering all the benefits of a manual gearbox, without a clutch pedal. Easy-R is available on the LOGAN, LOGAN MCV, SANDERO and SANDERO Stepway.

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 over 800,000 units in six years on the market.

The Dacia LODGY MPV is 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. With its new Stepway version, the LODGY boasts a muscular look and a strong personality inspired by the world of crossover vehicles.

In 2015, sales of the DOKKER, the practical and versatile 5-seater crew van, and the DOKKER Van, its LCV version, continued to grow in the European and international markets, accounting for 27% of production. The success of the Stepway version has given the DOKKER an additional 2-point share of the crew van segment in Europe.

RENAULT SAMSUNG MOTORS: THE GROUP'S REVIVAL IN SOUTH KOREA

- Brand volumes were stable in South Korea at 80,100 units (+0.1%) in 2015, a transitional year before the relaunch of the brand's historical model, the SM5 (which will become the SM6), as well as the QM5 SUV at the very end of the year.
- Market leader in the quality of sales and after-sales service.

Marketed in South Korea, the Renault Samsung Motors (RSM) brand is reporting steady growth, largely due to the success of the QM3. The range includes four sedans and two SUVs.

In terms of sedans, the SM3 covers the C-segment and is also available as an electric version, the SM3 Z.E.

The SM5 is aimed at the premium segment. In the large luxury sedan segment, the brand has the SM7, featuring a V6 engine and the latest technology of the Renault-Nissan Alliance.

The SUV range includes the QM3, derived from the Renault CAPTUR, and the QM5, derived from the Renault KOLEOS.

Whereas the QM3 is imported from Europe, the other models are manufactured at the Busan plant in South Korea. As an illustration of the synergies within the Alliance, it also makes the Nissan ROGUE, which it exports to North America. A total of 117,000 units were shipped in 2015.

1.1.5.2 PERFORMANCES PER REGION

SALES WORLDWIDE

ALL BRANDS WORLD MARKET PER REGION – 2015

In volume and as a % of the TAM PC + LCV

	IN VOLUME	AS A % OF WORLDWIDE TAM PC + LCV
TOTAL EUROPE	**15,932,970**	**18.3%**
France	2,296,650	2.6%
G9	13,636,320	15.7%
INTERNATIONAL TOTAL	**71,077,959**	**81.7%**
Africa - Middle-East - India	8,041,307	9.24%
Americas	5,664,419	6.5%
Asia-Pacific	35,012,749	40.2%
Eurasia	2,988,806	3.4%
North America	19,370,678	22.3%
TOTAL WORLDWIDE	**87,010,929**	**100.0%**

GROUPE RENAULT SALES WORLDWIDE PER REGION

In volume of PC + LCV, including Dacia and Renault Samsung Motors

	2015	2014
TOTAL EUROPE	**1,613,499**	**1,464,785**
France	607,173	577,606
G9	1,006,326	887,179
INTERNATIONAL TOTAL	**1,188,093**	**1,247,742**
Africa - Middle-East - India	359,858	307,927
Americas	355,151	416,914
Asia-Pacific	116,868	133,197
Eurasia	356,216	389,704
TOTAL GROUP	**2,801,592**	**2,712,527**

EUROPE REGION SALES (CONT.)

RENAULT BRAND REGISTRATIONS[1]

In volume of PC + LCV

RENAULT MARKETS	2015	2014
Austria	19,916	18,936
Baltic States	4,040	3,465
Belgium+Luxembourg	64,565	59,019
Croatia	3,680	2,820
Czech Republic	9,912	7,669
Denmark	16,362	14,110
Finland	3,401	2,176
France	507,138	471,713
Germany	130,334	122,825
Greece	2,844	2,523
Greek Cyprus	413	358
Hungary	4,930	3,857
Iceland	790	573
Ireland	9,050	6,506
Italy	107,938	91,109
Malta	480	425
Netherlands	42,137	35,866
Norway	3,476	2,133
Other Balkans	2,413	2,637
Poland	26,476	23,064
Portugal	26,778	21,717
Slovakia	3,632	3,398
Slovenia	10,281	9,232
Spain+Canary Islands	100,940	81,683
Sweden	16,234	14,499
Switzerland	18,549	15,209
United Kingdom	102,002	85,152
RENAULT TOTAL	**1,238,711**	**1,102,674**

(1) Excluding sales to governments.

RENAULT MARKET SHARE AND RANKING

As a percentage of TAM PC + LCV

	2015		2014	
RENAULT MARKETS	MARKET SHARE	RANKING	MARKET SHARE	RANKING
Austria	5.8%	6	5.7%	6
Baltic States	6.7%	5	6.2%	4
Belgium+Luxembourg	10.5%	1	9.9%	2
Croatia	8.6%	3	7.2%	6
Czech Republic	4.0%	6	3.7%	7
Denmark	6.8%	5	6.5%	5
Finland	2.8%	12	1.9%	15
France	22.1%	1	21.8%	1
Germany	3.8%	8	3.8%	8
Greece	3.5%	13	3.3%	13
Hungary	5.2%	6	4.6%	9
Iceland	5.1%	8	5.5%	9
Ireland	6.1%	6	5.8%	7
Italy	6.3%	4	6.2%	4
Netherlands	8.3%	3	8.2%	3
Norway	1.9%	17	1.2%	21
Poland	6.5%	6	6.2%	6
Portugal	12.8%	1	12.8%	1
Slovakia	4.3%	8	4.4%	8
Slovenia	15.4%	2	15.3%	2
Spain+Canary Islands	8.5%	1	8.4%	2
Sweden	4.2%	9	4.2%	9
Switzerland	5.2%	6	4.6%	8
United Kingdom	3.4%	10	3.0%	11
RENAULT TOTAL	**7.8%**	**3**	**7.6%**	**3**

EUROPE REGION SALES (CONT.)

DACIA BRAND REGISTRATIONS (1)

In volume of PC + LCV

DACIA MARKETS	2015	2014
Austria	7,726	8,484
Baltic States	1,620	1,722
Belgium+Luxembourg	17,724	18,210
Croatia	2,176	1,273
Czech Republic	11,074	9,778
Denmark	3,495	3,007
Finland	1,421	1,505
France	100,035	105,893
Germany	47,453	50,703
Greece	319	484
Greek Cyprus	66	74
Hungary	4,347	4,549
Iceland	380	164
Ireland	3,812	2,715
Italy	46,792	39,972
Malta	137	131
Netherlands	4,633	5,186
Norway	145	155
Other Balkans	2,865	2,313
Poland	14,906	14,634
Portugal	4,901	3,893
Slovakia	3,444	3,171
Spain+Canary Islands	55,168	45,986
Slovenia	3,008	3,173
Sweden	4,947	5,335
Switzerland	5,597	5,091
United Kingdom	26,267	23,862
DACIA TOTAL	**374,458**	**361,463**

(1) Excluding sales to governments.

DACIA MARKET SHARES

As a percentage of TAM PC + LCV

DACIA MARKETS	2015	2014
Austria	2.3 %	2.5 %
Baltic States	2.7 %	3.1 %
Belgium+Luxembourg	2.9 %	3.1 %
Croatia	5.1 %	3.2 %
Czech Republic	4.5 %	4.8 %
Denmark	1.5 %	1.4 %
Finland	1.2 %	1.3 %
France	4.4 %	4.9 %
Germany	1.4 %	1.6 %
Greece	0.4 %	0.6 %
Greek Cyprus	0.6 %	0.8 %
Hungary	4.6 %	5.4 %
Iceland	2.5 %	1.6 %
Ireland	2.6 %	2.4 %
Italy	2.7 %	2.7 %
Malta	1.7 %	1.9 %
Netherlands	0.9 %	1.2 %
Norway	0.1 %	0.1 %
Other Balkans	7.5 %	6.2 %
Poland	3.7 %	3.9 %
Portugal	2.3 %	2.3 %
Slovakia	4.0 %	4.1 %
Slovenia	4.5 %	5.3 %
Spain+Canary Islands	4.6 %	4.7 %
Sweden	1.3 %	1.5 %
Switzerland	1.6 %	1.5 %
United Kingdom	0.9 %	0.9 %
DACIA TOTAL	**2.4 %**	**2.5 %**

SALES AFRICA-MIDDLE EAST-INDIA REGION

RENAULT BRAND SALES[1] AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2015		2014	
RENAULT MAIN MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
Algeria	49,494	19.5%	52,059	15.2%
Egypt	20,001	7.5%	11,507	4.1%
Marocco	12,977	9.8%	11,440	9.4%
India	53,848	1.7%	44,849	1.5%
Iran	51,500	4.8%	33,000	2.8%
Israel	11,692	4.6%	10,105	4.2%
Overseas Departments	11,568	18.1%	10,148	17.1%
Saudi Arabia	15,329	1.9%	13,391	1.6%
South Africa+Namibia	20,021	3.4%	18,788	3.0%
RENAULT TOTAL	**270,674**	**3.4%**	**226,781**	**2.8%**

(1) In volume of Sales+Export Companies.

DACIA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2015		2014	
DACIA MAIN MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
Algeria	40,688	16.0%	39,741	11.6%
Marocco	37,392	28.3%	33,734	27.6%
Israel	2,510	1.0%	0	
Overseas Departments	4,865	7.6%	4,428	7.5%
Tunisia	2,522	5.3%	1,701	3.2%
DACIA TOTAL	**89,181**	**1.1%**	**80,546**	**1.0%**

RENAULT SAMSUNG MOTORS BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC[2]

	2015		2014	
RSM MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
Libya	3	0.0%	600	0.0%
RSM TOTAL	**3**	**0.0%**	**600**	**0.0%**

(2) RSM is not present on the LCV market

SALES EURASIA REGION

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

RENAULT MAIN MARKETS	2015 SALES	2015 MARKET SHARE	2014 SALES	2014 MARKET SHARE
Belarus	8,071	25.7%	4,501	14.1%
Bulgaria	3,172	10.9%	2,039	8.0%
Kazakhstan	8,235	8.3%	8,174	5.0%
Romania	7,263	6.5%	6,741	7.1%
Russia	120,411	7.5%	194,531	7.8%
Turkey	117,363	12.1%	98,743	12.9%
Ukraine	5,176	10.2%	5,798	5.8%
RENAULT TOTAL	**270,251**	**9.0%**	**321,331**	**8.5%**

DACIA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV(1)

DACIA MAIN MARKETS	2015 SALES	2015 MARKET SHARE	2014 SALES	2014 MARKET SHARE
Bulgaria	3,679	12.6%	3,085	12.1%
Moldova	528	15.1%	1,092	19.7%
Romania	36,946	32.8%	29,625	31.2%
Turkey	44,812	4.6%	34,469	4.5%
DACIA TOTAL	**85,965**	**2.9%**	**68,271**	**1.8%**

RENAULT SAMSUNG MOTORS BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC(1)

RSM MARKETS	2015 SALES	2015 MARKET SHARE	2014 SALES	2014 MARKET SHARE
Kazakhstan	0	0,0%	102	0,1%
RSM TOTAL	**0**	**0,0%**	**102**	**0,0%**

(1) RSM is not present on the LCV market

SALES ASIA-PACIFIC REGION

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

RENAULT MAIN MARKETS	2015 SALES	2015 MARKET SHARE	2014 SALES	2014 MARKET SHARE
Australia	11,525	1.0%	10,014	0.9%
China	15,849	0.1%	34,067	0.2%
Japan	5,080	0.1%	4,662	0.1%
Singapore	956	1.3%	1,191	3.4%
RENAULT TOTAL	**35,552**	**0.1%**	**51,938**	**0.2%**

DACIA BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2015		2014	
DACIA MAIN MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
New Caledonia	877	9.6%	679	6.8%
Tahiti	414	10.2%	392	8.6%
DACIA TOTAL	**1,291**	**0.0%**	**1,071**	**0.0%**

RENAULT SAMSUNG MOTORS BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC(1)

	2015		2014	
RSM MAIN MARKET	SALES	MARKET SHARE	SALES	MARKET SHARE
South Korea	80,017	5.1%	80,003	5.7%
RSM TOTAL	**80,025**	**0.3%**	**80,188**	**0.3%**

(1) RSM is not present on the LCV market

SALES AMERICAS REGION

RENAULT BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC + LCV

	2015		2014	
RENAULT MAIN MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
Argentina	79,383	12.7%	84,944	12.9%
Brazil	181,504	7.3%	237,187	7.1%
Colombia	49,331	18.6%	50,362	16.6%
Importers	20,613	2.5%	18,299	2.0%
Mexico	24,320	1.8%	24,889	2.2%
RENAULT TOTAL	**355,151**	**6.3%**	**415,681**	**6.4%**

RENAULT SAMSUNG MOTORS BRAND SALES AND MARKET SHARES

In volume and as a % of the TAM PC(2)

	2015		2014	
RSM MARKETS	SALES	MARKET SHARE	SALES	MARKET SHARE
Chili	0	0.0%	1,233	0.5%
RSM TOTAL	**0**	**0.0%**	**1,233**	**0.0%**

(2) RSM is not present on the LCV market

1.1.5.3 BUSINESS-TO-BUSINESS POWERTRAIN ACTIVITY

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.

In addition to the Alliance with Nissan that enables the companies to share a common range, an industrial system and a supplier network, this business-to-business activity seeks to promote and offer Renault's powertrain parts in the context of automotive cooperation (e.g. with Daimler, AVTOVAZ, General Motors-Opel) or third-party sales. 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

A modern, CO2-efficient range: With its internal-combustion and electric range, Renault has once again demonstrated its commitment to taking the lead in reducing the environmental impact of vehicles. The qualities of the Renault powertrain range have convinced our partners of the advantages of using our engines for their vehicles. Partnerships have been developed for petrol and diesel engines, as well as for gearboxes.

For the past four years, Groupe Renault has featured in the top three highest performing manufacturers in Europe for certified CO2 emissions and fuel consumption, with average emissions of 111.3g of CO2/km at the end of 2015, and diesel or petrol engines emitting less than 100g of CO2/km during NEDC tests on eight models in its passenger car range.

Nissan, Renault's partner in the Alliance, has risen from eighth place in the manufacturers' rankings in 2013 to fourth place in 2014 for average certified CO2 emissions in its European range of passenger cars. This is mainly due to the deployment of the latest generation of Renault engines. After the partnership agreement signed in 2010 between the Renault-Nissan Alliance and the Daimler group, Renault's range of diesel engines also allow Mercedes to offer versions of its A, B and C Class vehicles emitting less than 100g of CO2/km in New European Driving Cycle (NEDC) tests.

THE ORGANIZATION

Experienced management ensures, within Renault's Strategy and Business Development department, that opportunities are identified, bids are prepared and contracts negotiated. Dedicated to customers, it liaises with all Renault engineering departments to ensure a fast response.

1.1.5.4 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 2015 were 93% globally and 87% in the Europe Region.

The Alliance and Renault's strategic partnerships enable these manufacturers to share manufacturing facilities and therefore costs. For example:

- Renault-Nissan vehicles are produced by AVTOVAZ in Russia;
- the Renault LCV plants in Batilly, Moscow, Busan and Curitiba produce vehicles for Nissan;
- the Renault plants in Maubeuge and Novo Mesto produce vehicles for Daimler;
- finally, in India, Renault-Nissan share a plant common to both.

As engines and transmissions are concerned, the cross use of the Alliance plants makes it possible to supply each market with the powertrains required while keeping investment to the minimum. The following are some non-exhaustive examples:

- the Renault plants in Cléon and Valladolid produce diesel engines for Nissan and Daimler;
- with regard to the cross-production of gasoline engines in Europe, the Renault plants in Valladolid and Pitesti as well as the Nissan plants in Sunderland produce engines for Renault, Nissan and Daimler;
- the Nissan plant in Yokohama produces a gasoline engine for Renault, while the Renault plant in Pitesti manufactures SMART gasoline engines for Daimler.

GROUPE RENAULT MAIN MANUFACTURING SITES – 2015 PRODUCTION (UNITS)

2015	SITES	PRODUCTION (Units)	VEHICLES OR COMPONENTS
GROUPE RENAULT (PRODUCTION BY GROUPE RENAULT PLANTS INCLUDING FOR PARTNERS)			
Europe Region			
	Batilly	126,454	MASTER III[1]
	Caudan (Fonderie de Bretagne)	27,400	Aluminum foundry (metric tons)
	Choisy-le-Roi	25,370	Standard Exchange engines
		15,932	Standard Exchange gearboxes
	Cléon	15,609	Aluminum foundry (in tons)
		695,223	Engines
		487,963	Transmissions
		21,597	Electric engines
	Dieppe	5,111	CLIO IV Renault Sport
	Douai	133,559	New ESPACE, TALISMAN, MEGANE III (coupé-cabriolet), SCENIC III (5- and 7-seater)
	Flins	146,864	CLIO IV, ZOE
	Le Mans / Villeurbanne	7,370,832	Front/rear suspensions, subframes, lower arms
	Le Mans	110,911	Aluminum foundry (metric tons)
	Maubeuge	151,064	KANGOO Z.E., KANGOO II[2]
	Ruitz	103,458	Automatic transmissions France
France	Sandouville	99,237	LAGUNA III (sedan, station wagon, coupé),TRAFIC II[3]
	Palencia	210,293	KADJAR, New MEGANE III (sedan, station wagon, coupé)
	Valladolid	257,510	TWIZY, CAPTUR
	Valladolid	1,535,440	Engines
Spain	Seville	1,009,352	Transmissions
Portugal	Cacia	556,568	Transmissions
Slovenia	Novo Mesto	129,428	CLIO II, TWINGO III[4]
Africa - Middle East - India (AMI)			
Algeria	Oran	19,419	LOGAN II
	Casablanca	59,024	LOGAN II, SANDERO II
Marocco	Tanger	229,026	LODGY, DOKKER, SANDERO II
Iran	**Teheran**	70,712	**Front/rear suspensions**
Americas			
		76,055	CLIO II, KANGOO, KANGOO Express, FLUENCE
Argentina	Cordoba	4,025	Aluminum foundry (in tons)
		187,087	DUSTER, LOGAN II, MASTER III
Brazil	Curitiba	257,943	Engines[5]
Colombia	Envigado	76,279	DUSTER, SANDERO, CLIO II, LOGAN,LOGAN II
Chili	Los Andes	296,779	Transmissions
Eurasia			
		339,240	FLUENCE, MEGANE Generation, CLIO IV, CLIO IV Estate
		346,257	Engines
		257,183	Transmissions
Turkey	Bursa	1,096,930	Front/rear suspensions, subframes
Russia	Moscow	73,618	DUSTER, MEGANE Génération, FLUENCE, LOGAN
		339,204	DUSTER, LOGAN II, LOGAN II MCV, SANDERO II
		435,885	Engines
		514,256	Transmissions
		2,005,584	Front/rear suspensions, axles, subframes, idler modules
Romania (Dacia)	Pitesti	21,100	Aluminum foundry (in tons)

2015	SITES	PRODUCTION (Units)	VEHICLES OR COMPONENTS
Asia-Pacific			
South Korea (Renault Samsung Motors)	Busan	205,391	SM3/FLUENCE, SM3 Z.E./FLUENCE Z.E., SM5/LATITUDE, SM7/TALISMAN, QM5/KOLEOS[6]
		83,171	Engines
PARTNERS (PRODUCTION BY PARTNERS FOR RENAULT)			
Nissan plants		54,564	PULSE, SCALA, DUSTER, KWID, LODGY
Other partner sites (Iran, Russia, China)		106,481	LOGAN, SANDERO, MEGANE II

(1) Batilly also manufactures MASTER for General Motors Europe and Nissan. These vehicles are sold under the name MOVANO (Opel and Vauxhall brands) and NV 400 (Nissan brand).
(2) KANGOO vehicles are also produced in Maubeuge for Daimler. They are sold under the name CITAN (Daimler brand).
(3) TRAFIC models are also produced in Sandouville for General Motors Europe and Nissan. They are sold under the name VIVARO (Opel brand) and PRIMASTAR (Nissan brand).
(4) Vehicles using the TWINGO base are also produced in Novo Mesto for Daimler. They are sold under the name ForFour (SMART brand).
(5) The Curitiba plant also produces light commercial vehicles for Nissan.
(6) The Busan plant also manufactures vehicles for Nissan, which are marketed under the name ROGUE.

1.1.5.5 GROUPE RENAULT DISTRIBUTION NETWORK

ORGANIZATION OF THE DISTRIBUTION NETWORKS

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

The primary network is contractually bound to Renault via a concession agreement (or agency or authorized repair center agreement, depending on the country) and comprises:

- dealers independent of Groupe Renault;
- establishments belonging to Renault through its subsidiary Renault Retail Group (RRG) or branches.

The secondary network includes mainly small dealers, independent of Groupe Renault, and bound contractually to the primary network, most often via an agency contract, or authorized distribution or repair center contract.

The main changes to the Groupe Renault 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.

	2015		2014	
NUMBER OF RENAULT SITES	WORLDWIDE	O/W EUROPE	WORLDWIDE	O/W EUROPE
Primary network	5,231	2,652	5,178	2,680
o/w RRG dealers and branches	*181*	*163*	*182*	*161*
of which Renault Pro+ specialized dealerships	*650*	*492*	*600*	*451*
Secondary network	6,733	6,321	6,938	6,526
TOTAL SITES	**11,964**	**8,973**	**12,116**	**9,206**

	2015		2014	
NUMBER OF DACIA SITES	WORLDWIDE	O/W EUROPE	WORLDWIDE	O/W EUROPE
Primary network	2,338	2,035	2,026	1,683

1.1.5.6 RENAULT RETAIL GROUP (RRG)

This wholly owned subsidiary of Renault is the Group's biggest subsidiary by revenues (€7.8 billion in 2015) and workforce (10,936 employees at December 31, 2015).

Renault Retail Group has close to 200 sales and service outlets in 13 European countries: Austria, Belgium, Czech Republic, France, Germany, Ireland, Italy, Luxembourg, Poland, Portugal, Spain, Switzerland and the United Kingdom.

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 offers the following services: servicing, powertrains, bodywork, express repairs (Renault Minute and Renault Minute body shops), short-term rental (Renault Rent), financing and brokerage.

In 2015, RRG sold more than 35.7% of the new vehicles sold by Renault in France; RRG sold more than 17.4% of the new vehicles sold by Renault for the other 12 European countries in which RRG operates (excluding France).

RRG provides a commercial presence for Groupe Renault 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 2015, Renault Retail Group simplified and enriched the digital experience of its customers on its website www.renault-retail-group.fr and its mobile site. The new after-sales features and services are part of the Renault Plan "Excellence in the Customer Relationship". The aim is to be increasingly customer-focused and in touch with customers' expectations, offering them simple, fully customized services tailored to their changing needs.

RENAULT RETAIL GROUP FIGURES AT END-DECEMBER 2015	TOTAL FOR 12 EUROPEAN COUNTRIES	O/W FRANCE
New vehicles (units)	284,041	153,644
Used vehicles (units)	179,566	119,914
Total, new and used vehicles (units)	463,607	273,558
Revenues* (€ million)	7,826	4,601

* *From RRG management statements (Ireland non-consolidated).*

RENAULT PRO+ SPECIALIZED DEALERSHIPS

To meet the specific needs of its business customers, since 2009 Renault has developed the Renault Pro+ specialized network within its Dealer Network.

Renault Pro+ specialized dealerships are bound by a triple customer pledge based on:

- the specialization of sales teams and after-sales staff, with a dedicated area for business customers;
- a large range of options, including for chassis cabs, facilitated by the wide range of vehicles on display and available for test drive;
- guaranteed mobility for business customers with a dedicated after-sales team.

In 2015, 50 new Pro+ specialized sites were opened, taking the total number of dealerships worldwide to 650, across 40 different countries.

The Renault Pro+ network continues to grow in Europe, and its international presence is rapidly increasing to support the growth in sales of light commercial vehicles. A quarter of Pro+ outlets are now located outside Europe, mainly in Argentina, Brazil and Turkey.

1.1.5.7 AUTOMOTIVE CASH FLOW MANAGEMENT

For Automotive, Groupe Renault 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, commodities and short-term investments;
- foreign currency payments by French and European subsidiaries;
- cash-pooling in certain subsidiaries' foreign currencies.

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 commodities transactions. It operates within a strict risk management framework. Through its arbitrage activities, it can obtain competitive quotes for all financial products. Moreover, it is 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 room. It manages financial transactions for both Renault and Nissan, hedging itself in the markets accordingly; Renault Finance does not take any risks on behalf of any Nissan or Groupe Renault entity.

Aside from financial market transactions, Renault Finance offers a number of services, 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, Hungary, Poland, Romania, Sweden and the UK).

At end of December 2015, its net income was €50.9 million (€48.4 million at the end of December 2014) and its total parent company assets amounted to €10,092 million (€9,970 million at the end of December 2014).

1.1.5.8 ASSOCIATED COMPANIES, PARTNERSHIPS AND COLLABORATIVE PROJECTS

NISSAN

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

Nissan's market capitalization at December 31, 2015 was ¥5,784 billion (€44,131 million), based on a closing price of ¥1,279.5 per Nissan share.

Renault holds 43.4% of Nissan's share capital. At December 31, 2015, the market value of the shares held by Renault totaled €19,153 million, based on a conversion rate of ¥131.1 for €1.

Renault accounts for its shareholding in Nissan using the equity method, as described in chapter 4, note 12 of the notes to the consolidated financial statements.

AVTOVAZ

Since June 2014, Renault has owned 50% (less one share) of Alliance Rostec Auto B.V., which was created in 2012 by the Renault-Nissan Alliance and the Russian public holding company Russian Technologies (Rostec), owner of 74.5% of leading Russian carmaker AVTOVAZ.

The exceptionally difficult economic environment in Russia and the peripheral markets (Russian car market down more than 35%, average rouble exchange rate down 33%, rising interest rates) resulted in a deterioration of AVTOVAZ operating conditions even though the company is fully committed to the renewal of its product line.

To restore the financial structure and to continue the work of restructuring and modernizing the product line, Groupe Renault is in discussions with the other shareholders of the holding company Alliance Rostec Auto B.V. in view of an upcoming recapitalization that could lead to the consolidation of AVTOVAZ by Renault.

In a difficult environment that is also affecting the export markets in which the LADA brand is well established, including Ukraine and Kazakhstan, whose markets declined 48% and 39% respectively, AVTOVAZ was able to rely on sales of vehicles and components to its partners, with the production of 8 models for the Renault-Nissan Alliance, including the New LOGAN, SANDERO and STEPWAY, manufactured on the B0 production line common to the three brands and destined for the Russian market.

In total, nearly a third of the vehicles produced by AVTOVAZ in 2015 were made for the Renault-Nissan Alliance (129,000 vehicles), which helped to optimize the use of production capacities and reduce fixed costs.

AVTOVAZ also has an assembly workshop shared by the three brands to produce engines and gearboxes with a capacity of 300,000 engines in the first stage and 300,000 gearboxes per year. After the production start-up of the K4 engine and the J gearbox in three of the vehicle brands, the H4 engine was added to the range and installed in the Duster Phase 2 produced by Renault in the Moscow plant.

Renault also managed to benefit from the skills and stamping and plastics workshop capacities to localize at AVTOVAZ the components and parts for its new vehicles produced in Togliatti.

These advances are part of an in-depth reorganization of the company, along with the reduction of the number of production lines from eight to four and the renewal of the product range in preparation for the future.

Over the past few years, the AVTOVAZ offering has been redesigned on the basis of efficient vehicles, with the LADA Granta, the best-selling vehicle in Russia, the LADA Largus based on the Logan MCV and the Kalina. In line with the timetable, the range was extended at the end of 2015 with the launch of the Lada Vesta and Lada X-Ray, which use AVTOVAZ or Renault-Nissan Alliance platforms.

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

PARTNERSHIPS AND COLLABORATIVE PROJECTS

Strategic cooperation between Renault-Nissan Alliance and Daimler AG

See paragraph "Cooperation with Daimler" in chapter 1.2.6.

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.

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);
- optimizing processes in order to help suppliers cut costs without reducing their margins;
- assisting suppliers to improve quality. Since October 1, 2015, all supplier quality resources within Groupe Renault were organized within a single entity. This change in organization made it possible to set up a key Renault expert for each supplier to reinforce the required level of quality in the field for our suppliers, to ensure optimum monitoring and be more responsive;
- offering suppliers an opportunity to grow with the Group. Renault's manufacturing facilities in other countries and partnerships (Nissan, AVTOVAZ, Daimler) create opportunities for suppliers to expand into new markets or increase their volumes;
- cooperation 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 2015, twelve suppliers won awards for their outstanding achievements in one of those areas:

- Quality: AK-Pres, Bosch Automotive Services, Delta Invest, Hung-A Forming, Mann+Hummel, SNOP, Trelleborg Vibracoustic;
- CSR: 3M, Ambroise Bouvier Transports;
- Innovation: Getrag, MGI Coutier, SK Telecom.

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). In 2015, twenty-eight AGP suppliers were recognized for their competitiveness, their ability to support Renault and Nissan in terms of innovation or new product development, and for their willingness to support the international growth of both Alliance partners.

EVs: Bolloré group partnership

The French Renault and Bolloré groups have become partners in order to advance the progress of electric vehicles together. This partnership, formalized on September 9, 2014, focuses on three main aspects. Firstly, industrial cooperation: the Dieppe plant (Seine Maritime, France) has assembled Bluecar EVs (Bolloré group) since July 2015. It also includes a joint venture, Bluealliance, set up in October 2014 to sell complete electric car-sharing solutions in France and Europe. These include the Bluely services in Lyon and Bluecub in Bordeaux, where the TWIZY joined the fleet in spring 2015. Lastly, it involves the completion of a feasibility study, entrusted to Groupe Renault by the Bolloré group, on the design, development and manufacturing by Renault of an electric city car.

The development of the electric vehicle is essential to tackle environmental issues, especially air quality and mobility in towns and cities. The two groups decided to combine their complementary skills. Renault possesses know-how in relation to the design, development and manufacturing of electric vehicles (ZOE, KANGOO, TWIZY). The Bolloré group is positioned as a major player in 100% electric car-sharing.

Light commercial vehicles

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

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 Vivaro have been produced at the GM Europe plant in Luton (UK) since 2001 and at the Nissan plant in Barcelona (Spain) between 2002 and summer 2014. 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 and Renault confirmed that the next generation TRAFIC, as well as the new high roof (H2) version of the Opel Vivaro d'Opel, will be manufactured at its Sandouville site. Production started at the Sandouville plant in April 2014 and marketing in September.

In July 2014, Renault signed a cooperation agreement with Fiat to manufacture a compact van, based on the TRAFIC, at its Sandouville plant. This vehicle will be sold by Fiat across its network and under its brand name. Production is expected to begin in the first half of 2016.

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.

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 signed with local partners (manufacturers and local authorities).

In China

In June, Renault began selling the CAPTUR, an imported model heralding the imminent arrival of an SUV range. In November, Renault unveiled the KADJAR at the Guangzhou Motor Show, the first vehicle to be made locally.

The Dongfeng Renault Automotive Company (DRAC), 50/50 owned by Dongfeng and Renault, obtained its business license on March 3, 2014. The production plant is in Wuhan, capital of the Hubei province, and has a capacity of 150,000 units.

At the end of September 2015, DRAC announced plans to make an electric vehicle. This will be manufactured at the Wuhan plant in 2017. It will be marketed under a local Dongfeng brand and is destined exclusively for the Chinese market.

DRAC is continuing to expand its network, with more than 125 dealerships at the end of 2015. The number of dealerships is expected to rise to 150, to support the distribution of the new vehicle range.

On October 14, 2015, the Ministry of Industry and Information Technology (MIIT) officially published the "Factory Audit" agreement, confirming the capacity of the Wuhan site to produce the vehicles as planned.

In Russia

Renault Russia, fully-owned by Renault since the buyback at the end of 2012 of the Moscow city council shares, recorded a market share of 7.5%, a slight decline (-0.3 point), as part of a policy to preserve margins in an exceptionally difficult environment, thanks to the success of vehicles produced mainly in Russia, especially the Duster Phase 2, which was well received by the market and is once again the best-selling SUV on the market.

Renault Russia also continued its network development strategy outside Russia, with net sales growth in Belarus.

The partnership with AVTOVAZ has given Renault Russia additional production capacities with the New LOGAN, SANDERO and STEPWAY, manufactured in Togliatti on the B0 production line. Renault Russia has also increased its purchases of components, engines and gearboxes produced by AVTOVAZ and thus improved its rate of local integration.

In Asean

In 2015, Renault confirmed that it intended to be permanently based in the Asean Region.

In Indonesia, 2015 was spent expanding the distribution network and enriching the proposed line-up, with the launch of the DUSTER 4x4. Following an initial phase of local light industrialization, the DUSTER 4x2 and 4x4 went into production at the plant owned by our partner Indomobil.

In Malaysia, Renault broadened the range of vehicles on offer, with the launch of the CAPTUR ahead of local production of this model, following in the footsteps of the FLUENCE.

Finally, in Vietnam, Renault unveiled three new models at the Hanoi Motor Show: the DUSTER, the SANDERO Stepway and the LOGAN.

In India

In Chennai, the Alliance built its first joint production site as part of a joint venture (JV RNAIPL). Production was launched at the site in 2010 with the Nissan MICRA; then in 2011, Renault started to manufacture the FLUENCE and the KOLEOS, and in 2012, the PULSE, SCALA and DUSTER. In late 2013, Nissan launched the new premium SUV Terrano, derived from Renault DUSTER. In 2015, Renault began production of the LODGY, followed by the KWID.

In the same region, RNTBCI, the joint venture between Renault and Nissan, has been providing engineering, purchasing and accounting services since 2008.

In 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 produce and sell the LOGAN in India under its own brand. The vehicle was restyled in 2011 and is now sold under the "Verito" name.

In Iran

Renault is maintaining its presence, while enforcing the legal constraints linked to the international sanctions applicable to this country. Production was sharply reduced after the toughening of sanctions in mid-2013 and the blocking of financial transfers.

Renault primarily works with the X90 platform and the L90 (the LOGAN, badged as the Tondar in Iran). Since production began in 2007, a total of 411,396 vehicles have been built. MEGANE is also assembled in Iran by the manufacturer Pars Khodro. 39,600 MEGANE cars have been assembled since the start of this 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 ZAR1 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, which sells the vehicle under its own brand name.

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 2013, Renault s.a.s has had a 40% stake in the subsidiary (compared with 51% previously) and Imperial 60% (compared with 49% before). This accelerated Groupe Renault's expansion in this country, with 3.0% market share in 2014. South Africa is the biggest market on the African continent, with 591,000 vehicles in 2015. Renault sales in this market have reached 20,022 vehicles (3.4% market share).

In Morocco

Following the launch of production line 1 at the Tangiers plant in 2012 and production line 2 in 2013 (the SANDERO II), production at the plant has reached 228,932 vehicles, a new record, after 173,450 vehicles were assembled there in 2014. The Somaca plant in Casablanca, which began production of the LOGAN II and SANDERO II in 2013, built 59,024 units in 2015, an increase on 2014 (53,331 vehicles). The two Moroccan plants introduced a third shift in September 2015.

In Algeria

Two years after the agreement was signed, and one year after construction started, on November 10, 2014, in accordance with the schedule of works, Renault inaugurated the Oued Tlélat assembly plant, in the Oran region. This plant was set up by Renault Algérie Production, in partnership with Société Nationale des Véhicules Industriels (SNVI) and the National Investment Fund (FNI).

During its first year of production, the plant ramped up the local assembly of the New SYMBOL as planned, with the introduction of the second shift in June. In 2015, production was at 19,416 vehicles. In view of the changes made by the Algerian government to the specifications for imported vehicles and the preference for locally made vehicles, the decision was taken to increase the capacity of the plant to 35,000 vehicles per year in two shifts and to launch a second vehicle, the Dacia SANDERO, from the second quarter of 2016. This increase in plant capacity will help meet demand in the domestic market and facilitate local integration, without jeopardizing the timetable for implementation of phase 2 of the plan to produce 75,000 vehicles a year by integrating the sheet metal workshop and paint shop.

The environment

Renault Environnement, a wholly-owned subsidiary of Renault s.a.s., was founded in mid-2008. Its role is to develop new businesses around the themes of sustainable development and the environment, in line with Groupe Renault's environmental 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 returning to the market of recycled materials and re-used parts.

Through its subsidiary Gaïa and its equity investment in Boone Comenor Metalimpex, Renault Environnement also recovers automotive parts (production scrap and end-of-life parts) and metallic waste from Group sites.

For more details, see section 2.6.

1.1.6 SALES FINANCING

As the captive finance company of the Alliance, RCI Banque finances sales of Groupe Renault brands (Renault, Renault Samsung Motors, Dacia) worldwide and Nissan group brands (Nissan, Infiniti, Datsun) mainly in Europe, Russia and South America.

1.1.6.1 INTERNATIONAL OPERATIONS

In 2015, the RCI Banque group provided financial services in 36 countries.

Furthermore, the Group adapted to the regional reorganization operated within Groupe Renault. RCI Banque is now located in the following countries:

- Europe: France, Austria, Belgium, Croatia, Czech Republic, Denmark, Estonia, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom;
- Americas: Argentina, Brazil, Colombia;
- Africa-Middle East-India: Algeria, India, Morocco;
- Eurasia: Bulgaria, Romania, Russia, Turkey, Ukraine;
- Asia-Pacific: South Korea.

1.1.6.2 AN ORGANIZATION CATERING FOR THREE CUSTOMER BASES

RCI Banque's primary goal is to satisfy the specific needs of its three core customer bases: Retail customers, Corporate and Brand Dealer Networks. In order to facilitate access to Alliance brand vehicles, it offers appropriate solutions on the best possible terms to:

- Retail customers: RCI Banque offers a wide range of loans, rental solutions and services for both new and used vehicles, to support retail customers and help them meet their varying mobility needs;
- Corporate customers (SMEs, multinationals): RCI Banque offers competitive solutions tailored to meet the needs of all corporate customer segments, enabling them to focus on their core business and delegate management of their vehicle fleet to a sound and reliable partner;
- Alliance brand dealership networks: RCI Banque finances inventories of new vehicles, used vehicles and spare parts, as well as short-term cash requirements. RCI Banque strives to be the networks' leading financial partner. It also has an advisory role, seeking to secure their future by applying financial standards and through regular monitoring.

SAVINGS BUSINESS

As the first automotive captive finance company to introduce a savings account activity in the United Kingdom in 2015, RCI Banque is pursuing a refinancing diversification policy, now implemented in four European countries (France, Germany, Austria and the UK). This activity is a major driver of RCI Banque's refinancing.

At the end of December 2015, total savings deposits were up 56% on December 2014 at €10.2 billion, or 32% of the Group's total outstandings. In line with its strategy and a year earlier than forecast, RCI Banque has thus exceeded the 30% target it set itself for 2016.

BUSINESS ACTIVITY

With 1,389,836 financing contracts processed, an 11.6% rise on 2014, RCI Banque maintained its profitable growth momentum again this year, supporting the commercial strategy of the Alliance brands.

Benefiting from growth in Europe's automotive market and the increased market share of the Alliance brands, RCI Banque financed a record number of sales. This performance was reflected in a vehicle financing penetration rate of 37.1% (up from 35.2% in 2014), despite the significant contraction of vehicle sales in Brazil and Russia.

New finance contracts (excluding cards and personal loans) were up across all Alliance brands and amounted to €15.6 billion (up 23.9% compared with 2014).

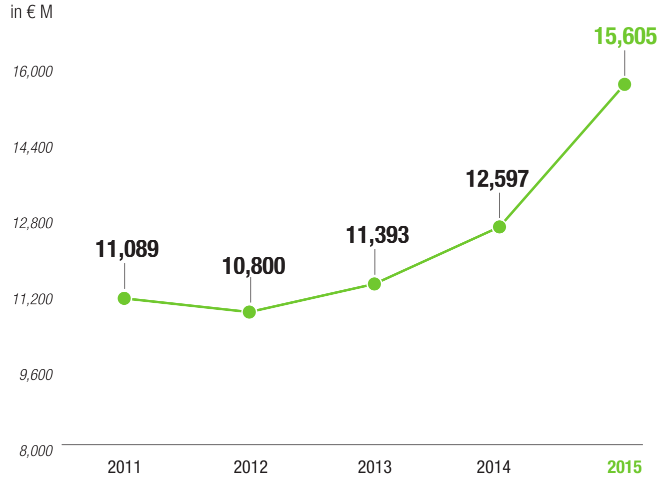
Average performing outstandings jumped 11.1% from its level in 2014, to €28.2 billion, including €21.4 billion for the Customers activity (an increase of 14.1%).

A pillar of the RCI Banque group strategy, the Services activity continues to grow through diversification of the product offering and its international expansion: the number of new service contracts was up 31.5% on 2014.

This activity helps to boost customer satisfaction and Alliance brand loyalty.

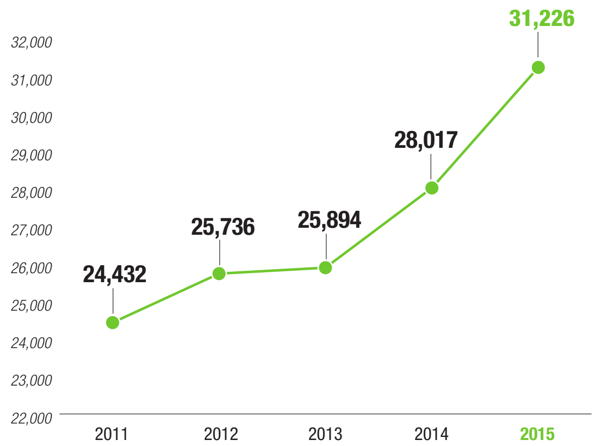
NEW FINANCING CONTRACTS (EXCLUDING PERSONAL LOANS AND CREDITS CARDS)

in € M



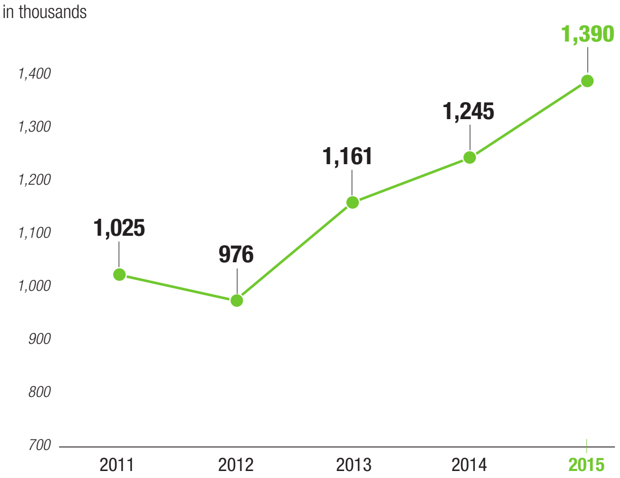
NET OUTSTANDINGS AT YEAR END

in € M



TOTAL NUMBER OF VEHICLE FINANCING CONTRACTS

in thousands



Geographically, RCI Banque benefited from a buoyant automotive market in the Europe and Asia-Pacific regions. RCI Banque consolidated its positions with an improved vehicle financing penetration rate.

Boosted by the increase in vehicle registrations and the success of new models from Alliance manufacturers, the number of new vehicle financing contracts rose by 23.0% in 2015 in the Europe Region. With a vehicle financing penetration rate at 40.2%, Europe recorded growth of 3.8 points compared to the previous year.

Despite a context of strong banking competition, the Asia-Pacific Region (South Korea) posted a vehicle financing penetration rate up 5.2 points at 53.3% at the end of 2015.

The Americas Region was marked by a decline in the number of new vehicle financing contracts, with Brazil being affected by the fall in the automotive market. Thanks to growth in the financing penetration rate in Argentina, RCI Banque was able to post a continuing high and stable penetration rate of 39.0% for the Region.

The Africa–Middle East–India Region, which, in 2015, saw the deployment of the Financing business in India, recorded a financing penetration rate of 16.4%, down 13.2 points compared to 2014. Excluding India, the penetration rate was 32.8%, an increase of 3.1 points.

In the Eurasia Region, the number of new contracts declined despite the increase in the vehicle financing penetration rate in Turkey (+2.6 points) with the automotive market showing very strong growth (+26.1%). In Russia, the decline in the automotive market (-35.1%) led to a reduction in the number of new contracts financed. In Romania, the vehicle financing penetration rate was stable.

RESULTS

By a return to growth in Europe and a slowdown in emerging markets, RCI Banque recorded pre-tax profit of €844 million, up 25.3%.

Earnings

Net banking income rose from €1,259 million in 2014 (net of non-recurring items) to €1,362 million in 2015, or an increase of +8.2%. This change is explained by an increase in average performing outstandings (APO) to €28.2 billion (+11.1% compared to 2014), as well as the increasing contribution of the margin on services, which represents 28.7% of the net banking income over 2015.

Operating expenses were €429 million, or 1.52% of APO (1.51% of APO net of non-recurring items), decreasing 14 basis points compared to 2014. The operating ratio improved 31.5% over 2015. This performance shows RCI Banque's ability to control its operating expenses while implementing its strategy, supporting growth in the Group's business activity and development projects.

The total cost of risk (including country risk) improved to 0.33% of APO (against 0.43% in 2014). The Customer cost of risk declined to 0.40% of APO against 0.50% in 2014. The Dealer cost of risk was 0.13% of APO against 0.20% in 2014.

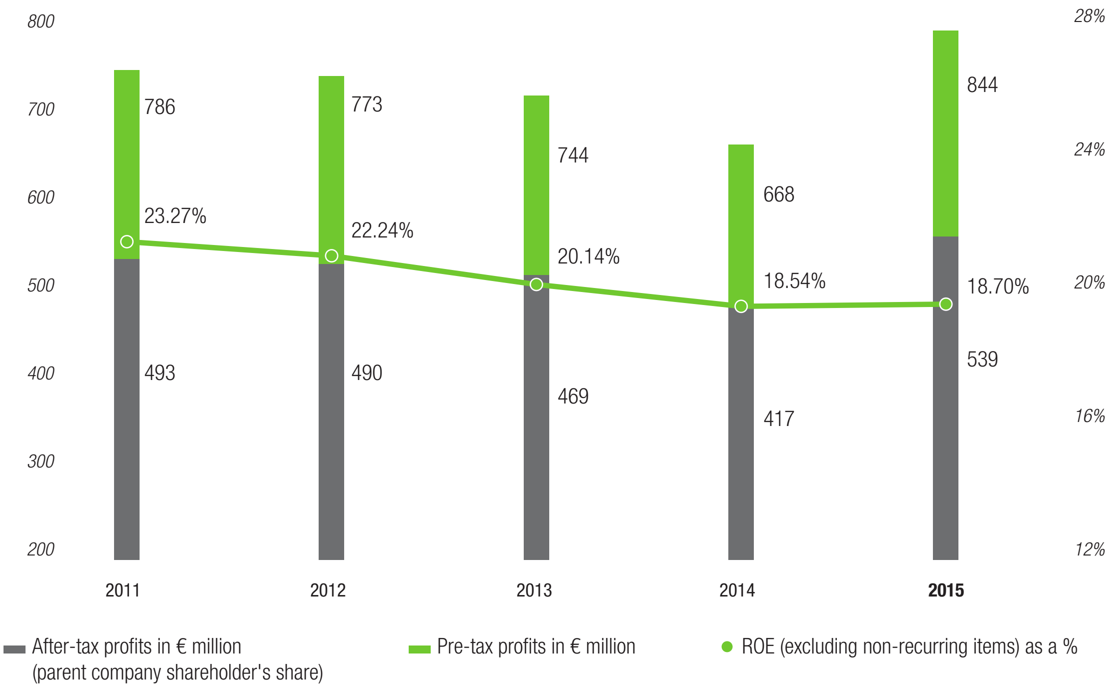
Excluding non-recurring items (-€1.4 million in 2015 versus -€76.6 million in 2014), pre-tax income increased 13.6%. The consolidated net income – parent company shareholders' share – reached €539 million in 2015 versus €417 million in 2014*, for 29.3% growth.

On the strength of its commercial growth and continued development of services, the RCI Banque Group maintains a high level of profitability while maintain a robust risk control plan.

* *Following a correction relating to the spreading of insurance commissions at RCI BANQUE SA Sucursal en España, the 2014 consolidated financial statements were restated.*

RESULTS

€ millions



Balance sheet

Good commercial performances, notably in Europe, drove a record increase in net loans outstanding to €31.2 billion compared to €28.0 billion at the end of December 2014.

The consolidated shareholders' equity amounted to €3,495 million at December 31, 2015 versus €3,151 million at the end of December 2014.

Deposits coming from individual clients in France, Germany, Austria and now also the United Kingdom (savings and term deposit accounts) reached €10.2 billion at the end of December 2015 versus €6.5 billion at the end of December 2014 and represent 32% of outstanding loans.

ROE was up 18.7% compared with 16.4% in 2014, a year affected by non-recurring charges. Excluding the impact of these items, ROE remained unchanged.

Solvency

We have clarified the methodology used to calculate the regulatory capital requirements with the regulator. This led to the exclusion of the additional capital requirement linked to the Basel I floor. As a result, CET1 solvency ratio reaches 15.6% at December end-2015, compared to 14.9% at year end-2014 with similar methodology.

FINANCIAL POLICY

RCI Banque issued three public bonds during the first half in a highly favorable market. The first, for €500 million over a five-year term, bears a coupon of 0.625%, the lowest ever paid by the Group in euros. The second, for €750 million over a term of three years and three months, bears a floating-rate coupon. The Group subsequently issued a €750 million bond over seven years, a maturity that was launched in 2014. In the second half, RCI Banque issued a €500 million bond over five years. In parallel, various private placements have been made for a total of €925 million, with an average term of 1.6 year.

The UK subsidiary also completed a £600 million private securitization backed by auto loans. This transaction replaces an earlier one dating from 2009, which has been in amortization since 2014.

This mix of maturities, coupons and types of issuance is part of the funding diversification strategy pursued for several years by the Group, enabling it to reach the highest number of investors.

Outside Europe, the Group's entities in Brazil, South Korea, Morocco and Argentina also raised finance via their domestic bond markets. In addition, the Brazilian subsidiary launched its first securitization backed by auto loans for the amount of BRL466 million.

The savings business, launched in France in 2012 and subsequently extended to Germany and Austria, was rolled out to the United Kingdom in June.

Retail deposits grew by €3.7 billion to €10.2 billion at December 31, representing 32% of loans outstanding.

These funds, to which are added, based on the European scope, €4.1 billion of undrawn committed credit lines, €2.4 billion of assets eligible as collateral in ECB monetary policy operations, €2.2 billion of high quality liquid assets (HQLA) and €0.2 billion of available cash, secure the continuity of RCI Banque's commercial business activity for 11 months without accessing external sources of liquidity.

1.1.7 MAIN GROUP SUBSIDIARIES AND DETAILED ORGANIZATION CHART(1)

1.1.7.1 THE 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 manufacturing 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 By-laws).

Revenues at December 31, 2015: €37,594 million.

Workforce at December 31, 2015: 30,895 persons.

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 amount financed in 2015: €15.66 billion.

Balance sheet total (consolidated) at December 31, 2015: €37,073 million.

Workforce at December 31, 2015: 2,977 persons.

RENAULT RETAIL GROUP (FRANCE)

2, avenue Denis Papin
92142 Clamart Cedex (France)

Wholly owned by Renault s.a.s.

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

48 branches in France.

Revenues at December 31, 2015: €4,155 million.

Workforce at December 31, 2015: 6,772 persons.

RENAULT ESPAÑA

Avda. de Madrid, 72
47001 Valladolid (Spain)

99.78% owned by Renault s.a.s.

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

Plants in Valladolid, Palencia and Seville.

Revenues at December 31, 2015: €7,084 million.

Workforce at December 31, 2015: 11,900 persons.

RENAULT DEUTSCHLAND

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

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

Business: Renault and Nissan joint commercial organization.

Revenues at December 31, 2015: €2,397 million.

Workforce at December 31, 2015: 398 persons.

RENAULT ITALIA

Via Tiburtina 1159
00156 Rome (Italy)

Wholly owned by Renault s.a.s.

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

Revenues at December 31, 2015: €2,051 million.

Workforce at December 31, 2015: 233 persons.

REVOZ

Belokranska Cesta 4
8000 Novo Mesto (Slovenia)

Wholly owned by Renault s.a.s.

Business: manufacturing of vehicles.

Plant in Novo Mesto.

Revenues at December 31, 2015: €1,028 million.

Workforce at December 31, 2015: 2,100 persons.

RENAULT FINANCE

48, avenue de Rhodanie
Case postale 1007 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 balance sheet (consolidated) at December 31, 2015: €9,550 million.

Workforce at December 31, 2015: 31 persons.

(1) Individual revenue figures are assessed and presented according to the standards used for the preparation of the consolidated financial statements.

RENAULT UK

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

Wholly owned by Groupe Renault.

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

Revenues at December 31, 2015: €1,889 million.

Workforce at December 31, 2015: 180 persons.

RENAULT BELGIQUE LUXEMBOURG

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

Wholly owned by Groupe Renault.

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

Revenues at December 31, 2015: €1,193 million.

Workforce at December 31, 2015: 196 persons.

RENAULT DO BRASIL

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

99.85% owned by Groupe Renault.

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

Revenues at December 31, 2015: €2,002 million.

Workforce at December 31, 2015: 4,999 persons.

RENAULT ARGENTINA

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

Wholly owned by Groupe Renault.

Business: manufacturing and marketing of Renault vehicles.

Revenues at December 31, 2015: €1,266 million.

Workforce at December 31, 2015: 2,242 persons.

RENAULT SAMSUNG MOTORS

61, Renaultsamsung-daero
618-722, Gangseo-gu, Busan (South Korea)

79.90% owned by Groupe Renault.

Business: manufacturing and marketing of motor vehicles.

Plant in Busan.

Revenues at December 31, 2015: €3,965 million.

Workforce at December 31, 2015: 4,256 persons.

RENAULT ALGÉRIE SPA

13, route Dar-El-Beida
Zone industrielle Oued Smar
16270 – Algiers (Algeria)

100% owned by Renault s.a.s.

Business: marketing Renault and Dacia brand passenger cars and light commercial vehicles.

Revenues at December 31, 2015: €981 million.

Workforce at December 31, 2015: 761 persons.

RENAULT MAROC (RENAULT MAROC COMMERCIAL)

Place Bandoeng Casablanca
20000 – Casablanca (Morocco)

80% owned by Renault s.a.s.

Business: importing and marketing Renault and Dacia brand vehicles.

Revenues at December 31, 2015: €742 million.

Workforce at December 31, 2015: 604 persons.

RENAULT TANGER EXPLOITATION

Zone Franche Melloussa I
90000 – Tangiers (Morocco)

100% owned by Groupe Renault.

Business: study, manufacturing and sale of Renault vehicles.

Revenues at December 31, 2015: €2,003 million.

Workforce at December 31, 2015: 5,984 persons.

OYAK-RENAULT OTOMOBIL FABRIKALARI

F.S.M Mah. Balkan Cd. No. 47 Umraniye BP 34770
81190 Istanbul (Turkey)

52.31% owned by Groupe Renault.

Business: assembly and manufacturing of Renault vehicles.

Plant in Bursa.

Revenues at December 31, 2015: €3,132 million.

Workforce at December 31, 2015: 6,248 persons.

DACIA

Str. Uzinei nr 1
115400 Mioveni (Romania)

99.43% owned by Renault.

Business: manufacturing and marketing of motor vehicles.

Plant in Pitesti.

Revenues at December 31, 2015: €4,277 million.

Workforce at December 31, 2015: 14,178 persons.

CJSC RENAULT RUSSIA

Volgogradskiy Prospect, 42, housing 36
109316 Moscow (Russia)

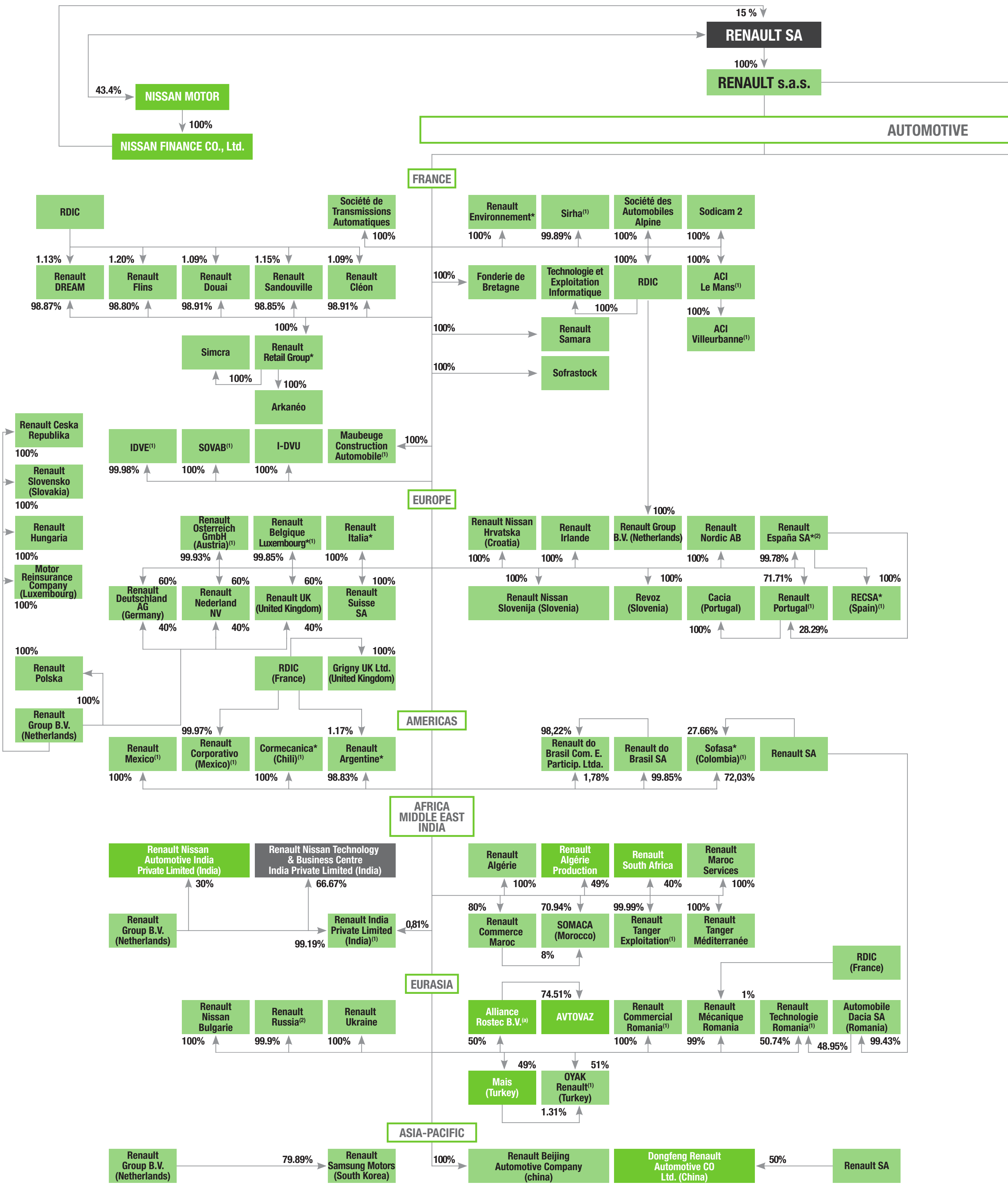
Wholly owned by Groupe Renault.

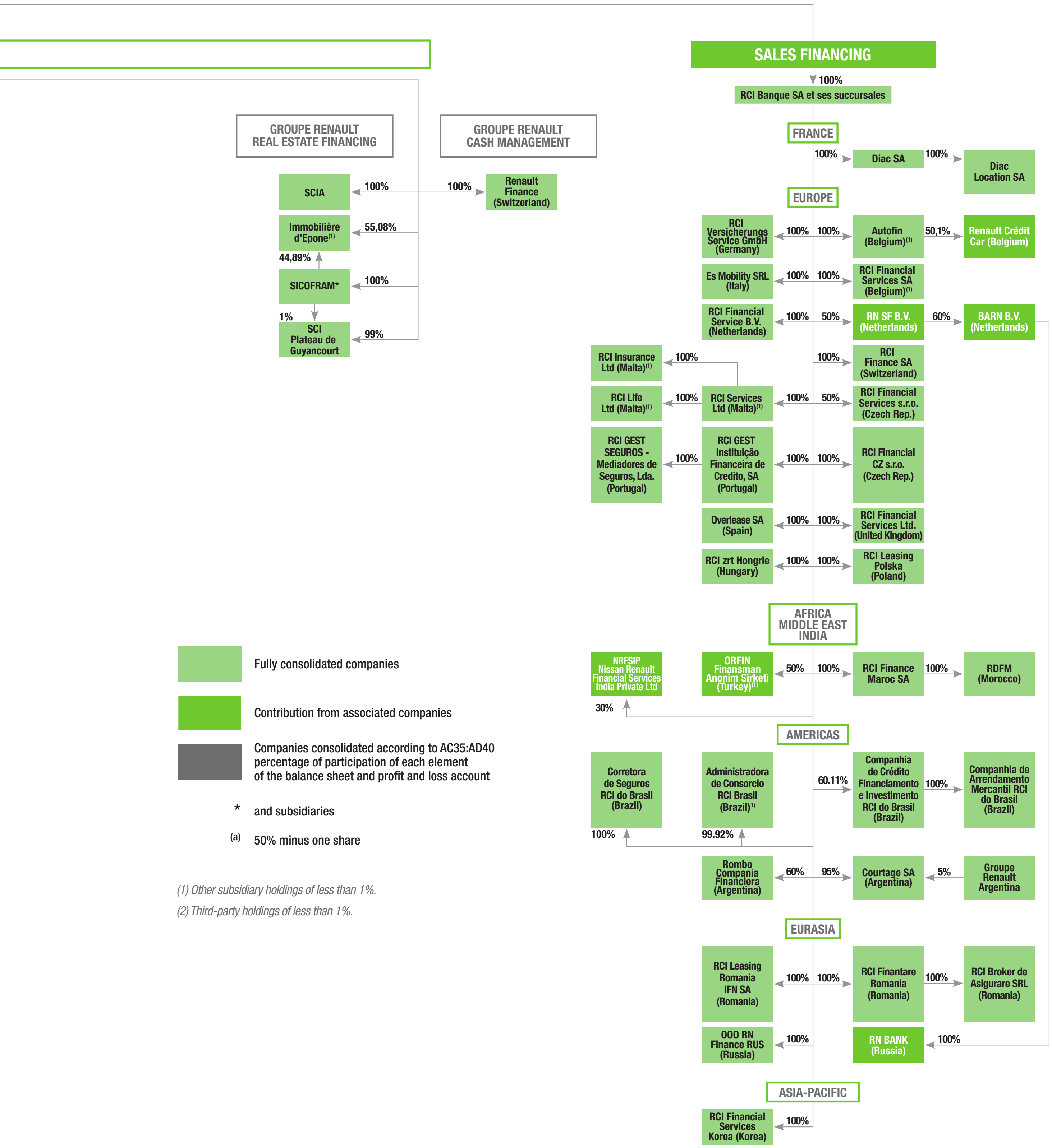
Business: assembly, import, marketing and sale of Renault vehicles.

Revenues at December 31, 2015: €1,186 million.

Workforce at December 31, 2015: 3,256 persons.

1.1.7.2 DETAILED CONSOLIDATED GROUP ORGANIZATION CHART AT DECEMBER 31, 2015





(1) Other subsidiary holdings of less than 1%.

(2) Third-party holdings of less than 1%.

1.1.8 HISTORY FOR THE GROUP

1898

- **The Renault Frères is founded:** manufacture of vehicles and working of automotive patents: the first direct-drive transmission.
  It achieved international renown with its racing victories and became specialized in manufacturing passenger cars and taxis.
- During the First World War: **production of trucks, light tanks and aircraft engines.**

1945

The Company was nationalized and became the **Régie Nationale des Usines Renault** and concentrated on producing the 4CV.

PRODUCTION
4 CV

1972

The RENAULT 5: **one of the Group's best-selling models ever.**

The 1980's

A diversification strategy at industrial, financial and service levels, with its industrial and commercial establishments expanding internationally.
A restructuring and a refocus on its basic businesses were the consequence of the difficulties experienced by the Company in 1984.

In 1987 : **the Company became profitable once again.**

The 1990's

1990: A public limited company and a close cooperation agreement is signed with the Volvo group.

1991: cross-shareholding in the cars and heavy trucks businesses. This arrangement was unwound after plans to merge the two groups were shelved in late 1993.

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

1998: inauguration of the Technocentre in Guyancourt (Engineering and design), and the Curitiba plant in Brazil.

1999: a historic Alliance with Nissan was signed on March 27 in Tokyo and took a 51% ownership interest in the Romanian manufacturer Dacia.

1999
Long-standing alliance with
NISSAN

2000

80.1% stake in Dacia and and Samsung in South Korea taken over.

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.

2003

The year of the MEGANE I, with five different bodies (SCENIC II, GRAND SCENIC, MEGANE Hardtop Convertible, MEGANE Four door sedan and MEGANE Estate) were added to the two models launched in 2002, **seven models were launched in 17 months and became the best-selling car in Europe.**

2008

An additional action plan was set up following the financial and economic crisis, with particular emphasis on controlling stocks and reducing costs and investments. New business locations planned by the Renault-Nissan Alliance in Tangiers (Morocco) and in Chennai (India) were deferred or put on hold. 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.

2009

Management of the crisis included the Renault Volontariat plan **set up as well as a social contract implemented** (part-time working and wages maintained), to reach a positive free cash flow.

2010

- More than 2,625,000 units (passenger cars+LCVs) solds.
- **The DeZir concept-car is introduced in Paris,** giving concrete expression to the Group's new strategy on design, based on the life cycle. The Alliance and Daimler AG sign a long-term strategic cooperation agreement. Daimler holds 3.1% of Renault and Nissan shares, and Renault and Nissan each hold 1.55% of the Daimler shares.

2011

- 2.72 million units sold and the commitment to an Operational free cash flow of €500 million was met and the net debt position is at the 1998 level.
- Supplies were severely disrupted by the earthquake and tsunami in Japan.
- The sovereign debt crisis in the Euro zone and attempted fraud.
- The Renault 2016 strategic plan - Drive the Change is launched.
- The New TWINGO and the new range of Energy engines are launched. KANGOO Z.E. and FLUENCE Z.E. were put on the market at the end of the year.
- The consequence of the attempted fraud was an overhaul of the Renault corporate governance.

2012

- 2.5 million vehicles (- 6.3% compared to 2011).
- 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.
- Renault returned to India, selling a range of vehicles including DUSTER, which is a real success.
- Production of LODGY and DOKKER starts in the Tangiers plant (Morocco).
- In Europe, the range is starting to be renewed with the CLIO 4, and the New SANDERO.
- 11th title of World Champion of Formula-1 manufacturers.
- Launch of the CITAN (Daimler), the small light commercial vehicle, and signature of an agreement to take control of AVTOVAZ in Russia strengthened partnerships.
- An MOU was signed with the Algerian government to build an assembly plant.
- Debt reduction process was completed in particular with the sale of its remaining shares in AB Volvo.

2013

- The Group sold **2,628,208 vehicles** in 2013 against 2,548,622 in 2012.
- **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.
- The ZOE, an all-electric car, was 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.
- The ALPINE returned to the Le Mans 24 Hours race and, for the 12th time, Renault was world champion of the Formule-1 engine manufacturers, the unveiling of the new Renault Energy F1-2014 electrified Power Unit.
- Introduction of the INITIALE PARIS concept car which is an example of the successor to the ESPACE.
- A partnership was signed with Indomobil to develop its business in Indonesia, with Dong Feng for the Renault manufacturing plant.

2014

- 2.7 million units for Group Renault in 2014, increasing 3.2% from 2013.
- **China** – On December 16, 2013, Carlos Ghosn, Chairman and CEO of Renault, and Xu Ping, Chairman of Dongfeng Motor, signed an agreement to set up Dongfeng Renault Automotive Company (DRAC).
- **Malaysia – Development of manufacturing facilities:** Renault and Tan Chong Motors signed a local assembly agreement.
- **The New TRAFIC and the New MASTER** – in 2014, Renault refreshed its two van models: the New TRAFIC and the New MASTER.
- **Car-sharing** – Renault and Bolloré signed an agreement to promote the development of electric vehicles.
- **FIA Formula-E Championship** – Motor sports are entering a new era with the very first FIA Formula-E race held in the streets of Beijing in China.
- **EOLAB** – with consumption of 1 l/100km in mixed NEDC (22g of CO_2 km), EOLAB is a reflection of Renault's constant desire to further reduce the environmental footprint of its vehicles.
- The New **ESPACE** – world preview at the Paris Motor Show. Renault has reinvented the ESPACE.
- **ALPINE** – ELMS/ALPINE A450B. The Signatech-ALPINE team won its second consecutive title at the European Le Mans Series, ALPINE is continuing to prepare the Berlinette of the XXIst century, which will be marketed in 2016.
- **Inauguration of the Oran plant** – This plant manufactures the New Renault SYMBOL.

1.2 THE RENAULT-NISSAN ALLIANCE

1.2.1 OVERVIEW

1.2.1.1 SIXTEEN YEARS OF COOPERATION

The Renault-Nissan Alliance is the auto industry's most productive and longest-lasting cross-cultural collaboration. This unique partnership, which celebrated its 16th anniversary in March 2015, is a pragmatic, flexible business tool that can expand to accommodate new projects and partners worldwide.

In 2015, the Alliance sold a record 8,53 million vehicles worldwide, nearly 1% from the previous year. The Alliance captured about 10% of the global market in 2015, ranking it among the top four car groups worldwide.

1.2.1.2 ORIGINS OF THE ALLIANCE

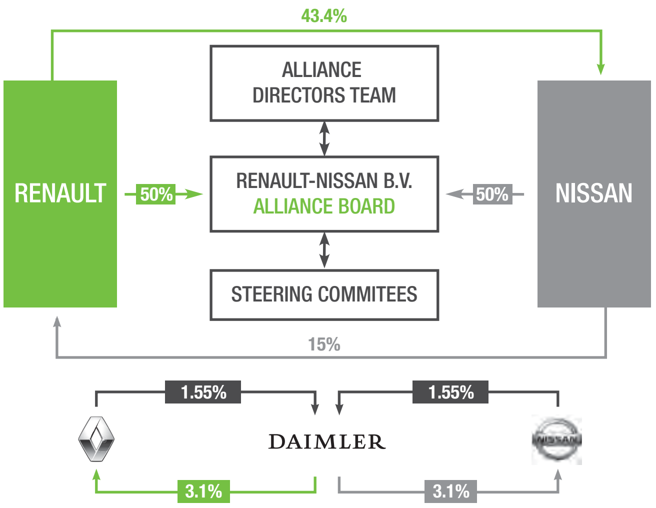
The Renault-Nissan Alliance was founded on March 27, 1999 when Renault bought a 36.8% stake in Nissan Motor Co., Ltd.

On March 1, 2002, Renault increased its equity stake in Nissan from 36.8% to 44.3%. 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. (RNBV) 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 between the Alliance and Daimler AG in April 2010, Renault's stake in Nissan stands at 43.4%, while Nissan's stake in Renault remains unchanged at 15%.

Percentage of ownership between Renault and Nissan



1.2.2 ALLIANCE PRINCIPLES & OBJECTIVES

1.2.2.1 PRINCIPLES

The Alliance is based on trust, respect and transparency among all partners. It strives for "win-win" solutions that benefit the Alliance partners and their customers. It seeks to maximize economies of scale, while preserving each company's distinct brand identity and corporate culture.

1.2.2.2 OBJECTIVES

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

- to rank in the top three automotive groups for quality and value in each region and market segment;
- to rank in the top three automotive groups in key technologies, each partner being a leader in specific fields of excellence;
- to rank in the top three automotive groups for total operating profit.

1.2.3 STRUCTURE OF THE ALLIANCE

1.2.3.1 ALLIANCE GOVERNANCE

Renault-Nissan b.v., based in Amsterdam, the Netherlands, is responsible for the strategic management of the Alliance. The Company, which was founded on March 28, 2002, is equally-owned by Renault SA and Nissan Motor Co., Ltd.

1.2.3.2 THE ALLIANCE BOARD

ROLE OF THE ALLIANCE BOARD

The Alliance Board is the decision-making body for all issues affecting the Alliance's future and meets approximately once a month. The first Alliance Board Meeting (ABM) took place on May 29, 2002. The Alliance Board also hosts larger forums for all top executives at both companies.

ALLIANCE BOARD MEMBERS

Since November 2011, the Alliance Board has been led by Carlos Ghosn, its Chairman and CEO. Carlos Ghosn is also President and CEO of Renault and President and CEO of Nissan.He is also Chairman of Russia's largest automaker, AVTOVAZ. The Alliance Board includes four senior executives from Renault and four executives from Nissan. The Renault executives are: Thierry Bolloré, Executive Vice-President, Chief Competitive Officer; Jerome Stoll, Executive Vice-President, Chief Performance Officer; Bruno Ancelin, Executive Vice-President, Product Planning & Programmes; and Mouna Sepehri, Executive Vice-President, Office of the CEO. The Nissan executives are: Hiroto Saikawa, Chief Competitive Officer; Philippe Klein, Chief Planning Officer; Trevor Mann, Chief Performance Officer; and Hari Nada, Senior Vice-President, Office of the CEO.

Other members of Renault and Nissan's Executive Committees attend the Alliance Board.

1.2.3.3 ROLE OF RENAULT-NISSAN B.V.

RNBV decides on the Alliance's medium- and long-term strategy. It 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 limited powers over both Renault SA and Nissan Motor Co., Ltd. as described in paragraph below 1.2.3.4 "Powers of Renault-Nissan b.v.".Renault SA, headquartered in Boulogne-Billancourt, France, and Nissan Motor Co., Ltd., based in Yokohama, Japan, have separate decision-making bodies. The responsibility for managing their activities lies with their respective Executive Committees, which are accountable to their respective Board of Directors and shareholders.

In addition, RNBV holds the shares of 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.

1.2.3.4 POWERS OF RENAULT-NISSAN B.V.

RNBV has limited ***decision-making power*** with respect to the strategic management of Renault SA and Nissan Motor Co., Ltd. RNBV has some power over decisions that would be difficult for the two companies to make 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:

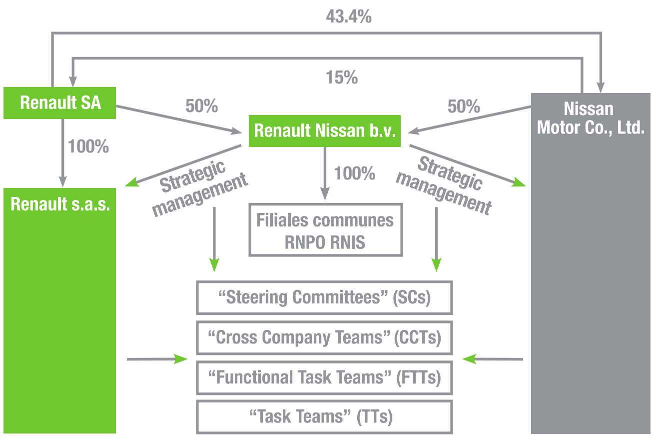
- adoption of 3-, 5- and 10-year plans (strategic Company projects, with quantified data);
- approval of product plans (parts of strategic projects corresponding to the design, development, manufacturing and sale of current or future products, vehicles and components);
- decisions concerning the commonization 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 the creation, modification, steering and disbandment of Cross-Company Teams (CCTs) and Functional Task Teams (FTTs). 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 and;
- any other subject or project assigned to RNBV on a joint basis by Renault SA and Nissan Motor Co., Ltd.

RNBV also has the exclusive ***power to make proposals*** on a range of decisions to be made by the two operating companies, Renault SA and Nissan Motor Co., Ltd.. The 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 and;
- strategic cooperations between Renault SA or Nissan Motor Co., Ltd., and other companies.

ALLIANCE STRUCTURE



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 the companies' respective governing bodies. The two companies retain autonomy over their own decisions, the identity of their respective brands, their employee-representative bodies and their employees. They are also responsible for their own results.

1.2.3.5 2015 ACTIVITIES

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

- common Alliance projects and organizations: supporting the Alliance's international growth, RNBV drives the creation of common entities. For example, it expanded its purchasing activities, creating a fifth purchasing region in Russia with AVTOVAZ which began operations in Jan. 2015;
- 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 Japan's Mitsubishi Motors;
- communications: RNBV supports the Alliance activities and businesses through targeted initiatives on high-profile events. In 2015, these included the annual World Economic Forum in Davos, Switzerland, the sponsorship of the COP21 environmental conference in Paris at the end of the year. The Alliance communication team promotes messages internally and externally about how Renault, Nissan and other partners work together.

1.2.4 OPERATIONAL MANAGEMENT OF THE ALLIANCE

The Alliance is a unique partnership of two global companies aimed at generating synergies, while preserving each company's distinct culture, brand identity and management. The goal is to increase synergies and ensure both partners jointly reach critical size.

On April 1, 2014, Renault and Nissan took a new step in the evolution of the Alliance when they decided to converge four key functions: Engineering, Manufacturing Engineering and Supply Chain Management, Purchasing and Human Resources. Convergence is aimed at further accelerating synergies, as well as fostering closer ties between management at both companies, which will help deepen efficiency and synergies.

The Alliance continues to look for synergies in other functions, mainly through the Cross-Company Teams (CCTs) and Functional Task Teams (FTTs) set up in 2002 and the dedicated team of Alliance Global managers established in 2009.

1.2.4.1 THE CONVERGENCE PROJECT

THE LATEST STEP IN THE EVOLUTION OF THE ALLIANCE

The convergence of Engineering, Manufacturing Engineering and Supply Chain Management, Purchasing and Human Resources is accelerating efficiency and synergies in these four functions by allowing these functions to make quicker decisions, avoid duplication and pool resources. By 2016, the Alliance expects to generate a minimum of €4.3 billion in annualized synergies by 2016, up from €3.8 billion in 2014.

Each converged function is headed by one dedicated Alliance Executive Vice-President. They are:

- Tsuyoshi Yamaguchi, Alliance EVP, Alliance Technology Development;
- Jerôme Olive, EVP, Manufacturing Engineering and Supply Chain Management;
- Yasuhiro Yamauchi, Alliance EVP, Purchasing and Chairman & Managing Director of Renault-Nissan Purchasing Organization (RNPO);
- Marie-Francoise Damesin, Alliance EVP, Alliance Human Resources.

The Alliance EVPs of Engineering, Manufacturing Engineering & Supply Chain, and Purchasing all report directly to the Chief Competitive Officers of both Renault and Nissan, who in turn report directly to the Renault-Nissan Alliance Chairman & CEO Carlos Ghosn. The Alliance EVP of Human Resources reports directly to the CEO.

In April 2014, a new Alliance Management Committee was also established, comprised of the Chief Competitive Officers of each company and the Alliance Executive Vice-Presidents of the four converged functions. The committee is headed by the Renault-Nissan Alliance Chairman and CEO. The Alliance Management Committee meets on a monthly basis to review the progress of the Alliance's four converged operations and to ensure the achievement of key objectives.

KEY MISSIONS OF THE CONVERGED FUNCTIONS

The converged Engineering function (also called Alliance Technology Development) is accelerating the commonization of parts, powertrains, platforms, and advanced engineering, and optimizing the use of the Alliance's engineering resources. The converged function is also enabling the Alliance to get maximum leverage out of its size. Commonly developed technologies will be available for each company to use on their specific products. Thanks to the convergence, a Research & Advanced Engineering (R&AE) team has been establish for strategic Alliance engineering, including electric, autonomous and connected vehicles, as well as low-emission cars.

The newly converged Purchasing function is further strengthening the long history of commonization between Renault and Nissan in this area. Convergence is helping to reinforce global processes for purchasing, methodologies and supplier knowledge, as well as help localize parts procurement.

In Manufacturing, a common Industrial Strategy has been established. The Alliance has also established an Alliance Production Way and Industrial Performance teams. These are helping the Alliance optimize the cross-production of cars at Renault and Nissan plants and therefore optimizing the use of manufacturing capacities. For example: the Nissan ROGUE at the Renault Busan plant in Korea, the Renault DUSTER and KWID at the Alliance Chennai plant in India, and the next-generation Nissan MICRA in Renault's Flins plant in France, which will go into production in 2016.

The creation of a Supply Chain Management function has enabled Renault and Nissan to bring together their Supply Chain and Logistics functions, which will help boost cross-production between the companies.

Convergence in Human Resources aims to provide the best HR practices and to generate synergies from the development of talent and promotion of diversity; management of workforce allocation and development of competencies and by enhancing employees' engagement and empowerment, as well as an Alliance mindset. Key milestones include the convergence of HR support functions, common talent management and staff exchange plans, a common development program for top executive and regional Alliance HR heads in India and China.

1.2.4.2 OPERATIONAL ALLIANCE TEAMS AND COMMITTEES

In addition to the converged functions, the Alliance continues to look for synergies in functions that are not converged through Cross-Company Teams (CCTs) and Functional Task Teams (FTTs).

Dedicated Alliance Global managers within RNBV are also responsible for accelerating synergies and best-practice sharing in other areas. This team has been in place since 2009. Today the Alliance Global managers are focused on the following areas:

1. Alliance A-Segment Development;
2. Alliance IS/IT;
3. Alliance Control;
4. Alliance Communications & Marketing;
5. Alliance Finance & Economic Advisor;
6. Alliance Cooperation with Daimler group;
7. Alliance Customs and Trade;
8. Alliance Product Planning;
9. Alliance Aftersales New Business Development (new in 2015).

The Alliance Global managers report to the head of the Alliance CEO Office & RNBV, who reports directly to the Renault-Nissan Alliance Chairman and CEO.

STEERING COMMITTEES

The steering committees are tasked with defining the Alliance's cross-functional strategic operational priorities, submitting topics to the Alliance Board Meeting that may be given priority status in the agenda and coordinating the activities of the Cross-Company Teams (CCTs) and Functional Task Teams (FTTs) 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 Alliance Board Meeting and, wherever necessary, seek arbitration on and/or confirmation for decisions.

Today, there are 11 steering committees, each focusing on a different field that supports the CCTs and FTTs in the implementation of Alliance projects.

1.	Chief Competitive Officer	7.	Asia & Pacific (excl. China)
2.	Planning	8.	AMI (Africa, Middle East & India)
3.	Sales & Marketing	9.	Americas
4.	Services	10.	Europe
5.	Communications	11.	Russia
6.	China		

The number of SCs, CCTs and FTTs and their area of focus are constantly adapted in line with the needs of the Alliance.

CROSS-COMPANY TEAMS

Cross-Company Teams are working groups of staff and experts from both companies who explore possible areas of further cooperation. They define projects and then monitor implementation of projects approved by the Board. The CCTs are headed by two co-leaders, one from Renault and one from Nissan.

Today, there are 12CCTs working on the following areas:

1.	Product Planning	7.	Korea
2.	Light commercial vehicle	8.	Africa
3.	Vehicle Information Technology	9.	Joint Market Research
4.	Vehicle Engineering	10.	India
5.	Parts & Accessories	11.	ASEAN (Association of Southeast Asian Nations)
6.	Corporate *Sales*	12.	Middle East

FUNCTIONAL TASK TEAMS

The Functional Task Teams 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 15 FTTs that cover the following key areas:

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

1.2.5 SYNERGIES – A WAY TO MEASURE THE BENEFITS OF THE COOPERATION

One key way to measure the benefit of the cooperation between Renault and Nissan is through synergies. Synergies are cost reductions, cost avoidance and revenue increases. Only new synergies – not cumulative synergies – are taken into account each year. The related synergies are an additional opportunity for each company. Thanks to the April 2014 convergence of four key functions – Engineering, Manufacturing Engineering & Supply Chain Management, Purchasing and Human Resources – the Renault-Nissan Alliance expects synergies to accelerate further. By 2018, the Alliance aims to generate €5.5 billion in annualized synergies, up from €1.5 billion in 2009 when it first began recording synergies.

The Alliance synergies are reported by the pilots of the Cross Company Teams and reviewed by the Cost Controllers. The impact on Renault and Nissan's profit and loss statements (P&L) is reported in the Alliance Board Meetings.

1.2.5.1 STATUS OF SYNERGIES

In 2015, the Alliance expects to have generated more than €4.1 billion in synergies. The 2015 results will be announced in July 2016.

In 2014, the Renault-Nissan Alliance posted record synergies of €3.8 billion, up from €2.9 billion in the previous year. Purchasing, Engineering and Manufacturing remained the biggest contributors to synergies as the Alliance continued to launch new vehicles on the Common Module Family (CMF) architecture. CMF is the Alliance's unique system of modular architecture and an increasing source of synergies.

PURCHASING

RNPO

The Alliance has been able to make substantial cost savings by pursuing a joint purchasing strategy and building a network of common suppliers. The Renault-Nissan Purchasing Organization (RNPO), established in April 2001, was the first joint-venture company set up between Renault and Nissan and has historically been the biggest contributor to Alliance synergies.

RNPO initially managed about 30% of Renault's and Nissan's global annual purchasing turnover. In 2009, this expanded to 100% of all purchases across the Alliance. The geographical scope of RNPO was also extended to all regions where Renault and Nissan have production activities in an effort to respond to worldwide needs. Since April 2014, the scale and power of RNPO has increased due to the convergence of the key functions and as more and more vehicles are jointly developed on the CMF architecture. All purchasing activities now fall under the scope of RNPO, including all projects in the Regions and at a global level, to ensure consistency across programmes. Today, there are five purchasing Regions: Europe, South America, North America, Asia and Russia. Purchasing in Russia is led by AVTOVAZ-Renault-Nissan Purchasing Organization (ARNPO), which was created in January 2015, and is in charge of all purchasing by the three partners in that market.

VEHICLE TECHNOLOGY DEVELOPMENT

The sharing of platforms and, more significantly, the sharing of major components generates tremendous synergies.

The main objective of the newly converged Engineering function, called Alliance Technology Development, is to position the Alliance as a global leader in auto-related technology innovation, particularly in the field of connected cars and autonomous driving. Another key priority is to increase the platform and parts commonality ratio between Renault and Nissan in order to strengthen the Alliance's cost leadership and generate increased economies of scales.

COMMON MODULE FAMILY (CMF)

Alliance Technology Development is expanding the Alliance's Common Module Family (CMF) approach across all vehicle segments. This unique modular system of architecture allows Renault and Nissan to build a wide range of vehicles from a smaller pool of parts, resulting in more savings and greater value for customers.

CMF divides the car into five fundamental modules: engine compartment, cockpit, front underbody, rear underbody plus the electronics package. The five big modules can be "mixed and matched" to create an unusually large variety of vehicles.

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 entry ticket costs by up to 40% and purchasing costs by up to 30%.

CMF will cover three key vehicle segments:

- CMF-A: small, fuel-efficient vehicles for high-growth markets;
- CMF-B: mid-sized vehicles and;
- CMF-C/D: larger vehicles, including many Renault and Nissan SUVs and crossovers.

In November 2013, Nissan began selling its first vehicle on CMF in the United States; the new ROGUE sports utility vehicle is built on CMF-C/D. The following month, Nissan began selling the X-Trail crossover SUV in Japan, also based on CMF-C/D. In February 2014, Nissan began selling the new QASHQAI crossover in Europe.

In April 2015, Renault released its first CMF model, the New ESPACE crossover, also built on CMF-C/D architecture. In 2015, it unveiled the KADJAR and TALISMAN, also based on CMF-C/D.

In autumn 2015, the Alliance released its first CMF-A vehicle, the Renault KWID, built at the Renault-Nissan Alliance plant in Chennai, India. Nissan will release its Datsun CMF-A vehicle for India in 2016.

The development of CMF vehicles is helping to drive synergies in all the Alliance's major business areas – from purchasing to vehicle engineering and powertrains. By 2020, CMF is expected to cover 70% of Renault and Nissan volume.

RESEARCH AND ADVANCED ENGINEERING

In April 2014, the Alliance created the Research & Advanced Engineering business unit so Renault and Nissan could cooperate in strategic fields of research and advanced engineering. The goal is to reduce the development cost of expensive, next-generation technologies and position the Alliance among the top three automotive groups in key technologies.

Alliance technology leadership is built on three key strategic focuses: zero-emission vehicles, connected cars and services, and autonomous drive vehicles.

The Alliance is the leader in zero-emission mobility, having sold nearly 300,000 electric vehicles globally in 2015 – about one in two EVs on roads today. To maintain this leadership, the Alliance has built a common zero-emission vehicles strategy and roadmap.

Renault-Nissan conducts research and advanced engineering in multiple facilities worldwide, including Nissan's technical centers in Atsugi, Japan, and Farmington Hills, Michigan; Renault's technical center in Guyancourt, France; and the Renault-Nissan Alliance's research office in Silicon Valley, California, which was established in 2011.

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 under the Alliance Production Way (APW), 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 (*e.g.*. electric vehicle battery recycling and energy efficiency) represent a new field for the exchange of best practices. In 2015, the Alliance began rolling out APW at all plants around the world where cross-manufacturing takes place. By 2016, all Renault and Nissan plants will have adopted the APW.

REGIONAL HIGHLIGHTS

China

In December 2013, Renault and China's Dongfeng Motor signed an agreement for the creation of a joint venture for the production of Renault vehicles in China. Construction of the joint venture plant in Wuhan is currently underway with the plant expected to officially open in early 2016. The joint venture has benefitted from the Nissan's ten-year's experience in China in several areas, including construction, supplier selection and employee training. The KADJAR crossover, the first Renault vehicle to be built in China, will be built on the Alliance CMF C/D architecture.

India

India is another key pillar of the Alliance's strategic focus on new growth markets. The Chennai plant, inaugurated in 2010, was the first dedicated Alliance plant in the world and is home to the largest platform-sharing project in the Alliance.

In 2015, the plant began producing the Renault KWID for the Indian market. The compact hatchback is the first vehicle built on the Alliance's CMF-A architecture, which covers the smallest and most affordable category of cars in the Alliance Common Module Family. In addition to the KWID, the plant produces the following Renault vehicles: the new compact PULSE, the DUSTER Compact SUV, the LODGY MPV, the SCALA premium sedan. The plant also produces the following Nissan vehicles: the New MICRA premium hatchback, the New Sunny premium sedan, the Evalia multi-purpose van as well as the Nissan Terrano premium compact SUV, as well as the Datsun Go and GO+.

Renault exports the DUSTER to other right-hand drive markets in Europe, Asia and Africa. Nissan exports MICRA and Sunny to over 106 countries and is the second-largest exporter of passenger cars from India.

South Korea

In September 2014, Renault Samsung Motor's plant (RSM) in Busan, Korea, began shipments of Nissan ROGUE vehicles to North America to meet stronger-than-expected customer demand for the successful crossover in that market. The Busan plant's annual production target was 80,000 ROGUEs over a period of five years. In 2015, that figure rose to 110,000 units, helping to accelerate RSM's goals.

Argentina

In 2015, the Alliance announced that Nissan and Renault have begun developing a 1-ton pickup truck for Renault which will share some common architecture with the Nissan NP300 1-ton pickup truck. The truck, which will have a distinctive Renault design, is Renault's first 1-ton pickup truck Production will begin in 2016 at Nissan's plant in Cuernavaca, Mexico. The 1-ton pickup will mark Renault's second entry into the pickup segment after the launch of a half-ton pickup later this year. Nissan will also build a Mercedes-Benz 1-ton pickup truck , based on NP300, in the Renault plant in Cordoba, Argentina, along with the Nissan NP300 and the Renault 1-ton truck, for Latin America. The three trucks will also be built in the Nissan plant in Barcelona, Spain, for other markets, excluding North America.

Production of the trucks at the two plants will start by the end of the decade.

SUPPLY CHAIN MANAGEMENT & LOGISTICS

Following the convergence of Manufacturing Engineering & Supply Chain Management in April 2014, the newly created Alliance Supply Chain Management division began overseeing all Supply Chain and Logistics teams worldwide under one Alliance Global Vice-President.

Combining logistics and supply chain 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.

Here are some specific examples of common logistics activities:

- shared outbound operations to reduce complexity: For example, UK deliveries for all Renault, Dacia, Nissan and Infiniti vehicles are managed by the Alliance Logistics Team based in UK. Italy deliveries for all Renault, Dacia, Nissan and Infiniti vehicles are managed by the Alliance Logistics team based in France;
- Renault-Nissan has standardized packaging for each region, creating a common approach to containers and other packaging from design to vehicle shipping. On inbound parts supply in Europe, standardized packaging increased the truck filling ratio to more than 70%;
- Renault and Nissan have been working together for four years to coordinate all shipping processes on a global scale. This has shortened maritime routes and increased the filling ratio on cargo ships, leading to significant cost reduction and faster time to market;
- a new logists cs facility has been established in Moscow to export parts and support future production outside Europe.

In addition, the convergence of Renault and Nissan's supply chain processes is accelerating as the companies increasingly cross produce at each other's plants.

IS/IT

Renault-Nissan Information Services (RNIS) was established in July 2002 to control common IS/IT activities. The common scope includes planning, architecture and control functions, as well as joint purchasing and best-practice sharing.

Since June 2009, under the management of the RNBV IS Managing Director and common Chief Information Officer, Renault and Nissan collaborate on 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 and IS synergies (portfolio optimization, common applications, offshore application, development and maintenance, and development tools standardization).

QUALITY

The Alliance Quality Charter 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), 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 point of view;
- Alliance New Product Quality Procedure (ANPQP), a quality measurement system developed for suppliers, which has been extended to all new projects. ANPQP was developed to define the Renault and Nissan requirements for suppliers from the initial project planning phase, through the start of production to the end of product life;
- Alliance Supplier Evaluation Standard (ASES), a standard to evaluate the level of the quality management system of suppliers in terms of results and processes and to define the parts per million (PPM) targets for parts manufactured outside the Group.

The Quality Functional Task Team 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.

1.2.5.2 NON-TRADITIONAL AREAS OF SYNERGIES

The Alliance is also increasingly benefitting from synergies in non-traditional areas, such as sales and marketing.

GLOBAL JOINT MEDIA BUYING

Since 2009, Renault and Nissan have been using the same media purchasing agency in Europe, Russia, Algeria, Morocco, India and Mexico. Omnicom-OMD handles media purchasing for Renault in 24 countries in greater Europe and in 20 countries for Nissan. The combined budget for 2015 was more than €700 million.

JOINT FLEET CONTRACT

Thanks to the Alliance's wide product line-up and global sales footprint, Renault and Nissan are able to sign exclusive fleet contracts with major corporate clients.

The Alliance has signed numerous fleet contracts with corporate clients around the world including nutritional food company Danone, IT group Atos and pharmaceutical group Merck.

MOTORSHOWS

Since 2012, a dedicated Alliance team has been responsible for motor shows around the world for six of the Alliance's brands – Renault, Nissan, Infiniti, Dacia, Datsun and Renault Samsung Motors. The creation of the Alliance Motor Show team allows the Alliance to have a common strategic approach to motor shows and common strategic tools, while at the same time reducing costs.

1.2.6 STRATEGIC COOPERATIONS

The Renault-Nissan Alliance has developed a core competence in managing partnerships to increase economies of scale, to help accelerate growth in new regions and to fund research and development of next-generation powertrains and vehicles. In fact, partners and potential partners specifically seek out Renault-Nissan for its demonstrated ability to keep collaborations expanding through multiple business cycles.

Today the Alliance operates strategic collaborations with numerous automakers, including Germany's Daimler, China's Dongfeng Motor and Japan's Mitsubishi Motors.

The Alliance's biggest strategic collaboration by far is with premium carmaker Daimler AG. The partnership began in April 2010. This strategic cooperation is strengthened by cross-shareholdings, with Daimler holding a 3.1% share in both Renault and Nissan and Renault and Nissan each holding a 1.55% share in Daimler.

The partnership is managed by a Cooperation Committee co-chaired by Carlos Ghosn and Daimler CEO Dieter Zetsche and made up of senior executives from 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. In 2010, the companies began collaborating on three projects, mostly within Europe. Today, the Alliance and Daimler count 13 major projects on three continents. The key projects involving Renault in the portfolio so far include:

- the Daimler CITAN city van, released in September 2012. The van is based on the Renault KANGOO and 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 also powers the new Mercedes-Benz A-and B-Class models released in 2012;
- Renault TWINGO and Mercedes-Benz SMARTS based on a common Renault-Daimler platform. Although the New TWINGO and fortwo and forfour SMARTS, which were released in the second half of 2014, are built on a common platform they remain independent products with an unmistakable brand identity. The New TWINGO and the forfour SMART are produced in Novo Mesto, Slovenia. Meanwhile, the fortwo SMART is produced at Daimlers Hambach plant in France;
- the debut in 2016 of a new, state-of-the-art direct-injection turbocharged small gasoline engine family developed by Renault and Daimler for Daimler, Renault and Nissan cars. The engines will feature improved fuel economy and reduced emissions in a compact package.

  EV versions of the new SMART fortwo and forfour. Both vehicles will be fitted with an electric motor produced by Renault's Cléon plant in France, the same one used in the Renault ZOE. The battery of the new SMART electric drive will be produced by the Daimler subsidiary, "Deutsche ACCUmotive," in Kamenz, Germany.

  The Mercedes-Benz 1-ton pickup truck which shares its architecture with the Nissan NP300 NAVARA, will be built by Nissan in the Renault plant in Cordoba, Argentina, along with the Nissan NP300 and the Renault 1-ton truck, for Latin America, before the end of the decade.

The collaboration between Renault-Nissan and Daimler has grown organically, whenever teams suggest projects that are a "win-win" for all partners. The project portfolio has more than tripled and includes projects on three continents. No specific area of potential collaboration that is "off limits." When teams suggest projects that could benefit all partners, they then launch feasibility studies to determine whether to move forward. If senior executives and Board members of all companies agree to move forward, then the project is greenlighted and announced externally with a clear timetable and division of labor. When appropriate, projects are terminated at the feasibility study stage and the teams move onto new opportunities.

1.2.7 ALLIANCE SALES PERFORMANCE & FINANCIAL INDICATORS

1.2.7.1 ALLIANCE 2015 SALES

The Renault-Nissan Alliance sold 8,528,887 vehicles in 2015, up almost 1% from the previous year, thanks to record sales in the United States, China and Europe. Combined sales for the world's fourth largest car group, which includes Renault group, Nissan Motor Co., Ltd., and Russia's AVTOVAZ, held steady from calendar-year 2014 – despite sharp declines in the overall Russian and Brazilian markets. Renault, Nissan and AVTOVAZ, which is Russia's largest automaker, account for about one in ten cars sold worldwide.

Renault group, Europe's third-largest automaker,sold a record 2,801,592 vehicles worldwide in 2015, up 3.3% from 2014, in a market that grew by 1.6%. This marked the third consecutive year of sales growth for Renault. Dacia sales accounted for a record 550,920 vehicles, up 7.7%. Renault, the fastest-growing major brand in Europe, reached a market share of 10.1% in a market that rose 9.4%. Renault retained its light commercial vehicle leadership in Europe for the 18th consecutive year.

Nissan Motor Co., Ltd., sold a record 5,421,804 cars and trucks worldwide, up 2.1%. In each of its two biggest markets, the United States and China, Nissan sold at least 1.25 million vehicles. Infiniti accounted for a record 215,250 vehicles, up 16% from the previous year, thanks to all-time high sales in all key regions, including the Americas and China.

AVTOVAZ, which sells cars under the LADA brand, sold 305,491 vehicles, down 31.5% due to the slump in the Russian market. The Renault-Nissan Alliance has a majority stake in AVTOVAZ through a joint venture with state corporation Rostec. Together, the Renault-Nissan Alliance and AVTOVAZ sell about one in three cars in Russia. The overall Russian car market plunged by more than 35%. The Alliance increased its market share from 30.7% in 2014 to 32.3% in 2015.

The Alliance's top 10 markets in 2015 were the US, China, France, Japan, Russia, Mexico, UK, Germany, Brazil and Spain.

ZERO-EMISSION HIGHLIGHTS

The Alliance sells about one in two pure electric vehicles worldwide. Through the end of December, the Alliance has sold a cumulative 302,000 EVs worldwide. In calendar-year 2015, the Renault-Nissan Alliance sold 85,000 electric vehicles, up more than 2.5% compared with previous year.

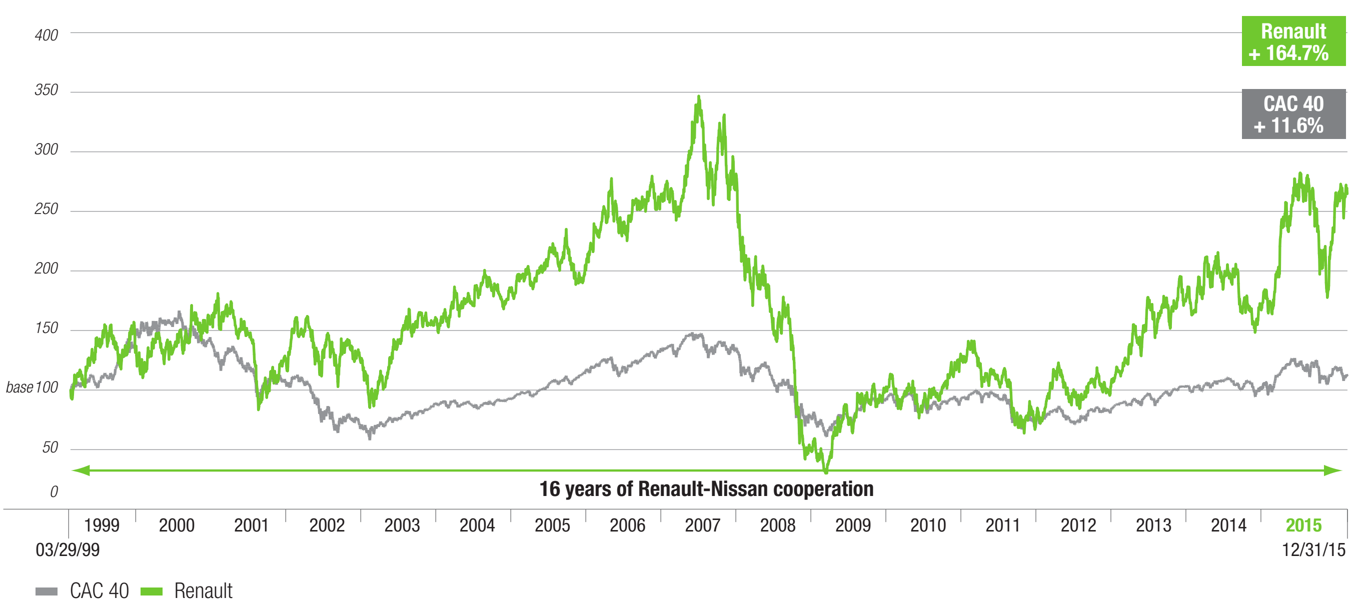
TOP 10 ALLIANCE MARKETS

COUNTRY	TOTAL SALES	MARKET SHARE
US	1,484,918	8.5%
China	1,265,922	5.3%
France	684,373	30%
Japan	594,126	11.7%
Russia*	517,799	32.3%
Mexico	373,261	27.6%
UK	297,516	9.9%
Germany	252,383	7.4%
Brazil	242,744	9.8%
Spain	218,846	18.3%

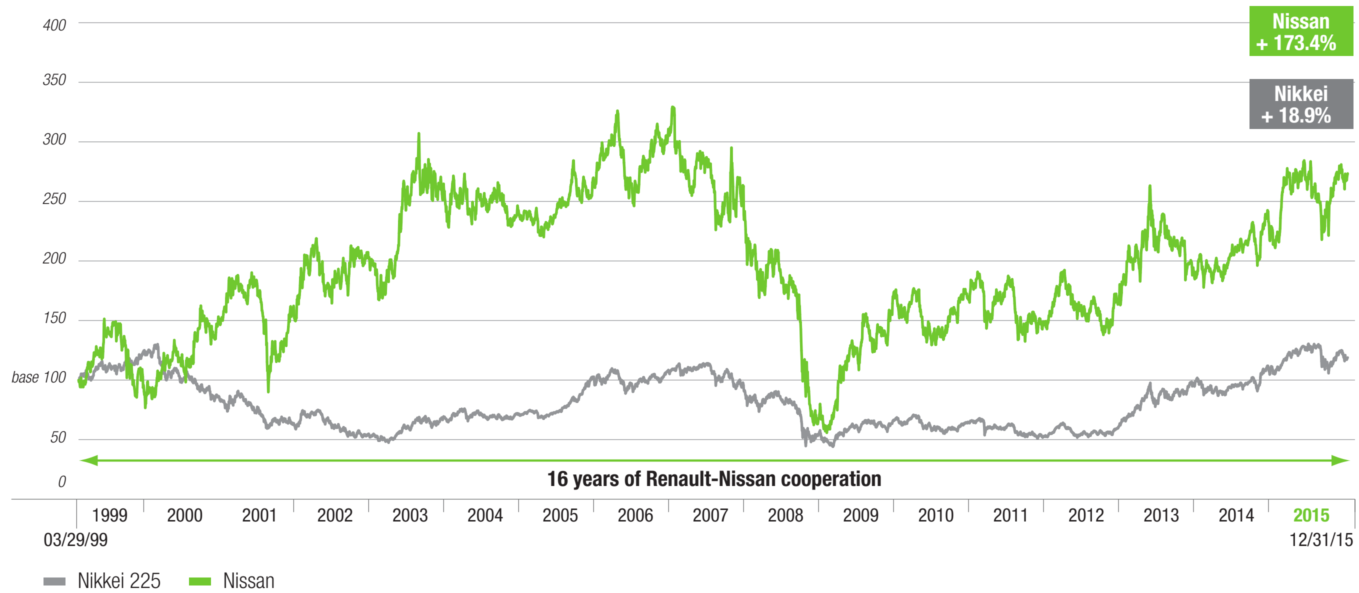
* *Including AVTOVAZ.*

1.2.7.2 RENAULT AND NISSAN SHARE EVOLUTION SINCE THE CREATION OF THE ALLIANCE IN 1999

RENAULT



NISSAN



AUTOMOTIVE MANUFACTURERS' MARKET CAPITALIZATION AT MARCH 1999 AND DECEMBER 2015

(€ million)	MARCH 29, 1999	RANKING		DECEMBER 31, 2015
Toyota	96,736	1	Toyota	191,266
Daimler	81,541	2	Daimler	82,998
Ford	59,848	3	VW	69,630
GM	52,518	4	BMW	62,992
Honda	39,961	5	Honda	54,198
VW	22,159	6	Ford	50,555
BMW	16,277	7	GM	48,719
Fiat	13,522	**8**	**Nissan**	**44,131**
Nissan	**9,049**	9	Hyundai	30,898
Renault	**8,393**	**10**	**Renault**	**27,393**
Peugeot	6,615	11	FCA	16,601
Hyundai	678	12	PSA	13,097

1.2.7.3 VALUE OF JOINT OPERATIONS

Total sales by Renault to Nissan and purchases by Renault from Nissan in 2015 amounted to an estimated €3,650 million and €1,300 million respectively (Note 12 I of the Renault consolidated financial statements).

1.2.7.4 FINANCIAL INFORMATION ON THE ALLIANCE

(See chapter 1.3.2.3.)

1.2.7.5 GLOBAL PRODUCTION SITES

1.2.8 NISSAN'S 2015 RESULTS

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 12 to the consolidated financial statements. Nissan's fiscal year runs from April 1 until March 31, the following year.

1.2.8.1 FISCAL YEAR 2015 AFTER NINE MONTHS

Nissan's net income for the nine months to December 31, 2015 rose 33.7% to ¥452.8 billion amid growing sales in the US and Europe, cost efficiencies and favorable currency movements.

Operating profit rose to ¥587.5 billion for the period, representing a 6.6% margin on net revenues that climbed 10.6% to ¥8.94 trillion.

Globally, Nissan sold 3,891,000 vehicles in the first nine months of fiscal 2015, a 1.4% rise year-on-year.

1.2.8.2 NISSAN'S CONTRIBUTION TO RENAULT'S 2015 RESULTS

CONTRIBUTION TO RENAULT'S 2015 CONSOLIDATED NET INCOME

Nissan's contribution to Renault's earnings in 2015 was €1,976 million, compared with €1,559 million in 2014, recorded in the financial statements as a share in net income of companies accounted for by the equity method (see Chapter 4, note 12 of the consolidated financial statements)

CONTRIBUTION TO RENAULT'S 2015 CONSOLIDATED NET INCOME DIVIDEND PAYOUT

In June 2015, Renault received a final dividend of €233 million (¥16.50 per share) for fiscal year 2014. In November 2015, Renault received a first dividend payment of €314 million (¥21 per share) for fiscal year 2015.

1.3 EARNINGS REPORT

KEY FIGURES

		2015	2014	CHANGE
Worldwide Group registrations	million vehicles	2.80	2.71	+3.3%
Group revenues	€ million	45,327	41,055	+10.4%
Group operating profit	€ million	*2,320*	*1,609*	*+711*
	% revenues	5.1%	3.9%	+1.2 pts
Group Operating income	€ million	2,121	1,105	+1,016
Contribution from associated companies	€ million	1,371	1,362	+9
o/w Nissan		*1,976*	*1,559*	*+417*
o/w AVTOVAZ		*(620)*	*(182)*	*(438)*
Net income	€ million	2,960	1,998	+962
Net income, Group share	€ million	2,823	1,890	+933
Earnings per share	€	10.35	6.92	+3.43
Automotive Operational Free cash flow*	€ million	1,033	1,083	(50)
Automotive net cash position	€ million	2,661	2,104	+557
Sales Financing, average loans outstanding	€ billion	28.2	25.4	+11.0%

* *Automotive operational Free cash flow: cash flows (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.*

OVERVIEW

In 2015, Renault group's passenger cars and light commercial vehicles (PC+LCV) worldwide **registrations** posted a further rise of 3.3% for a total of 2.8 million vehicles, in a market that grew by 1.6%.

In Europe, the Group continued to benefit from the momentum of the automotive market (+9.4%) and realized a 10.2% increase in registrations to 1.6 million vehicles, for a market share of 10.1%. Renault led the electric vehicle European market and, for the 18th consecutive year, was the leader in the LCV market.

Outside Europe, despite the economic crisis in Russia and Latin America, the Group resisted and recorded market share gains in the Africa Middle-East India and Eurasia Regions.

In 2015, **Group revenues** came to €45,327 million, up 10.4% from 2014. At constant exchange rates, revenues grew by 10.6%.

Automotive revenues amounted to €43,108 million, up 10.9% thanks to an increase in Group's brands volumes and sales to partners. The price effect was positive, primarily due to price increases in some emerging markets to offset currency devaluation.

The **Group's operating profit** amounted to €2,320 million, compared to €1,609 million in 2014 (+44.2%), representing 5.1% of revenues (3.9% in 2014).

The **Automotive operating profit** was up €638 million (+74.4%) to €1,496 million, or 3.5% of revenues (versus 2.2% in 2014). This performance can be explained by higher volume and cost control, despite the negative impact of the life-cycle management of some ageing products and Euro 6 regulation.

The contribution of **Sales Financing** to the Group's operating profit was €824 million, compared to €751 million in 2014 (+9.7%). This increase was due in particular to the rising contribution of services. The cost of risk improved to 0.33% of the average performing loans outstanding compared to 0.43% in 2014.

Other Operating Income and Expenses Items were negative at €199 million (-€504 million in 2014), mainly due to restructuring costs related to the ongoing implementation of the competitiveness agreement in France and restructuring cost in some other countries.

The Group's **operating income** came to €2,121 million, compared to €1,105 million in 2014 (+91.9%). This improvement is due to the increase in the operating profit and the significant reduction in other expenses.

The **contribution of associated companies** came to €1,371 million, compared to €1,362 million in 2014. Nissan's contribution amounted to €1,976 million in 2015 versus €1,559 million in 2014. AVTOVAZ contribution amounted to -€620 million in 2015 versus -€182 million in 2014.

Net income came to €2,960 million (+48.1%), and Group share totalled €2,823 million (€10.35 per share compared to €6.92 per share in 2014, up 49.6%).

Automotive operational free cash flow was positive at €1,033 million, mainly due to the increase in profitability, as well as a positive change of €663 million in the working capital requirement.

A **dividend** of €2.40 per share, vs €1.90 last year, will be submitted for approval at the next Shareholder's Annual General Meeting.

OUTLOOK 2016

In 2016, the global market is expected to record growth of 1% to 2% compared with 2015. The European market is expected to increase by 2%, with a 2% increase also for France.

At the International level, the Brazilian and Russian markets are expected to decline further, by 6% and 12% respectively. On the contrary, China (+4% to +5%) and India (+8%) should pursue their momentum.

Within this context, the Renault group (at constant scope of consolidation) is aiming to:

- increase Group revenues (at constant exchange rates);
- improve Group operating margin;
- generate a positive Automotive operational free cash flow.

1.3.1 SALES PERFORMANCE

OVERVIEW

- In 2015, sales of passenger cars and light commercial vehicles (PC+LCV) by the Renault group increased by 3.3%, with 2.8 million vehicles registered in a global automotive market that rose by 1.6%.
- This third consecutive year of growth in registrations allowed the Group to set a new sales record. The Group's worldwide market share now stands at 3.2%. The Renault brand remains the number one French brand in the world and Dacia has set a new sales record.
- In Europe, the Group continues to benefit from the momentum of the European automotive market (+9.4%) and realized a 10.2% increase in registrations to 1.6 million vehicles, corresponding to a market share of 10.1%. Renault leads the electric vehicle European market and, for the 18th consecutive year, was the leader in the LCV market.
- Outside Europe, despite the economic crisis in Russia and Latin America, the Group resisted and recorded market share gains in its regions, the Africa Middle-East India and Eurasia.
- In 2015, the number of new financing contracts by **RCI Banque** was up 11.6% compared to 2014.

1.3.1.1 AUTOMOTIVE

GROUP REGISTRATIONS WORLDWIDE BY REGION

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	2015*	2014	CHANGE (%)
GROUP	**2,801,592**	**2,712,432**	**+3.3**
EUROPE REGION	**1,613,499**	**1,464,611**	**+10.2**
Renault	1,239,016	1,103,067	+12.3
Dacia	374,483	361,544	+3.6
AMERICAS REGION	**355,151**	**416,934**	**-14.8**
Renault	355,151	415,701	-14.6
Renault Samsung Motors	0	1,233	-100.0
ASIA-PACIFIC REGION	**116,868**	**133,172**	**-12.2**
Renault	35,552	51,914	-31.5
Dacia	1,291	1,070	+20.7
Renault Samsung Motors	80,025	80,188	-0.2
AFRICA MIDDLE-EAST INDIA REGION	**359,858**	**308,012**	**+16,8**
Renault	270,674	226,832	+19.3
Dacia	89,181	80,580	+10.7
Renault Samsung Motors	3	600	-99.5
EURASIA REGION	**356,216**	**389,703**	**-8.6**
Renault	270,251	321,330	-15.9
Dacia	85,965	68,271	+25.9
Renault Samsung Motors	0	102	-100.0

* *Preliminary figures.*

EUROPE

In **Europe**, Groupe Renault's share of the PC+LCV **market** reached 10.1%, with an increase in registrations of 10.2% for 1,613,499 vehicles.

The Group increased sales in all countries in the Region, with particularly strong performances in **Spain** (+22.3%), **United Kingdom** (+17.7%) and **Italy** (+18%).

In **France**, Renault strengthened its position as the leading automotive brand and the CLIO remained the most sold vehicle in the market. CLIO, CAPTUR, TWINGO and ESPACE are leaders in their respective market segments. The TRAFIC, MASTER and KANGOO utility vehicles are also each at the top of their segments. ZOE held 60% of the electric PC market.

In **Europe**, 2015 marks another year of growth for the Renault brand. With 1,239,016 registrations (+12.3%), the Group's market share reached 7.8% as compared with 7.6% in 2014 and 7.4% in 2013.

In the **PC market** (+11.1% to 969,737 vehicles), Renault retained its leadership position in the urban vehicle market (segments A+B) thanks to the continuing success of CLIO and CAPTUR, the leader in its segment with 194,720 registrations (23.7% of the segment).

Launches of 2015 drove strong customer demand: 49,016 KADJAR have already been sold and there were 20,935 registrations for the New ESPACE, representing three times more than its previous version during 2014.

In the **LCV segment**, the Renault brand retained its leadership position for the 18th consecutive year, with 269,276 registrations (+16.9%), and recorded a 0.7 points increase in market share.

Ten years after its debut in Europe, the **Dacia brand** recorded further growth in its registrations in 2015 (+3.6%), and marked record sales of 374,483.

Renault is the leader in the European **electric vehicle market**. The Group's sales have been growing fast in 2015 (+49%) to 23,086 vehicles, excluding TWIZY. ZOE was the leader in the PC market with 18,453 registrations over the year (+68%).

OUTSIDE EUROPE

At the international level, despite an economic situation that varied by countries and regions, the Renault group was able to stabilise and even strengthen its positions.

Americas

In the Americas (355,151 registrations, a decrease of 14.8%), the Group withstood economic difficulties with a market share of 6.3% (-0.1 point).

In **Brazil**, the Group's second-largest market, market share increased by 0.2 point to an unprecedented level of 7.3%, in a market that contracted by 25.5%.

In **Argentina**, the Group contained the decline in its registrations to -6.5%, thanks to the performance in the last quarter with a market share of 14.7% (12.7% over the full year).

In **Colombia**, Renault set a new market share high of 18.6%, a rise of 2 points.

The DUSTER Oroch pick-up, launched at the tail-end of the year, already ranks second in its segment in Brazil. Renault's ramp-up in this segment should bolster growth in the Region during the coming months.

Asia-Pacific

Group's registrations dropped 12.3% at 116,868 units.

The level of sales in **South Korea**, the Group's largest market in the Region, stabilised following significant growth in 2014.

In **China**, sales of imported cars (15,849 units) are down 53%. Priority has been given in 2015 to the preparation of the launch of the Chinese version of the KADJAR, the first vehicle locally produced by the Dongfeng Renault joint venture.

Africa Middle-East India

Group's registrations increased nearly 17%, for a market share of 4.5% (+0.7 point).

In **Algeria**, the Group posted a record market share (35.6%) with a significant 8.7 points gain, benefiting from the local manufacturing of SYMBOL in Oran.

In **Morocco**, where Dacia and Renault are, respectively, the leading and second brands registrations increased by 11.5%. The Group's market share exceeded 38.2% (+1.2 point).

In **India**, Renault remained the leading European automotive brand with sales up by 20.1%. KWID had a very promising start with more than 80,000 orders in 2015 since its launch in September.

Eurasia

The Group's market share increased by 1.6 point to 11.9%, in particular due to the Group's momentum in **Turkey** (+21.7%), where a new sales record was set. This growth offset the consequences of the economic crisis in **Russia**, where the market slumped by more than 35% and Renault group's registrations fell by 38.1%. Market share slightly decreased at 7.5% (-0.3 point) as a policy of preserving margins is conducted.

GROUP REGISTRATIONS BY BRAND AND BY TYPE

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	2015*	2014	CHANGE (%)
GROUP	**2,801,592**	**2,712,432**	**+3.3**
BY BRAND			
Renault	2,170,644	2,118,844	+2.4
Dacia	550,920	511,465	+7.7
Renault Samsung Motors	80,028	82,123	-2.6
BY VEHICLE TYPE			
Passenger cars	2,414,503	2,368,090	+2.0
Light commercial vehicles	387,089	344,342	+12.4

* *Preliminary figures.*

Registrations of the **Renault brand** increased by 2.4% compared to 2014, thanks to the success of new models and the strong momentum of the European automotive market.

With 2,170,644 units sold, the Renault brand accounted for 77.5% of Group's registrations.

The **Dacia brand's** registrations went up by 7.7% to 550,920 units, driven by the growth outside of Europe (notably in Turkey +30% and Romania +24.7%).

In 2015, **Renault Samsung Motors'** volumes slightly decreased by 2.6%.

1.3.1.2 SALES FINANCING

NEW FINANCING AND SERVICES

With 1.39 million financing contracts, *i.e.* 11.6% more than in 2014, RCI Banque further strengthened its profitable growth momentum this year by supporting the commercial strategy of the Alliance brands.

Benefiting from growth in the European automotive sector and the strong performance of the Alliance brands, RCI Banque was able to finance a record number of contracts. This performance was reflected in a financing penetration rate of 37.1% (up from 35.2% in 2014), despite the significant decline in automotive markets in Brazil and Russia.

Average loans outstanding reached €28.2 billion, an increase of more than 11% compared to 2014, including €21.4 billion linked to the Customers business (*i.e.* an increase of 14.1%).

RCI BANQUE FINANCING PERFORMANCE

	2015	2014	CHANGE (%)
Number of financing contracts (thousands)	**1,390**	**1,245**	**+11.6**
• including UV contracts (thousands)	233	197	+18.3
New financing (€billion)	**15.6**	**12.6**	**+23.8**
Average loans outstanding (€billion)	**28.2**	**25.4**	**+11.0**

The Services business (the linchpin of RCI Banque group strategy) continued to grow through the diversification of the product offer and its international expansion: the number of new "services" contracts increased by 31.5% compared to 2014.

This business contributes to customer satisfaction and loyalty to the Alliance brands.

RCI BANQUE SERVICES PERFORMANCE

	2015	2014	CHANGE
Number of services contracts (thousands)	2,851	2,168	+31.5%
PENETRATION RATE ON SERVICES	**91.5%**	**73.0%**	**+18.5 pts**

RCI BANQUE PENETRATION RATE ON NEW VEHICLE REGISTRATIONS

The penetration rate, which experienced overall growth of 1.9 points for the RCI Banque group compared to 2014, saw varying trends from region to region.

PENETRATION RATE ON NEW VEHICLE REGISTRATIONS FINANCED BY RCI BANQUE, BY BRAND

	2015 (%)	2014 (%)	CHANGE (points)
Renault	37.4	35.7	+1.7
Dacia	41.1	36.0	+5.1
Renault Samsung Motors	54.3	49.0	+5.3
Nissan	33.1	32.2	+0.9
Infiniti	28.5	34.3	-5.8
Datsun	19.4	-	+19.4
RCI BANQUE	**37.1**	**35.2**	**+1.9**

PENETRATION RATE ON NEW VEHICLE REGISTRATIONS FINANCED BY RCI BANQUE, BY REGION

	2015 (%)	2014 (%)	CHANGE (points)
Europe	40.2	36.4	+3.8
Americas	39.0	38.9	+0.1
Asia-Pacific	53.3	48.1	+5.2
Africa Middle-East India	16.4	29.6	-13.2
Eurasia	24.2	26.9	-2.7
RCI BANQUE	**37.1**	**35.2**	**+1.9**

In the **Europe Region**, RCI Banque was able to strengthen its performance in a growing automotive market. Boosted by the success of new models and increased registrations for Alliance manufacturers, the number of new vehicle financing contracts rose by 23.0% in 2015. With the financing penetration rate at 40.2%, Europe was up 3.8 points compared to 2014.

The **Americas Region** (Brazil, Argentina) reflected mixed performance. Growth of 11.2 points in the financing penetration rate in Argentina offset the decline in the financing penetration rate (-2.3 points) and the significant deterioration of the automotive market (-25.5% compared to 2014) in Brazil. Accordingly, the Region recorded a stable and consistently high (+0.1 points at 39.0%) financing penetration rate.

In the **Asia-Pacific Region** (South Korea), despite a highly competitive banking environment, the financing penetration rate improved by 5.2 points to 53.3% at December 31, 2015.

The **Africa Middle-East India** Region, marked by the entry of India into the consolidation scope for 2015, saw its financing penetration rate settle at 16.4%, down 13.2 points compared to 2014. On a comparable basis with 2014 (Morocco only), the Region's financing penetration rate increased by 3.1 points to 32.8%.

The **Eurasia Region** (mainly Romania, Turkey and Russia) experienced varying results depending on the countries: whereas Turkey recorded growth of 2.6 points (to 25.8%) in its financing penetration rate over the year, Russia saw its financing penetration rate decline by 4.9 points compared to 2014 in an automotive market that has dropped significantly (-35%). Romania recorded stable commercial performance, with its financing penetration rate varying by -0.2 point.

INTERNATIONAL DEVELOPMENT AND NEW ACTIVITIES

In 2015, RCI Banque continued to capture new markets, supporting the commercial development of the Alliance brands.

Despite the fall in its emerging markets, the share of RCI Banque business performed outside of Europe accounted for more than a quarter of the number of new vehicle financing contracts (26% in 2015, compared to 34% in 2014).

In India, the year was marked by the roll-out of business activity for the joint venture between RCI Banque and Nissan, created in 2014. In an automotive market up 6.4%, marked by the successful launch of the Renault KWID at the end of 2015, the financing penetration rate amounted to 6.7% for this first year of business.

The financing of the Datsun brand continued to grow with a financing penetration rate of 19.4%.

Following on from Austria in 2014, RCI Banque continued its policy of diversifying funding sources by successfully expanding its savings account activity in the United Kingdom. Now rolled out in four European countries (France, Germany, Austria and the United Kingdom), savings accounts constitute a major refinancing tool for RCI Banque. At December 31, 2015, total savings deposits recorded an increase of nearly 56% compared with December 2014 and reached €10.2 billion, *i.e.* 32.8% of the Group's net loans outstanding at year-end. Conducting this strategy, RCI Banque thus exceeded the target it had set itself for 2016, one year in advance.

Positioned as the services operator for electric-vehicle battery rental in 23 countries for the Alliance, RCI Banque had 80,530 batteries in its inventory at the end of 2015. Accordingly, RCI Banque finances all electric-vehicle batteries for the Alliance manufacturers, which included six models at December 31, 2015: KANGOO Z.E., FLUENCE Z.E., TWIZY, ZOE for Renault, LEAF and e-NV200 for Nissan.

1.3.1.3 REGISTRATIONS AND PRODUCTION STATISTICS

RENAULT GROUP – WORLDWIDE REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	2015(1)	2014	CHANGE (%)
KWID	17,933	-	-
TWINGO	97,477	84,305	+15.6
ZOE	18,931	11,323	+67.2
CLIO	457,045	457,822	-0.2
THALIA	-	266	-
CAPTUR / QM3	246,442	196,592	+25.4
PULSE	1,883	2,797	-32.7
LOGAN	325,384	309,549	+5.1
SANDERO	348,691	351,126	-0.7
LODGY	41,637	27,999	+48.7
MEGANE / SCENIC	254,415	274,843	-7.4
FLUENCE (incl. Z.E.) / SM3 / SCALA	90,101	111,299	-19.0
DUSTER	334,175	395,350	-15.5
KADJAR	54,353	-	-
LAGUNA	7,957	16,191	-50.9
LATITUDE / SM5 / SAFRANE	25,960	32,709	-20.6
TALISMAN	1,874	-	-
SM7	8,486	4,977	+70.5
KOLEOS / QM5	29,388	57,282	-48.7
ESPACE	21,311	7,004	+++
KANGOO (incl. Z.E.)	154,312	145,421	+6.1
DOKKER	69,131	57,654	+19.9
TRAFIC	86,027	67,778	+26.9
MASTER	92,898	91,213	+1.8
OROCH	3,484	-	-
Others	12,297	8,932	+37.7
TOTAL WORLDWIDE GROUP PC / LCV REGISTRATIONS	**2,801,592**	**2,712,432**	**+3.3**
TWIZY(2)	*2,144*	*2,450*	*-12.5*

(1) Preliminary figures.
(2) TWIZY is a quadricycle and therefore not included in Group automotive registrations except in Mexico and Colombia.

RENAULT GROUP – EUROPEAN REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	2015[1]	2014	CHANGE (%)
TWINGO	96,552	83,021	+16.3
ZOE	18,728	11,231	+66.8
CLIO	339,777	331,854	+2.4
CAPTUR / QM3	195,972	166,184	+17.9
LOGAN	40,911	41,692	-1.9
SANDERO	147,634	138,117	+6.9
LODGY	22,166	20,600	+7.6
MEGANE / SCENIC	238,108	252,789	-5.8
FLUENCE (incl. Z.E.) / SM3 / SCALA	4,663	5,022	-7.1
DUSTER	123,700	126,307	-2.1
KADJAR	49,252	-	-
LAGUNA	7,903	16,065	-50.8
LATITUDE / SM5 / SAFRANE	70	485	-85.6
TALISMAN	1,869	-	-
KOLEOS / QM5	4,697	7,427	-36.8
ESPACE	21,283	7,003	+++
KANGOO (incl. Z.E.)	100,764	93,955	+7.2
DOKKER	40,023	34,756	+15.2
TRAFIC	80,583	59,751	+34.9
MASTER	67,055	59,721	+12.3
Others	11,789	8,631	+36.6
TOTAL EUROPEAN GROUP PC / LCV REGISTRATIONS	**1,613,499**	**1,464,611**	**+10.2**
TWIZY[2]	*2,016*	*2,316*	*-13.0*

(1) Preliminary figures.
(2) TWIZY is a quadricycle and therefore not included in Group automotive registrations.

RENAULT GROUP – INTERNATIONAL REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (Units)	2015[1]	2014	CHANGE (%)
KWID	17,933	-	-
TWINGO	925	1,284	-28.0
ZOE	203	92	+++
CLIO	117,268	125,968	-6.9
THALIA	-	264	-
CAPTUR / QM3	50,470	30,408	+66.0
PULSE	1,883	2,797	-32.7
LOGAN	284,473	267,857	+6.2
SANDERO	201,057	213,009	-5.6
LODGY	19,471	7,399	+++
MEGANE / SCENIC	16,307	22,054	-26.1
FLUENCE (incl. Z.E.) / SM3 / SCALA	85,438	106,277	-19.6
DUSTER	210,475	269,043	-21.8
KADJAR	5,101	-	-
LAGUNA	54	126	-57.1
LATITUDE / SM5 / SAFRANE	25,890	32,224	-19.7
SM7	8,491	4,977	+70.6
KOLEOS / QM5	24,691	49,855	-50.5
ESPACE	28	1	+++
KANGOO (incl. Z.E.)	53,548	51,466	+4.0
DOKKER	29,108	22,898	+27.1
TRAFIC	5,444	8,027	-32.2
MASTER	25,843	31,492	-17.9
OROCH	3,484	-	-
Others	508	303	+67.7
TOTAL INTERNATIONAL GROUP PC / LCV REGISTRATIONS	**1,188,093**	**1,247,821**	**-4.8**
TWIZY[2]	*128*	*134*	*-4.5*

(1) Preliminary figures.
(2) TWIZY is a quadricycle and therefore not included in Group automotive registrations except in Mexico and Colombia.

RENAULT GROUP – WORLDWIDE PRODUCTION BY MODEL(1)

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (units)	2015(2)	2014	CHANGE (%)
TWIZY	2,120	2,248	-5.7
TWINGO	83,377	98,787	-15.6
CLIO	464,453	436,658	+6.4
ZOE	19,115	12,739	+50.1
CAPTUR / QM3	255,459	209,865	+21.7
LOGAN	191,052	190,973	0.0
SANDERO	315,745	312,123	+1.2
Other LOGAN	40,615	42,631	-4.7
LODGY	32,663	25,679	+27.2
MEGANE / SCENIC	238,498	255,888	-6.8
FLUENCE (incl. Z.E.) / SM3 / SCALA	85,719	96,871	-11.5
DUSTER	297,050	336,827	-11.8
KADJAR	82,321	-	-
LAGUNA	5,921	14,322	-58.7
LATITUDE / SM5	25,852	31,941	-19.1
TALISMAN	5,685	-	-
SM7	8,911	4,994	+78.4
KOLEOS	28,511	56,160	-49.2
ESPACE	27,066	6,660	+++
KANGOO (incl. Z.E.)	152,963	140,478	+8.9
DOKKER	71,515	56,030	+27.6
TRAFFIC	93,316	31,498	+++
MASTER	135,806	124,129	+9.4
Others	200,186	86,647	+++
GROUP GLOBAL PRODUCTION	**2,863,919**	**2,574,158**	**+11.3**
o/w produced for partners:			
GM (MASTER)	26,821	18,587	+44.3
Nissan (Mercosur / Korea)	143,227	52,364	+++
Daimler (CITAN + SMART)	63,525	34,103	+86.3

PRODUCED BY PARTNERS FOR RENAULT	2015*	2014	CHANGE (%)
Nissan (incl. India)	54,564	101,511	-46.2
Others (GM, Iran, AVTOVAZ)	106,481	87,054	+22.3

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

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

At December 31, 2015

EUROPE	AMERICAS	ASIA-PACIFIC	AFRICA MIDDLE-EAST INDIA	EURASIA
Albania	**Argentina**	Australia	**Algeria**	Armenia
Austria	Bolivia	Brunei	Egypt	Azerbaijan
Baltic States	**Brazil**	Cambodia	French Guiana	Belarus
Belgium-Lux.	Chili	China	Guadeloupe	Bulgaria
Bosnia	Colombia	Hong Kong	Gulf States	Georgia
Croatia	Costa Rica	Indonesia	**India**	Kazakhstan
Cyprus	Dominican Rep.	Japan	**Iran**	Kyrgyzstan
Czech Rep.	Ecuador	Laos	Iraq	Moldova
Denmark	El Salvador	Malaysia	Israel	Romania
Finland	Honduras	New Caledonia	Jordan	**Russia**
France Metropolitan	Mexico	New Zealand	Lebanon	Tajikistan
Germany	Nicaragua	Philippines	Libya	**Turkey**
Greece	Panama	Singapore	Madagascar	Turkmenistan
Hungary	Paraguay	**South Korea**	Martinique	Ukraine
Iceland	Peru	Tahiti	**Morocco**	Uzbekistan
Ireland	Uruguay	Thailand	Pakistan	
Italy	Venezuela	Viet Nam	Reunion	
Macedonia			Saint Martin	
Malta			Saudi Arabia	
Montenegro			South Africa	
Netherlands			Sub Saharan African countries	
Norway			Tunisia	
Poland				
Portugal				
Serbia				
Slovakia				
Slovenia				
Spain				
Sweden				
Switzerland				
United Kingdom				

Group Top 15 markets in bold

1.3.2 FINANCIAL RESULTS

SUMMARY

(€ million)	2015	2014	CHANGE
Group revenues	**45,327**	**41,055**	**+10.4%**
Operating profit	**2,320**	**1,609**	**+711**
Operating income	2,121	1,105	+1,016
Financial income	(221)	(333)	+112
Contribution from associated companies	**1,371**	**1,362**	**+9**
o/w Nissan	*1,976*	*1,559*	*+417*
Net income	**2,960**	**1,998**	**+962**
***Automotive operational free* cash flow**	**1,033**	**1,083**	**-50**
Automotive Net cash position	**2,661**	**2,104**	**+557**
Shareholders' equity	28,474	24,898	+3,576

1.3.2.1 COMMENTS ON THE FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUES

	2015					2014				
(€ million)	Q1	Q2	Q3	Q4	YEAR	Q1	Q2	Q3	Q4	YEAR
Automotive	8,829	12,236	8,802	13,241	43,108	7,727	11,012	7,984	12,151	38,874
Sales Financing	559	573	534	553	2,219	530	551	546	554	2,181
TOTAL	**9,388**	**12,809**	**9,336**	**13,794**	**45,327**	**8,257**	**11,563**	**8,530**	**12,705**	**41,055**

	CHANGE				
%	Q1	Q2	Q3	Q4	YEAR
Automotive	+14.3%	+11.1%	+10.2%	+9.0%	+10.9%
Sales Financing	+5.5%	+4.0%	-2.2%	-0.2%	+1.7%
TOTAL	**+13.7%**	**+10.8%**	**+9.4%**	**+8.6%**	**+10.4%**

The **Automotive segment's contribution** to revenues amounted to €43,108 million, an increase on 2014 (+10.9%). Excluding a 0.1 points negative exchange rate effect, the Automotive segment's revenues grew by 11.0%. This increase is mainly due to:

- the growth in sales to partners, with the full-year impact of projects launched in 2014 (*e.g.* production of the ROGUE in Korea and the SMART in Europe), which had a favorable impact of 4.8 points;
- a volume effect of 3.2 points linked to the success of new models and the European momentum;
- a positive price effect of 2.1 points, mainly resulting from price increases in some emerging countries (Brazil, Russia, Argentina…) to offset the devaluation of certain currencies;
- a favorable product mix effect of 1.3 points, largely due to the launch of vehicles in the higher market segments (ESPACE, KADJAR).

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	2015	2014	CHANGE
Automotive division	**1,496**	**858**	**+638**
% of division revenues	3.5%	2.2%	+1.3 pts
Sales Financing	**824**	**751**	**+73**
TOTAL	**2,320**	**1,609**	**+711**
% of Group revenues	*5.1%*	*3.9%*	*+1.2 pts*

The Automotive segment's operating margin rose by €638 million to €1,496 million (3.5% of revenues), owing mainly to:

- cost reduction for €527 million, resulting from the *Monozukuri* for €596 million and an increase in G&A for €69 million;
- business growth of €480 million. This amount stems from the increase in industrial activities for €441 million, RCI Banque and other activities (Group network sales, parts and accessories) for €39 million;
- a decrease in raw materials prices, with a positive impact of €61 million;
- a positive exchange rate effect of €22 million.

These positive effects offset:

- a negative product mix/price/enrichment effect of €379 million. Price increases could not fully offset the enrichment aimed at strengthening the commercial competitiveness of certain products and the increase in marketing expenses due to launches.

Sales Financing contributed €824 million to the Group operating margin, compared with €751 million in 2014. This 9.7% increase is due to a rise in net banking income, resulting from the significant increase in average loans outstanding (+11.0%) and the profitability of services which reported strong growth. Despite the economic difficulties faced by some emerging countries (Brazil, Russia), the cost of risk (including country risk) improved by 10 basis points, representing 0.33% of average loans outstanding. This ratio reflects the Group's ability to implement a strict underwriting policy and efficient debt collection process while pursuing business growth.

Other operating income and expenses recorded a net expense of €199 million, compared with a net expense of €504 million in 2014. This net expense consisted mainly of:

- restructuring costs of €157 million, relating to the ongoing implementation of the competitiveness agreement signed in France and restructuring costs in various other countries;
- impairment losses on assets for certain programmes totaling €53 million.

After taking into account other operating income and expenses, the Group reported **operating income** of €2,121 million, compared with €1,105 million in 2014.

A **net financial expense** of €221 million was recorded, compared with a net expense of €333 million in 2014, reflecting both the fall in average cost of debt and positive foreign exchange differences.

Renault's **share in associated companies** recorded a contribution of €1,371 million, primarily including:

- €1,976 million from Nissan (compared with €1,559 million in 2014);
- -€620 million from AVTOVAZ (compared with -€182 million in 2014).

Regarding AVTOVAZ's contribution, the exceptionally weak economic situation in Russia (over 35% contraction in the auto market, 33% decrease of the annual average Ruble exchange rate, and rising interest rates), worse than our initial expectations, led Renault to book a €620 million loss explained by:

- Renault's share in the net loss booked by AVTOVAZ for €395 million (of which €136 million from negative operating margin);
- an impairment loss on the value of the equity investment for €225 million, to adjust it to the stock- market value of AVTOVAZ shares. As of December 31, 2015, Renault's share in AVTOVAZ was valued at €91 million.

The Renault group has entered into discussions with the other shareholders of the AVTOVAZ's controlling holding company, ARA BV, with an intention to recapitalize the company. This could lead to consolidation in Renault's accounts. As a result, the loan and receivables on AVTOVAZ would be capitalized and constitute part of the net equity investment on December 31, 2015.

Current and deferred taxes showed a charge of €311 million, up €175 million compared with 2014, of which €472 million for current taxes and an income of €161 million in deferred taxes, specifically with respect to tax consolidation in France.

Net income totaled €2,960 million, compared with €1,998 million in 2014; Net income, Group share was €2,823 million (compared with €1,890 million in 2014).

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

(€ million)	2015	2014	CHANGE
Cash flow (excluding dividends received from publicly listed companies)	3,451	3,138	+313
Change in the working capital requirement	663	596	+67
Tangible and intangible investments net of disposals	(2,729)	(2,416)	(313)
Leased vehicles and batteries	(352)	(235)	(117)
OPERATIONAL FREE CASH FLOW	**1,033**	**1,083**	**(50)**

In 2015, the Automotive segment reported positive operational free cash flow of €1,033 million, resulting from:

- cash flow of €3,451 million (+€313 million), arising from an improvement in operational profitability;
- a positive change in the working capital requirement of €663 million, mainly due to a rise in account payables;
- property, plant and equipment and intangible investments net of disposals of €2,729 million, an increase of 13.0% compared with 2014 due to the various launches scheduled.

Net capital expenditure and R&D expenses remained at 7.9% of Group revenues versus 7.4% in 2014, in line with the Group Plan's objective of under 9% of revenues.

RENAULT GROUP – RESEARCH AND DEVELOPMENT EXPENSES

Analysis of research and development costs:

(€ millions)	2015	2014	CHANGE
R&D expenses	(2,243)	(1,890)	(353)
Capitalized development expenses	874	842	+32
% of R&D expenses	*39.0%*	*44.6%*	*(5.6%)*
Amortization	(706)	(673)	(33)
GROSS R&D EXPENSES RECORDED IN THE INCOME STATEMENT	**(2,075)**	**(1,721)**	**(354)**

The capitalization rate fell from 44.6% in 2014 to 39.0% in 2015 in connection with the progress of projects.

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

(€ millions)	2015	2014
Tangible investments (excluding leased vehicles and batteries)	1,840	1,541
Intangible investments	955	964
o/w capitalized R&D	*874*	*842*
Total acquisitions	2,795	2,505
Disposal gains	(66)	(89)
TOTAL AUTOMOTIVE DIVISION	**2,729**	**2,416**
TOTAL SALES FINANCING	**6**	**6**
TOTAL GROUP	**2,735**	**2,422**

Total gross capital expenditure rose in 2015 compared with 2014; the breakdown was 63% in Europe and 37% worldwide:

- in Europe, capital expenditure focused on the development and adaptation of industrial facilities in connection with the renewal of vehicles in the C and D segments and mechanical components. A significant effort was also made to boost the competitiveness of European plants and increase the production capacity of mechanical components to meet demand in the European market;
- outside Europe, capital expenditure was primarily linked to the roll-out of new vehicles in the Global Access range, particularly in the Americas, Eurasia and AMI Regions.

NET CAPEX AND R&D EXPENSES

(€ million)	2015	2014
Tangible and intangible investments net of disposals (excluding capitalized leased vehicles and batteries)	2,735	2,422
Capitalized development expenses	(874)	(842)
Capex invoice to third parties and others	(252)	(190)
NET INDUSTRIAL AND COMMERCIAL INVESTMENTS(1)	**1,609**	**1,390**
% of Group revenues	*3.5%*	*3.4%*
R&D EXPENSES	**2,243**	**1,890**
o/w billed to third parties	(253)	(254)
NET R&D EXPENSES(2)	**1,990**	**1,636**
% of Group revenues	*4.4%*	*4.0%*
NET CAPEX AND R&D EXPENSES(1) + (2)	**3,599**	**3,026**
% of Group revenues	*7.9%*	*7.4%*

AUTOMOTIVE NET CASH POSITION AT DECEMBER 31, 2015

CHANGE IN AUTOMOTIVE NET CASH POSITION (€ million)

NET CASH POSITION AT DECEMBER 31, 2014	+2,104
Operational Free cash flow for 2015	+1,033
Dividends received	+581
Dividends paid to Renault's shareholders	(599)
Financial investments and others	(458)
NET CASH POSITION AT DECEMBER 31, 2015	**+2,661**

The €557 million increase in the **net cash position of the Automotive segment** compared with December 31, 2014 is due to:

- operational free cash flow;
- net dividends;
- sundry value adjustments linked to currency fluctuations and to various financial operations.

AUTOMOTIVE NET CASH POSITION

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Non-current financial liabilities	(5,693)	(7,272)
Current financial liabilities	(4,811)	(3,872)
Non-current financial assets – other securities, loans and derivatives on financial operations	119	514
Current financial assets	1,475	1,143
Cash and cash equivalents	11,571	11,591
NET CASH POSITION	**2,661**	**2,104**

In 2015, **Renault's** medium/long-term borrowings totaled approximately €580 million. It strengthened its historical presence in the Japanese domestic market by issuing a ¥70 billion bond (Samurai bond). The Automotive segment's liquidity reserves stood at €14.9 billion at December 31, 2015. These reserves consisted of:

- €11.6 billion in cash and cash equivalents;
- €3.3 billion in undrawn confirmed credit lines.

At December 31, 2015, **RCI Banque** had available liquidity of €8.9 billion, consisting of:

- €4.1 billion in undrawn confirmed credit lines;
- €2.4 billion in central-bank eligible collateral;
- €2.2 billion in high quality liquid assets (HQLA);
- €200 million in available 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 2015.

The characteristics of the Alliance mean, among other things, that Renault and Nissan's assets and liabilities cannot be combined. Consequently, these indicators 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, 2015, 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, 2015 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 the restatement of the figures published by Nissan under Japanese Accounting Standards into IFRS. Additionally, the following adjustments have been performed:

- reclassifications when necessary to harmonize the presentation of the main income statement items;
- adjustments to fair value applied by Renault for acquisitions of 1999 and 2002.

REVENUES AT DECEMBER 31, 2015

€ million	RENAULT	NISSAN*	INTERCOMPANY ELIMINATIONS	ALLIANCE
Sales of goods and services of the Automotive segment	43,108	82,870	(4,526)	122,255
Sales Financing revenues	2,219	6,938	(147)	8,207
REVENUES	**45,327**	**89,808**	**(4,673)**	**130,462**

* *Converted at the average exchange rate for 2015: EUR 1 = JPY 134.4.*

The Alliance's intercompany business mainly consists of commercial transactions between Renault and Nissan. These items have been eliminated to prepare the revenue indicator. Their value is estimated on the basis of Renault's 2015 results.

The **operating margin, the operating income and the net income** of the Alliance in 2015 are as follows:

€ million	OPERATING MARGIN	OPERATING INCOME	NET INCOME(2)
Renault	2,320	2,121	984
Nissan(1)	5,552	5,196	4,719
ALLIANCE	**7,872**	**7,317**	**5,703**

(1) Converted at the average exchange rate for 2015: EUR 1 = JPY 134.4.
(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 6.0% of revenues.

In 2015, the Alliance's **research and development expenses**, after capitalization and amortization, are as follows:

(€ million)	
Renault	2,075
Nissan*	2,744
ALLIANCE	**4,819**

* *Converted at the average exchange rate for 2015: EUR 1 = JPY 134.4*

BALANCE SHEET INDICATORS

Condensed Renault and Nissan balance sheets

RENAULT AT DECEMBER 31, 2015

ASSETS (€ million)	
Intangible assets	3,570
Property, plant and equipment	11,171
Investments in associates (excluding Alliance)	785
Deferred tax assets	881
Inventories	4,128
Sales Financing receivables	28,605
Automotive receivables	1,262
Other assets	7,499
Cash and cash equivalents	14,133
TOTAL ASSETS EXCLUDING INVESTMENT IN NISSAN	
Investment in Nissan	18,571
TOTAL ASSETS	**90,605**

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	
Shareholders' equity	28,474
Deferred tax liabilities	122
Provisions for pension and other long-term employee benefit obligations	1,600
Financial liabilities of the Automotive segment	9,838
Financial liabilities and debts of the Sales Financing segment	30,752
Other liabilities	19,819
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**90,605**

NISSAN AT DECEMBER 31, 2015

ASSETS (€ million[1])	
Intangible assets	5,938
Property, plant and equipment	43,142
Investments in associates (excluding Alliance)	3,908
Deferred tax assets	1,332
Inventories	11,292
Sales Financing receivables	53,519
Automotive receivables	4,995
Other assets	10,518
Cash and cash equivalents	6,552
TOTAL ASSETS EXCLUDING INVESTMENT IN RENAULT	**141,196**
Investment in Renault	1,720
TOTAL ASSETS	**142,916**

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million[1])	
Shareholders' equity	46,097
Deferred tax liabilities	6,176
Provisions for pension and other long-term employee benefit obligations	2,530
Financial liabilities of the Automotive segment[2]	(4,502)
Financial liabilities and debts of the Sales Financing segment	62,767
Other liabilities	29,848
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**142,916**

(1) Converted at the closing rate at December 31, 2015: EUR 1 = JPY 131.1.
(2) The financial liabilities of the Automotive segment represent the amount after deducting internal loans receivable to the Sales Financing segment (€13,002 million at December 31, 2015).

The values displayed for Nissan assets and liabilities reflect the restatements for the harmonization of accounting standards and adjustments to fair value applied by Renault for the 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 when necessary to make the data consistent across both Groups.

Purchases of property, plant and equipment by both Alliance groups for 2015, excluding leased vehicles and batteries, amount to:

€ million	
Renault	1,845
Nissan*	3,836
ALLIANCE	**5,681**

* *Converted at the average exchange rate for 2015: EUR 1 = JPY 134.4.*

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 €28 billion increase in shareholders' equity – non-controlling interests' share.

1.4 RESEARCH AND DEVELOPMENT

	2015	2014	2013	2012	2011
Net R&D expenses (€ million)*	1,990	1,636	1,516	1,570	1,637
Group revenues (€ million) as published	45,327	41,055	40,932	41,270	42,628
R&D spend ratio	4.4%	3.9%	3.7%	3.8%	3.8%
R&D headcount, Group Renault	16,605	16,308	16,426	17,037	17,278
Groupe Renault patents	479	608	620	607	499

* = *R&D expenses – R&D expenses billed to third parties and others.*

1.4.1 THE CAR OF THE FUTURE

1.4.1.1 FOUR DEVELOPMENT PRIORITIES

Over the next few years, cars are likely to make an even greater contribution to improving quality of life. Four main trends will shape tomorrow's vehicles:

- safety;
- in-car well-being;
- environmental impact reduction;
- mobility accessible to all.

SAFETY

Considerable progress has been made. ABS and ESP systems have reduced the risk of loss of control, and occupant protection has been improved with the use of airbags and cruise control. Renault has played a major role in making all these systems more accessible. In Europe, the number of road fatalities has been halved over the last ten years. The next milestone in the safety plan will be driverless cars. The challenge is to apply existing aeronautical technology, particularly ADAS – Advanced Driver Assist Systems used in drone technology, to the automotive industry. Sensors, cameras and radars analyze the vehicle's surrounding area. Combined with a data processing system, these tools make it possible to correct the vehicle's trajectory and detect and register not only traffic signs but also obstacles or pedestrians, thereby avoiding collisions. All this replaces the driver. Roads are likely to be safer and less congested within no more than a generation. The elderly and the disabled will be able to get around more easily. This progress will only be possible with a change of legislation. For this to happen, government authorities in all countries will have to take a more proactive approach.

IN-CAR WELL-BEING

As a result of increased connectivity, these same technologies will improve in-car quality of life due to the development of driverless operation which will free up more work or leisure time. On average, today's motorists spend two hours a day in their vehicles. This time could be better spent. The autonomy of the vehicle is dependent on its connectivity.

Renault's NEXT TWO prototype, unveiled in 2014, offers driverless operation under certain circumstances and in certain driving conditions, such as traffic jams, for example. In-car videoconferencing systems mean that driverless operation can now be used to best advantage. Videos can also be watched while on the move. At this trial stage, driverless operation is only possible under supervision on a test track, legislation not permitting the use of such prototypes on the open road. This is not, however, the stuff of fiction as these modules already exist and are already operational.

Although the technical feasibility of the system has already been ascertained, legal and liability issues will take time to resolve. In terms of behavior, breakthrough innovations require consumers to have a change of mindset before they are ready to embrace new technology.

In the case in point, the benefit for motorists is so great that change is inescapable. Saving two hours' travel time each day is part of the DNA of the car of the future! Change will come about as a result of the gradual introduction of the modules that comprise this technology.

2018: first vehicles in pioneering countries.

2020: sales and marketing to commence in Europe.

ENVIRONMENTAL IMPACT REDUCTION

Renault is a carmaker with a strong commitment to reducing its overall environmental impact.

The automotive industry has a full-fledged role to play against global warming, as the transport sector as a whole is responsible for 23% of CO_2 emissions related to the production and consumption of energy.

This a major challenge for which Renault has developed several courses of action:

- firstly, lowering CO_2 and particulate emissions from existing internal combustion engines. Standards set the pace of this reduction trend. Since the transition to Euro 5 and then Euro 6 in September 2014, the widespread adoption of the particulate filter has reduced the particulate emissions of new diesel vehicles in Europe to a level below that of vehicles running on gasoline. As part of the "New Industrial France" stimulus package, Renault is working on two main projects: low-consumption vehicles (PFA project [(1)]) and driverless cars;

- secondly, the development of zero-emissions mobility. In light of environmental issues, the development of electric vehicles is not simply an option but an inescapable necessity. The Renault-Nissan Alliance has sold over 300,000 electric vehicles worldwide, positioning it as a de facto global leader far ahead of its competitors. Despite inadequate infrastructure, long-term trends are pointing to an irreversible dynamic: wherever infrastructure development is accelerating, electric vehicles are experiencing significant growth;
- thirdly, circular economy, which consists of closing the life cycle of materials by maximizing the use of recycled materials and refurbished parts during the manufacturing and lifespan of products. Renault has made this an essential component of its environmental strategy (see section 2.6.3.2). Among other outcomes, an average of over 30% of each new vehicle manufactured in Europe comes from recycled materials.

MOBILITY ACCESSIBLE TO ALL

For many years now, the automobile has been proven to be a formidable agent of change. Emerging countries will quickly reach at least half of European motorization levels. Cars are still an expensive purchase when taken as a percentage of the average wage. Vehicles termed as low cost in western countries are only accessible to middle income, or relatively well-off, customers in emerging countries. This is why we need to think about products that can make vehicles accessible to all in emerging countries. In 2015, Renault launched KWID, an entry-level vehicle for India, with the aim of offering a modern, robust and reliable car for under €5,000.

1.4.1.2 PARTNERSHIPS

Reinventing the automobile for the twenty first century: a low energy consumption vehicle, considerably lighter weight, connected and able to substitute in all or part for driver activities; this is a challenge that can only be met collectively. For Renault, collaborative R&D agreements contribute to accelerating the development of the technologies required to meet these challenges, and also to developing skills and cost-sharing. Such contracts are key to speeding up the introduction of innovations into vehicle projects:

Figures at end-December 2015

Collaborative contracts signed: 81		CIFRE agreements: 97
European contracts: 39	French contracts: 42	

In parallel, 36 other projects (22 European projects & 14 French projects) are currently underway or being examined by sponsors.

Here are a few examples from the portfolio of projects:

- Odin (Optimized electric Drivetrain by INtegration – European Project);
- GMP DLC[2] (Powertrain, Diamond like carbon Designed for low CO_2 – FUI 15 Project);
- HYDIVU (Hybrid diesel powertrain for urban light commercial vehicle – Project from the French programme Investing in the Future);
- ELSA (Energy Local Storage Advance systems – European Project);
- DEISUR (Modeling the effects of DEFects and Integrity of SURface on Fatigue strength in forged components – ANR project).

RESEARCH AGREEMENTS WITH THE ATOMIC ENERGY COMMISSION (CEA)

A Research and Development Agreement on clean vehicles and sustainable mobility for everyone was signed with the CEA in 2010. This agreement includes various joint projects covering a wide variety of topics:

- new energy sources in transport;
- the electric and electronic architecture of the future;
- intelligent charging and discharging networks;
- new methods of designing and manufacturing vehicles.

September 2010: signing of a second agreement on new generations of Lithium-Ion batteries for electric vehicles.

September 2011: the Renault/CEA partnership expands with the opening of a joint laboratory at the CEA in Grenoble, staffed by mixed Renault/CEA teams.

July 2012: the initial Renault/CEA agreement on batteries is partially extended to LG Chem, the world leader in Li-Ion batteries and supplier for the ZOE, TWIZY and SM3 EV (Renault Samsung), to reach the next milestone on the road to developing the next generation of batteries.

The positive results of the two previous strategic agreements led Renault and the CEA to continue and extend their R&D cooperation. A new strategic agreement, covering the scope of the two previous agreements, was signed on April 18, 2014 for a five-year period commencing on January 1, 2015.

The global strategic agreement, in force since January 1, 2015, is now supported by the common laboratory team, whose activity, dedicated exclusively to the battery agreement until end-2014, has been extended to all CEA activities. The first year of the global agreement has enabled support for the high potential projects initiated within the two previous agreements and opened new work focuses.

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 pollutants for Euro 7;
- engine/motor optimization for hybrid vehicles; and
- low-power internal-combustion engines.

The PSA-Renault EIG also contributed to the creation of two academic chairs, one covering mobility and quality of life in urban environments, and the other, embedded lighting systems.

(1) The purpose of the French Automotive Industry Platform (PFA) is to define and undertake actions that contribute to the strengthening of the French automotive industry.

The Agreement for the RAMSE3S project was signed in 2015. This provides support for GSM research work, within the framework of the Investing in the Future programme.

INVESTING IN THE FUTURE

One of the most ambitious economic programmes launched in 2010 included a €35 billion investment for the future programme launched by the French General Investment Commission (Commissariat Général à l'Investissement). Since then, Renault has submitted several key high-tech projects on the following subjects:

- vehicles of the future: mobility systems, charging infrastructures, combustion drivetrain, electric vehicle 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 and has entered into contracts with the French Environment Agency (ADEME). Among the patents filed or contracted in 2015 are:

- projects to reduce the weight of materials, for example: ALLEGRIA (Economic weight reduction through the use of aluminum), VA3 (Reduction in the weight of windows – Aerodynamics – Acoustics), and SOPRANE (Reduction in the weight of windows – Aerodynamics – Acoustics);
- a structural project to reduce CO_2 emissions: ZEUS (Affordable Rechargeable Hybrid), was selected within the framework of the 2l/100 Programme.

Renault is a founder member of the VeDeCom Institute (Zero-Carbon Communicating Vehicles and their Mobility), selected in 2012 by the French General Commission for Investment for the Future. The Institute is operational and Renault employees hold key positions. During its first year of existence, this Institute distinguished itself during the ITS Bordeaux 2015, with a demonstration of Autonomous vehicles driving in urban conditions.

COMPETITIVENESS CLUSTERS

The main competitiveness clusters in which Renault continues to have a major involvement are Mov'eo and System@tic in and around Paris, and ID4Car in western France.

One of the main priorities of the competitiveness clusters is to bring together large groups and small and medium enterprises and universities, to promote collaborative research projects.

Renault's continued role as project leader or partner in projects generated or certified in these clusters, and its involvement in their operation, is due to its active participation in the various governing bodies, including the Board of Directors and offices, scientific and operational committees, and as members or coordinators of strategic activity areas[1], etc.

Since 2013, to meet growing expectations on support for innovative small and medium enterprises, Renault, with the Mov'eo cluster, has implemented regular reviews of the innovations devised by the businesses in the cluster. Following the reviews, partnerships may be formed between a business and Renault to develop innovation. To date, the approach has been mainstreamed to other industrial members of the cluster.

RENAULT-CNRS FRAMEWORK AGREEMENT

Signed on May 15, 2013, for a four-year period, this strategic partnership between Renault and the leading French public research institute helps to smooth the way for the signing of local contracts which support our relationships with nearly a hundred CNRS laboratories across France (Lyon, Lille, Montpellier, Clermont, Rouen, Paris, Orléans, Bordeaux, Poitiers, Grenoble, Rennes, Strasbourg, etc.).

The framework agreement confirms the continuation of our 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 of investigation will include neuroscience, virtual reality, ergonomics, new materials, and catalysis.

The majority of the projects concern the sciences of engineering and systems and notably focus on combustion, material fatigue, and thermal or aero-acoustic fields.

These partnerships take the form:

- of multi-annual collaborative projects;
- activities associated with CIFRE doctorate student research topics.

(1) Strategic business areas.

1.4.2 2015 RESEARCH PROJECTS

1.4.2.1 1 LITER/100KM: THE EOLAB PROTOTYPE IS A SHOWCASE FOR RENAULT'S ENVIRONMENTALLY-FRIENDLY INNOVATION, AND RISES TO THE CHALLENGE OF ULTRA-LOW CONSUMPTION

The "EOLAB Concept" is a concept-car developed from the EOLAB research prototype which explores means of ultra-low consumption. With consumption of 1 liter/100km or 22g of CO_2 emissions/km on NEDC[1] combined cycle, the EOLAB[1] prototype rises to a two-fold challenge: the challenge thrown down by the French government to develop a vehicle consuming less than 2 liters/100km by 2020 and the challenge issued by Renault itself to make ultra-low consumption available to the greatest number in the future. A real showcase for Renault's environmentally-friendly innovations, EOLAB illustrates the "zero emission[2]" mobility pioneer's desire to further reduce the environmental footprint of its vehicles, but at a cost that is affordable to its customers.

ONE HUNDRED TECHNOLOGICAL ADVANCES FOR FUTURE RENAULTS

EOLAB is much more than an exercise in style or a shop window. Conceived around a B-segment platform, the prototype incorporates around one hundred new, realistic technological developments that are designed to be introduced gradually on vehicles in the range from 2015.

The EOLAB prototype's exceptional fuel economy of 100km to the liter is the result of work on three main fronts: aerodynamics, weight saving and Z.E. Hybrid technology (gasoline/electricity):

- aerodynamics: the car's shape was designed to slice through air efficiently with moving parts such as an active spoiler and lateral vanes that act the same way as ailerons;
- weight saving: a weight saving programme brought the car's mass down to 400kg less than a segment B vehicle, thanks in particular to a multimaterial body shell combining steel, aluminum and composites, as well as a remarkable magnesium roof that tips the scales at barely 4kg. This weight saving is a virtuous circle since it has enabled the size and therefore the cost of the prototype's chief assemblies (engine, battery, wheels, brakes, etc.) to be kept down, thereby financing the decision to employ certain more costly materials;
- Z.E. Hybrid technology: this new, compact and affordable hybrid power unit combines ultra-low fuel consumption with zero-emission mobility for journeys of less than 60km and at speeds of up to 120kph. Z.E. Hybrid technology will complement Renault's zero-emissions electric vehicle range.

Costs are kept down by making the right choice of technologies and materials. In particular, EOLAB features materials such as magnesium and aluminum, which are extremely light and also much cheaper than carbon or titanium. Meanwhile, the notion of such a car being produced in large numbers within the next ten years was dialed into the plan from the very start.

(1) Consumption and emissions certified in accordance with the applicable regulations.
(2) Neither CO_2 nor other regulated pollutant emissions during driving phases.

A CONTRIBUTION TO THE FRENCH GOVERNMENT'S "NEW INDUSTRIAL PLAN"

EOLAB forms part of the "fuel consumption of 2l/100km for all" plan introduced within the framework of France's so-called New Industrial Plan for 2020. However, EOLAB goes further than the fuel consumption target set by the French government since it sets its sights on the much longer term. In the course of the prototype's design, Renault developed the technologies necessary for the introduction of a car with fuel consumption of less than 2 l/100km by 2020. To achieve this, Renault worked in a spirit of collaborative innovation with a large number of French automotive industry partners. The main partners are listed below.

EOLAB PARTNERS

- Saint-Gobain for glazing;
- Faurecia for seats;
- Michelin for tires;
- Continental for the braking system;
- Posco for magnesium components.

1.4.2.2 AUTOMATIC VALET PARKING

At the 2015 ITS Congress, Renault demonstrated driverless valet parking with a FLUENCE Z.E.

This service is designed for vehicle fleets such as taxi pools. Users can reserve a vehicle from the taxi pool *via* an Internet/intranet application on a smartphone or PC. They enter a pick-up location and time in the application. At the chosen time, the user will receive a text message informing him or her that the vehicle is waiting at the specified pick-up point.

The vehicle will be charged so that it has enough power for the user's journey. To access the vehicle, the user "checks in" by placing an RFID card on the windscreen sensor. Once the user has been authenticated, the vehicle switches from driverless to manual mode. After the vehicle has reached the destination and the journey has been completed, the vehicle will return driverless to the taxi pool.

1.4.2.3 RESEARCH INTO ELECTRIC VEHICLES (EVS)

Electric vehicle sales have demonstrated the viability of the economic model. However, electric vehicles use technologies which are still very recent and have room for significant improvement. Three areas of research are currently being explored:

- increasing battery range: technology in this area is advancing at a rapid rate and battery range is likely to be doubled by the end of the decade. Research will not, however, stop there and the real objective is to further increase battery capacity, both to increase range and to reduce size and, as a result, cost;
- making EV technology more competitive: In addition to research into reducing the cost of batteries, the main focus of improvement involves electronic power components which will not only be less expensive, with 50% gains targeted, but also less bulky, while still performing better;
- developing technologies to make EVs even easier to use: research is currently being conducted into static inductive recharging, for example, which would allow users to recharge their EV batteries without having to connect an electric cable to a charger.

1.4.3 2015 NEW PRODUCTS & ASSOCIATED INNOVATIONS AND TECHNOLOGIES

1.4.3.1 RENAULT KADJAR

AN ALLIANCE PLATFORM

With the KADJAR, Renault is broadening its crossover offering by positioning itself in the C segment, between the CAPTUR and the KOLEOS. A fast-growing segment, the KADJAR will further Renault's international ambitions.

In 2016, it will also become the first Renault vehicle to be made in China. The world's largest automotive market with over 22 million units sold in 2014, crossovers account for 26% of sales there. Designed around a joint Renault/ Nissan CMF-C/D platform, the KADJAR benefits from the Alliance's expertise in the crossover segment.

SAFETY

- **Advanced emergency braking system (AEBS):** this system warns the driver in the event of risk of collision with the vehicle in front. If the driver fails to react, or does not react sufficiently, the brakes are automatically applied to avoid or mitigate a collision.
- **Lane departure warning:** this feature, activated above 70km/h, warns the driver if he or she involuntarily crosses a solid or broken line. This improves safety by warning the driver if the vehicle is drifting off course.
- **Blind spot warning:** for safe overtaking maneuvers, this system alerts the driver with a visual signal if a vehicle is in his or her blind spot.

DRIVER ASSIST SYSTEMS

- **Easy Park Assist:** after helping the driver to find a parking space, using sensors to measure the size of the space, **the system then takes control of the steering to park the ca**r. The Easy Park Assist system offers **three modes of parking: parallel parking, angled parking and reverse parking**. In all cases, the driver retains control of braking and acceleration during the maneuver.
- **Front, rear and side park assist:** this assists the driver in performing manual parking maneuvers. 360° vehicle protection sensors warn the driver when there is a risk of collision.
- **Reversing camera:** when reverse gear is selected, the camera transmits an image of the rear surroundings of the vehicle, which is displayed on a touch screen. The image is accompanied by moving and fixed guidelines to assist the driver.

1.4.3.2 TALISMAN

REVIVAL OF THE D SEGMENT

At the 2015 Frankfurt Motor Show, Renault revealed the "TALISMAN" and "TALISMAN Estate" to the public for the first time. The D segment represents an annual volume of more than one million vehicles in Europe, where estate cars account for 54% of the total mix. With TALISMAN Estate, Renault offers all the benefits of the saloon unveiled last July with the style and practical advantages of an estate.

At the core of MULTI-SENSE technology: 4WD and adjustable suspension

Unprecedented in this segment, the Renault TALISMAN combines the **4CONTROL system with adjustable suspension**. Around town, the 4CONTROL chassis makes the TALISMAN remarkably nimble. With its cornering stability and agility in case evasive action is required, the new Renault is in a class apart for ride comfort and stress-free driving.

Renault's MULTI-SENSE technology allows the driving experience to be customized according to four preset modes: "Comfort", "Sport", "Neutral" and "Eco", plus a "Personal" mode which is fully customizable.

Each mode, accessible from the R-LINK 2 multimedia system or central console, adjusts the engine response, EDC gear changes, adaptive steering, adjustable suspension settings and 4CONTROL chassis parameters.

A full range of Advanced Driver Assistance Systems (adas)

- **Improved safety**: adaptive cruise control (ACC), advanced emergency braking system (AEBS).
- **Better warning systems**: lane departure warning (LDW), safe distance warning (SDW), traffic sign recognition with over-speed protection system (TSR/OSP), and blind spot warning (BSW).
- **Easier driving:** reversing camera, adaptive headlights (AHL), electronic parking brake, front, rear and side parking sensors, and hands-free parking.
- **The retractable color head-up display** provides useful information for stress-free driving: current speed, navigation system and advanced driver assistance systems (ADAS).

1.4.3.3 NEW MEGANE

BUILT USING THE CMF-C/D PLATFORM

The New MEGANE benefits **from the modular architecture of the CMF-C/D** (Common Module Family). It therefore has many higher spec features inherited from the New ESPACE and the TALISMAN: color head-up display, instrument display with 7-inch color TFT (Thin Film Transistor) screen, dual format R-LINK 2 multimedia tablet (7 inch landscape and 8.7 inch portrait), MULTI-SENSE and 4CONTROL. The complete technology package is unique in this segment.

A HIGHER SPEC COLOR HEAD-UP DISPLAY

The retractable color head-up display improves **safety** and **driver comfort**, making the information **much easier to read and facilitating the use of driver assist systems**. For a less stressful driving experience, the screen displays useful information without drivers having to take their eyes off the road, *e.g.* current speed, navigation info and advanced driver assistance systems (ADAS).

D-SEGMENT TECHNOLOGY

The New MEGANE boasts the **latest driver-assist technology** found in the New ESPACE and TALISMAN. The ADAS, which can be accessed and activated from the R-LINK 2 tablet, offer:

- **improved safety:** adaptive cruise control (ACC), advanced emergency braking system (AEBS);
- **better warning systems**: lane departure warning (LDW), safe distance warning (DW), over-speed warning with traffic sign recognition (TSR), and blind spot warning (BSW);
- **easier driving:** reversing camera, adaptive headlight beams (AHLB), front, rear and side parking sensors, and Easy Park Assist (hands-free parking).

1.4.3.4 KWID

With the “KWID”, Renault is continuing its strategy of accessible mobility for all to increase its international growth. Based on a new Renault-Nissan Alliance platform and following in the footsteps of the “DUSTER”, the KWID will allow Renault to pursue its global expansion by addressing the needs of customers looking for style, robustness and ease of use.

A NEW RENAULT-NISSAN ALLIANCE PLATFORM

The Renault KWID is the first Renault-Nissan Alliance vehicle to use the CMF-A platform. It was developed by the Alliance’s Engineering Center in India.

The platform approach takes internationalization to the next level and enhances the flexibility of the product offering, thanks to the performance of the architecture and the use of common components. Like all of the Alliance’s platforms, CMF-A offers considerable flexibility. The exterior aesthetics and powertrain lend themselves to a vast array of options, depending on the specific needs and preferences of customers, both in India and in other international markets.

A MODERN AND INTUITIVE INTERIOR

The center dash console in piano black with chrome trim houses the Media-Nav multimedia and navigation system, which comes with a 7-inch (18cm) touchscreen, unprecedented for the segment. The KWID’s connected interior includes technologies that not only meet drivers’ needs, but also make driving simpler. The user-friendly and intuitive Media-Nav system includes navigation, radio and Bluetooth technology for hands-free telephony, another safety feature. These specifications match the expectations of Indian customers for whom status and connectivity are important.

1.4.3.5 R240 ELECTRIC ENGINE

The ZOE’s new engine, the R240, together with its battery pack with optimized electronic management, boasts improved efficiency and enhanced charging performance.

IMPROVED RANGE

The R240 engine delivers unbeatable range for its segment, achieving 240km NEDC, or 30km more than the Q210 engine. Renault’s engineers have improved engine performance by optimizing its electronic management. The improved performance reduces the ZOE’s power consumption on the road, without compromising on power. Less energy consumption means increased driving range!

REDUCED CHARGING TIME

With the R240 engine, the ZOE’s charging time is reduced in most cases by an average of 10% compared with the Q210 engine. To increase the ZOE’s range, Renault’s engineers have also worked on shortening its charging time at low power levels by upgrading the Chameleon charger (3). The user gets more mileage for every minute of charge!

ONE ENGINE, 95 PATENTS

Renault filed 95 patents when designing this engine.

The R240 is a synchronous electric motor with rotor coil, with a power output of 65 kW and 220Nm of torque with integrated Chameleon charger. Its improved efficiency and enhanced charging performance are due to the optimized electronic management of each component, as well as its smaller size. With its innovative design and architecture, 95 patents have been filed for the R240.

1.4.4 PERFORMANCE LEVERS

1.4.4.1 MODULES AND COMMON MODULE FAMILY (CMF)

MODULES

In 2015 Renault pursued its standardization policy based on a strategy of sharing platforms and components with Nissan and on the introduction of modular design.

The project is now well underway with 157 modules introduced in eight waves. At the end of December, 113 module contracts had been announced. These module contracts account for 55% of the value of the vehicles, on course to meet the target of 65% by the end of 2016.

The standardization level of each new project is controlled by the COCA[1] objective, which is set right from the outset and checked at every stage of the project.

The standardization policy has now been synchronized with Nissan in a joint entity reporting to the new Alliance Technology Development Department. Based on the ACM (Alliance Commodity Meeting) process shared by Purchasing and Engineering, it aims to accelerate technical convergence and so enhance the Alliance's economic performance.

CMF (COMMON MODULE FAMILY)

A source of increased competitiveness and synergies, CMF extends the standardization of architecture to an unprecedented number of vehicles developed within the Renault-Nissan Alliance. CMF will generate an average 30-40% reduction in product/process engineering costs per model and a 20 to 30% reduction in parts costs.

A CMF is an engineering architecture that covers Renault/Nissan Alliance vehicles, from one or more segments, based on the assembly of compatible "Big Modules": engine bay, cockpit, front underbody, rear underbody and electrical/electronic architecture.

CMF is an additional tool that goes further than carryovers on a single platform, to expand the product range. The trend will be to increase the modules common to several platforms with a view to standardizing components and increasing the number of vehicles per platform. CMF will gradually be extended to Renault and Nissan ranges between 2013 and 2020. CMF will be first applied to the compact and large car segments, then to be followed by models in other segments. CMF for the compact and large car segments will include 1.6 million vehicles per year and 14 models (11 Groupe Renault + 3 Nissan).

Renault's first vehicles from the CMF family are the new "ESPACE" and the "KADJAR", which are also built on CMF-C/D architecture. In 2015, the KWID in India was the first Alliance vehicle to be manufactured based on CMF-A architecture.

1.4.4.2 SYSTEMS ENGINEERING

Systems engineering has been rolled out since 2013 in a methodical and structured way. Inspired, among other things, by the aeronautical industry, this design and development method has now been adopted by all carmakers in order to deal with the complexity of today's vehicles. Renault increased the number of functionalities or services from 300 on the second generation ESPACE, to over 900 on the fourth generation ESPACE. These functionalities are not only more numerous, but also more complex, and interdependent. The growing demand for connectivity, automation and new energy sources will only serve to accelerate this trend.

Starting from a path that is clearly marked right the way from the initial (service) "requirement" to the final parts, this approach makes it possible to structure, plan and manage the design and development of interconnected, and increasingly tentacle-like, systems.

Today there are 43 systems common to both Renault and Nissan that cover the vehicles of the two brands.

1.4.4.3 PROCESSES FOR A SOLID CONCEPTION

V3P

The rollout of the new V3P development approach to various projects made it possible to make significant advances in terms of reducing development times. As a result, Renault is now one of the most advanced carmakers in this field.

In 2015, feedback from projects started in 2013 was used to further reinforce the application of this new approach to future developments.

Development approach synergies were identified within the Renault-Nissan Alliance, allowing for potential gains for both carmakers.

SYNCHRONIZATION OF MILESTONES IN PROJECT PLANNING AND DEVELOPMENT PHASES (S3/CF)

The rollout of the V3P approach resulted in a complete rethink of the process of introducing innovations into vehicle projects. In order to introduce more research project innovations, it was necessary to ensure first that such innovations were sufficiently advanced, and second, that the decision to introduce such innovations was taken at the right point in the project's sequencing.

A well-defined process was implemented, guaranteeing technology transfers in line with initial expectations and requirements. Just like a relay runner who hands over the baton to another member of the team in a flying start, the innovation is transferred by R&AE (Research & Advanced Development) teams to the project teams at specific milestones such as the "concept freeze", or

(1) COCA: Carry Over/Carry Across – rate of reuse of parts already developed.

the stage where the vehicle's design and technical components are selected along with the cost/value equations that best meet customer requirements.

In 2015, in addition to improving collaboration between the teams, this synchronization contributed to smoother transfers, guaranteeing continuity and greater convergence in terms of vehicle project development and the introduction of innovations into these projects.

CUSTOMER SATISFACTION PLAN: FROM RELIABILITY TO CUSTOMER SATISFACTION

In early 2014, Groupe Renault launched a Customer Satisfaction Plan (PSC) which broke with the previous quality initiative.

This robust action plan aims to put Renault in the Top 3 companies for "customer satisfaction" across all its main markets by 2016. Seven key breakthroughs will drive the progress of this three-year plan:

- the first three involve product design and manufacture;
  - **compliance:** guaranteeing compliance with industry standards across all activities,
  - **perceived quality:** designing and manufacturing attractive and well-finished vehicles,
  - **durability:** designing and manufacturing faultless vehicles that are able to stand the test of time;
- three other priorities target customer satisfaction when in contact with the brand;
  - **service quality:** offering a simple, personalized service (Easy & Personal) which fulfills customer expectations during the sales and after-sales experience,
  - **fulfilling customers' expectations:** ensuring that we offer vehicles and services that match customers' expectations,
  - **reactivity:** reacting quickly to customers' issues .
- the seventh priority is group-wide: it relates to **communication**. This involves telling employees, customers and opinion leaders about the progress that has been made so that they in turn, can become ambassadors of Renault's desire to become an industry leader in customer satisfaction.

THE EXPERTISE NETWORK

The expertise network was set up in early 2010 to harness the Company's knowledge and know-how to improve customer satisfaction, strategic priorities and business performance.

The network is divided into 50 strategic areas of expertise, covering all of Renault's core businesses: product design and development, manufacture, sale, customer and market insights, financial performance and support.

It consists of four levels:

- an Expert Fellow, appointed by Renault's Chairman, and a member of the Renault Management Committee. He or she is tasked with putting together highly technical files for Senior Management decisions. Responsible for defining the strategic areas of expertise, the Expert Fellow coordinates the Expert Leader network to organize production, deploy best practices to foster collaboration, and ensure that technical representation exists on standardization and regulatory bodies;
- 42 Expert Leaders, each reporting to a Business Vice-President. Expert leaders have responsibility for one area of strategic expertise. They are tasked with developing and capitalizing on the 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;
- 152 Experts, responsible for secondary fields of expertise. They promote standards, file patent applications, carry out benchmarking, and identify relevant partners;
- 434 Consultants, responsible for a specific business activity. They advance the state of the art by establishing standards and passing on their expertise to the business lines.

Over the past four years, the expertise network has developed in such a way that – as a result of its cross-cutting approach – it has been able to increase the pace at which knowledge is acquired, applying it to operations and aligning production with the strategic priorities of the business. Two years ago, the network was extended to include the Alliance.

1.4.5 R&D: AN INTERNATIONAL ORGANIZATION

On January 30, 2014, the Renault-Nissan Alliance announced its intention to launch convergence projects in four of the organization's key functions (engineering, manufacturing and logistics, purchasing and human resources).

In engineering, the two companies decided to accelerate the synergies by means of a joint "upstream" strategy of advanced technologies, joint modules, powertrains. Simulations and trials are also conducted jointly. The objective is to improve productivity by sharing best practices and core skills and by standardizing parts and processes (see chapter 1.2).

The organizing principle of the Alliance's new engineering is based on:

- an activities scope specific to each manufacturer (product engineering), thereby enabling it to retain the identity of its products;
- a scope that is common to both manufacturers (Alliance Technology Development) and involves activities that can be shared. This joint scope is managed by a single leader.

In 2015, the engineering convergence project continued, entering a new phase in which Renault and Nissan teams work together across the full scope under joint management.

1.4.5.1 PRODUCT ENGINEERING: THE IDENTITY OF EACH OF THE ALLIANCE'S CARMAKERS IS PRESERVED

It aims to develop Renault Product plan models, in line with the brand's identity, by meeting market and customer demands in terms of competitiveness, quality, design and innovation.

1.4.5.2 THE ALLIANCE TECHNOLOGY DEVELOPMENT DEPARTMENT: CONVERGENCE OF RESEARCH, TECHNOLOGIES AND TEST RESOURCES

With the creation of this new department, the Alliance is introducing a joint strategy which aims to accelerate synergies without disrupting project developments that are already under way at Renault and Nissan. This joint strategy relates to the choice of technologies, the roll out of platforms, the process of standardization and the development of a powertrain range which fulfills the expectations of both carmakers. The systems approach initially rolled out at Renault has now been extended to Nissan. Simulation tools, as well as sites specially designed for dynamic tests and trials, are made available to both the Alliance brands.

This new engineering convergence strategy focuses on several key areas:

COMPETITIVENESS OF ALLIANCE TECHNOLOGIES

In areas such as autonomous vehicles, connectivity or electric vehicles, and more generally speaking, in fields of research, the best performing technologies are identified. The objective is to take the best of the two carmakers and focus on the most promising technologies to improve competitiveness and reduce the time needed to introduce innovations into vehicle projects (Time to market).

In terms of the powertrain, the example of the K9K engine from Renault technology, and used in several Nissan models, is an example of best practice which will be reproduced and used systematically at the instigation of the new organization.

Shared platforms that have already been partially rolled out are a key performance component, making it possible to base a wide range of vehicles from both brands on five big modules by minimizing the development of new parts (see paragraphs 4.1.1 & 4.1.2 – modules/CMF).

JOINT PROCESSES

The new organization aims to speed up the definition of joint standards, methods and processes so that project development can be more effective. For example, technical specifications sent to a supplier will systematically fulfill the expectations of both Alliance carmakers.

1.4.5.3 RENAULT INTERNATIONAL ENGINEERING CENTERS (RTX)

Renault international engineering centers (Korea, India, Russia, Romania, Americas) receive back-up when it comes to finding out about local markets so that products can be localized in order to fulfill customers' needs and expectations as well as the countries' regulatory and economic constraints.

Likewise, the skills available at each of these sites are gradually improving with the aim of achieving the independence that already allows some sites to take on vehicle projects from the outset, such as the development of the Renault KWID by the Indian center.

1.5 RISK FACTORS

The Group comprises two operating divisions, Automotive and Sales Financing (RCI Banque group). Each operating segment has its own risk management system.

Automotive and Sales Financing work hard to control the risks relating to their respective activities. In this chapter, the same logic is used to present these risks for both operating segments:

- risks linked to the business environment;
- cross-group risks;
- operational risks;
- financial risks.

For the Sales Financing segment (RCI Banque group activities), the global risk management system is organized in accordance with banking regulations (see section 3.1.7.). A detailed description of this system is available in the RCI Banque group's annual report. This document provides an overview of the risk factors and management procedures and principles.

For the Automotive segment, the global risk management system is based on collaboration between the Risk Management department at Head Office, the operational risk managers at country level and the expert risk managers within certain business functions and corporate activities. This network of different levels strengthens the risk management system and provides it the means to be proactive in controlling risks. However, it does not exclude the potential crises and damage that could occur as a result of the combination of the complexity of activities and the accelerated development of the business environments, which could aggravate existing risks and lead to the emergence of new risks.

This section therefore describes the main risks and the main procedures implemented by the two operating divisions to limit those risk's likelihood and impact.

1.5.1 AUTOMOTIVE RISK FACTORS

1.5.1.1 RISKS LINKED TO THE COMPANY'S ENVIRONMENT

GEOGRAPHICAL RISKS

Risk factors

The Group has industrial and/or commercial operations in a large number of countries, some of which could present specific risks: volatility of GDP, economic and political instability, social unrest, regulatory changes, nationalization, debt collection difficulties, fluctuation in interest rates and foreign exchange rates, lack of foreign currency liquidity, and foreign exchange controls. For example, Renault is facing difficulties in repatriating funds from Iran and has continued to note untill mid-December the constraining effects of the exchange controls in Argentina".

Management procedures and principles

All decisions regarding the geographical location of manufacturing operations are taken in a context of an overall Group growth strategy that mitigates the risk of instability through a global 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 investments outside Europe helps to diversify the Group's risk, since GDP and solvency trends vary from region to region.

With regard to industrial investment, the Group does not hedge its exposure as a rule, however the risk of not fulfilling its targets is taken into account when calculating the expected return on investment.

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 relate to intra-Group sales, automotive partners and sales in certain countries for which there is no cover. Residual country risk is regularly monitored.

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.

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. The aim is that manufacturing subsidiaries sell their export production to Renault s.a.s., which sells it on to commercial 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.

RISKS ARISING FROM ECONOMIC CONDITIONS

Risk factors

The balance between Group sales in the Europe and Outside Europe Regions, 54/46 in 2014, and 58/42 in 2015 allows the Group to take advantage of the different opportunities while limiting the risks of any regional reversal or slowdown. The three largest markets outside the Europe Region are Brazil, Turkey and Russia, representing 6%, 6% and 4% of Group sales, respectively.

Nevertheless, the Group's activities are still dependent on the European market in terms of sales, revenues and profit.

Management procedures and principles

The Company has put in place a number of measures to safeguard against any additional market risk. To ensure greater flexibility in terms of anticipation and action, the five Regions are led by a Management Committee comprising representatives from all the Company's business functions. Such committees are chaired by an Operations Director, who is a member of the Group Management Committee, who manages his/her own business plan in order to contribute to the Group's performance. The Director of the Europe Region is also a member of the Executive Committee, because of the importance of the region to the Company.

Specific actions are also put in place in addition to these cross-group measures.

Europe

Based on a recovery in the European market, Groupe Renault has:

- defined ambitious strategic objectives to regain market share in the European market, with a focus on customers and profit; Group will benefit from the renewal of C/D segment line-up in 2015 - 2016. The Group aims to achieve the second place in Europe;
- continue to develop production agreements with its partners (for example: Nissan MICRA producing in Flins).

Brazil and Argentina

The Company has introduced measures to safeguard against market risk:

- 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 being made to balance trade across production and sales between Brazil and Argentina.

The worsening of the Argentinean crisis in 2014 and 2015 resulted in the adoption of additional measures, particularly limits to the number of imported vehicles, so as to benefit local production. New investments aimed at balancing the financial situation of Renault in Argentina have been announced in 2015.

The Group will continue to monitor carefully the situation in Brazil after the worsening economic, social and political crisis in 2015.

Russia

The Group manages the economic environment and market fluctuations very closely, with:

- an active pricing policy to compensate foreign exchanges impacts;
- an adjusted product line-up focusing on locally produced cars. 98% of Russian volumes are made based on products manufactured in Russia;
- a reinforced task force to push local integration rate.

China

On top of the current imported car activity (16 k units in 2015), the joint venture company established with Dong Feng in China started manufacturing activities in 2015 and will start sales of locally produced C and D crossovers respectively beginning and end of 2016. The joint venture plant located in Wuhan has a production capacity of 150,000 units per year.

RISKS LINKED TO THE BUSINESS'S ENVIRONMENT

Risk factors

Risks linked to non-compliance with laws and regulations.

Management procedures and principles

The Company follows a structured procedure to analyze the robustness of regulatory compliance for a number of well-defined regulated areas, established by Internal Control department in collaboration with the Legal department. These include competition, fraud and corruption, environment, health-safety-working environment, technical regulations, etc.

This approach is led by the Regulatory Compliance department, part of the Internal Control department, and is monitored by the Ethics and Compliance Committee.

The aim is to reduce the exposure of the Company and its executives to the risks of criminal, administrative and financial sanctions and to protect its image.

The system is based on three types of actors:

- **the operational entities** ensure regulatory compliance *via* their processes, based on directives and with the support of the decision-making departments, in accordance with local regulations;
- **the decision-making departments** (Technical Regulations, Legal, Human Resources, Environment, etc.) monitor regulatory compliance within their respective areas, set out the regulatory obligations in internal guidelines and deploy these within their networks;
- **the Regulatory Compliance department** defines the methods and evaluates the regulatory compliance systems, with the support of the Legal department.

This system provides the Ethics and Compliance Committee with reasonable assurance that the Company is familiar with its regulatory compliance obligations and takes these into account during its activities.

1.5.1.2 CROSS-GROUP RISKS

OCCUPATIONAL HEALTH AND WORKING CONDITIONS RISKS

Risk factors

Working conditions may generate accidents or occupational illnesses regardless of the field of activity (industrial, engineering, services, sales or after-sales).

The Group is thus faced with the risk of accidents, whether these accidents occur at the employee's workstation or while traveling to work. Certain working conditions can also generate risks of illnesses, such as musculo-skeletal disorders from repetitive operations or pathologies linked to the use of chemical products, or stress as a result of activities involving a high work rate or intense cognitive activity.

Management procedures and principles and prevention

The Group has a number of health and safety and risk prevention procedures which are firmly established within the Company, thanks in particular to the health and safety management system which has been deployed in all countries, sites and business functions.

The Group benefits from an international network of specialists in health, safety, ergonomics and working conditions, who meet regularly and receive frequent training to strengthen their areas of competence. Other factors include the commitment of management at all levels, awareness-raising, and continuous training of managers in risk prevention. The majority of industrial sites also have a continuous improvement policy that encourages employees and their representatives to become involved in improving their working conditions.

To measure deployment and implementation of the occupational health, safety and working environment policy, internal experts conduct assessments and audits within the Group's various entities. These assessments are based on standards set by Renault and approved by a recognized international organization. A total of 98% of industrial, engineering and office sites are now certified.

In mid-2014, Renault introduced an innovative new plan focusing on occupational accidents and working conditions, in order that the Group will rank among the leading industrial companies in this area. The plan targets a threefold reduction in the number of accidents by 2017. Workshop-related risks are systematically analyzed, whether they involve areas, activities or industrial equipment, so that following assessment, measures can be taken to eliminate or reduce the level of risk. This method is also used to improve workstation ergonomics when designing facilities as part of vehicle projects. Today, in halving the number of accidents in the Group, Renault has already become one of the top 10 international companies in this area and is on course to achieve the plan's final objectives.

With regard to the prevention of psychosocial risks and occupational stress, occupational doctors monitor individual employees, and managers have received training on how to recognize staff members in difficulties, and on improving the quality of life in the workplace since 2012.

Finally, the Group deploys general measures to protect the health of its employees and the quality of their working life, notably through awareness-raising and training campaigns. These campaigns deal with issues such as food hygiene, addiction, accidents in daily life, road safety and sport. Several plants also have individual sports training centers and offer physical exercise at the start of each shift. Any staff issues are addressed within the units and escalated if they cannot be resolved locally.

All of these measures help reduce the level of risk inherent to working environments.

ENVIRONMENTAL RISKS

Risk factors

The Group's main environmental risks can be broken down into three categories:

- risk of accidental environmental damage as a result of the Company's activity. These mainly concern the industrial activities of the Group and its suppliers and, to a lesser extent, the after-sales service and transportation of parts and products for the manufacturing of vehicles;
- risk of disruptions to industrial and logistics activities and damage to Company assets as a result of extreme weather conditions (storms, floods or hail, etc.);
- financial and commercial risks resulting from the Company's failure to take the appropriate measures in response to tightening of regulatory requirements and those relating to standards, in respect of vehicle environmental performance, end-of-life recycling and recovery, or chemical products used in manufacturing of vehicles or after-sales service.

Management procedures and principles

The identification and control of environmental risks form part of the Group's global risk management system described in the introduction to this section.

Environmental risks that could be caused by the Company are prevented using the environmental management system deployed across all Group sites and at all stages of the product life cycle (see section 2.6.2). None of the Group's facilities is classified in a high environmental risk category.

Environmental risks associated with the industrial activities of the Group's suppliers are identified and prioritized through a specific CSR risk classification process. They are managed firstly by distributing the Renault-Nissan CSR Purchasing Guidelines and Renault Green Purchasing Guidelines to the entire supply chain. These guidelines define what the Renault-Nissan Alliance expects from its suppliers in terms of CSR and Renault's specific environmental expectations. Secondly, suppliers that are most at risk undergo a CSR evaluation process based on the EcoVadis tool and on-site audits, which could lead to corrective action plans (see sections 2.3.2.4 and 2.3.2.5).

Climatic, natural and industrial risks are taken into account in the Group's prevention policy (see section 1.5.1.3 Risks linked to manufacturing facilities and the sub-section Adaptation to the consequences of climate change in section 2.6.3.1).

Measures to ensure compliance with regulatory requirements relating to vehicle emissions and vehicle recycling potential are fully integrated into the process to ensure vehicle approval is obtained from the relevant bodies (see sections 2.6.3.2 and 2.6.3.5). The Group also has a voluntary and proactive approach to vehicle end-of-life recycling through its subsidiary Renault Environnement and the LIFE+/ICarRe95 research project (see Vehicle end-of-life in section 2.6.3.2).

The risks and opportunities associated with the tightening of regulations on greenhouse gas emissions, and in particular vehicle CO_2 emissions, are identified as a major competitive challenge for the Company. For this reason, they are monitored through a Worldwide Carbon Footprint key performance indicator and specific product competitiveness targets are set in terms of fuel consumption and CO_2 emissions (CAFE positioning, etc.). These indicators are followed yearly at GEC (Group Executive Committee) level in order to examine the Group's position and outlook in the short, medium and long term (10 years), and to define or adjust the strategy accordingly. Elements of the strategy and the main results to date are presented in section 2.6.3.1.

Finally, "Substance" risk prevention and compliance with the European REACH regulation, or its equivalents in other parts of the world, are ensured at all stages of the product life cycle. This organization is deployed throughout the network, and is supported by central expertise hubs and a "substance" standard, which is applied across the entire Company and supply chain (see section 2.7.2).

LEGAL AND CONTRACTUAL RISKS

Risk factors

Groupe Renault is exposed to three main legal risks:

- **legal and regulatory changes**

  Due to its international activity, Renault is subject to a number of complex and dynamic legislations, particularly in the fields of automotive, banking, the environment, competition, labor law, etc.

  Although Renault monitors this situation, a change in legislation or regulations having a significant impact on the Group's financial position, business or results cannot be ruled out. Moreover, the authorities or courts may also change the application or interpretation of existing laws and regulations at any time;
- **disputes, governmental or legal proceedings, arbitration**

  Renault is involved in various governmental, legal and arbitration proceedings as part of its activities in France and internationally.

  Nevertheless, to the best of Renault's knowledge, over the last 12 months there has been no dispute, governmental or legal proceeding or arbitration process underway or likely to occur and that could have a significant impact on its financial position, activities or results;
- **intellectual property**

  Renault uses various patents, trademarks, designs and models. Each year, Renault files several hundred patents (see section 1.4), some of which are covered by fee-paying licenses granted to third parties. The Group may also use patents held by third parties under licensing agreements negotiated with those parties. As such, Renault is exposed to various intellectual property risks.

  The performance of Groupe Renault depends in particular on the robustness of the legal framework protecting its patents and other intellectual property rights. For example, Renault cannot guarantee that its intellectual property rights will not be misused or contested by third parties. Such misuse or claims could have a negative impact on the Group's activity, results and image.

Management procedures and principles

With regard to legal and regulatory changes, Renault requires its subsidiaries to respect the regulations in the countries in which the Company operates. Renault is in constant dialog with the national and regional authorities responsible for regulations specific to the automotive segment, in order to anticipate changes and ensure the Group's compliance with laws and regulations.

All disputes, governmental or legal proceedings and arbitrations are subject to regular review, particularly at year-end. After seeking the opinion of the appropriate advisers, the Group sets aside any provisions deemed necessary to cover the estimated risks (see note 20 A Provisions to the consolidated financial statements).

Finally, in general, the internal control of legal risks is organized around three guiding principles:

- management of the Group's legal function, which is organized around a central function and employees within the different countries. These employees report to a hierarchical line and a functional line;
- employees of the legal function are proactive in anticipating legal risks upstream and adapting the corresponding procedures (advisory consultations, information from the central legal function, etc.);
- regulatory monitoring by Groupe Renault in collaboration with the different countries concerned.

FISCAL RISKS

Risk factors

Uncertainties in the interpretation of texts or the execution of the Company's fiscal obligations.

Management procedures and principles

Groupe Renault has always adopted a reasonable fiscal policy to safeguard its shareholders' interests while preserving the relationship of trust with the States in which it operates.

Depending on their remit, Renault's central and local tax teams work with governments and implement the Group's fiscal policy, with the main objective of ensuring compliance with its national and international tax obligations.

Technical discrepancies may however be detected during audits and could lead to tax disputes, particularly due to uncertainties in the interpretation of laws or the performance of Renault's tax obligations. Where necessary, after analyzing the materiality of the risk, provisions are booked in the financial statements to reflect the financial consequences of these discrepancies.

IT RISKS

Risk factors

The Group's business depends in part on the smooth running of its IT systems. These are under the responsibility of the Renault Information Systems department, which has put in place a security policy, technical architecture and processes to control risks associated with the following:

- the service continuity of the datacenter, which contains some 5,000 servers hosting around 3,000 IT applications. Redundancy is built into the IT architecture of the 11 applications that support strategic business processes and related applications, so that these can resume service in less than a week after a physical incident;
- cyber crime: global computerized attacks or attacks targeting the Group in particular, for example in response to events widely reported in the media or simply to make money (through the resale of information, blackmail, etc.). Such attacks aim to steal or alter sensitive data (*i.e.* confidential or personal information), crash applications or the Group's entire intranet network, and corrupt applications or disrupt service (deface websites, etc.). These attacks are increasingly frequent and target all companies. They exploit new vulnerabilities such as the Internet of things, the connected car, etc. Cybercrime can take place over the Internet or *via* the internal network. It may be facilitated by negligent or careless behavior;
- non-compliance with IT standards or practices required by legislation, external authorities or contracts with suppliers. The risk of exposure to this non-compliance does not cover IT activities outside the purview of the Renault Information Systems department (*e.g.* certain shadow cloud applications, etc.).

These risks can have a significant financial impact in the form of penalties or business interruption. They can adversely affect the Group's brand image and/or lead to a loss of competitive advantage.

Management procedures and principles

Risks are controlled, in particular, through the following:

- **at operational level:**
  - a process for defining security requirements implemented as part of IT projects, depending on the criticality of the applications and data used; these requirements take into account technology trends, such as cloud-based services,
  - management of IT security (infrastructure, data, processing, etc.) *via* a network of IT security specialists in each business function,
  - a high level of protection for the Group's IT network, such that resources can be used safely not only by suppliers, partners and the dealership network, but also by entities based in high-risk countries,
  - compliance checks carried out jointly by Renault's Information Systems department, the Protection and Prevention department (D2P) and the Audit department (DAMRO),
  - awareness-raising activities for employees and partners;
- **at organizational and governance level:**
  - an IT Risks Committee chaired by the member of the Group Executive Committee (GEC) responsible for IT risk, and coordinated by the Group IT Security department, which reports to the Renault Information Systems department. This committee brings together the Audit, Risk Control and Organization Director, the D2P Director, the Director of the Renault Information Systems department and the Director of Alliance IT Services,
  - governance committees coordinated by the Group IT Security department, which carries out inspections at operational level to check the effective application of IT security procedures, in line with the Information Systems Security Policy and best practices.

Key IT security projects carried out in 2015 covered the following areas:

- **inventories of applications and systems:**
  - maintaining the inventory of applications supporting strategic Group processes, to ensure that these applications can be restarted as a priority in the event of an incident,
  - maintaining the inventory of systems hosting confidential data and personal information;
- **verification of the robustness of systems, machines and IT crisis management processes:**
  - work to detect advanced attacks on sensitive areas of the Company,
  - intrusion testing on systems installed on the intranet and in connected vehicles,
  - periodic vulnerability testing on about 800 machines hosting Renault applications accessible *via* the Internet,
  - actions to improve intranet and mobile handset security,
  - preparation for a potential IT crisis by reconstructing and performing crisis management exercises;
- **security support for projects:**
  - security support for strategic international partnership projects (AVTOVAZ, DRAC, Daimler, etc.),
  - project support in drawing up contracts with suppliers for the purchase of "cloud" services;
- **the introduction of systems to protect access to the intranet and anticipate attacks:**
  - the implementation of a pilot based on the intranet access protection standard (802.1.x),
  - the deployment of a Security Operation Center (SOC) for the infrastructure, analyzing weak signals and improving our response in the event of an attack;
- **coordination of the network of security officers within the various business lines and in the different countries in which the Group operates;**
- **awareness-raising and training of users on IT risks.**

RISK ARISING FROM PENSION LIABILITIES

Risk factors

The risks relating to pensions consist of the additional financing that may be required due to negative variations in its constituent parameters (workforce, discount rate, inflation, life expectancy) or the markets (impact on investments): these vary depending on the type of scheme, whether they are defined-contribution or defined-benefit schemes, with retirement compensation or pension funds.

Approach and pension systems

Over the past 10 years, Renault has developed defined-benefit plans which do not incur any other financial commitment for Renault besides the regular payment of the Company contributions.

Note 19 C to the consolidated financial statements provides detailed information on the definitions of the different pension schemes, the associated risk management and actuarial assumptions used, as well as the impact of these schemes on the financial statements.

1.5.1.3 OPERATIONAL RISKS

RISKS LINKED TO PRODUCT DEVELOPMENT

Risk factors

The risks linked to product development mainly relate to the balance between the product offering proposed (bodywork type, segment type, price, etc.) and market demand.

Management procedures and principles

New models and powertrains are developed based on an analysis of customer demand and expected profitability. This is calculated based on:

- **income:** based on customer studies, sales volumes, market shares, forecast prices, and the projected life cycle;
- **expenditure:** based on the total initial outlay for the project, the expected unit costs and projected life cycle.

When the reference assumptions used are called into question (markets, segments, bodywork type, or a fall in volumes, increased outlay/unit costs), the expected profitability may drop.

When this profitability is downgraded, the Group may have to recognize a loss in value on the fixed assets used (investment and capitalized development costs, which are amortized over the life cycle of the vehicle) or book a provision aimed at covering the contractual indemnities to be paid, where necessary, in the event that the minimum purchase volume is not met.

The coordination of vehicle and subsystem projects requires management of the sensitivity of profitability to variations in the income and expenditure assumptions. More specifically, the Tornado Chart tool lists the risks and can simulate projected impacts, both negative and positive, in order to:

- highlight the robustness of projects in response to environmental changes;
- determine the countermeasures required to reduce exposure to these risks as far as possible or hedge against them.

Each vehicle and subsystem Programme Director is responsible for permanently managing this risk. The risk management system is presented at each development milestone, within the Group Product and Programs department, and to the members of Group Senior Management.

From a more general perspective, to ensure the robustness of the product range plan and minimize risks, the Group:

- maximizes the distribution of the same model in different markets, which reduces its exposure to possible fluctuations in one of these markets;
- offers a varied, balanced product portfolio that meets customer expectations in different segments and markets, so as to reduce the risk of dependency on a single market or customer type.

SUPPLIER RISKS

Risk factors

Controlling supplier risks is a major challenge for automotive manufacturers due to the significant contribution of suppliers to the vehicle's cost price. Any default, even if this concerns just one supplier from the entire panel, can generate considerable impacts on production at the Group's plants and the development of future projects.

Renault must also apply a very accurate system to control supplier risks relating to all aspects of the supplier relationship: design and development – manufacturing, logistics and quality – solvency and financial sustainability.

Management procedures and principles

The Renault Nissan Purchasing Organization (RNPO) is responsible for managing its supplier risks and uses five main systems to this avail:

- **a prevention policy** aimed at making suppliers responsible upstream for their own risks, particularly with regard to the supply chain;
- **the use of Renault-Nissan standards** for design, validation and specification compliance for products under development;
- **processes to detect non-compliance** in the quality of delivered parts and their traceability;
- **permanent monitoring of supplier risks** in relation to operations, finance and corporate social responsibility;
- **a system to implement action plans** in the event that supplier non-compliance or risk is detected.

This control also involves several dedicated departments: a Risk Management and Control department, a network of financial analysts, and a dedicated Corporate Social Responsibility department. These departments work very closely with the RNPO operational purchasing managers at global level (see CSR section 2.1.6).

Prevention and detection

The upstream prevention policy relates to natural disaster risks in particular. Renault and Nissan have a Business Continuity Plan, which was created following the disasters in Japan and Thailand in 2011. All suppliers complete a questionnaire annually to evaluate replacement solutions in the event of a natural disaster.

Risks linked to the compliance of products designed and developed by suppliers are managed *via* the Alliance New Product Quality Procedure (ANPQP), to which all suppliers must comply. It contains strict steps and procedures for validation and compliance using a score chart to rate the severity of faults in parts during the design stage.

With regard to risks linked to mass production, Renault pays particular attention to capacity and quality risks:

In order to manage risks linked to capacity shortfalls on the part of suppliers, Renault uses a capacity benchmarking process based on an annual questionnaire to anticipate capacity requirements and solutions two years in advance.

With regard to the quality of mass-produced products, Renault has a management system that is applied by more than 300 experts worldwide. This system is based on an audit matrix common to Renault and Nissan, which has been created according to the model in ISO TS 16949.

To manage supplier risk at group, entity and plant level, the Group incorporates its own standards into operating and financial plans and uses internal and external experts as far as CSR standards are concerned (see section 2.5.2.1).

Operational risks are anticipated and monitored *via* annual ratings conducted by the buyers and experts in supplier risk, using a multi-criteria matrix to evaluate the quality of the shareholders and management, site competitiveness, their investment capacity and technological risk, as well as strategy, and commercial dependence on their main customers. RNPO rules require supplier sites to be inspected at least once a year by a member of the Purchasing department so that supplier ratings can be visually corroborated.

Financial risks are monitored by a network of Renault-Nissan analysts deployed in all countries in which the Renault and Nissan groups operate. These analysts evaluate the risk of supplier default based on a matrix of criteria common to Renault and Nissan. They compare their conclusions with scores from rating agencies, scores from Banque de France and recommendations from credit insurers, etc.

Risk management

Suppliers at risk are presented to and managed by Purchasing Risk Committees. These committees exist at Group level and for each local Purchasing department. They are multidisciplinary bodies chaired by the Purchasing department and are attended by all functions concerned by supplier risk: finance, legal, control, logistics, communication, public affairs and human resources.

The Purchasing Risk Committee determines the action plans to be implemented in collaboration with suppliers in order to reduce their risk, improve their competitiveness and ensure the long-term security of the supply chain.

Suppliers are formally notified of the need to implement action plans. The implementation of these plans is monitored by the purchasing teams responsible for controlling supplier risks, the network of financial analysts and the operational purchasing managers, notably *via* quarterly performance reviews. These reviews also facilitate the examination of all elements of the supplier relationship: design, capacity response in terms of volumes, quality, costs and logistic compliance.

RISKS RELATING TO RAW MATERIALS – SECURING RESOURCES

Risk factors

The risk identified concerns potential restrictions to the supply of raw materials.

Management procedures and principles

Certain raw materials used in the automotive industry are considered strategic since any restriction in the supply chain could impact production. The Environment, Energy and Strategic Raw Materials area of expertise was created in 2010. This expertise feeds the internal control bodies (Raw Materials & Currency Committees and Raw Material Engineering Technology Steering Committee).

Renault's expertise in this area has in particular enabled the development of a methodology to objectify the criticality of raw materials based on:

- supply risks and cost variations (see Raw materials risks – securing prices);
- importance and impact for Renault (depending on the volumes consumed and purchase prices).

The evaluation uses objective criteria to rank these risks by type and scale, for example, supply and demand scenarios for the materials concerned, the number and exposure of players producing these materials, Renault's capacity for recycling or not, and replacement if necessary. This criticality matrix has enabled the identification of the materials to which the Renault is exposed and the preparation of strategies to secure the resources used directly or through supplier parts and components, and includes levers such as reduced usage and the implementation of internal recycling and/or replacement processes.

The Group has been recognized for its commitment to the development of processes to recycle materials from the destruction of end-of-life vehicles, particularly through its subsidiary INDRA (a joint venture with Suez Environnement), the collection and processing of parts and materials through its subsidiaries Gaia (automotive sector) and BCM (metal waste), and with innovative partners such as the European Life+ ICARRE95 project, which ended in 2015 (these different activities are described in more detail in section 2.6.3.2 on Resources and the Circular economy). Together these operations help to secure the supply of materials for the Group (recycled polypropylene, aluminum, copper, platinum, palladium, rhodium, etc.). They are managed by Renault Environnement.

The expertise developed by Renault on criticality analysis methodology has become a benchmark. France's Interministerial Committee for Strategic Metals (Comité interministériel pour les métaux stratégiques, COMES) notably asked Renault to oversee an industry-wide working group to identify and assess the needs of French industries for strategic raw materials from 2011 to 2014. All industry sectors now have access to a tool for self-diagnosing exposure to raw materials 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.

RISKS LINKED TO MANUFACTURING FACILITIES

Risk factors

The Group's exposure to industrial risk is potentially significant as a result of the production of certain vehicle models and components being concentrated at one or two sites (see the table of manufacturing sites in section 1.1.5.4) and the interdependence of its production facilities.

Management procedures and principles

For the past 25 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.

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 across nearly 50 sites. More than 93% of the insured assets within the industrial, engineering and logistical scope covered by Groupe Renault's accident insurance programme have 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 linked to natural disasters such as storms, flooding, typhoons (mainly in South Korea) and earthquakes (particularly in Romania, Chile and Turkey) are incorporated into the Group's prevention policy. Since 2008, structural building reinforcement and efforts to secure facilities and industrial plant have been undertaken at sites where there is a risk of earthquakes, as well as organizational measures such as training and emergency drills.

The implementation of this 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.

Alongside the systems and policies (described in section 2.6, "Environment") 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 and pollution caused by past activities at sites.

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 Alliance Management Way (AMW) 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 all management stages: risk identification, choice of prevention and/or protection solutions, management and training procedures.

A scorecard of environmental and energy impact data is also audited by the statutory auditors.

RISKS LINKED TO THE DISTRIBUTION NETWORK

Risk factors

The financial health of the independent dealer networks poses a significant challenge to the Group's commercial strategy. Default by dealers could have a major impact on sales levels, both at country and region level.

Management procedures and principles

The financial health of dealerships is monitored by Renault, as well as by RCI Banque in countries in which the latter 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. The subsidiaries also actively direct the network's productivity to proactively manage this risk.

Monthly meetings of the Risks Committees are organized at country level, with RCI, and a Risk Monitoring Committee meets at head office if the risk level justifies increased monitoring, based on periodic reporting of the financial health of the network and 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, the Group either carries it directly or transfers all or part of the risk to local banks.

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.

INSURING AGAINST OPERATIONAL RISKS

Insuring against operational risk

Within Groupe Renault, protection against operational risk has two 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 Insurance department conducts negotiations and directly entrusts financially solvent insurers with worldwide programmes. The Insurance department is actively 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 €295 million per claim with a deductible of €100,000 per claim for damage caused to vehicles in depots and €45,000 per claim for land transportation;
- property damage and operating losses: the Alliance buys a capacity of €1.75 billion per claim with sub-limits on certain types of guarantees, particularly natural disasters and machinery breakdown (consequential operating losses are assessed at Group level). Deductibles for the Group's manufacturing activities may amount to €5 million per claim.
- civil liability: the Group buys a capacity of €200 million to cover general civil liability and civil liability related to products and repairs performed by Renault Retail Group commercial subsidiaries. Specific civil liability cover relating to the environment has been subscribed for the amount of €30 million.

Renault's insurers partially reinsure these global programmes with Motor Reinsurance Company (MRC), a captive reinsurance company wholly owned by the Group. Renault's policy is to reinsure high-frequency risks (whose occurrence is statistically predictable) through its captive reinsurance company, and only call upon outside insurers for low-frequency risks whose economic impact justifies spreading the risk on the insurance market. 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 annual commitment of €25 million. It provides protection for depots exposed to natural hazards such as storms and hail, in particular in France, Slovenia, Brazil, Spain and Algeria, using appropriate means, such as nets or the installation of photovoltaic panels;
- property damage and consequential operating losses: up to €15 million per incident, with a maximum annual commitment of €15 million;
- civil liability: up to a maximum annual commitment of €2.3 million.

MRC also covers loss on Group employee benefit schemes for up to €7.5 million per year.

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 entity more accountable.

1.5.1.4 FINANCIAL RISKS

RISKS RELATING TO RAW MATERIALS – PRICE GUARANTEES

Risk factors

Renault's financial risk relating to raw materials is due to the fact that purchasing prices can vary quite significantly and suddenly, with no guarantee that increases can be recovered from vehicle sale prices.

Management procedures and principles

Renault uses several means to guarantee price stability over the fiscal year. The first consists of contracting purchasing prices at fixed prices over periods covering several months. This type of contract is used for raw materials that are not indexed in the financial markets. The second is to hedge risks linked to indexed materials. The Group relies on its Renault Finance subsidiary to execute these hedging transactions in the financial markets. Over-the-counter cash-settled swaps are used for these hedging operations. In 2015, Renault hedged a maximum of 70% of the monthly purchase volumes of aluminum, lead, copper, palladium and platinum, as soon as French market prices dropped below the limits validated by the Chairman and CEO.

In order to monitor changes in the price of raw materials more closely and examine future trends, an *ad-hoc* committee, the – Raw Material and Currencies Committee (RMCC), is responsible for setting guidelines that all corporate functions must follow, particularly the Purchasing department. The RMCC is a joint committee of the Alliance: its Chairman is the Managing Director of the Renault-Nissan Purchasing Organization (RNPO) and it is supported by functions such as the Strategy and Planning department and Renault Finance.

A Raw Material Operational Committee was also created in late 2010. This committee is also chaired by the Managing Director of RNPO and meets on a monthly basis. It deals more specifically with operational problems relating to the purchasing of raw materials for Renault. All opportunities to reduce the impact of raw materials on Renault's results are studied. The Raw Material Operational Committee also ensures that any fall in prices on the raw materials market in 2015 gives rise to a fall in the purchasing price of parts.

LIQUIDITY RISKS

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. For this, Automotive borrows regularly from banks and on capital markets to refinance its gross debt and ensure its liquidity. This creates a liquidity risk if markets are frozen during a long period or credit is hard to access.

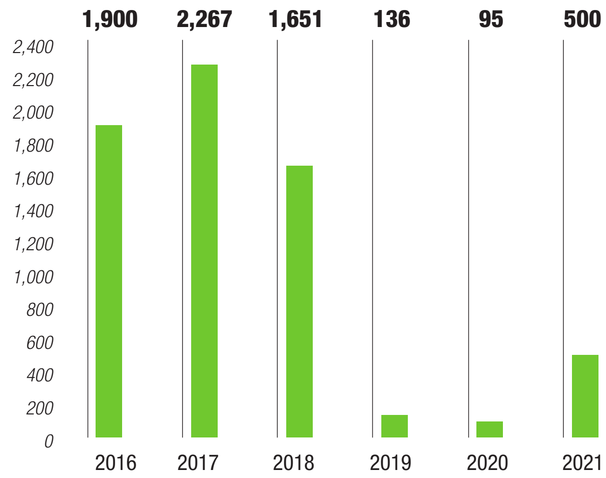
Management procedures and principles

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, an issue programme under the Shelf Registration scheme on the Japanese market for the sum of ¥200 billion and a commercial paper programme for a maximum of €1.5 billion. The contractual documentation covering these financing arrangements, including bank finance, does not contain any 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).

A maturity schedule of Automotive's financial liabilities is presented in note 23-B1 to the consolidated financial statements.

RENAULT SA – MATURITY SCHEDULE FOR REDEMPTION OF BONDS AND EQUIVALENT DEBT AT DECEMBER 31, 2015(1)



(1) Nominal amounts valued at December 31, 2015 in million euros.

Renault also has credit lines confirmed with banks, none of which had been drawn in 2015. They constitute a liquidity reserve for Automotive (see note 23-A to the consolidated financial statements).

Their contractual documentation does not contain any clauses that might adversely affect credit availability or continuation as a result of a change in Renault's credit rating or financial ratio compliance.

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 (see note 25-B1).

RENAULT'S RATING

AGENCY	RATING	OUTLOOK	REVISION	PREVIOUS RATING
Moody's	Ba1/NP	Positive	11/10/2014	Ba1/NP outlook stable
S&P	BBB-/A3	Stable	04/22/2015	BB+/B positive
Fitch	BBB-/NR	Stable	11/10/2014	BB+/ NR positive
R&I	BBB+	Stable	03/31/2009	A/NR negative
JCR	A-	Stable	12/09/2011	BBB+/-

In April 2015, S&P upgraded Renault SA's rating from BB+ to BBB- and the outlook from positive to stable.

Any downgrade in these ratings could limit and/or increase the cost of access to capital markets.

CURRENCY RISKS

Risk factors

Automotive is exposed to currency fluctuations through its industrial and commercial activities. This risk is monitored or centralized within the Automotive Cash Management and Financing department.

Management procedures and principles

Foreign currency transactions are carried out by Renault Finance on currencies tradable on international markets.

Exchange rate fluctuations may have an impact in six Group financial aggregates (see note 25-B2 to the consolidated financial statements):

- operating margin;
- working capital requirement (WCR);
- net financial income;
- share in the net income of associated companies;
- shareholders' equity;
- net financial debt.

Operating margin: Automotive's main exposure to currency risk relates to the operating margin, which 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 are reported to Senior Management. The Group estimates that, based on the structure of its results and its operating cash flows for 2015, a 1% appreciation in the euro against all other currencies would have an impact of -€55 million on its annual operating margin.

RENAULT – ANNUAL NET AUTOMOTIVE OPERATING CASH FLOWS IN FOREIGN CURRENCIES AT DECEMBER 31, 2015 AND IMPACT ON THE OPERATING MARGIN

The main exposure in 2015 concerned the pound sterling, amounting to a sensitivity of around -€18 million for a 1% rise in the euro. The 10 main exposures in absolute value and their sensitivities are presented below, in millions of euros:

CURRENCY		ANNUAL OPERATING FLOWS	IMPACT OF 1% APPRECIATION IN THE EURO
Pound sterling	GBP	1,751	(18)
US dollar	USD	662	(7)
Russian rouble	RUB	656	(7)
Algerian dinar	DZD	641	(6)
Polish złoty	PLN	557	(6)
Argentinean peso	ARS	516	(5)
Swiss franc	CHF	349	(3)
Colombian peso	COP	313	(3)
Romanian lei	RON	(589)	6
Turkish lira	TRY	(819)	8

Working capital requirement: just like the operating margin, WCR is sensitive to exchange rate fluctuations. Currency hedges must be formally authorized by the Finance department or Senior Management. Once such hedges have been put in place, their results are reported to Senior Management.

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 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 and do not exceed some 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 2015 net income, a 1% rise in the euro against the Japanese yen or the Russian rouble would have decreased Nissan's contribution by €20 million and led to a reduction of €6 million in the loss contributed by AVTOVAZ.

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, given the size of the investment in Nissan, Renault's share in Nissan's net worth has been partially covered by a specific foreign exchange hedge (see note 12-G to the consolidated financial statements).

Net 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 €11 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).

INTEREST RATE RISKS

Risk factors

Interest rate risk can be assessed in respect of debt and financial investments and their payment terms (*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

The interest rate risk management system for Automotive is based on two principles: long-term investments are generally financed at fixed rates, while liquidity reserves are generally established at floating rates. Fixed rates are swapped to floating rates to maintain a balance between floating rate liabilities and floating rate assets, when the yield curve is not sufficiently close to zero. Furthermore, yen-denominated financing to hedge Nissan's net worth is taken out at fixed rates.

A maturity schedule of Automotive's financial liabilities can be found in note 23-B1 to the consolidated financial statements. 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.

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.

(An analysis carried out to measure the sensitivity to interest rate risk can be found in note 25-B-3 to the consolidated financial statements).

AUTOMOTIVE FINANCIAL ASSETS AND LIABILITIES BY MATURITY AND TYPE OF RATE AT DECEMBER 31, 2015 (WITHOUT RENAULT REDEEMABLE SHARES)

(€ million)		LESS THAN 1 YEAR	MORE THAN 1 YEAR	TOTAL
	Fixed rate	245	31	276
	Floating rate	12,307	13	12,320
Financial assets		**12,552**	**44**	**12,596**
	Fixed rate	3,134	4,577	7,712
	Floating rate	1,260	637	1,896
Financial liabilities before hedging		**4,394**	**5,214**	**9,608**
	Fixed rate/Floating	1,787	475	2,262
	Floating rate/Fixed	13	135	148
Hedgings		**1,799**	**610**	**2,410**
	Fixed rate	1,360	4,238	5,598
	Floating rate	3,034	976	4,010
Financial liabilities after hedging		**4,394**	**5,214**	**9,608**

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 surplus cash 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 Groupe Renault 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.

Deposits are made essentially with major network banks in order to spread risks and mitigate systemic risk. Furthermore, they are principally made on an overnight basis or for durations not exceeding 90 days.

In 2015, 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.

1.5.2 RISK FACTORS LINKED TO SALES FINANCING (RCI BANQUE)

As indicated in the introduction to chapter 1.5, the operational sector "Sales Financing" (RCI Banque) has its own risk management system that complies with banking and insurance regulations. Under the banking regulations, RCI Banque is subject to monitoring by the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel et de Résolution, ACPR). Furthermore, on November 10, 2015, RCI Banque received notification that it would be moving under the supervision of the European Central Bank with effect from January 1, 2016.

1.5.2.1 RISKS LINKED TO THE COMPANY'S ENVIRONMENT

GEOGRAPHICAL RISKS

Risk factors

RCI Banque has operations in several countries. It is therefore subject to risks linked to activities pursued internationally. These risks include, in particular, economic and financial instability, and changes in government, social and central bank policies. RCI Banque's future results may be negatively impacted by one of these factors.

Management procedures and principles

RCI Banque's geographical locations are chosen, in the framework of its growth strategy, to support manufacturers, and take into account the risks of instability which are inherent to a global approach.

The scope of the financial policy extends to all of RCI Banque's consolidated subsidiaries, including those whose refinancing is not centralized.

Subsidiaries located in a country outside the eurozone for which RCI Banque deems the currency transfer and convertibility risk to be significant (in particular Brazil and Argentina) are generally refinanced locally to limit any cross-border risk or is subject to specific insurance (e.g. Russia).

RISKS ARISING FROM ECONOMIC CONDITIONS

Risk factors

RCI Banque's credit risk is dependent on economic factors, particularly the rate of growth, the unemployment rate and household disposable income in the countries in which the RCI group has operations.

Management procedures and principles

In a complex economic environment, RCI Banque has put in place systems and procedures that respond to the legal and regulatory obligations that correspond to its banking status and allow it to globally apprehend all of the risks associated with its activities, by consolidating management and control systems.

RISKS LINKED TO THE REGULATORY ENVIRONMENT

Risk factors

Legislative and regulatory measures could have a negative impact on RCI Banque and the economic environment in which the RCI Banque group operates.

Management procedures and principles

The RCI Banque group has procedures that enable it to treat legislative developments relating to all of its activities globally and to ensure that the Group complies with the texts setting out regulatory requirements.

1.5.2.2 CROSS-GROUP RISKS LINKED TO SALES FINANCING

LEGAL AND CONTRACTUAL RISKS

Risk factors

Any legislative changes impacting credit lending and insurance at the point of sale as well as regulatory changes linked to banking and insurance activities could impact the activity of the RCI Banque group.

Management procedures and principles

RCI Banque conducts legal analyses on newly distributed products and regularly monitors the regulations to which it is subject in order to ensure compliance.

FISCAL RISKS

Risk factors

Due to its international exposure, RCI Banque is subject to several national fiscal legislations, which are susceptible to changes that could impact its activity, financial position and results.

Management procedures and principles

RCI Banque uses a tax monitoring system and review chart to identify all tax issues concerning the Group.

RCI Banque closely monitors the fiscal claims to which it may be subject and, where necessary, it makes provisions to cover the estimated risk.

IT RISKS

Risk factors

The IT department at RCI Banque addresses IT-related risks (infrastructure risks, cybercrime, non-compliance risks, etc.) through its security policy, technical architecture and processes.

Management procedures and principles

Risks are controlled, in particular, through the following:

- **at operational level:**
  - overseeing the monitoring and prevention of operational information system risks for the various subsidiaries,
  - coordinating, monitoring and consolidating disaster recovery plan (DRP) testing for RCI subsidiaries,
  - Business Function IT Safety and Security Officers, coordinated by internal control and who report to the RCI Company Secretary and Chief Risk Officer,
  - actions, support and checks performed by the RCI Information System Security Officer, who relies on a network of IT Security Officers in each subsidiary's Information Systems department,
  - a high level of protection for the Group's IT network;
- **at organizational and governance level:**
  - Internal Control, Operational Risks and RCI Group Compliance Committees, led by RCI Permanent Control, in collaboration with the RCI Audit and Periodic Control department and the members of the RCI Management Committee (Group level), or members of the Information System Department Committee (Information System department level),
  - Information System Security Committees led by RCI Information Security, bringing together the RCI Information System Department Committee, to monitor information security measures, in accordance with the Information Systems Security Policy and best practices,
  - security awareness-raising activities and training (e-learning, communications, etc.).

1.5.2.3 CREDIT RISKS

Risk factors

Credit risk relates to the risk of losses due to the incapacity of RCI Banque customers to fulfill the terms of a contract signed with the Company. Credit risk is closely linked to macro-economic factors.

Management procedures and principles

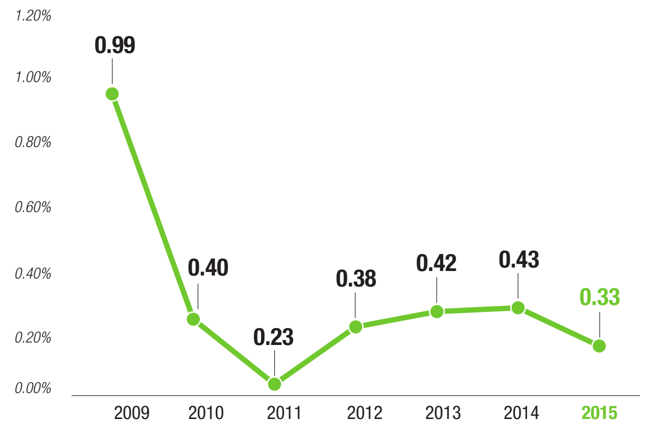
RCI Banque uses advanced scoring systems and external databases, when this information is available, to evaluate the capacity of retail and business customers to fulfill their commitments. It also uses an internal rating system to evaluate lending to dealers. RCI Banque constantly updates its acceptance criteria to take into account the existing economic conditions (see section 1.5.2.2.1).

The Group has detailed management procedures that it applies in all countries in which it operates and which notably include debt recovery processes.

MANAGEMENT OF CUSTOMER RISKS

The customer credit risk prevention policy aims to ensure that the cost of risk objectives fixed as part of the budgetary process for each country and each of its main markets (new and second-hand vehicle customers for retail customers, and business customers) are met. The acceptance criteria are adjusted and the tools (scores and other rules) are regularly optimized for this purpose. The methods or strategies used for the recovery of outstanding or default loans are also adjusted based on customer type and the difficulties encountered. The contract may therefore be terminated prematurely when there is a risk that the loan may not be recovered in the very short term.

TOTAL COST OF RISK



N.-B. Ratio of losses recognized or provisioned during the fiscal year following default by borrowers to average outstandings across the whole portfolio.

Policy for granting loans

Customers who request financing are systematically graded. This facilitates an initial assessment of the file as part of the decision-making process. In addition to the operational process, the acceptance criteria are regularly updated based on the default rate and profitability analysis, which is based on the probability of default and loss in the event of default.

Recovery

The statistical models used to calculate the weighted risks and expected loss facilitate monthly updates of the probability of default used to grant loans, by integrating information on the customer's payment behavior. These updates, which provide good visibility of the losses expected on the portfolio as part of the budget process, are also increasingly used as a tool for anticipating the activity of amicable and litigious recovery platforms. Using customer information, recovery scores have been deployed in Spain and South Korea to make the process more efficient.

DEALER NETWORK RISK MANAGEMENT

The policy to prevent credit risks within the network aims to ensure that objectives relating to the cost of risks, fixed as part of each country's budget, process are met.

For each subsidiary, Network customers are monitored on a daily basis using short-term indicators, which, together with long-term indicators, allow any issues that might present a risk of partial or total non-recovery of the debt to be identified upstream.

The Network Financing department establishes the risk control procedures centrally. Customers who are identified as at risk are classed as delinquent, pre-alert or alert and are reviewed by the subsidiaries' Risk Committees.

In terms of the Network, all counterparties are systematically scored. All of the sections that constitute the rating, or the rating itself, are integrated into the key operational processes for acceptance, management and monitoring of activity and risks. The provisioning of the network financing business is based on the categorization of the counterparties both individually and by examining target impairment indicators.

The probability of default and the expected losses resulting from Basel are factored into the system resulting in provisioning.

1.5.2.4 FINANCIAL RISKS

LIQUIDITY RISKS

Risk factors

The Sales Financing business depends on access to financial resources: restrictions on access to liquidity could have a negative impact on its financing business.

Management procedures and principles

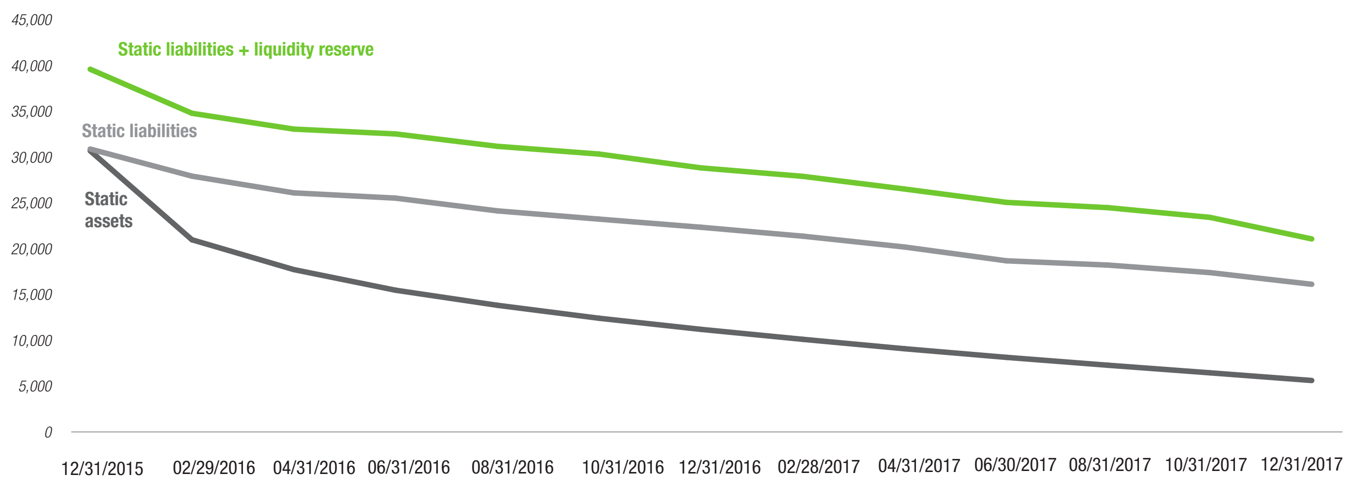
RCI Banque must always have sufficient financial resources to ensure the long-term future of its business and development.

The coordination of RCI Banque's liquidity risk is based on several indicators or analyses, which are updated monthly based on the latest estimates of outstanding loans and the refinancing operations performed. Laws relating to the outflow of deposits are subject to conservative assumptions.

The Group has a framework of indicators and limits for its liquidity risk.

RCI BANQUE GROUP LIQUIDITY POSITION*

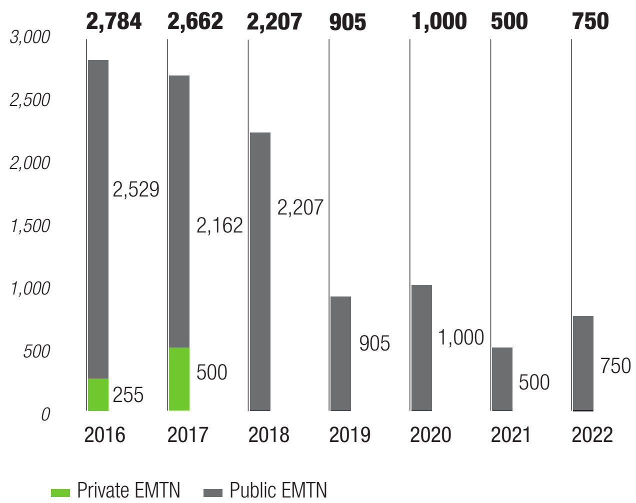
in million euros



* *Europe scope.*

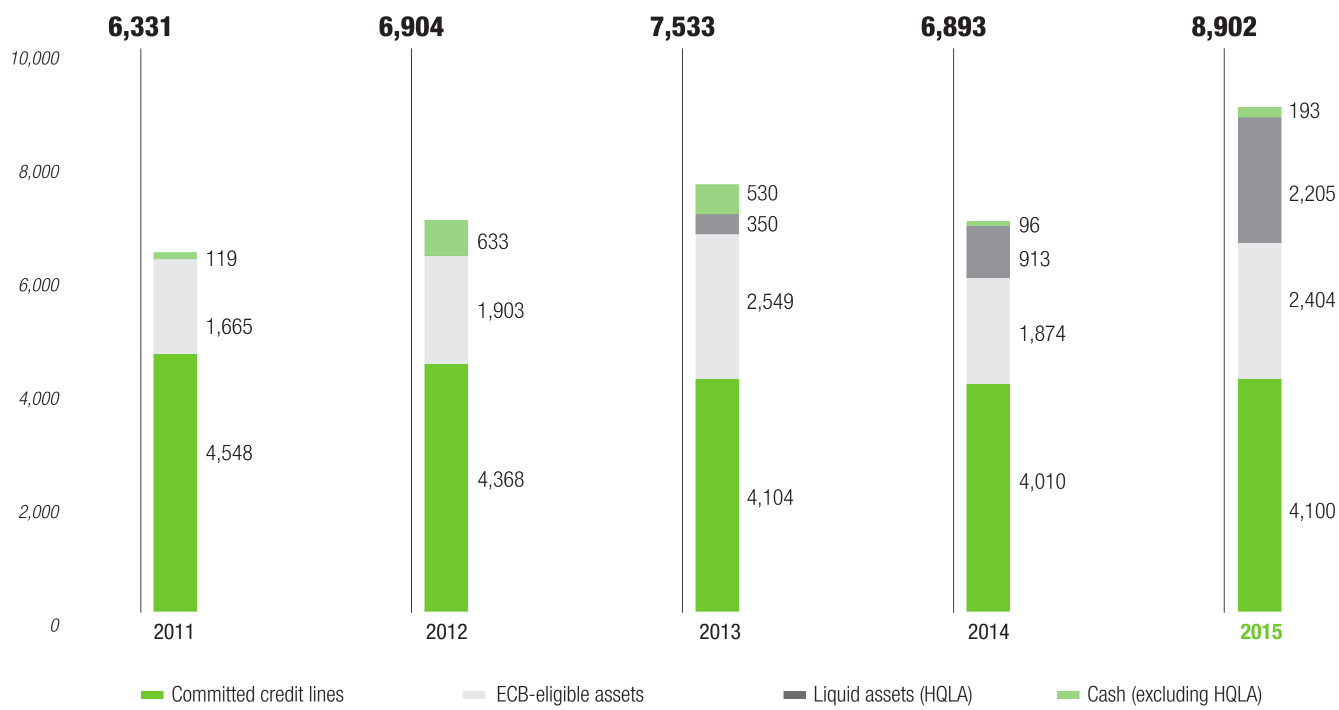
SCHEDULE FOR BOND ISSUES AT DECEMBER 31, 2015

in million euros



RCI BANQUE GROUP LIQUIDITY RESERVE*

in million euros



* *Europe scope.*

RCI BANQUE RATINGS AT DECEMBER 31, 2015

RCI Banque Group's programmes and issuances

The Group's issuances are concentrated on six issuers: RCI Banque, DIAC, Rombo Compania Financiera (Argentina), RCI Financial Services Korea Co. Ltd. (South Korea), Companhia de Crédito, Financiamento e Investimento RCI Brasil (Brazil), and RCI Finance Maroc (Morocco).

ISSUER	INSTRUMENT	MARKET	AMOUNT	S & P	MOODY'S	OTHER
RCI Banque SA	Euro CP Program	Euro	€2,000 m	A-2 (negative outlook)	P2 (stable outlook)	R&I: a-2 (stable outlook)
RCI Banque SA	Euro MTN Program	Euro	€14,000 m	BBB (negative outlook)	Baa1 (stable outlook)	R&I: BBB+ (stable outlook)
RCI Banque SA	CD Program	French	€4,500 m	A-2 (negative outlook)	P2 (stable outlook)	
RCI Banque SA	BMTN Program	French	€2,000 m	BBB (negative outlook)	Baa1 (stable outlook)	
Diac SA	CD Program	French	€1,000 m	A-2 (negative outlook)		
Diac SA	BMTN Program	French	€1,500 m	BBB (negative outlook)		
Rombo Compania Financiera SA	Bond Program*	Argentinean	ARS1,000 m		Aa2.ar	Fix Scr: AA (negative outlook)
RCI Financial Services Korea Co. Ltd.	Bond issues*	South Korean	KRW1,100 bn			KR, KIS, NICE: A+
CFI RCI do Brasil	Bond issues*	Brazilian	BRL3,149 m		Aa1.br	
RCI Finance Maroc	BSF Program	Moroccan	MAD1,000 m			

** Locally rated.*

RCI Banque (Europe scope) also has €4.1 billion of undrawn committed credit lines, €2.4 billion of assets that constitute eligible collateral for ECB monetary policy operations, €2.2 billion of high quality liquid assets (HQLA) and €0.2 billion of available cash, allowing RCI Banque to secure the continuity of its commercial business activity for 11 months without access to external sources of liquidity (centralized refinancing scope).

FOREIGN EXCHANGE RISKS

Risk factors

RCI Banque is exposed to currency risks which could have a negative impact on its financial position.

Management procedures and principles

Sales Financing subsidiaries are required to refinance in their local currencies and therefore have no foreign exchange exposure. No foreign currency exposure is allowed in respect of RCI Banque refinancing, the trading room being used to ensure that all flows are hedged.

RCI Banque's residual exposure for other assets and liabilities (*e.g.* accrued interest not yet due on foreign currency borrowings) is kept at a marginal level for both RCI Banque and Groupe Renault.

However, RCI Banque remains exposed to currency fluctuations due to the conversion into euro of the results of subsidiaries subject to exchange rate fluctuations.

Breakdown by currency:

GROUP CONSOLIDATED CURRENCY POSITION

(€ thousand)		AT 31/12/2015
CURRENCY		
Argentinean peso	ARS	1,374
Brazilian real	BRL	2,767
Swiss franc	CHF	5
Pound sterling	GBP	98
Hungarian forint	HUF	194
Polish złoty	PLN	4
Moroccan dirham	MAD	1,808
Turkish lira	TRY	17
Romanian leu	RON	1,814
Rouble	RUB	157
Danish krone	DKK	9,326
Norwegian krone	NOK	492
Other		38
RCI, TOTAL (SUM OF ABSOLUTE VALUES)		**17,465**

At December 31, 2015, RCI Banque group's consolidated foreign currency position had very slightly exceeded €17.5 million (limit: €17 million).

INTEREST RATE RISKS

Risk factors

RCI Banque's operating profit may be affected by changes in market interest rates or rates on customer deposits.

Management procedures and principles

Interest rate risk is monitored daily: sensitivity is calculated by currency, by management entity and by asset portfolio, thus verifying that each entity respects its individual imposed limits. Sensitivity to interest rate risk is measured using the same methodology throughout the entire RCI Banque group.

The sensitivity consists of measuring the impact of a 100 bps rise in interest rates on the value of balance sheet flows. The system limits the Group's global exposure and the exposure of each entity.

In 2015, RCI Banque's global sensitivity to interest rate risk remained below the limit set by the Group (€35 million), increased to €40 million from June 8, 2015 to take changes in the size of the RCI Banque balance sheet into consideration.

COUNTERPARTY RISK

Risk factors

RCI Banque group is exposed to counterparty risk from its investments of surplus cash, and in its management of currency risk, interest rate risk and payment flows.

Management procedures and principles

Counterparty risk is managed *via* a system of limits fixed by RCI Banque, then validated by its shareholder as part of the consolidation of Groupe Renault's counterparty risks. This risk is managed through daily monitoring and summary reports to management.

1.5.2.5 OTHER RISKS

RISKS ON RESIDUAL VALUES

Risk factors

The residual value is the vehicle's estimated value at the end of its lease. The performance of the used vehicles market can pose a risk for the owner of these residual values, who is committed to taking back the vehicle at the end of its lease at the originally agreed price. This risk is principally borne by the manufacturers or the dealer network and to a marginal extent by RCI Banque. In the specific case of the United Kingdom, RCI Banque is exposed to the residual value risk on finance where it has a commitment to take back the vehicle.

Management procedures and principles

To minimize this risk, the performance of the used vehicles market is closely monitored, taking into account the manufacturer's product and price policy. This applies particularly in cases where vehicles are reacquired by RCI Banque.

RISKS RELATING TO THE INSURANCE ACTIVITY

Risk factors

RCI Banque assumes any risks arising from the customer insurance business and could therefore suffer losses if reserves are insufficient to cover claims made.

Management procedures and principles

Reserves are calculated statistically to cover expected losses. The change in technical provisions for our life and non-life insurance companies during 2015 represented €58 million for €241 million in gross premiums written.

Risk exposure is however limited by the diversification of the portfolio of insurance and reinsurance contracts and the geographical zones in which the contracts are taken out.

The Group applies a strict selection process for contracts and adheres to subscription guidelines and uses reinsurance agreements.

1.6 POST BALANCE SHEET EVENTS

None.

The Renault-Nissan Alliance, official partner for the COP21, with a fleet of 200 electric vehicles

RENAULT: A RESPONSIBLE COMPANY

2

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

As an industrial and commercial operator with a presence in 125 countries, the Renault group operates in an industry which requires major capital-investment and infrastructure, and a sizable labor force, and where products sometimes take several years to develop.

In a changing world, addressing corporate social responsibility issues means strengthening relations between business and society on a global level; recognizing long-term challenges so as to better serve the interests of future generations; or even seizing the opportunities offered by new technologies to develop new services, products or business models. These profound changes are responsible for transforming products and services, distribution methods, internal organization and the value chain, etc.

Within this context, Corporate Social Responsibility (CSR) constitutes an innovation management tool for Renault, an opportunity to create value whilst increasing the Company's acceptance by a wider society by way of reduced negative impacts.

2.1 RENAULT, A RESPONSIBLE COMPANY COMMITTED TO SUSTAINABLE DEVELOPMENT

2.1.1 CSR AND STRATEGIC PLAN

Renault 2016 – Drive the Change was developed to deliver growth for the Group and generate sustainable free cash flow.

CSR policy contributes to the seven key drivers that the Group uses to reach its objectives:

- **pursuing a policy of innovation.** Businesses with a proactive approach to the seamless incorporation of social responsibility into their corporate strategy can set themselves apart from their competitors. Renault's CSR policy must balance incremental and reassuring growth in terms of processes, products and services on the one hand, with breakthrough innovation stemming from corporate social responsibility, on the other. Although potentially destabilizing, this capacity to work on two levels may prove to be what sets the Company apart from its competitors in the future;
- **a robust product plan.** The dialogue established between Renault and its customers worldwide with a view to understanding and taking into account their needs, as well as forward-looking research into trends in automotive products and mobility in general, enable the Group to develop the right products for a mobility landscape that is in a state of change. Renault is positioned as a volume automaker, capable of meeting the needs of a wide-ranging customer base;
- **strengthening the Renault group image.** The Company's highest profile CSR initiatives help to strengthen the Company's image and reputation. By raising stakeholders' awareness of its CSR policy and responsible products, the Company raises its appeal and improves its resilience;
- **the excellence of our network in managing customer relations.** In the past it was necessary to understand the customer in order to design products and services. In today's constantly changing, super-connected and hyper-competitive world, customers' needs and expectations have to be anticipated and carefully targeted, whilst at the same time building a special relationship based on local presence, trust and respect. This special relationship is built on ethical and transparent behavior, responsible products and services that echo customer values and, of course, impeccable quality;
- **optimization of R&D and investment expenditures.** As a result of the interdisciplinary and forward-looking nature of our CSR policy, we have had to decompartmentalize our operations, in view of medium and long-term considerations, thereby reinforcing our shared responsibility and collaborative construction approach both internally and externally. For example: the inclusion of recycled materials in vehicle design, an environmental and economic challenge, has been instrumental in the development of Company processes, including R&D;
- **reducing costs.** Short and closed-loop working to counter the challenges of the growing scarcity and increasing cost of raw materials, the desire to reduce our carbon footprint, opportunities arising from reverse innovation, employee motivation and involvement, reduction of occupational road risk; these are all CSR topics which make a direct contribution to controlling costs for the business;
- **steady positions in Europe and international expansion.** With the tightening of environmental regulations and the constraints imposed both *via* European standards and by local authorities (low emission areas, etc.), the development and promotion of products and services that incorporate and respond to such constraints is a determining factor in the Company's prosperity. Likewise, recognizing the mobility requirements of consumers whose needs have so far not been met by our standard product offering is enabling us to expand and strengthen our customer base. The Group's CSR policy reflects its international expansion. Through in-depth dialog with major stakeholders, both inside and outside the Company, the Group is working to develop its positioning in terms of product, services, image and appeal on new markets, offering the same level of demand as on traditional markets.

2.1.2 THE RENAULT GROUP VISION

CARLOS GHOSN,
CHAIRMAN AND
CEO OF RENAULT

"As a major global company, we must pay attention to what is going on around us. Our responsibility – and our interest – is to get involved in environmental issues, as well as in the corporate and societal life of the countries where we operate.

The cornerstones of Renault's approach to corporate, societal 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 meet 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. 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 for stakeholders.

A company is above all a group of women and men whose motivation and skills are vital 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.

OUR OBJECTIVE

WE WANT TO ENSURE THAT SUSTAINABLE MOBILITY IS A DRIVER FOR WORLDWIDE DEVELOPMENT AND PROGRESS FOR EVERYONE.

2.1.3 CSR, 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.

2011

- ■ Launch of the 100% electric range: Kangoo Z.E, Fluence Z.E., Twizy, ZOE.
- ● Skills and Employment Planning Agreement, designed to adapt the Company's skills to its strategy requirements and develop staff employability.
- ✱ Safety for All becomes Safety and Mobility for All, integrating sustainable mobility".

2012

- ■ Tangiers plant, designed on the basis of carbon-neutral technologies and zero industrial effluent discharges.
- ✱ Creation of Mobiliz Invest (social enterprise investment fund).
- ✱ Renault Spain Foundation for sustainable mobility.

2013

- ■ Marketing of ZOE.
- ■ Renault's carbon footprint is 10% lower than it was in 2010.
- ✱ Renault contributes to the 'Positive Economy' report commissioned by the French president.
- ● Contract for a new dynamic of growth and social development in France.
- ● Global framework agreement for sustainable growth and development.

2014

- ■ Continuing the carbon footprint commitment with a new target of a 3% yearly reduction between 2010 and 2016.
- ■ Eolab concept car posts consumption of 1 l/100km without any compromise on performance.
- ✱ Launch of Foundation Renault Colombia.
- ✱ Opening of the Foundation Renault in Algeria and China.
- ✱ Signature of the Company and Neighborhoods Charter.
- ✱ Launch of a 'serious game' in road safety.

2015

- ■ Renault-Nissan Alliance is a COP21 partner.
- ■ Renault is the European leader in 100% electric vehicles for the 3rd consecutive year.
- ■ Launch of the new Renault ECO2 label in Europe.
- ✱ Launch of the Renault Mobiliz Solidaire employee savings fund (FCPE).
- ✱ Renault Morocco - Elected best corporate citizen and best road safety partner.
- ✱ Renault Espace, MEGANE, KADJAR and TALISMAN - EuroNCAP 5-star rating.
- ● Korea agreement - preserve RSM competitiveness, employment stability and employee quality of life.

2010

- ✱ Renault launches corporate philanthropy website.
- ✱ Instituto Renault do Brasil to implement CSR initiatives in Brazil.
- ■ Renault is a founding partner of the Ellen MacArthur Foundation for the circular economy.

2009

- ✱ Sustainable Mobility Institute, Renault - ParisTech.
- ● The 'Crisis-Period Labor Deal' establishes a welfare system to maintain the jobs and pay of employees placed on short-term working.

2008

- ■ Creation of Renault Environnement and acquisition of a stake in Indra (automotive recycling).

2007

- ■ Signing of the ECO², based on three environmental criteria (manufacturing, emissions and recycling).

2004

- ■ First Life Cycle Assessment (LCA) of the Scenic II.
- ● Signing of the Declaration of Employees' Fundamental Rights and the Diversity Charter.

2001

- ✱ Fondation d'Entreprise Renault for higher education.

2000

- ✱ Launch of Sécurité Pour Tous (Safety for All), an international road safety program for children.

1999 2004

- ■ Renovation and environmental upgrading of the Pitesti plant (Romania) following the acquisition of Dacia.

1999

- ■ First ISO 14001 certified plants.

1998

- ■ First certification of environmental data by the Statutory Auditors.

1989

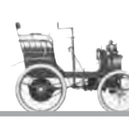
- ● Signature of the 'Living Agreement' to ensure the ongoing development of Renault and the professional, personal and cultural advancement of employees.

1987

- ■ The Renault VESTA 2 concept car hits record fuel efficiency of 2 l/100km.

1961 1970

- ● Renault's industrial hygiene laboratory closely monitors the chemicals used in Renault plants (1962).
- ● Fourth week of paid vacation, retirement at 61 for women and 63 for men (1962).
- ● First foundation in Spain to fund scholarships for employees' children (1963).
- ✱ Accident Analysis and Biomechanics Laboratory Renault / PSA – LAB (1969).
- ■ First purification plants on production sites (1970).



1900 1950

- ● Caisse de secours mutuel (1904).
- ● Medical Service (1914).
- ● Usines Renault consumer cooperative (1916).
- ● Usines Renault apprenticeship school (1919).
- ● First company to have a Works Council (1944).
- ■ Standard replacement activity at the Choisy-le-Roi plant (1949).

1951 1960

- ✱ Physiology and Biomechanics Laboratory (1954).
- ● Labor deal: payment for public holidays, third week of paid vacation and introduction of a supplementary pension plan (1955).
- ✱ Renault Argentina Foundation providing innovative environmental and mobility initiatives (1960).

● SOCIAL
■ ENVIRONNEMENT
✱ SOCIÉTAL

2.1.4 CSR GOVERNANCE

Based on the CSR vision presented in 2.1.2, the CSR strategies and main priorities of the Company are being rolled out according to four priority areas: mobility for all, environment, road safety and human capital.

These broad sectors report to the Chairman and CEO or a member of the Group Executive Committee and are coordinated by three operational entities which design and implement policies and related objectives, identify and manage risks and opportunities, enter into dialog with stakeholders and deal with reporting and communication:

- the Corporate Social Responsibility department is responsible for the Group-wide implementation of an interdisciplinary and partnership approach to CSR throughout the value chain, social actions and innovations;
- the Human Resources department is responsible for optimizing allocated resources, skills development, employee involvement and social dialog;
- the Strategy and Environmental Planning department is responsible for environmental issues to be included in the Company's strategy. It aims to reduce the environmental footprint and the health impacts of activities, products and services over the life-cycle and introduce circular economy business models to boost the Company's medium- and long-term competitiveness.

Individually or jointly, depending on the cross-functional nature of the subjects, these three operational departments bring issues relating to strategic orientation before the decision-making bodies at CEO or GEC member level. These departments then roll them out within the Company through the programs, Regions and functions, using internal networks and by developing external partnerships if necessary.

The Human Resources, Environment and CSR functions also contribute to corporate programmes to manage ethics. They are included in the 10 business-lines represented on the Ethics and Compliance Committee, steered by the Ethics department and also taking part in the Audit, Risk and Ethics Committee, one of the specialist committees of the Board of Directors.

The three departments analyze and map the major risks identified by the Risk Management department, notably those associated with CSR practices in the supply chain, health and working conditions, substance risk, availability of and price variations in raw materials, damage to the environment and people in the event of malfunctions in the facilities operated by the Group.

2.1.5 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 implements them in accordance with internal guidelines.

The main reference texts 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 on May 25, 2011;
- the global framework agreement covering corporate social responsibility, signed on July 2, 2013 and based in particular on International Labor Organization (ILO) standards; as well as its rollout to suppliers;
- ISO 26000, guidelines on corporate responsibility;
- ISO 14001 for environmental management, ISO 14040 and 14044 for the life-cycle assessment of vehicles, ISO 14021 for the definition of recycled materials and the GHG Protocol for the reporting of greenhouse gas emissions;
- the Group's Ethics Charter in all its forms, approved by the Renault Board of Directors on October 3, 2012.

WE SUPPORT

Given the Group's global footprint and the diversity of our stakeholders, Renault intends to take a proactive approach to CSR of continuous improvement and dialog.

By renewing our support for the Global Compact, we are reaffirming our commitment to the United Nations to adopt a socially responsible attitude to operating our business. This support reinforces commitments made to Renault's men and women as well as to our suppliers and sub-contractors. It extends our responsibilities to population groups in the Regions where we operate and to future generations, by helping to save the planet.

Carlos Ghosn

2.1.6 STAKEHOLDER DIALOG

With its Drive the Change strategic plan, which aims to make sustainable mobility accessible to all, Renault has endorsed a human-centric vision of cars in the service of society. Consistent with its vision, Renault maintains open and constructive dialog with stakeholders, using a range of materials and tools. Because expectations differ, Renault strives to conduct this dialog not only on a global level but also more locally by responding to the questions and needs of customers and local residents. There are many forms of dialog, which are constantly changing.

Identifying stakeholders and the dialog with them helps the Company to take current and future issues into consideration in its strategy, its risk control, the identification of opportunities, determining priorities for its activities and, finally, in creating the right measurement and reporting tools.

The road map of stakeholders and types of engagement appearing below provides an overview of Renault's initiatives.

STAKEHOLDERS	KEY CSR ISSUES	KEY PLAYERS BY DEGREE OF CLOSENESS	FORMS OF DIALOG AND COMMUNICATION FROM MOST TO LEAST DIRECT
Customers	• Responsible information and marketing • Road safety • Automotive safety • *SMART Mobility* • Environmental footprint of vehicles • Electrification of vehicles and associated ecosystem • Sustainable cities (including urban transport and congestion) • Cyber security and data confidentiality • Economic accessibility of products and services • Physical accessibility of products and services • User health	• Retail and business customers • Sales network and importers • Consumer groups • Road users/general public	• Services and direct dialog in the sales network • Customer Relations departments • Training/awareness-raising initiatives • Signatures, product ratings (EuroNCap, ECO2) • Media and web-site
Employees	• Health, safety and work environment • Responsible management • Social dialog • Diversity and equal opportunity • Fair compensation • Management of skills and talents	• Individual employees • Managers • Employee-representative bodies	• Local management • Policies regarding Environment, Health and Safety etc. • Local employee dialog (site, country) • Renault group Works Council • Internal communications and training
Suppliers	• Supplier and network relations • Resource management and circular economy • User health • Human rights • Innovation	• Suppliers • Industry bodies (CCFA, FIEV, French automotive industry platform (PFA), Fonds d'Avenir Automobile, former Modernization Fund for Automotive Suppliers)	• Circulation of CSR guidelines: Renault-Nissan CSR Purchasing Guidelines for suppliers, Green Purchasing Guidelines • CSR performance evaluation, support for the preparation of action plans by the dedicated Purchasing team • Supplier Information Meetings (SIM), conventions • Organization of supplier presentations on innovations, for the attention of Renault operational staff • PFA CSR Committee • PFA CSR Charter
Investors	• Corporate governance • Labor relations, societal and environmental performance • Impacts on results and outlook	• Shareholders, employee shareholders, financial institutions • Rating agencies/analysts	• Seminars, *roadshows* • Investor Relations department • Responses to rating requests • Group Registration document
Local communities	• Safety of industrial sites • Community and local development • Atmospheric pollution • Sustainable cities (including urban transport and congestion) • Electrification of vehicles and related ecosystems • Water management • Sponsorship • Stakeholder dialog	• Local residents • Elected officials and local authorities • Local associations	• Partnership/local sponsorship contracts • Dialog with public authorities and players in the local economy • Regional development Charters and agreements • Direct dialog and plant tours • Procedures for handling complaints from local residents • Site environmental leaflets, local media relations
Institutions and associations	• Stakeholder dialog • All societal and environmental issues	• Industry bodies (CCFA, ACEA, ANFAC, etc.) • Employers' associations (Medef, Afep, Business Europe, etc.) • Academics and researchers • Governments • National, European and international legislators • NGOs/*think-tanks* • Media	• Partnership contracts (Ellen MacArthur Foundation, research institutes) • Involvement in government or trade association working groups on different topics • Responses to public consultations • Informal discussions • Sector stakeholder dialog
Future generations	• Environmental footprint of vehicles • Management of skills and talents • Community and local development • Economic accessibility of products and services • Biodiversity • Diversity and equal opportunity • Road safety	• Interns, apprentices and future employees • Students in higher education • Academics and researchers • Young public	• Company induction • Interventions in schools/on Renault sites • Education and research programs • Awareness-raising programs • External events (conferences, seminars, forums…)

2.1.6.1 CUSTOMERS

The match between Renault's Products and Services and customers' needs and expectations, whether they be individuals or professionals, purchasers of new or used vehicles, is at the heart of our concerns and the organization of our teams.

Over a number of years, Renault has implemented a system of studies, clinical tests and satisfaction surveys from design up to delivery of the vehicle and its subsequent use.

The Market Intelligence department, directly attached to the Product-Programme Director, a member of the Group Executive Committee, carries out all the studies designed to take into account customer expectations at all stages of design of a vehicle project, on a worldwide level. This background work focuses on four "types" of studies and interactions:

- prospective studies, to analyze the potential modifications in lifestyles and expectations over the next 10-15 years. Studies to identify trends before projects are decided. Environmental issues are clearly integrated into the reflections from this early stage of thinking;
- "Design support" studies to support the upstream design phase for new projects and innovations, by associating customers in an in-depth way, *via* "co-creation" studies ("ethno-concept" studies) where a qualitative customer sample works in interaction with Renault to help finalize car concepts that best meet their expectations;
- "Project" test studies to check that the project corresponds to these expectations before the commercial launch, and to optimize it before its roll-out;
- finally, "post-launch" tests, and in particular those steered by the Quality department, on the satisfaction and possible defects to be corrected, for which the Market Intelligence department ensures the treatment and technical expertise.

In 2015, the creation of the Quality and Customer Satisfaction department, attached to Groupe Renault Executive Committee strengthened Customer representation in the Company's processes, operations and decisions.

Renault has deployed a management structure dedicated to listening to customers in all markets to address the changes in automotive uses by our customers, who are increasingly connected and concerned about the seamless provision of services with their daily lives, whether they are in the vehicle or connected to the management of their mobility.

Customer information also involves responsible communication, both in terms of formats or content of the message. Details of our customer relations appear in 2.3.3.

2.1.6.2 EMPLOYEES

It is Renault's ambition to create the conditions for in-depth and transparent dialog 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 balance and convergence of interests between each party.

Central to the Group's Human Resources policy, social dialog is addressed in the chapter on Labor Relations (see section 2.4.4).

CSR topics are often the subject of internal communications (intranet, Global in-house magazine) in order to build employee commitment and raise awareness of 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).

Virtual 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: to promote gender equality in Groupe Renault.

  Launched six years ago and present in 12 countries, this network has around 4,500 members, including 21.2% men. Since the beginning, it is open to men and women, as well as all personnel categories. Its goal is to improve the representation of women at all levels in the Company, and to include men in the dynamic process (see 2.4.2.1);
- Handi@Renault: to promote Groupe Renault's Handicap policy.

  Launched in 2012, this network today has over 1,000 members. Its goal is to change the way people look at disability by multiplying discussion opportunities between able-bodied and disabled people, with the aim of improving the way disability is addressed in the workplace and more generally in society (see 2.4.2.1).

PROPERTY AND GENERAL SERVICES - A COMMITTED FUNCTION

A CSR approach was initiated within the Property and General Services Function in 2011. It concerns the application of ISO 26000 guidelines to the exploratory, preliminary project, project and lifetime phases in Property & General Services (plants, logistics centers, spare parts shops, head offices, points of sale and tertiary activities):

- building services (repairs, maintenance, hygiene, green spaces…);
- residents' services (work spaces, restaurants, documentary management…);
- mobility services (public and individual transport, logistics, travel, company vehicles, home working, etc.).

Only four years after the start of this adventure and after three AFNOR assessment cycles in accordance with its AFAQ 26000 guidelines, we have attained an exemplary level. To date, only 8% of companies in France have reached this level of excellence.

This level rewards, on the one hand, the maturity of the governance, management and organization, and on the other hand, the implication of the Function in respecting the principles of sustainable development supported by structured and interactive relations with the associated stakeholders, both internal and external to the Renault group.

To continue this deployment of CSR values within the Property and General Services Function, a management chart to collect and organize data has been created to steer the activities, as well as a serious game to train employees using everyday job experiences.

2.1.6.3 SUPPLIERS

Compliance with Renault's corporate and environmental requirements, detailed in the guidelines distributed to suppliers, is one of the selection criteria for suppliers, together with quality, financial robustness, cost, production capacity and logistics capability.

Support and dialog with suppliers on CSR issues have enabled new challenges to be met in the supply of both vehicle parts and services used by Renault.

Standards, based on compliance with 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 in particular to support suppliers in making the necessary progress in order to meet our requirements. (See 2.3.2 CSR and the supply chain).

2.1.6.4 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.

INDIVIDUAL SHAREHOLDERS

To best meet shareholder requirements, the Group is continuing to introduce innovative services. Numerous communication materials facilitate access to information: a *Renault Actu* magazine centered on Group news, an interactive module for direct management of Renault registered shares, combined with a free, downloadable app, a toll-free number with voice server, and a dedicated e-mail address for various shareholder questions (communication.actionnaires@renault.com).

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 each year to visit Renault plants and research centers, to attend breakfasts or car tests. shareholders can log-in to the Renault web-site to register online for planned events. This year, over 300 shareholders have benefited from this extensive programme that facilitates dialog with Renault experts.

A Shareholder Consultative Committee has also been in place since 1996. This committee is tasked with ensuring the quality and transparency of shareholder information. Composed of ten Renault shareholders (including two Renault employees and/or retired employees), this committee meets at Company headquarters several times a year and at the time of the Annual General Meeting. It assesses the quality of and works to provide improvements and innovations to Renault's communications with shareholders.

The web-site www.groupe.renault.com offers shareholders direct access to information from the Finance section of the web-site, by clicking on individual shareholders.

Live video or audio broadcasts of results meetings (annual, half-yearly and quarterly) and of the Annual General Meeting are transmitted on the web-site, so that shareholders can follow the highlights of the Group's financial events in real time or after the event.

Since the 2014 Annual General Meeting, Renault has offered Votaccess to any shareholders who wish to use it to vote online. This platform enables registered shareholders to receive a notice to attend *via* e-mail and offers all shareholders the option to access Annual General Meeting-related documentation, to print out their admission card, to vote on resolutions directly or to give proxy to the Chairman or to a third party.

To stay in touch with its shareholders, Renault organizes discussions at dedicated meetings. The Investor Relations team visits various French cities over the year to take part in meetings gathering more than 250 shareholders. These meetings are organized either by Renault branches or in partnership with press or financial organizations.

INSTITUTIONAL INVESTORS/SOCIALLY RESPONSIBLE INVESTORS

The Group organizes face-to-face or telephone meetings with financial analysts to coincide with the release of its financial results or the announcement of exceptional events. It also holds individual meetings with investors or financial analysts 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. Renault managers regularly speak out on social and environmental issues for the attention of SRI analysts and investors.

2.1.6.5 LOCAL RESIDENTS, COMMUNITIES AND REGIONS

Believing that companies only benefit fully from operating in a region if it is growing and prospering and if its residents welcome the Company's manufacturing or sales operations, Renault enters into ongoing dialog with local communities.

LOCAL DIALOG ON ENVIRONMENTAL IMPACTS

The Renault-Nissan Alliance is also committed to collaborative initiatives with cities (to date, Paris, Rome and Hong Kong) and with private sector partners specializing in modeling atmospheric pollution to model the positive impacts of the large-scale introduction of electric vehicles on air quality and the exposure of population groups to atmospheric pollutants in an urban environment (for further details of this work see 2.6.3.5 Air quality). In 2013, Renault and PSA Peugeot-Citroën set up the "Mobility and quality of life in an urban environment" academic chair at the *Université Pierre et Marie Curie* to further this issue.

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 and monitor complaints from local residents in order to effectively manage any form of nuisance problems which may be caused by their operations (noise, smells, etc.).

2.1.6.6 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 responsible, long-term relationship.

Since the beginning of 2016, these relations will be better governed than before, as the Public Affairs function will have a code of ethics dedicated to responsible lobbying, in addition to the Group Ethics Charter. This code will contain a set of guiding principles from Renault's values, with the aim of promoting common references for Renault's public affairs representatives. They will comprise good conduct, morality, technical and legal rules.

Within the framework of dialog with European institutions, that enables us to anticipate and support the regulatory changes that impact our sector, whilst giving public deciders the possibility to better understand the technological and economic changes that will shape the future automobile world, Renault and Nissan are registered with the European Transparency Register, and our representatives comply with the associated code of conduct when interacting with these institutions. We recognize our values in the principles of transparency and openness that are the foundations of this Register.

In addition, Renault is in contact with numerous institutions that have demonstrated their legitimacy and credibility through their competence and know-how, whilst complying with the codes of conduct and each in their own way, that work to create a sustainable and cohesive society.

The organizations with which Renault is in contact all occupy positions at society's core and actively contribute to its construction.

INDUSTRY BODIES

These are organizations whose business is of fundamental importance to automotive manufacturing.

In France: the Committee of French Automobile Manufacturers (CCFA, *Comité des constructeurs français d'automobiles*), the PFA (French Automotive Industry Platform), and the Society of Automotive Engineers (SIA, *Société des ingénieurs de l'automobile*).

In Europe: the European Automobile Manufacturers; Association (Acea) brings together most European carmakers, and the Acem (European Motorcycle Industry Association) that Renault joined more recently.

Likewise, Renault's subsidiaries worldwide are members of local associations of automotive manufacturers if they operate a production facility in the country, such as Anfavea in Brazil, Acarom in Romania, OSD in Turkey or of importers' associations if they operate as commercial subsidiaries.

These organizations focus on issues directly related to the automotive industry. Such bodies enable automotive manufacturers and the industry as a whole to discuss issues and share a vision (whether short-, medium- or long-term), and serve as an interface between Renault and legislators:

- they aim to anticipate regulations and even make joint commitments on a voluntary basis to meet the expectations of civil society. For example, Acea piloted the drafting of common data protection principles within the framework of connected vehicles and services, made public during the Frankfurt Auto Show in September 2015 (see chapter 3.1.4.3 on the protection of personal data). This is a strong commitment by European manufacturers, in which Renault actively participated;
- these organizations may even be commissioned by governments to guide industry-specific public policy and coordinate the different players. The PFA fulfills this role in France, for example. Within the context of the 34 industrial plans introduced under the Ayrault government, it was responsible in particular for managing the "2L/100km vehicle" plan which brought all industry players together to create a positive dynamic and ensure the

convergence of collaborative projects. Since May 2015, this industrial plan has been part of the “ecological mobility solution” that also groups the “autonomous vehicle” plans, piloted by Renault, the “recharging terminals” and “energy storage” plans. The PFA also managed the automotive industry contract announced by the government in October 2012. It carried out an assessment in December 2014 and then worked with its members and the French government to develop this industry-wide contract so that new objectives could be set on a collective basis. Renault is involved in various projects through the PFA’s working groups.

A SECTOR APPROACH

In July 2015, a first stakeholder dialog, bringing together sector representatives and civil society personalities, was organized within the PFA on the theme “What convergences between players in the automobile sector and their stakeholders to drive sustainable mobility?” The exchanges considered the complementarity that needs to be promoted between the different modes of transport; inclusive mobility for fragile populations; the identification of ideas/collaborations to be continued. Renault took part in the preparation of this approach and also in the dialog with stakeholders.

The main messages that were identified are as follows:

- collaboration between transport operators must include a coordinated automobile offer within a collective governance on a regional and also local level (districts…); the “automobile sector” must co-think its offer with society and thus promote an “integrated automobile”;
- improvements to the automobile offer in social terms (low cost, adaptations), favoring accessibility to the service; the new regulations question the industry so that it continues to offer collective interest solutions in the future and focuses on sustainable mobility objectives for vehicles brought to market;
- technological innovation is to be encouraged and directed towards the user to promote mobility behaviors that are more virtuous, more collective, more pro-active and also pragmatic, such as information systems, pooling services (including for goods), infrastructure and cost pooling.

TRADE REPRESENTATION BODIES

Renault is also a member of trade representation bodies, notably the French Business Confederation (MEDEF) through the CCFA, the Union of Metalworking Industries and Professions (UIMM), the French Association of Private Companies (AFEP), Medef International, Business Europe… Renault is also a member of representation organizations in countries where the Group has industrial operations (for example, AEB in Russia).

These institutions regularly organize working groups, which Renault joins 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, social and other issues that are vital for large corporations, which have to know their rights and responsibilities but must also be able to take a position on public policy *via* these organizations.

INSTITUTIONS AND ASSOCIATIONS INTERESTED IN SUSTAINABLE MOBILITY

Renault is dedicated to mobility now and in the future and has, therefore, formed links with organizations at the center of sustainable mobility issues. These links are of crucial importance as they facilitate the development and achievement of technological, environmental and behavioral breakthroughs, that have always been carried by Renault : yesterday, the people carrier, more recently ultra-efficient engines for ever more significant energy savings, the ECO2 label, today, electric vehicles and tomorrow the pursuit of this ambitious breakthrough strategy.

Renault maintains dialogue regarding “sustainable mobility for everyone” 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. Renault is also a member of the GART (Transport Authorities Association) “partners club” that brings together elected members and technicians who believe in the necessity to radically change public transport policies.

Other institutions, like the Fondation Nicolas Hulot, the Ellen MacArthur Foundation (see box below) and NGOs like the European Climate Foundation or the WWF (World Wildlife Fund) help to provide us with a better understanding of civil society’s expectations and expand our outlook on major environmental and human challenges.

In 2015, Renault, along with other stakeholders*, from civil society and industry, took part in the «En Route pour un transport durable» («Towards Sustainable Transport») study conducted by the European Climate Foundation and Cambridge Econometrics, on the societal, environmental and economic challenges associated with the decarbonization of transport in France.

With a wealth of lessons on the benefits that low-carbon vehicles can bring on a national level (see 2.6.3.1), this project is also noteworthy for its format, encompassing discussion, confronting points of view, and the search for consensus among all stakeholders and for the diversity of its active participants (NGOs, labor unions, professional associations, experts, companies, etc.).

* *Fondation Nicolas Hulot, ABB, Air Liquide, the French Aluminum Association, CFDT FGMM, ERDF, European Aluminium, European Climate Foundation, EUROBAT, Michelin, LANXESS, SAFT and Valeo.*

THE ELLEN MACARTHUR FOUNDATION – A KEY PARTNER

Renault is a founding partner of the Ellen MacArthur Foundation, which aims to construct a prosperous future by accelerating the transition to the circular economy. As an alternative to the linear "take, make, dispose" economic model, which relies on intensive use of resources and energy, the circular economy provides an economic model that reconciles prosperity and the preservation of finite natural resources with the restoration of natural capital.

The Ellen MacArthur Foundation works with businesses, universities and decision-makers to promote circular economic models and develop the scientific and managerial knowledge required for their adoption and to advise on 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 annual reports, case studies, Circular Economy 100 business network) and undertakes to develop activities based on the principles of the circular economy.

The Ellen MacArthur Foundation supports Renault in raising the awareness of its employees and takes part in in-house studies at both managerial and operational levels, with a view to implementing a circular economic model in the Group's business. 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.

Since sustainable mobility is also linked to affordability, Renault works with partners from associations, government and academic bodies to identify and implement mobility solutions to suit the specific needs of low income households. The Renault Mobiliz programme is detailed in chapter 2.2.3.1.

INSTITUTIONS AND ASSOCIATIONS PLAYING AN ACTIVE ROLE IN ROAD SAFETY

Renault, an automotive manufacturer that has been committed to road safety for many decades, has developed solid relationships with a large number of institutions and associations working in this field around the world.

On an international scale:

- with the International Automobile Federation (FIA, *Fédération Internationale de l'Automobile*) either directly with the signature by Mr Ghosn of the FIA High Level Panel Manifesto, or within the framework of discussions as a member of the European Automobile Manufacturer's Association (ACEA);
- within the GRSP (Global Road Safety Partnership), which enables 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 2.7.1.1).

In France:

- Renault has an ongoing partnership with the Delegation to the Safety for Traffic and Road Safety for Traffic and Road Safety (*Délégation à la sécurité et à la circulation routière*, DSCR) and the National Road Safety Council (*Conseil national de sécurité routière*, CNSR), as well as their sister organizations in other countries, including Morocco;
- within the Road Safety Foundation, which is tasked with funding and promoting the development of technologies with the aim of improving road safety and limiting accident-related consequences. Renault has been a partner in the Quo Vadis Project (subsidized by the Foundation) since the beginning of 2015. The ambitious objective of this 30-month project, which is being conducted in close collaboration with departmental Fire and Emergency Services (*Services Départementaux d'Incendie et de Secours*), the French Emergency Medical Assistance Service (SAMU) and French hospitals, is to propose and test accidentology and biomechanics criteria obtained from vehicles that have been involved in accidents, in order to improve the way in which victims of road traffic accidents are treated;
- Renault also works closely with the French National Federation of Fire and Rescue Services (*Fédération Nationale des Sapeurs-Pompiers* - section 2.7.1.1) and the French Medical Automobile Club (*Automobile club médical de France*, ACMF) in its work with the French Road Traffic Medicine Committee (*Comité français de médecine du trafic*).

Officializing a long relationship, in 2012, Renault became an official partner of the French National Federation of Fire and Rescue services (*Fédération Nationale des Sapeurs-Pompiers de France*, FNSPF).

In 2015, the Renault group renewed its commitment and support to the Federation to work together in general interest missions carried by the FNSPF and the French Fire and Rescue Services in terms of vehicle security, passenger safety and road prevention.

In addition to the numerous technical and research and development collaborations, that take into account the new technological risks and include vehicle extrication and fire extinguishing tests on vehicles with new energies from the automobile manufacturer, Renault regularly donates vehicles for training emergency services in road safety. More than 350 vehicles were donated to the fire and rescue services in 2015.

THE ACADEMIC WORLD

Renault maintains numerous close ties with the academic world in order not only to contribute to safeguarding and developing the skills required for the automotive industry to develop, but also to identify and tap into the innovations produced by research laboratories, students and researchers and to help further their work. Renault's academic relations cover research partnerships (see Sustainable Mobility Institute in 2.2.2.1), joint creation of higher education programmes (see education in 2.5.1) and financial support for specialized academic chairs, twelve of which are currently in existence (see 2.5.3.1).

Renault is involved in other types of partnerships and support for primary and secondary schools. Details of these partnerships and programmes appear in 2.5.2.

INSTITUTIONS SPECIALIZED IN POLITICAL AND ECONOMIC AFFAIRS

Through 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 2015, Renault continued its support of the *Forum de l'Éconsmis Positive*, an event attended by public and private players, business leaders, social entrepreneurs, economists, labor unions and members of the public to promote the positive economy. 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 section 2.2.3.1).

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. This work was continued in 2014 by means of a positivity index applicable to companies, similar to the one created for member states.

GOVERNMENTS AND NATIONAL AND EUROPEAN LEGISLATORS

Renault liaises directly and indirectly with governments in office, elected officials and the European Commission, etc.:

- indirectly, *via* the various bodies that represent the Renault group, either through specific automotive industry bodies or more general bodies, such as those described above. Direct contact is established for several reasons. Firstly, 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. Secondly, Renault owns plants and sites in regional areas and plays an integral role in local employment pools around its sites. This regional involvement requires Renault to engage with local elected officials, who need to take the future perspectives of local companies into account when drawing up regional policies, and who require a certain amount of visibility to identify economic development opportunities in their regions;
- directly, when Renault is heard by the public authorities with regard to particular government matters or by the European Commission.

2.1.7 REPORTING SCOPE AND GUIDELINES

The non-financial 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 refers to the Global Reporting Initiative's G4 Guidelines. GRI indicators are selected in accordance with the materiality focus of the Renault group. A cross reference table is supplied in section 7.4.3. When a specific guideline is used, this is mentioned when the relevant indicator is published.

The scope of this reporting initiative is identical to that of the Renault group's consolidated financial reporting (see section 4.2, note 31 to the consolidated financial statements). When an indicator does not cover the entire scope, clarifications are provided with the indicator.

2.1.7.1 VERIFICATION BY INDEPENDENT THIRD PARTY ORGANIZATION

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 assurance level as for financial data (reasonable assurance). The indicators covered by the reasonable assurance report are listed in note 2.9.2.3.

Ahead of the implementation of Article L. 225-102-1 of the Grenelle 2 Act of April 24, 2012, the qualitative and quantitative CSR information presented in this document has been verified since 2012 by an independent third party to ensure its inclusion and fairness (with a moderate level of assurance). The indicators and data covered by this moderate assurance are listed in the Grenelle 2 cross reference table in section 2.9.4.

In accordance with the implementation timetable for the Grenelle 2 act, the following entities are concerned: Renault SA and its subsidiaries RCI Banque, Renault Retail Group (RRG) and the *Société de Transmissions Automatiques* (STA). The required information is published and checked as follows:

- Renault SA. Publication in the management report, included in this Registration document. Checking of the presence and accuracy of the information published;
- RCI Banque. Publication in the subsidiary's annual report. Checking of the presence and accuracy of the information published;
- Renault Retail Group. Publication in the management report. Notice of the presence of information;
- *Société des Transmissions Automatiques*. Publication in the management report. Notice of the presence of information.

2.2 OFFERING INNOVATIVE MOBILITY SOLUTIONS, ACCESSIBLE TO ALL

Renault's goal of being a pioneer in "sustainable mobility for all" is reflected in **sustainable** solutions such as:

- "zero emission" electric mobility (see sections 1.1.5.1 and 2.6.3.1);
- in-car and connected technologies to reduce emissions, polluting or greenhouse gas emissions (see sections 2.6.3.1 and 2.6.3.5);
- implementation of the circular economy throughout the various stages of our products' life-cycles in order to transform waste into a resource for the production and maintenance of vehicles;
- innovative materials to reduce vehicle weight and environmental footprint (see 2.6.3.2);
- improved safety to prevent accidents, offering optimized protection for all occupants and road users in the event of a collision and facilitating the work of the emergency services (see section 2.7.1).

Renault's ambition is also reflected in the concept of solutions **accessible to all**:

- with a range of products that meets the needs and desires of retail and business customers, sold and serviced in 125 countries (see section 1.1.5.1);
- new and used products and related services, corresponding to the choice or financial possibilities of these same customers;
- new offers for consumers who prioritize use over ownership;
- a range of products for people with reduced mobility (*transport de personnes à mobilité réduite*, TPMR) to facilitate collective or individual travel for disabled people.

2.2.1 INTRODUCTION AND CORE BUSINESS

Access to mobility is not only a source of freedom and pleasure, but is also a driver of economic growth and social cohesion. Renault, a pioneer in the field of sustainable mobility, has set itself the target of offering a range of products and services accessible to the greatest number. Renault conducts regular surveys amongst its customers and prospective customers so that it is always able to best meet their needs (see chapter 2.1.6.1) Renault, Dacia and Renault Samsung Motors brand vehicles enable a wide range of requirements to be covered in a number of different parts of the world. Section 1.1.5.1 provides details of the current range of passenger and light commercial vehicles and these are also available at: http://group.renault.com/vehicules-groupe/decouvrir/

2.2.2 SUSTAINABLE MOBILITY

Although owning a car is still a major aspiration for millions of people worldwide, the technologies and the way in which motor vehicles are being used are changing: electrification of mobility; economies are gradually switching from ownership to use; congestion in city centers has invited a legislative and regulatory response; urban infrastructures are more connected and consumers have moved towards a sharing economy. These changes have been discussed and shared with the academic world or other mobility organizations. For example:

2.2.2.1 SUSTAINABLE MOBILITY INSTITUTE

In 2009, Renault, the Renault Foundation and ParisTech launched a multidisciplinary platform to conduct joint research into the future of transport and mobility solutions. This involves conducting academic analysis and testing innovative solutions, whilst at the same time ensuring that there are real-life outlets for such innovations and their widescale rollout potential, in order to meet the global challenges faced by automotive manufacturers, which include: global warming, ecosystem restructuring in the light of electromobility, increasing urbanization and related congestion issues, prerequisites for the success of new mobility solutions. By enabling mobility operators to take advantage of academic know-how, this platform seeks to support and increase their understanding of this electromobility transition phase, as well as to enlighten their decision-making.

This partnership has resulted in a collaboration between Renault experts and teachers/researchers and students from Paris Tech, with two main objectives:

- to promote research into the design of innovative mobility systems, particularly those based on electric vehicles;
- to train sufficient top-level managers and scientists to meet the demands of the transportation industry and the scientific and technological challenges raised by the long-term development of sustainable transportation systems.

Over the years, the Sustainable Mobility Institute has welcomed other university or industrial partners, both in France and internationally, seeking to contribute to the work.

In 2015, the Sustainable Mobility Institute opened its doors at Nissan within the framework of the Alliance. These agreements were validated during the Founders' Committee on November 5, 2015.

The Sustainable Mobility Institute extended its activity to the Autonomous and Connected Vehicle over the four themes below. This activity is the natural extension to the electric vehicle with a specific focus on the contribution to Health and Safety in the Autonomous Vehicle.

As ParisTech changed its statutes at end-2015, a new governance for the Institute was installed with seven schools (X*, Ponts, Mines, Telecom, Arts & Métiers, Chimie Paris, ENSTA*) with a leader (*École des Ponts*).

The Sustainable Mobility Institute runs research programmes and develops training in four main areas, involving 10 Paris Tech research laboratories and seven schools:

- the "Electric mobility system", to understand interactions between the mass circulation of electric vehicles, regions, and the socio-economic aspects of households in these areas, as well as infrastructure requirements;
- the "Business model", to understand the economic and organizational challenges of EV for each of the ecosystem operators based on field tests so as to identify the drivers to accelerate its adoption;
- the "Global vision", to objectively establish, using strategic analysis and economic modeling tools, the impact for Renault of new and determining global trends (Environment, Energy, Raw materials and new industrial eco-systems);
- "Technologies", to conduct upstream work on breakthrough technologies so as to further advances in battery technology (increasing the energy density of batteries to improve EV range) as well as work to reduce vehicle weight.

CONCRETE EXAMPLES AND KEY FIGURES

"Electric mobility system"

- Research into the behaviors of communities in the light of innovations in mobility services. How to factor in the concept that communities want to take an active role in defining and designing these services to meet their own requirements? The example of web communities interacting on issues such as the environment, automobiles and EVs is one example. The findings of an analysis of the TWIZYWay project in Saint-Quentin-en-Yvelines confirm the risk posed by changing use and understanding of the service.
- A study into the capacity of information technologies in India to assemble the irregular resources for accessing electricity and how basic players manage to link up microgrid components to offset random electricity distribution. In India, 40% of households have no access to electricity (2008). Some insular ecosystems with a high degree of autonomy and development are being created, paving the way for electric cars to gain a foothold in these areas or business districts, where everything is considered in terms of renewable resource solutions.

The "Business model"

- Quantification of the contribution made by fleets of taxis or car-sharing services to the development of electric vehicles through their prescriptive impact.
- Development of tools to assess the potential of electrification of cities, regions and countries and identification of priority drivers to accelerate the development of electric vehicles.
- Experimentation with a fleet of TWIZY vehicles for car-sharing in San Francisco, together with Nissan.

The "Global vision"

- Analysis of the macro-economic and environmental benefits of electrification of vehicles (*Revue de l'Énergie*, 611/2013).
- Impact of sluggish development and dissemination of new automotive technology on the marginal CO_2 abatement cost (work which won the Best Young Energy Economist award 2013 and has been published as World Bank Working Papers).
- Analysis of the use capabilities of Sugar Cane in Brazil as a substitute for energy sources in a thermal engine and for electrical power plants.

"Technologies"

- Work on shaping materials such as silicon, state of the art "challengers" (graphite) and strategies to extend their life (by using additives).
- Forward-looking research into compounds with the potential to be used at higher voltage, the energy of an element being directly proportional to said voltage.
- Three patents filed.

In 2010, the Sustainable Mobility Institute, with the Renault Foundation, created a "Mobility and Electric Vehicles" Masters to train young engineers in the design, manufacturing and recycling of electric vehicles. Some 78 students from 12 countries with grants from the Renault Foundation have already benefited from the programme.

2.2.2.2 IDDRI – INSTITUTE FOR SUSTAINABLE DEVELOPMENT AND INTERNATIONAL RELATIONS

Renault has been a partner of this policy research institute for four years. Its objective is to develop and provide the tools required to analyze and understand the strategic challenges of sustainable development from a global perspective. Based in Paris, Iddri supports various participants in the process of reflecting on global governance of major collective issues such as the fight against climate change, the protection of biodiversity, food safety and urbanization, and takes part in work to redefine development paths.

Iddri gives particular consideration to developing networks and partnerships with emerging countries and countries with the highest exposure to risk, so as to best assimilate and share different outlooks on sustainable development and governance. In order to achieve its objective, Iddri is part of a network of partners from the private, academic, voluntary and public sectors, in France, Europe and worldwide.

The work of the Iddri also contributes to that of the IMD (*Institut de mobilité durable*, Sustainable Mobility Institute).

2.2.2.3 VEDECOM INSTITUTE – ZERO-CARBON COMMUNICATING VEHICLES AND THEIR MOBILITY

Renault is one of the founding members and an associate donor of the VeDeCom Institute, one of the Institutes for Energy Transition (ITE) set up as part of the French government's Investment Plan for the Future (*Plan d'Investissement d'Avenir*). It is supported by the Mov'eo competitiveness cluster and several local authorities (Versailles Grand Parc and Saint-Quentin-en-Yvelines city authorities, and Yvelines General Council).

VeDeCom is an institute for shared and co-located research into electric, autonomous and connected vehicles and the mobility ecosystem built on infrastructures and services addressing new uses for shared mobility and energy. VeDeCom has more than forty members from different industry and service sectors (automotive, aeronautics, systems engineering, electronic components, ITC and numerical simulation, infrastructure management and transport operators, digital networks and energy grid operators), from several research and higher education institutions, and from local authorities, all of whom have agreed to collaborate on pre-competitive and pre-normative research topics. Such research involves a multidisciplinary effort bringing together physicists and chemists, mechanical, electrical and electronics engineers, computer scientists, as well as sociologists, psychologists, economists and lawyers to study the impacts and acceptability of these new types of use in order to promote suitable ergonomic and regulatory frameworks.

2.2.2.4 INNOVATIVE SOLUTIONS

To face the challenge of these major societal and demographic trends, which may impact on the Group's business, Renault is conceiving, co-developing, testing and marketing innovative solutions in three areas:

CAR-SHARING

In September 2014, Renault partnered with Bolloré, a leader in car sharing, to promote electric vehicles. (see section 1.1.5.8) Cooperation takes place in three areas:

- a joint-venture, Bluealliance, commercializes complete electric car-sharing solutions in France and Europe. These include the Bluely services in Lyn and Bluecub in Bordeaux, where the TWIZY joined the fleet in spring 2015;
- industrial cooperation since July 2015 for the assembly of the Bolloré group's Bluecar electric vehicles at the Dieppe plant;
- a feasibility study of the design, development and manufacturing by Renault of an electric city car.

IIn July 2015, RCI created RCI Mobility, a 100% held subsidiary with the aim of developing car-sharing within companies (B2B), and also all other mobility services associated with cars. The objective is to allow companies or local authorities to offer simple, convivial and agile mobility solutions to their employees, to meet their professional and also personal needs.

RCI Mobility's activities will be developed for the benefit of all Renault-Nissan Alliance brands, both in France and internationally.

CUSTOMER AND MOBILITY OPERATOR REQUIREMENTS

Renault is also introducing these new types of use into its sales offering to make mass-produced vehicles shareable. Since 2013 it has been possible to supply the ZOE and the TWIZY ready-equipped for car-sharing so that the operator can remotely access the information required in order to operate the service.

Likewise, Internet connection for brand vehicles using the R-LINK multimedia system and its range of services, prepares them for this type of use by enabling rapid integration of any changes required.

Renault is launching a new telematic service that enables dematerialized access to connected Renault vehicles, to allow different users to access the same vehicle without the physical key. R.Access, offered by Renault, enables access to the connected Renault vehicle without the keys. This service will be rolled out gradually in Europe in the first half of 2016 (depending on country opportunities).

The main targets of this technical service are firstly short-term renters, long-term renters and car poolers. Companies wishing to subscribe to this service must, however, have suitable information systems and resources.

The rollout of R.Access will be progressive across the Renault range, with the first vehicles predisposed for the service being the CLIO, ZOE and CAPTUR models during 2016.

Renault is the 1st manufacturer to offer a standardized solution, with a technical service that can be distance activated and that offers numerous opportunities including:

- an offer of vehicles for car-sharing (B2B, between individuals, in a community…);
- an "Open 24h/24 and 7/7" service;
- direct delivery in customer vehicles;
- an increase in the capillarity of the rental network.

MOBILITY ISSUES IN SUSTAINABLE CITIES

Renault contributes to collective thinking on sustainable mobility systems in cities, in particular, multi-modality. For this reason, the Group takes part in discussions on "French Sustainable Cities" as part of a private consortium which brings together major French industrial groups and innovative SMEs to devise 3D models of "smart cities". Renault also sponsors several academic chairs that feed these discussions, including the Anthropolis chair at Centrale-Supelec with the aim of developing design methods for mobility systems centered around the mobility user or the Franco-Japanese chair on the transformation of uses and the change in mobility consumption modes at the *École des Hautes Études en Sciences Sociales* (EHESS).

Through the VeDeCom Institute for Energy Transition, it also participates in Opticities, a European project on intelligent urban mobility: data standardization and sharing to create multimodal navigation systems and tools to optimize urban logistics and traffic regulation.

Research carried out within the IMD deals with the observation, analysis and identification of favorable conditions for the deployment of an electric mobility system, based on the interaction between vehicles, infrastructures and services in specific regions. Thus, with its academic partners, Renault aims to identify existing customer bases with potential, at a global level, *via* the analysis of urban structures and transport offers in major cities and metropolitan regions, and more locally in eco-design type zones.

Renault also participates in cooperative projects (at a French and European level), including:

- SCOOP: vehicle to vehicle and to-infrastructure communications to improve safety and mobility;
- AUTOMAT; data collection and sharing for a mobility market;

For the 3rd year running, Renault and the French Embassy in Poland are sponsoring the Eco-Miasto (eco-city) operation. The operation encourages the implementation of best sustainable development practices in Polish municipalities, as well as civil society sustainable development initiatives. It rewards those Polish cities with the greatest commitment to sustainable mobility, green construction and waste management.

For the development of electrical mobility in emerging countries, IMD research in India has shown the potential of information systems to improve the electricity offer by providing greater predictability and an optimization of supplementary systems. In addition, an ambitious plan for smartgrids and smart cities is being developed at government level, to be combined with a multitude of local initiatives proposing low-carbon mobility offers.

Renault freely shares its expertise in this area *via* numerous thematic round-tables and seminars. In 2015, presentations took place in Brazil, China and India in events dedicated to the sustainable city.

2.2.2.5 FROM THE TRACK TO MASS PRODUCTION

Automotive sports continue to showcase Renault's technological know-how whilst acting as a testing ground for the ultimate benefit of mass-produced vehicles.

On December 3, 2015, Renault announced its return to Formula 1 as a team. Thus, Renault confirms that Formula 1 is the ultimate expression of automobile passion, and will continue to build bridges between the technologies developed for Formula 1 and technologies for mass-production, such as electrification and hybrids. The supreme automobile sport discipline will also boost the brand's profile in countries where Renault wants to further increase its presence (China, India, Latin America…). From the start of the 2016 season in March, two Renault single-seaters will be on the starting grid in Melbourne to defend the brand's colors.

But Formula 1 is not the only discipline in which the Renault group is engaged. In 2014, to advance electric vehicle technology and in line with the Group's strategy, Renault officially agreed to act as a technical partner in the FIA Formula E Championship for 100% electric racing cars. Renault helped to launch the Championship by applying its two-fold expertise, both in competing with and manufacturing electric vehicles. Renault collaborated with Spark, a company specializing in the design and construction of hybrid and electric systems, to integrate electrical systems (engines, batteries, inverters…), and make improvements to car performance and safety across the entire starting grid.

Renault also took part sportively with the team and they succeeded in winning the first FIA Formula E title.

In 2015, the Group strengthened its partnership with the Renault e-dams team, and following the opening-up of Championship technical regulations, Renault developed a new powertrain based on its know-how and knowledge of electric engines for the exclusive use by its team. Renault invested fully in this brand new and particularly innovative discipline.

2.2.3 AFFORDABILITY

The Renault group is working towards making cars more democratic with its so-called "global access" range, sold under the Dacia brand name in Europe, and under the Renault brand name in most other parts of the world. Thus, the Renault group offers a range of affordable vehicles for customers subject to financial constraints or those wanting to spend just enough to secure a reliable, sturdy vehicle. The global access range corresponds to a mid-range purchase in emerging countries and to an entry-level vehicle in Europe. To offer entry-level vehicles in emerging markets, in 2015, Renault launched the KWID, a new vehicle based on a shared Alliance platform known as CMF-A, in India.

It is often the first time that these retail and business customers have had the opportunity to buy a new, more reliable and environmentally friendly car.

Vehicles from the Dacia brand are now marketed in 44 countries and over 3.5 million vehicles have been sold since the LOGAN was launched in 2004.

In 10 years, the brand has forged its own identity and its buyers have become real brand ambassadors *via* a very lively community. Dacia has found a way of uniting its customers around a "smart buy". In many countries, customers come together to discuss and share on common values such as freedom of spirit, simplicity and generosity. Community events, such as picnics, concerts and shows got even bigger in 2015, bringing together more than 20,000 people in Europe and North African countries. These are truly convivial moments which create a strong bond between customers and the brand. On social networks, Dacia has already gained over 2.5 million Facebook fans.

With regard to service, keen to make mobility accessible to the greatest number, in 1998, the Renault group developed a more affordable range of spare parts. Marketed under the Motrio brand, this is a range of parts for Renault vehicles over five years old and for Dacia and other brand vehicles over three years old. Over 8,000 references are available, covering 46 product families and 18 vehicle brands. They are distributed in almost 50 countries

In addition to the selling of unused parts (the Gaia subsidiary), in 2012 Renault launched an after-sales range of refurbished parts. The Renault sales network in France offers used body parts (hoods, fenders, headlamp units, etc.) collected and selected from Indra's network of dismantlers. This service is available to customers whose vehicles are not economically repairable using only new parts.

For more than 60 years, Renault has practiced re-manufacturing, *i.e.* the refurbishment of mechanical parts. Used parts are collected in the sales network, sorted and refurbished. These renovated ("standard exchange") parts are sold to Renault vehicle owners at a lower price than new parts while satisfying the same quality requirements. Please see chapter 2.6.3.2.

2.2.3.1 EMBRACING INCLUSIVE MOBILITY SOLUTIONS, THE RENAULT MOBILIZ PROGRAM

Renault Mobiliz is a social-business inspired programme providing entrepreneurial solutions to resolve social problems. It was initiated in 2010 and officially launched in France in July 2012. It aims to facilitate access to mobility for those in financial difficulty by offering them products and services at preferential rates to promote social inclusion and the return to work.

The programme was devised in collaboration with operators from the social and cooperative economy sector, the academic world and the public sector. It has won several awards for innovation, at both national and regional levels.

For Renault, it acts as the catalyst for an innovative, long-term, strategic commitment to invent and test mobility solutions for disadvantaged social groups known as bottom-of-the-pyramid populations.

Renault Mobiliz (http://group.renault.com/engagements/mobilite/le-programme-renault-mobiliz/) aims to be implemented as widely as possible across the Company both in France and in all the other countries where Renault has a presence. This programme is a strong source of motivation amongst employees, many of whom are proud of Renault's support for the less well-off and the marginalized when it comes to mobility.

Renault demonstrates this commitment in three separate areas:

1. Mobiliz Invest s.a.s.

   Renault set up an investment company, Mobiliz Invest s.a.s., to finance and support innovative entrepreneurs developing mobility solutions for people in difficulty. Renault contributed €5 million to the Company's capital.

   Renault Mobiliz Invest s.a.s. governance is provided by:

- a Supervisory and Guidance Committee (*Comité de Surveillance et d'orientation*, CSO): Chaired by the Chairman and CEO with two thirds of its members deemed to be independent,
- a Management and Investment Committee (*Comité de direction et d'investissment*, CDI): Chaired by the Executive Vice-President, CEO Office. With 11 members, including one employee representative and two members deemed to be independent.

To date, Renault Mobiliz Invest s.a.s. has provided funding (capital or debt) and development support for seven inclusive mobility businesses. These are:

- WIMOOV (formerly Voiture & Co) an SOS group association which aims to remove mobility constraints for jobseekers. In 2014, its 15 mobility platforms helped over 7,500 people seeking to re-enter the labor market by offering them mobility solutions in line with their specific needs. These solutions range from individual support to low-cost hire of various means of transport. In 2013 and 2014, Renault funded five new mobility platforms, including the Le Mans platform launched in July 2013 and the Saint-Quentin-en-Yvelines platform in October 2013. These platforms exemplify the close ties developed between Renault and the Regions where its sites are located,
- MOBILECO, a Montpellier-based work integration social enterprise cooperative whose mission is to help employees back to work through the development of electric mobility and intermodality,
- 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 long-term unemployed. They were trained and reskilled and created their community-based micro-franchise. Renault has also approved Chauffeur & Go to provide services to the Company,
- THE GOOD DRIVE, is an SAS created in 2014 by three groups of associates (ECF, Renault Mobiliz s.a.s., and three private partners) to develop a highly innovative system of learning to drive, combining real life practice of driving in traffic with the use of digital technology, in particular, by exploiting the simulation potential of tools with which the general public are very familiar *i.e.* smartphones, tablets, computers. This training, accessible to the general public *via* a dedicated web platform, should make it possible to reduce the cost of obtaining a driving license, in particular, for disadvantaged social groups and for those for whom not having a driving license is often an obstacle to gaining employment,
- MOPeasy, is a shared eco-mobility operator, offering an innovative connected solution, in BtoB and BtoC, for car-sharing and car-pooling. Mobiliz Invest financing will allow tests on a shared social eco-mobility offer using electric vehicles, adapted to social housing lessors and rural or peri-urban communities that wish to offer a shared mobility solution to a population for whom individually owned mobility has become a luxury they cannot afford,
- TOTEM mobi, is a mobility and urban media operator. It is a company approved by the ESS (Social and Solidarity Economy). Mobiliz Invest financing aims to develop a rental offer for TWIZY, adapted to people with low incomes and districts "excluded" from mobility, notably thanks to the contribution of revenues from advertising on the TWIZY and the TOTEM mobi application. This offer provides a mobility solution for the "last km" and for people who work "shifts"; it is a cheap solution that is complementary to public transport (in terms of zones served and schedules) and car-pooling,

- ADIE: Association for the Right to Economic Initiative (*Association pour le Droit à l'Initiative Économique*), ESS approved, is a Micro-credit and support organization for company creation and employment by people excluded from the job market and banking system. Mobiliz Invest financing deals with the development of the Micro-credit offer for paid employment destined for mobility. Since 2009, Adie offers financing solutions to people excluded from bank credit who wish to access or remain in paid employment, the Microcredit for Paid Employment (MCES) (€7 million of production in 2014 and an upward trend with expected doubling in 2017). In 90% of cases, the aim is to resolve mobility problems, by financing the purchase, repair or rental of a vehicle, or the driving license. Adie and Mobiliz Invest share the same vision of sustainable mobility adapted to the needs of people with low incomes or in situations of precariousness as a means of accessing or remaining in employment.

Creation of a "Renault Mobiliz Solidaire" employee savings fund (FCPE) Within the employee savings framework, since February 2015, Renault has offered a "Renault Mobiliz Solidaire" employee savings fund (FCPE) to allow employees to give more meaning to their savings and associate them more widely in the social entrepreneurship projects supported by Mobiliz Invest. The FCPE was created with the consent of the labor unions (in the Central Works Council - *Comité Central d'Entreprise* - on February 12, 2015). From March 3, 2015, it replaces the Impact ISR «Rendement solidaire» in the range of company savings plans. The "solidarity" part of the amounts invested by employees in this FCPE (corresponding to 5-10% of the assets in accordance with the law) is invested in Mobiliz Invest in order to contribute to the financing of solidarity projects supported as part of Mobiliz Invest. The fund is managed by the Ecofi Investissements company (Crédit Coopératif group); it received the approval of the French Financial Markets Authority (*Autorité des Marchés Financiers*) on January 30, 2015. Renault employee representatives holding shares are largely associated in its governance, with eight to ten seats on the Supervisory Board. More than 3,100 employees hold shares in this FCPE Renault Mobiliz solidaire. Part of their solidarity employee savings totaling €650,000 is a resource complement to finance solidarity projects supported *via* Mobiliz.

2. Garages Renault Solidaires

   Renault's network of garages voluntarily help low-income members of the public identified by social development consultants (associations, mobility platforms, social organizations, etc.) by offering them servicing and repair work at cost price but with Renault service quality. In 2015, over 900 customers were referred to this system.

   Some Garages Renault Solidaires also offer reconditioned, used vehicles, covered by a warranty, for around €3,000.

   At end-2015, Renault MOBILIZ had over 300 Garages Renault Solidaires spread out across France.

   Diac, the French financial institution subsidiary of RCI Banque, chose to take part in the Garages Renault Solidaires project by offering microcredit financing to vulnerable customers eligible for the Mobiliz programme.

3. The HEC Paris "Enterprise & Poverty" academic chair

   Renault sponsors this chair and so, in partnership with research and education, works to train younger generations and devise new social entrepreneurship solutions.

   Renault also collaborates with the Enterprise and Poverty Action Tank, chaired by Martin Hirsch (Director General of *Assistance Publique des Hôpitaux de Paris*) and Emmanuel Faber (CEO of Danone) to share existing knowledge about Social Business, hold discussions with other businesses committed to this approach and benefit from expert support and advice.

2.2.4 PHYSICAL ACCESSIBILITY

For more than 25 years now, Renault has been innovating to meet the needs of people with reduced mobility. Through its subsidiary, Renault Tech, Renault is the European leader in the adaptation of vehicles for the Transportation of People with Reduced Mobility. Over 1,000 specially adapted vehicles leave the Heudebouville plant in Normandy every year.

Whether for the transportation of one or more wheelchair users, or adaptations to aid driving or access to vehicles, Renault Tech enables those with impaired mobility to once again travel safely and independently.

This offer is available across the entire French distribution network, as well as internationally, *via* Renault subsidiaries or independent distributors. http://www.renault.fr/gamme-renault/mobilite-reduite/

2.3 ENSURING FAIR PRACTICE THROUGHOUT THE VALUE CHAIN

2.3.1 BUSINESS ETHICS

A company's prosperity and growth are largely dependent on the confidence that it instills in its social environment and, in particular, the confidence that it inspires in its stakeholders, whether these are employees, customers, shareholders, partners or suppliers.

Renault once again demonstrates the Group's collective commitment to instilling and growing this confidence *via* the Ethics Charter, intended for all employees, and seven specific Codes of good conduct. Specific Codes of good conduct are drafted for Company functions for which strong ethics are particularly relevant. Such codes are a set of rules of good conduct intended to regulate departmental operations.

The rules contained in specific codes of ethics are technical, legal and, of course, also moral.

Details of the ethics policy appear in the Chairman's report (see section 3.1.4).

2.3.2 CSR AND THE SUPPLY CHAIN

Purchases from suppliers represent the equivalent of 60% of Renault's revenues. Their technical, logistics and financial performance is thus 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.

Purchasing processes are, therefore, a strategic issue for the Company and, in a number of significant areas, key to its long-term future:

- measuring and managing suppliers' achievement of QCD (Quality, Cost, Delivery) objectives;
- supporting the implementation of the Purchasing strategy devised in accordance with the Renault group strategic guidelines;
- selecting suppliers and developing a robust and sustainable relationship that is of mutual benefit, whilst still ensuring the Renault group maintains its competitive edge;
- contributing to the Renault group brand image by supplying high-quality goods and services.

2.3.2.1 REGULATORY AND LEGISLATIVE FRAMEWORK

Where risks, especially social and environmental, in the supply chain were previously managed using an essentially voluntary approach, legislative and regulatory frameworks are changing to provide guidance for multinationals and to extend their responsibility.

THE REGULATORY FRAMEWORK

The French regulatory framework has tightened, with a **bill on the duty of care of parent companies and contractors** currently being examined by the Law Commission and a **law providing guidance and scheduling in relation to policy on international development and solidarity** (July 2014). These texts define companies' obligations to their suppliers and subcontractors in terms of duty of care and health or environmental protection, as well as prevention of the violation of human rights and the implementation of risk management procedures.

The French law known as **Grenelle 2**, and **European Parliament and Council directive 2014/95/EU** require that companies have a transparent CSR policy by reporting on the inclusion of social and environmental issues in their purchasing policy as well as consideration of suppliers' and subcontractors' corporate social responsibility.

A UK law, "UK modern slavery act", published in 2015, also reinforces the requirement for the duty of care with regard to slavery throughout the supply chain.

STANDARDS OF BEHAVIOR

United Nations Guiding Principles on Business and Human Rights (2011) deals with companies' responsibility for respecting human rights by demonstrating due diligence including in **relations with** trading partners, supply chain entities and any other entity with a direct link to activities, products or services.

OECD Guidelines for Multinational Enterprises (2011) urge companies to exercise due diligence based on risk management and extended to supply chain activities.

VOLUNTARY COMMITMENTS MADE BY BUSINESSES

The United Nations Global Compact promotes adherence to 10 universal principles within the Company and its sphere of influence.

ISO 26000 deals not only with the negative impacts of the Company's activities, but also of those within its sphere of influence and offers companies guidelines on how to incorporate social responsibility into their organization and processes, including their supply chain.

To control CSR risks that may impact on both its image and its supply chain and to anticipate future regulations, Renault SA has incorporated adherence to social and environmental requirements into the ethical standards that are sent to suppliers and has introduced a dedicated organization. Suppliers' CSR assessment is now part of their selection criteria in the same way as quality, financial soundness, costs or industrial capacity and logistics. Taking this approach one step further, Renault supports suppliers by helping them to identify opportunities for progress by sharing best practices.

To show appreciation of these efforts, every year Renault presents "Suppliers 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 2015, twelve suppliers won awards for their outstanding achievements in one of those areas.

- Quality: AK-Pres, Bosch Automotive Services, Delta Invest, Hung-A Forming, Mann+Hummel, SNOP, Trelleborg Vibracoustic;
- CSR: 3M, Ambroise Bouvier Transports ;
- Innovation: Getrag, MGI Coutier, SK Telecom.

2.3.2.2 A DEDICATED CODE OF ETHICS

The purchasing function is one of seven business-lines that have a specific code of ethics in addition to the Ethics Charter. This code of ethics was designed for all Purchasing department managers and employees and for the Renault Nissan Purchasing Organization (RNPO) and for all those who, within the Renault group and/or for the Renault group, are required to have contact with suppliers and/or to influence the act of purchasing.

The code applies to all of the Renault group's purchasing processes and, in particular, to compliance with Renault's strategy, to selecting suppliers, reviewing performance and, more generally speaking, to any contact or communication with suppliers. Intended for Group employees, it is supplemented by the Renault Nissan CSR Purchasing Guidelines which apply to all our suppliers.

2.3.2.3 SPECIFIC CSR PURCHASING ORGANIZATION

An organization has been set up to monitor the implementation of Renault's standards (see section 2.3.2.4) using assessments and audits and in particular to support suppliers in making the necessary progress in order to meet Renault's requirements:

- a central team tasked with providing the necessary support to suppliers to help them raise their standards to the required level;
- an international network of some 100 local correspondents who are purchasing quality experts trained in CSR and who all use the same assessment method;
- an effective tool (web platform) that enables communication with purchasers regarding information pertaining to their suppliers (ratings, strong and weak points, action plan progress and general advice from the Sustainable Development department), and to exchange information with the suppliers on the action plans;
- processes shared by all buyers worldwide and which incorporate CSR criteria into the selection of new suppliers, calls for tenders and the final decision concerning the contracting of a supplier;
- performance indicators, such as the percentage of purchasing volume evaluated, the percentage of key suppliers evaluated and the percentage of at risk suppliers evaluated.

2.3.2.4 CSR POLICY AND STANDARDS FOR SUPPLIERS

Renault's CSR requirements, applied internally and by its partner Nissan, have been transposed for suppliers into the standards below, drafted in 2004. These are subject to a process of dynamic management in order to incorporate regulatory change and firmly establish this approach with our suppliers.

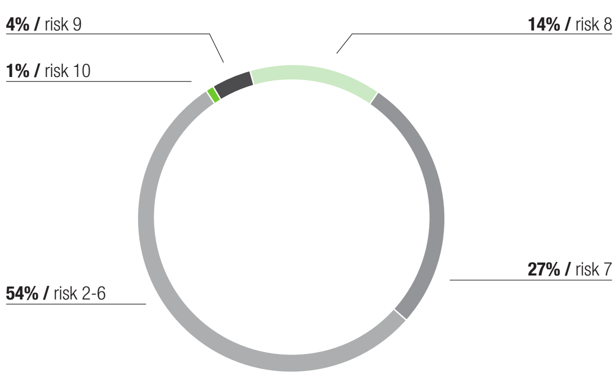
- Declaration of Employees' Fundamental Rights (2004). Originally drafted for Renault employees, the document was transposed for suppliers, who are required to sign it prior to joining our supplier panel or for any sourcing. It was revised in July 2013, following the agreement signed with IndustriAll Global Union (See 2.4.4.2). Sent to suppliers since 2014, it is gradually distributed to new suppliers when they join the supplier panel. Suppliers are asked to distribute this agreement among their own suppliers;
- Renault-Nissan Purchasing Way (2006). Distributed to all tier-one suppliers worldwide, this booklet shares a similar vision, values and 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 Automotive Manufacturers (*Comité des Constructeurs Français d'Automobiles*, CCFA), the Liaison Committee for Automotive Industry Suppliers (*Comité de Liaison des Industries Fournisseurs de l'Automobile*, CLIFA), the Economy, 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 Purchasing Guidelines. 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. The guidelines were reissued in February 2014, together with the quality objectives for 2013, to all parts suppliers of Renault plants. They were updated again in late 2015 ahead of their release in early 2016. Suppliers are asked to deploy these guidelines among their own suppliers;

- Renault Green Purchasing Guidelines (2012). Sets 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.

2.3.2.5 CSR RISKS IDENTIFIED AND EVALUATED

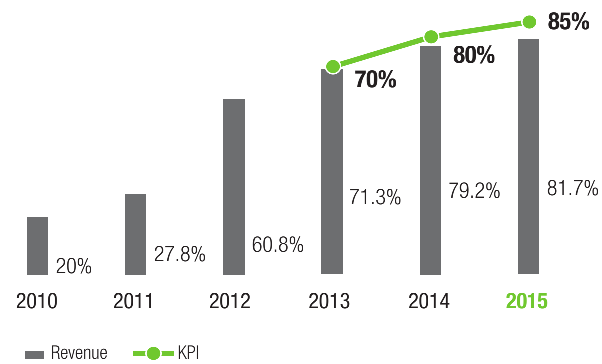
Suppliers of parts and materials are classed according to CSR risks. This risk mapping includes the countries in which they operate, corporate and environmental risks linked to the industrial processes used and the percentage of overall volumes purchased by Renault and its subsidiaries. Depending on country risk (from 1 to 5) and industrial process risk (from 1 to 5), suppliers are classed in risk categories ranging from 2 to 10. 46.1% of 2014 purchasing volumes present a risk (levels 7 to 10). See the graph below. The major differences from the previous year are due to the inclusion of over 1,000 new suppliers in at-risk countries (*eg* South Korea, China, Brazil, etc.) and revenue growth of at-risk parts suppliers in those countries.

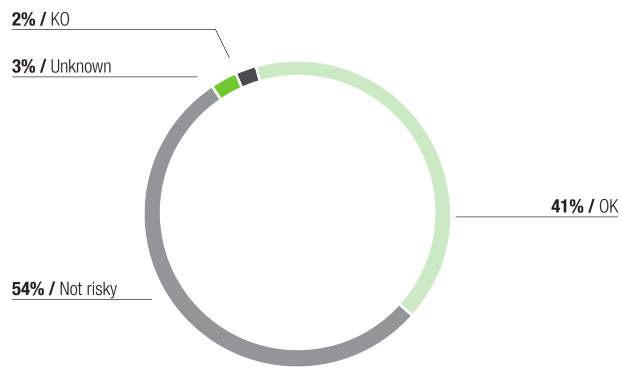
SUPPLIER RISK CATEGORY



Suppliers believed to pose the highest risk in terms of CSR are assessed to confirm or refute this risk. The Group carries out two complementary types of assessment. The first type of assessment is based on field observation at production sites. Such assessments are carried out in-house by purchasing qualiticians responsible for quality audits and specifically trained in CSR (1,802 had been completed by end-December 2015). The second type of assessment is based on CSR management at supplier groups and carried out by a third party. EcoVadis provides a collaborative platform allowing suppliers to evaluate the environmental and social performance of their suppliers worldwide. (789 groups assessed, representing 81.7% of Renault's 2014 revenues). The target was not reached, despite a concerted effort to convince suppliers.

PERCENTAGE REVENUES ASSESSED





An assessment of potential at-risk suppliers showed that 95% of purchases take place with low-risk suppliers, 2% have action plans in progress and 3% have yet to be assessed.

When non-compliance is observed, Renault helps suppliers to develop a realistic, specially designed work plan with priorities addressed according to a negotiated timetable.

In 2015, 14 supplier sites and 35 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.

The EcoVadis assessments also deal with tier-one suppliers' ability to manage their own supply chains.

Local suppliers or groups with a good score, as well as those suppliers who have shown the most improvement, receive CSR awards. This recognition system has been in place since 2012.

2.3.2.6 COLLECTIVE DIALOG IN FRANCE

Renault takes part in the French Automotive Industry Platform, formed in 2009 as a permanent forum for cooperation and dialog among all automotive industry stakeholders in order to prepare for and successfully implement change in the industry and its professions. 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 automotive sector platform aims to coordinate all players 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. Composed of the two major French carmakers and tier-one equipment makers, members of the Federation of Equipment Makers (Fiev), the group's aim 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 auditing and supporting the supply chain) in order to align participants' practices and ultimately produce a common set of industry standards.

Renault also gathers together 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.

Each purchasing unit hosts its main suppliers annually during performance reviews in order to identify the difficulties encountered and jointly draft progress plans in areas such as quality, costs, delivery times and CSR.

2.3.2.7 JOINT 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, notably through the Moveo structure, a competitiveness cluster for R&D in the automotive industry and public transport.

A policy has been in place for drafting joint innovation contracts with suppliers since 2008. It defines both the technical content and the legal conditions for sharing the results. A total of 12 joint innovation contracts were signed with suppliers in 2015.

Since 2010, Operational departments and the Purchasing department have held technology days. These are an excellent opportunity for suppliers to present their innovations to Renault experts.

2.3.3 CSR AND THE DISTRIBUTION NETWORK

It is not up to the world to adapt to the automobile, it is up to the automobile to adapt to people. This 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 dialog with customers and their representatives, such as consumer groups or the numerous associations linked to the brand that have been set up worldwide.

For the first time in 2016, to encourage our distribution networks to engage in actions in line with our social commitments, the Group's Sales & Marketing department will award a Special CSR Prize to the most deserving partners. Dealers (or RRG sites) that take the most effective action will be rewarded at the ceremony held for the Dealers Of The Year and importers during the P.A.R.I.S. ceremony. Challenge.

2.3.3.1 A DEDICATED CODE OF ETHICS

Sales and marketing activities contribute to the Company's development and the expansion of its business and market share, in particular, by means of customer satisfaction. Sales and marketing activities are also required to support the positive image of the Company and its practices, especially in terms of quality of services and products and relations with customers, its partners and the wider public.

The sales and marketing function is also one of seven business-lines that have a specific code of ethics in addition to the Ethics Charter. This Sales and Marketing code of ethics was designed for all of the Group's Sales and Marketing department managers and employees and for all those who, within the Renault group, have contact with customers and/or can influence the act of sale.

The code is applied to all the Renault group sales and marketing processes, to activities relating to retail customers, fleets and the dealership network as well as publicity and marketing initiatives.

2.3.3.2 CUSTOMER SATISFACTION

Customer satisfaction is key to Renault's customer loyalty, penetration and sustainable development. Processes designed to improve customer satisfaction are based on standards relating to listening and dialog with customers from the upstream stages (research into expectations and needs by the Customer Knowledge department and the Product department) to the downstream sales and related services stage, and when dealing with any complaints during vehicle recall campaigns (see 2.3.3.4).

In 2015, the importance of customer satisfaction as a major pillar of the Group's development strategy was demonstrated by the creation of the Quality and Customer Satisfaction department, which reports to the Renault Group Executive Committee.

It is also reflected in the introduction of Overall Opinion (OaO) oversight as a leading indicator in all of the Group's operations. The Overall Opinion gauges the general opinion of a panel of people who intend to purchase a vehicle within three years in a given market. This metric and its oversight are used to enhance the positive image of the Group's brands and models in a given market, and to map their positioning relative to the competition.

The positive opinion of customers is based on three levers:

1) **Awareness:** promoting the brands and models through conventional marketing campaigns, presence in specialized media, and partnerships with local stakeholders;
2) **Appeal** of models and services: the offering must satisfy the needs and expectations of customers in each market. It is measured by positive feedback from specialized media and opinion leaders on social networks, as well as from the resulting sales performance;
3) **Quality and Customer Satisfaction:** measuring the satisfaction (or dissatisfaction) of existing Renault customers allows the Group to respond swiftly in making the necessary improvements. By listening carefully to Renault customers and those of other brands, we can challenge our in-house teams so that the Group's products and services are soon positioned as best in class within competitive markets.

   The Quality and Customer Satisfaction strategy is supported by the three-year Customer Satisfaction Plan, which includes seven basic levers:

   1) **Compliance** 2) and **Responsiveness** are the building blocks of any ambition for progress. Unqualified compliance with standards, business policies and company procedures is required from all company functions, as well as from our suppliers. In the event of an incident or a serious complaint from a customer, we also need to be extremely responsive in how we handle, analyze and rectify the problem,

   3) **Perceived Quality** 4) and **Durability** boost Customer Satisfaction and the residual value of our products by challenging our leading competitors to achieve certain standards,

   5) The **quality of service** of Renault's customer satisfaction plan, known as C@RE2.0 (Customer @pproved Renault Experience), is a logical extension of concepts already launched in 2005 with PER4 (Renault Excellence Plan) and in 2012 with C@RE. C@RE 2.0 aims to ensure customers receive a simple, personalized and interactive experience throughout their "journey" with Renault, from initial online searches, through to delivery of the vehicle to the dealership as well as during servicing and maintenance.

      Sales representatives and staff at customer call centers are given regular training in order to improve their customer listening skills. Regular surveys conducted in all countries to assess the customer experience make it possible to react rapidly to market trends and customer expectations. Around the world, some 700 people are in contact with our customers every day, listening to whatever questions or complaints they may have about any sales or after-sales issues and providing information about all products and services. Customers in 18 countries are already able to contact the Customer Relations Services (Services de Relation Client, SRC) *via* an interactive web chat in addition to the telephone, e-mail or traditional mail service. Renault's aim is to be accessible by customers or prospective customers whatever the point of contact selected (online, dealership, telephone) and to build a relationship of calm confidence with them so that they stay loyal to the Renault group brands,

   6) **Meeting customer expectations** is the linchpin of the customer satisfaction plan, ensuring that all products and services, from their development and validation process, are oriented towards customer needs and expectations in a given market. It also ensures that the specific expectations central to each of the markets are taken into account.

      Renault is also keen to meet the specific mobility requirements of vulnerable population groups such as those experiencing financial hardship or the disabled (see 2.2.3.1 and 2.2.4),

   7) Finally, **Communication** enables us to advertise our achievements and progress in terms of Quality and Customer Satisfaction. This involves promoting collective, regional and local achievements in this area, with a view to making each of our employees brand ambassadors based on objective evidence benchmarked against our competitors. It also means providing external communication teams with objective evidence of our progress.

A global **training** programme was launched in 2015 to make customer satisfaction an integral part of the day-to-day actions of each employee. It allows each individual to develop his or her knowledge of the Customer Satisfaction Plan, while actively helping to boost customer satisfaction.

2.3.3.3 PROMOTING CSR THROUGHOUT THE SALES NETWORK

Renault ensures the protection of health and the environment in all aspects of its vehicle sales and after-sales. This involves the use of environmental management within its distribution network, as well as controlling the composition and the environmental footprint of its products, parts and accessories that are sold or used for the servicing of its vehicles, and finally the recycling and recovery of end-of-life vehicles and parts. These points are discussed in 2.6.2.2.

2.3.3.4 RESPONSIBLE COMMUNICATION

Environmental communication

At end-2015, the United Nations Conference on Climate Change was held in Paris. The Renault-Nissan Alliance was an official partner, making a fleet of 200 electric vehicles available to the 30,000 accredited UN delegates (see box on page 166). As a consequence, the Group's environmental communications in 2015 focused mainly on the environmental and public health benefits of electric vehicles, highlighting, in particular, their ability to significantly reduce the contribution made by personal transport to global warming and urban pollution, as well as the potential synergies with the development of renewable energies (for further details, please see 2.6.3.1 and 2.6.3.5). Educational videos featuring external experts were produced and posted online, addressing, in particular, battery recycling and reuse. During the COP21, Renault also took part in conferences on the themes of electric mobility and the circular economy.

Lastly, 2015 saw the launch of the new ECO2 label (see below).

ECO2 label

As part of the roll-out of new Renault group brand strategies, the eco^2 label, launched in 2007, was further developed in July 2015. The new ECO2 label now applies solely to the Renault brand and aims to highlight the most competitive and high performance versions in terms of CO_2 emissions in use. The reduction in the environmental footprint of ECO2 labeled vehicles, compared to the models they replace, is also measured by a comparative Life-Cycle Assessment, which is critically reviewed by external experts (see 2.6.2.1). Vehicle manufacture in an ISO 14001 certified plant, which represents a core company commitment (all Group industrial sites have been ISO 14001 certified since 2008), is no longer highlighted as one of the distinctive criteria of the ECO2 label, though it is still one of the award criteria.

Vehicle lifecycle assessments (LCA)

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 life-cycle assessments (LCA) of its vehicles.

LCAs for vehicles brought to market since September 2014 (the New TWINGO and subsequent models), conducted using an updated methodology and subjected to a critical review by an independent expert (see 2.6.2.1), are available on demand. LCAs for the ZOE and Kangoo Z.E. will also be available during 2016 once they have been updated in line with the latest LCA methodology.

Recall campaigns

In the event of any risk or incident compromising vehicle safety and requiring essential work on the vehicles concerned, the Renault group launches a recall campaign, otherwise known as a “Special Technical Operation” (OTS). This procedure is implemented in all countries where the vehicles are sold. There are three levels of information:

- information for the national authorities in the country of sale (in compliance with the legislation in force in those countries);
- sending the customer a registered letter with acknowledgment of receipt, describing the potential fault and its impact. Customers are invited to make an appointment with a Renault dealer. A follow-up letter is sent if necessary;
- online on MyRenault (accessible *via* Renault’s web-sites and Android/iOS apps).

In parallel, the Renault network is informed of the OTS by sharing the necessary information in order to:

- identify the vehicles concerned;
- take action to eliminate the risk;
- answer customer queries.

Whenever a vehicle is booked in for a service, the Renault dealer must search the OTS database to see if the vehicle is affected. If an OTS is identified, the vehicle may not be returned to the customer until the fault has been repaired.

Marketing communication

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 materials destined for the network paperless, with the creation of electronic web-based communication zones. To economize further on advertising materials, reusable point of sale materials have been developed to limit the number of disposable items, which waste large quantities of paper.

2.3.3.5 DATA PROTECTION

Protection of customers’ personal data is a priority and a challenge for Renault, particularly as regards connected vehicles. For this reason, the governance of databases and connected services complies strictly with the applicable privacy and personal data regulations. This point is covered in more detail in section 3.1.4.3.

2.3.3.6 RESPONSIBLE FINANCING

Across the world, RCI Banque group provides Sales Financing for the Renault group branded vehicles and, depending on the location, for Nissan. In terms of its retail and business customers, it offers loans for the purchase of new or used vehicles, leasing with purchase option, hire purchase, long-term leasing and a complete range of maintenance and warranty-related services.

During any transaction, RCI Banque ensures that the financial products being sold meet customers’ requirements and their ability to make repayments.

DIAC, the financial institution subsidiary of RCI Banque, chose to take part in the Garages Renault Solidaires project by offering microcredit financing to vulnerable customers eligible for the Mobiliz programme (see 2.2.3.1).

2.3.3.7 SITE ACCESSIBILITY

In partnership with **the Jaccede** association, which works to make public places accessible to the disabled, Renault has trained some of its employees to conduct accessibility audits on its own sites. To date, 15 sites in the Paris region have been audited.

2.4 HUMAN CAPITAL: COMMITTED TO SUSTAINABLE GROWTH

In 2015, 120,136 employees (on permanent and fixed-term contracts) men and women represent the human capital of Renault across 116 entities and the 36 countries in which Renault operates. Their skills, motivation and reflection of diversity contribute to the growth of the Group by meeting customer expectations. Committed to sustainable growth, Renault implements a global, fair and competitive HR policy. HR standards, processes and policies worldwide guarantee a unique and transparent frame of reference, a source of fairness and a driver of motivation and performance for all employees. Since April 2014, the HR function has been one of the strengthened areas of convergence within the Renault-Nissan Alliance. The aim is to support the growth of both groups and boost synergies so that Renault and Nissan can benefit from best HR practice.

In order to support the ***"2014-2016 Drive the Change"*** strategic initiative, Group HR prioritizes three main areas:

- optimizing the allocation of resources and developing related skills;
- developing high-potential employees and promoting diversity;
- enhancing employee commitment.

These priorities and policies are defined and rolled out across the world in line with high-quality social dialog.

On July 2, 2013, a global framework agreement on corporate social responsibility entitled **"Committing together for sustainable growth and development"** was signed by the Senior Management of the Renault group, represented by the Group Executive Vice-President of Human Resources, the 11 members of the Works Council Restricted Committee, and the General Secretary of the International Metalworkers' Federation, IndustriALL Global Union.

The agreement is designed to reflect the international strategy of the Renault group, while maintaining a balanced environment and ensuring the development of all its employees worldwide.

Convinced that in an era of global competition, economic performance and social development will together guarantee the Company's competitiveness and sustainability, the Renault group, Renault group Committee and IndustriALL Global Union jointly commit to five key areas for action, in every country where Renault operates:

- respect for fundamental social rights;
- responsibility towards employees;
- social responsibility;
- relations with suppliers and subcontractors;
- preservation of the planet by reducing the environmental footprint.

This agreement stems from the Company's humanist values, developed over the course of its 117-year history. It builds on the declaration of employees' fundamental rights signed on October 12, 2004, enhancing and modernizing it in response to new economic and social demands. It also takes the interests of the Company's various stakeholders better into account and paves the way for other global agreements.

METHODOLOGICAL NOTE

Since 2013, the labor relations indicators have been 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.

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, covering 100% of the Group's employees;
- subsidiaries consolidated globally, covering 115 entities (out of 116) and 98% of the Group's employees; the Company which meets the definition of joint operation is RNTBCI (India) for 66.67%;
- the "10 major countries" (Argentina, Brazil, France, India, Morocco, Romania, Russia, South Korea, Spain and Turkey), representing 90.1% of the Group's employees.

Some indicators are not covering 100% of the consolidated scope due to data unavailability.

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 34 countries, as of year-end 2015, provides data for white collar staff. (Algeria, Germany, Argentina, Belgium, Brazil, Bulgaria, Chile, Colombia, Croatia, Czech Republic, Spain, France, Hong Kong, Hungary, India, Iran, Ireland, Italy, Malta, Morocco, Mexico, Netherlands, Poland, Portugal, Romania, South Korea, United Kingdom, Russia, Serbia, Slovakia, Slovenia, Switzerland, Turkey and Venezuela);

- for the data not available in these systems, a questionnaire is sent to the Regions. This questionnaire includes seven indicators: absenteeism rate, number of layoffs, number and subject of major collective agreements signed during the year, number of employees covered by a collective bargaining agreement, total training hours, total management training hours, and percentage of disabled employees. Each indicator has a specific definition and calculation method that are shared with the Regions.

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

Total end-of-month headcount (recorded as of month-end): number of employees holding an employment contract with the entity (permanent or fixed-term) as of month-end. This contract must be valid as of the last day of the month in question. Every employee on the payroll is counted as "one" regardless of his contractual working time (activity rate).

Region average headcount = (Region headcount at December 31 of the previous year + Region headcount at December 31 of current year)/2.

Region headcount as of December 31 is equal to end-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 the total headcount, excluding "off activity" employees. Active headcount is measured every end of month. Average active headcount is equal to 12-month averaging of active headcount.

"Off activity": all persons having an employment contract with the Company/entity and thus appearing in the registered workforce, but physically absent from the entity for a long period, and paid only partially or not at all. This category consists mainly of: unworked resignation notices, unpaid leave of absence for various reasons including long-term parental leave, sabbatical leave, end of professional career leave including exemptions of activity under GPEC in France, leave for business creation, parental educational leave, absence due to long-term illness or accident after exhaustion of the amount of leave paid by the Company (amount linked to the current work absence), and military service. Persons on sick leave (excluding long-term) and on maternity leave are not considered as "off activity" employees.

Number of Group redundancies: termination of permanent contract or early termination of fixed-term contract by the employer for one or more reasons that may or may not relate personally to the employee in question, and which may be either collective or individual. Voluntary severance and redundancy do not count.

Percentage of women managers: number of women in managerial roles out of the total number of managers as of the end of December. "Manager" is defined as a white collar employee, supervising at least one other white collar employee.

"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.

Rate of access to training: number of employees trained at least once during the year as a percentage of the active workforce as of December 31.

Average training time: total hours of training carried out during the year by country as a percentage of the active workforce as of December 31.

F1 Rate: working accidents of recorded employees (on permanent, fixed-term or apprenticeship contracts) requiring external care or medical leave of absence, per million hours worked.

F2 Rate: working accidents of recorded employees (on permanent, fixed-term or apprenticeship contracts) requiring a medical leave of absence, per million hours worked.

G1 Rate (severity of working accidents): number of calendar days of lost time due to workplace accidents, per thousand hours worked.

For the rates F1, F2, G1, 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 thousands per 1,000 employees.

Disabled employment rate: percentage of disabled employees on total headcount as of December 31. It should be noted however, that it is difficult to prepare statistics that accurately reflects the number of disabled employees, given the different regulations and the lack of legal reporting requirements in numerous countries.

Absenteeism (unexplained absences): the absenteeism rate is expressed as a percentage and is calculated on the basis of the average active workforce (permanent + fixed-term contracts) and a yearly theoretical number of working days.

The number of days of absence is expressed in working days, excluding short-time working, layoffs, strikes, and holidays (including maternity leave).

Formula: yearly absence's days number/(average active headcount X yearly theoretical days number) x 100.

The choice of assumptions for the calculation of theoretical days number is left up to the entities, since local factors may result in minor differences.

2.4.1 OPTIMIZE THE ALLOCATION OF RESOURCES AND DEVELOP SKILLS

In support of the Group's growth, the Company is working to improve its competitiveness around the world. Renault has improved its workforce management and the development of its strategic skills. This section reviews all data concerning employment, labor costs, the organization of work, and training.

2.4.1.1 THE WORKFORCE: BREAKDOWN AND TRENDS

BREAKDOWN OF WORKFORCE BY REGION OVER THREE YEARS

SCOPE OF LABOR REPORTING	2013	2014	2015	PERCENTAGE IN 2015
GROUP* (PERMANENT + FIXED-TERM)	**121,807**	**117,395**	**120,136**	
Europe Region	66,467	65,902	67,973	56.6%
o/w France	*48,550*	*46,365*	*45,579*	*37.9%*
Africa Middle-East India	10,902	10,750	11,978	10.0%
Americas	12,043	10,091	9,488	7.9%
Asia-Pacific	4,581	4,360	4,356	3.6%
Eurasia	27,814	26,292	26,341	21.9%

* *Expatriates are counted in their home country.*

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 90,1% of the total workforce.

As of December 31, 2015, the Group's workforce (permanent + fixed-term contracts) totaled 120,136 employees, with 117,159 in the Automotive branch and 2,977 in the finance arm. This represents an increase of 2.3% on 2014 (117,395 employees as of the end of 2014). The increase is mainly due to the increase in activity in Europe, which has a positive impact on European production plants.

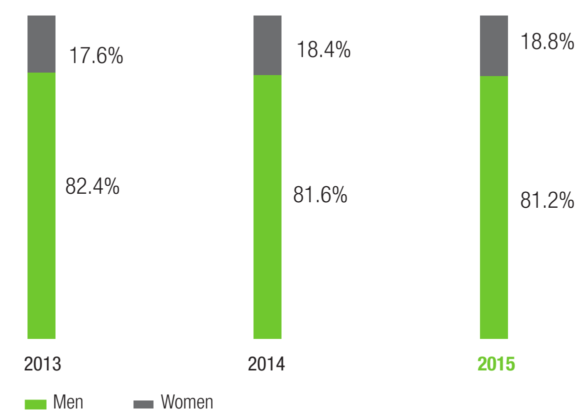
Accordingly, the change in headcount in Europe in 2015, combined with the positive impact of competitiveness agreements and the success encountered by models made in Europe to reflect one of the commitments made under the competitiveness agreement.

In the AMI region, the increase in workforce is mainly due to plant expansion in Morocco.

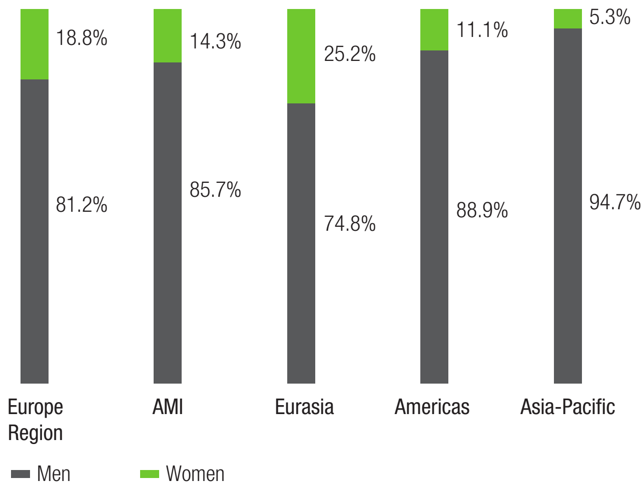
Countering this trend, Brazil and Russia have had to take swift action to shrink their workforce in response to the market downturn.

BREAKDOWN OF MEN/WOMEN IN THE WORKFORCE OVER THREE YEARS

As of December 31, 2015, the proportion of women in the total Group workforce continued to rise steadily to represent 18.8% of the Group's workforce, versus 18.4% at end-2014 and 17.6% in 2013. The proactive policy in terms of diversity recruitment will allow this progression to continue.



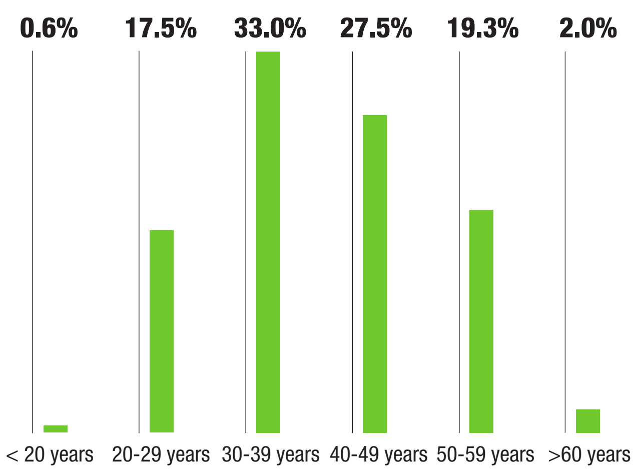
BREAKDOWN OF MEN/WOMEN BY REGION



The breakdown of men/women is calculated on the basis of fully consolidated companies (117,185) as of December 31, 2015.

BREAKDOWN OF WORKFORCE BY AGE

The breakdown by age remains well balanced: 18% of employees are under 30, 33% are between 30 and 39, 28% are between 40 and 49, and 21% are over 50. This breakdown is similar to 2014.

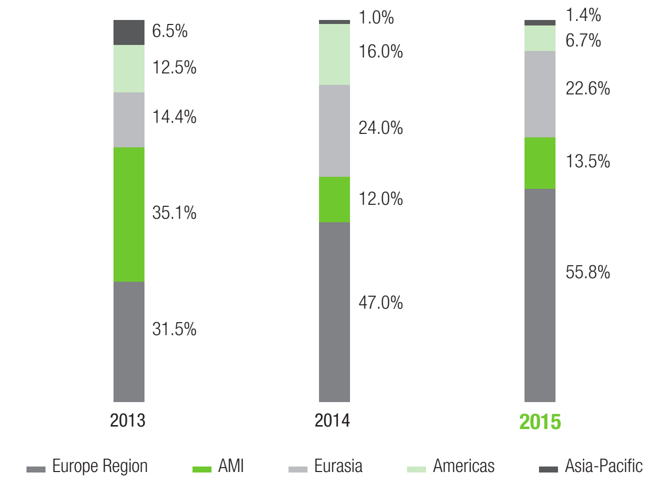


The breakdown by age is calculated on the basis of fully consolidated companies (117,185) as of December 31, 2015.

RECRUITMENT BREAKDOWN

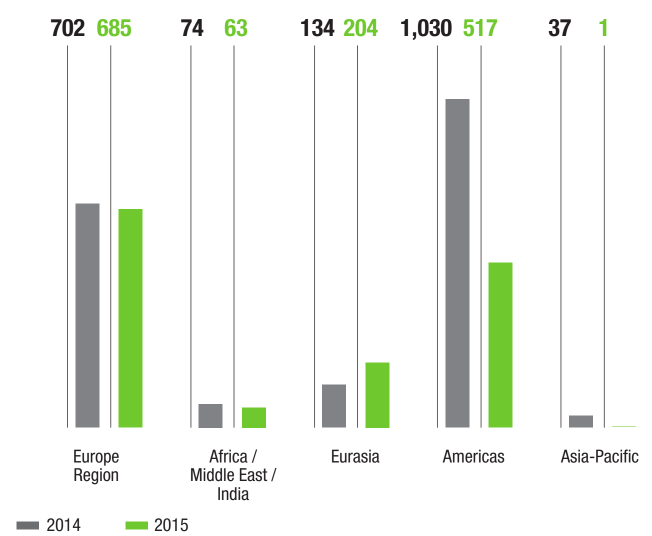
As of December 31, 2015, Renault hired more than 17,000 people (permanent and fixed-term contracts), an increase of 77% on 2014. This increase enables it to keep pace with the growth in its business in Morocco, Spain and India and in response to the high turnover rate in certain countries such as Romania. In France, Renault went beyond the pledges made in the competitiveness agreement, announcing a hiring of 1,000 workers on permanent contracts and 1,000 apprentices would be hired in 2015 to keep pace with plant expansion and develop the vehicles of the future. As of December 31, 2015, Renault had hired in France 1,666 apprentices.

BREAKDOWN OF RECRUITMENT BY REGION OVER THREE YEARS



BREAKDOWN OF REDUNDANCIES BY REGION

At the same time, the number of redundancies stands at 1,470, which is 25.6% down versus 2014 (1,977).



2.4.1.2 CONTROLLED LABOR COSTS

Against this backdrop of renewed growth, Group labor costs totaled €5,408 million in 2015, of which €5,177 million were in the Automotive branch. They were higher than in 2014 in absolute value (up by €160 million), but remained on a downward trend in proportion to Group revenues, going from 12.8% to 11.9%. The 10 major countries (Argentina, Brazil, France, India, Morocco, Romania, Russia, South Korea, Spain and Turkey) accounted for 88% of the Group's labor costs.

The evolution in labor costs in 2015 reflects the mixed performance of the business, with a strong recovery in the European market and a much weaker environment in our main emerging markets. Furthermore in this uncertain climate, wage policies preserving the Company's competitiveness continued to be implemented as part of an ongoing dialogue with the social partners. This dialogue has previously led to the implementation of multi-year agreements on employment and wages in Spain (November 2012), France (March 2013), Brazil (July 2014) and Slovenia (September 2014), which were still in effect in 2015.

LABOR COSTS BY REGION	2015	2014	2013	2015 AVERAGE COST
GROUP	**5,408**	**5,248**	**5,494**	**45.5**
Europe Region*	4,061	3,889	4,084	60.7
o/w France	*3,066*	*3,004*	*3,240*	*66.7*
Eurasia	501	555	590	19.1
Americas	368	389	448	37.5
Asia-Pacific	298	255	221	68.4
Africa Middle-East India	180	160	151	15.9

* *Europe including Renault-Nissan Global Management.*

2.4.1.3 FLEXIBLE WORK ORGANIZATION

The Renault group complies with the legal obligations and collective agreements in terms of working hours of the countries where it has operations.

To preserve jobs and adapt to fluctuations in automotive markets, Renault has instituted a system of flexible work time. It aims to find the best possible balance between the Company's interests and quality of life in the workplace for the employees in question, through consultations with employee representatives and labor unions. The measures focus in particular on the conditions for reorganizing work time, such as 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, open hours run from 6:30am to 9pm for workers on a "normal" 35-hour average working week 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 team. These teams work in the same way, on a 35-hour average working week.

In **Spain**, the 2014-2016 labor agreement signed with the three largest labor unions (UGT, CC.OO and CCP) includes provision for the strong demand for CAPTUR by putting in place 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.

In **Slovenia**, the agreement concluded on October 30, 2014 with the labor partners covering the years 2014, 2015 and 2016 combines fluctuating activity, adjustment of working time, employment and remuneration.

The Renault group is also introducing an **alternative, flexible work time organization,** allowing a better personal work/life balance for its employees with, for example, telecommuting being used in countries where this is possible.

- in **France,** the telecommuting agreement signed on January 22, 2007 enables employees to work from home on between one and four days a week, if they wish and if their activity permits. Almost 2,000 employees had participated in this programme as of end-2015. In the satisfaction surveys conducted, teleworkers all say that the scheme improves their personal work/life balance, particularly by reducing their commuting time, and makes them more efficient at work;
- in **Romania**, the telecommuting scheme has been in place since September 15, 2015. To date, 60 employees who are registered for the scheme are eligible to work from home one day a week, subject to certain conditions. The scheme offers flexibility and improves the quality of working life;
- **Argentina** has also been trialing a telecommuting scheme since November 2015. Over 50 requests had been received from staff by end-2015.

2.4.1.4 DYNAMIC SKILLS MANAGEMENT

In a continually changing industry, dynamic skills management is a key driver of competitiveness. This means adapting the Company to major changes in the business – while preserving its human capital – and at the same time developing its ability to innovate for increasingly demanding markets and customers. This dynamic skills management policy gives employees the means to upgrade the skills used in their jobs and improve their employability. Finally, it is also a way to support the Company's transformation, mainly digital, which affects Renault's four major business-lines: design, manufacture, sales and support.

Each business-line – supported by HR and an expertise network created to develop and use in-house experts in each field – conducts an annual global **assessment** of its skills requirements to establish an overview of mid-term strategic skills requirements, in line with the real-world needs and priorities of different Renault entities worldwide.

The action plans resulting from these assessments are used to allocate resources efficiently, define strategic recruitment needs, focus training programmes on the relevant skills development and retraining, and map out career paths within the broader scope of the Renault-Nissan Alliance.

TRAINING

Renault is committed to train all its employees (permanent and fixed-term contracts) as part of its dynamic skills management and talent management approach. Across the Renault group, the level of access to training represents 83% in 2015.

The Group's training courses therefore cover all aspects of vocational training, from courses related specifically to each of the Company's business-lines to more individual courses designed for personal development, learning foreign languages, or acquiring cross-functional skills (for management training, see chapter 2.4.2).

The Group's training policy prioritizes the development of critical skills and retraining for sensitive skills. A total of 13 business schools are developing their global training policies based on the dynamic skills management concept. Training priorities are rolled out worldwide, country by country.

In 2015 for example, the Quality and Customer Satisfaction School launched a new global training programme to accompany the rollout of the Customer Satisfaction Plan. The aim is to make this concept an integral part of the day-to-day actions of the 110,000 employees concerned, across all businesses, thereby resulting in its daily improvement.

A milestone was reached in 2015 with the operational deployment of Skilling Up, a tool designed to develop engineering expertise. Designed by the engineering school, this individual and collective skills management tool is based on a repository of knowledge and training courses common to all engineering disciplines. To date, more than 450 managers have been trained in France. Internationally, local engineering schools and Skilling Up – currently being rolled out in Romania and Latin America – are providing the impetus for a new dynamic.

Of the various initiatives of the Manufacturing School, the most significant in 2015 was the deployment of Nissan's Karakuri training, which embodies Alliance learning. Karakuri is the highest level of kaizen expertise outside IFA expertise. The aim of this training is to eliminate non-value-added manual operations through workstation optimization and the direct line feed of parts.

In 2015, a new Institute of Public Affairs was set up in partnership with Sciences-Po. As well as offering a selection of training courses on public affairs practices, the new institute will offer three courses and 11 short modules on practical aspects.

The HR School is meanwhile continuing to support change management within the HR function by deploying its first MOOC (Massive Open Online Courses) on the subject of Strategic Workforce Planning. It is stepping up initiatives to facilitate access to information, *eg* interactive online teaching, distance learning, digital recruitment, exploration of digital tools such as Facebook, Twitter, Pinterest, Instagram, Flipboard, ScoopIt, etc. *Via* its internal social network, the entire HR community is encouraged to get behind digital events to foster exchanges of views and practices between HR in different countries.

Renault is also expediting the rollout of a common Digital Culture within the Group, *via* its Digital Passport. This is a three-part online programme covering the Digital Passport, Digital Signatures and Expert Case Studies.

In 2015, the number of training hours for registered Group employees (permanent and fixed-term contracts) amounted to 3,196,351. The breakdown for the Group's 10 major countries (Automotive branch), representing 90.1% of the Renault group's workforce, was as follows:

2015: NUMBER OF TRAINING HOURS IN THE 10 MAJOR COUNTRIES

TRAINING/ COUNTRY	ARGENTINA	BRAZIL	KOREA	SPAIN	FRANCE	INDIA	MOROCCO	ROMANIA	RUSSIA	TURKEY
Total hours 2013	50,828	75,938	25,667	393,096	902,925	183,522	414,795	470,416	152,800	272,090
Total hours 2014	35,229	105,298	32,954	437,307	759,745	222,885	157,535	467,034	81,596	230,087
Total hours 2015	35,057	83,642	91,805	643,652	827,928	161,654	280,875	417,151	63,286	274,121

BREAKDOWN OF TRAINING HOURS BY REGION

Training hours by Region break down as follows:

REGIONS/TRAINING HOURS	2014	2015
Americas	140,527	181,443
AMI	380,420	468,226
Asia-Pacific	32,954	91,805
Eurasia	778,717	756,871
Europe (excluding France)	737,307	870,079
France	749,745	827,928

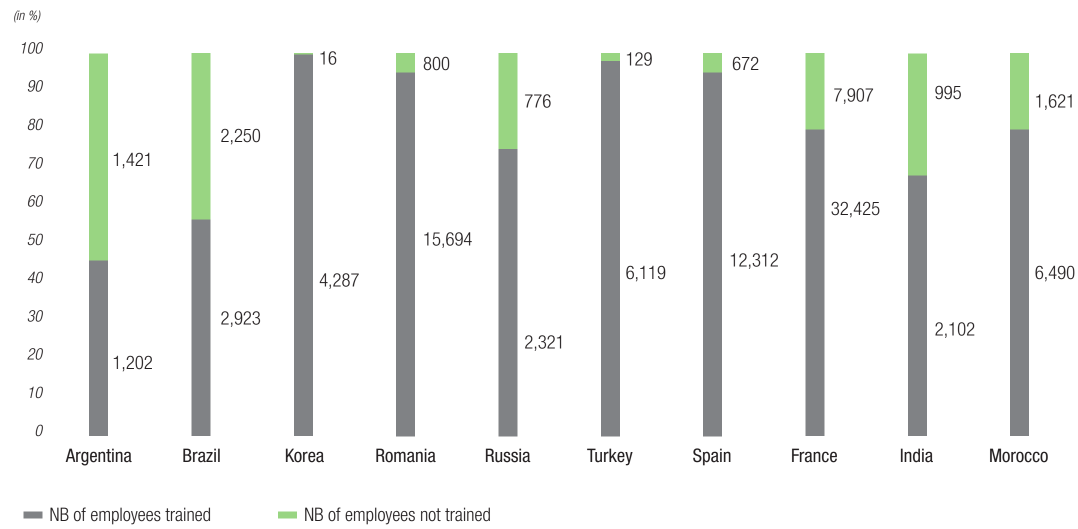
A 13% increase is observed in the number of training hours provided in 2015 compared with 2014.

- the system of dynamic skills management enables better targeting of training each year in relation to the Group's skills requirement and the employability of employees. Therefore, training programmes are focused on critical skills development and on retraining tools for sensitive skills;
- the increase in the number of training hours in **Spain** is mainly linked to operator training and support for new hires (Renault *Expérience* programme for operators);
- in **Morocco**, highly committed to the GDC process, the training plan increased by 78% in 2015, mainly to support the establishment of a third team in RTE (Tangier).

RATE OF ACCESS TO TRAINING AND AVERAGE TRAINING HOURS BY EMPLOYEE

In 2015, the rate of access to training by the Group's active workforce stood at 83%. Average training length was 27 hours per active employee of the Group. These are two indicators that we introduced this year.

Access to training in the 10 major countries:



THE GPEC IN FRANCE

In France, the Skills and Employment Planning (*Gestion Prévisionnelle des Emplois et des Compétences*, GPEC) agreement signed on February 4, 2011, was extended by the Social contract for a new growth dynamic and social development of Renault in France of March 13, 2013. 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 two Employment and Skills Observatories held every year. A summary of these observatories is communicated to all employees of Renault s.a.s.

Drawing on a comprehensive range of tools, the GPEC is a lever for managing the supply of so-called "critical" skills and the retraining of employees with so-called "sensitive" skills (see definitions in the methodological note). Since its launch in 2011, over 8,000 employees have signed up for the various initiatives offered by the GPEC: support for the start-up or takeover of a business, a period of external mobility, or dispensation from work activities for employees aged 57 and over who may draw on their retirement pension in the three years following adhesion to the system. 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. For example, training courses were organized in 2014 for manufacturing leading to an approved metallurgy qualification. These include "Industrial tool and die maker", "Process maintenance electrician" and "Industrial maintenance engineer".

HR offices are located on each site to help and advise employees interested in the scheme. A dedicated intranet site also provides information about GPEC measures, training courses and feedback from employees regarding their careers.

Furthermore, French manufacturing sites are also involved in a Territorial Employment and Skills Management measure (*Gestion Territoriale de l'Emploi et des Compétences*, GTEC). Extremely active in their respective job markets, the Cléon and Douai mobility platforms (P2M) set up by Renault several years ago are now mature enough to be coordinated and potential applicants are managed by local partners (EPI Normandie and the Douai Chamber of Commerce and Industry).

CONSOLIDATION OF THE EXPERTISE NETWORK

The expertise network was set up in early 2010 to harness the Company's knowledge and know-how to improve customer satisfaction, strategic priorities and business performance.

The network is divided into 50 strategic areas of expertise, covering all of Renault's core businesses: product design and development, manufacture, sale, customer and market insights, financial performance and support.

It comprises four levels:

- an expert fellow, appointed by Renault's Chairman and a member of the Renault Management Committee. He/she is tasked with putting together highly technical files for Senior Management decisions. Responsible for defining the strategic areas of expertise, the Expert Fellow coordinates the Expert Leader network to organize production, deploy best practices, foster collaboration, and ensure that technical representation exists within standardization and regulatory bodies;
- 42 expert leaders, each reporting to a Vice-President. Expert leaders have responsibility for one area of strategic expertise. They are tasked with developing and capitalizing on the 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;

- 152 experts, responsible for secondary fields of expertise. They are responsible for promoting standards, filing patents, setting benchmarks and identifying relevant partners;
- 434 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.

Over the past four years, the expertise network has developed in such a way that – partly as a result of its cross-functional approach – it has been able to increase the pace at which knowledge is acquired, applying it to operations and aligning production with the strategic priorities of the business.

Two years ago, the network was extended to include the Alliance.

2.4.2 DEVELOPING TALENT, PROMOTING DIVERSITY AND SUPPORTING MANAGEMENT QUALITY

CARLOS GHOSN
CHAIRMAN AND CEO OF THE RENAULT-NISSAN ALLIANCE

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.

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. It is a decisive competitive advantage: the varied educational backgrounds, talents and career paths of personnel are sources of innovation. The Company will be able to understand and best meet its customers' expectations by reflecting the many faces of the 125 countries in which it sells its vehicles. The promotion of cultural diversity is therefore a key driving force behind the Group's whole HR and CSR policy.

2.4.2.1 BETTER REFLECT CUSTOMER DIVERSITY IN RENAULT TEAMS

Renault is committed to widening the cultural diversity of employees in key positions. From this perspective, Renault defines its "international profiles" as "non-national" managers, managers who have worked abroad for at least 12 months, or who have obtained a degree abroad". Renault aims to have 40% of its key positions filled by international profiles by 2016. This percentage was 38.4% at end-2015.

AN APPROACH THAT FOSTERS COMMUNITY SPIRIT

To ensure that everyone has equal employment opportunities and that they can develop within the Company, Renault has embraced the issue of diversity through a process of inclusion: recognizing, understanding and valuing differences so as to better integrate them. Adopted at the highest level of the Company and implemented by various stakeholders (Management, Human Resources, CSR, social partners and staff volunteers), this ambition is channeled through a multiple action plan.

This commitment towards all forms of diversity and against any kind of discrimination is reflected in the Global Framework Agreement signed on July 2, 2013 "Committing together for sustainable growth and development."

Renault is continuing to promote diversity in terms of gender, LGBT (lesbian, gay, bisexual and transgender), age and disability.

A COMPREHENSIVE POLICY FOR GENDER DIVERSITY WITHIN THE COMPANY

In order to promote gender diversity, in early 2010, Renault launched Women@Renault, a comprehensive plan for improving the representation of women at all levels of the Company. The plan is overseen by two corporate governance bodies: W5, which steers the plan, and W20, which combines all Renault functions, and defines and monitors the action plans. This system is based on two complementary aspects: a Human Resources plan and a social network.

The first aspect, Human Resources, involves talent management (recruitment, training, career management) and Renault has set quantifiable targets for the plan:

- recruit women for 30% of technical positions and 50% of sales positions;
- increase the percentage of women in key positions in the Group to 25% by 2016;
- propose at least one woman in succession plans for key positions in the Group.

At end-2015, women accounted for 18.8% of the workforce (compared with 18.4% in 2014). The representation of women is measured at all levels of the Company: 18.2% of managers of white collar, 24.2% of key positions in the Group (about 2,000 positions) versus 22% in 2014, and 18.2% of the Group Executive Committee – a particularly high proportion in the automotive sector, which is still predominantly male. Five of the nineteen directors on Renault's Board of Directors are women.

In addition to these quantified targets, women also need to be offered the means to develop, through specific mentoring and training schemes, enabling women to fully express their potential and leadership skills.

Renault is also attentive to the issue of gender equality and of promoting a work-life balance for everyone. In France, there have been a number of advances, including:

- annual statistical analyses, which show that, on average, gender equality is achieved;
- a specific budget which has been set up to ensure that the Company agreement on pay for women on maternity leave is applied;
- in 2012, an agreement on gender equality in the workplace was signed allowing, for example, the ongoing deployment of telecommuting and recognition of the diversity of family situations in the HR policies (marriage, civil partnership (PACS), blended families, etc.).

Other measures have been implemented in various countries closely reflecting local concerns, with the creation of nursery in France and Brazil and breastfeeding rooms in Argentina and Spain.

The second aspect of the Women@Renault plan is based on an **internal social** network, which has been mixed from the beginning, international and multi-category, where men and women discuss the progress of the equality initiative and analyze best practices in terms of training and career management. It currently has over **4,500** members in **12 countries**, **21%** of whom are men.

The network organizes, both centrally and in the countries, events and initiatives to promote gender equality and to encourage women to adopt the networking reflex in order to boost their career progression with help of the development of an effective community. Discussions take place on a web platform comprising a web-site, a blog and ideas forums.

Women@Renault: a strongly present commitment within the Company, extended to society as a whole.

In 2015, lunches, round tables and discussions were organized within the Company and were attended by both men and women. Introduction of personal development workshops by Women@Renault: in 2015 around 200 women and men in the Paris region took part.

In 2015 the gender diversity policy continued to be implemented with actions to increase awareness for five Management Committees in **France**.

In April 2015, Women@Renault **Romania** held the third "Successful Women's Gala" to celebrate women's achievements at all levels of the organization.

In the same month, Renault **Brazil** became the first Latin American manufacturer to adopt Women's Empowerment Principles (WEPs). This programme was developed in **partnership by UN Women and the United Nations Global Compact**. It is aimed at promoting gender equality in all economic sectors and society, through adoption of the WEPs. In November 2015, Renault **Argentina** also signed up to the WEP programme.

In France, Renault continues to be involved with young women *via* the "**Elles bougent**" association, which aims to develop awareness on engineering and technician professions. Specifically, Renault organizes plant tours and meetings for high-school students and "Elles bougent" mentors. The goal of these women mentors, which include Renault employee volunteers (more than 60), is to create a dialog with these young women and encourage them to consider scientific and technical careers.

Renault is a member of **Observatoire de la Parentalité**, a corporate parenthood observatory that seeks to balance professional and family life as a sustainable performance issue. The organization manages a network of stakeholders involved in corporate parenthood in a bid to strike a balance between professional and private life. These two issues play an important part in Renault's philosophy and actions.

The Renault-Nissan Alliance sponsored the Women's Forum in France for the eighth consecutive year in 2015. The purpose of these annual meetings of international leaders is to create a level playing field for women in industry, academia, politics and society. The Renault-Nissan Alliance was represented this year by a delegation of 50 women and men from over 10 countries.

On March 19, 2015, the Renault-Nissan Alliance took part in the fifth "**Printemps des femmes**", an annual event that brings together men and women from major French companies. This year Renault proposed and organized a workshop on "How to involve men in gender equality issues".

Renault **Spain** was awarded equality certification by the Ministry of Health, Social Services and Equality in recognition of the Group's commitment to and ongoing work on equality in Spain through the Women@Renault plan and in collaboration with HR.

COMMITTED TO DISCUSSING LGBT TOPICS

As part of the discussions launched by a group of staff volunteers regarding LGBT (lesbian, gay, bisexual and transgender) topics, a number of actions have been put in place in collaboration with Senior Management and the Company's labor unions:

- signing of an agreement on gender equality that includes equal promotion and pay between men and women, parental leave and rights for all couples, regardless of sexual orientation;
- updating of texts following Act No. 2013-404 of May 17, 2013 allowing same-sex marriage;
- integrating all areas pertaining to diversity, including awareness-raising on sexual orientation, in the design of training courses for first-time managers.

PROMOTE TALENT AT ALL AGES

Renault is committed to developing talent at all ages, particularly by supporting young people's integration into the workplace and capitalizing on the experience of seniors.

Renault pursues an active policy in relation to young people, from college until they enter working life. The Group develops programmes and actions to forge links between the worlds of education and employment, and to professionalize and develop their employability, with a particular focus on the promotion of diversity and equal opportunities. The activities that the Group carries out through the Renault Foundation in partnership with schools, colleges and universities are described in chapter 2.5.1.1.

In 2015, Renault was particularly active in France, whether in relation to employment, relationships with schools or patronage:

- at end-2015, more than 2,200 young people had work-study contracts with Renault (including some 300 professional training contracts and about one hundred “CIFRE” [training through research] contracts). In addition, the Company provided internships to over 1,200 young people over the course of the year. Job forums with outside companies and CV workshops have been organized to facilitate job searches for interns and apprentices;
- in February 2014, Renault renewed its commitment, alongside the government, to the inclusion of 800 unqualified young people for three years. Specifically, young people who are encountering difficulties in finding work, selected and identified by local initiatives and the job center, are taken on for around two years by a Group plant (Cléon, Douai, Flins, Grand-Couronne, Sofrastock and Maubeuge). Since it was first signed in 1992, this agreement has benefited 4,000 young people, most of whom have obtained a diploma and a job;
- as part of its higher education outreach policy, Renault has paid an apprenticeship tax to over 300 higher education establishments and authorized bodies;
- since 2006, Renault has been organizing, in partnership with the education sector and other companies, the “Course In progress” (see chapter 2.5.1.3); the Group is also involved in sponsorship and partnership activities (see chapter 2.8.1.3). In June 2015, to support its recruitment drive, Renault took part in the “Challenge du Monde et des Grandes Écoles”, a recruitment fair and sporting event for students and graduates.

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, which specifies, in particular, that 30% of employment under permanent contracts is to be reserved for young people and 10% for former holders of work/study contracts. For example, in 2015 56% of recruits were under 30. Likewise, with regard to seniors, the agreement commits Renault to reserving 2% of permanent hires for those aged 50 and over.

FACILITATE INTEGRATION OF PEOPLE WITH DISABILITIES INTO THE WORKFORCE

In 2015, Renault continued its initiatives to promote integration, job retention and support for people with disabilities. Group-wide, the employment rate of people with disabilities decreased slightly to 3.44% at end-2015, compared to 3.98% in 2014 (scope: 94% of the workforce). There are four aspects of this policy:

- integration: 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 several non-profit organizations promoting workplace integration;
- workstation adjustments (*eg* lifting tables, conveyor belts, pallet trucks, real-time transcription and sign language video interpretation service, to maintain the employability of people with disabilities. Since this year, signing has been offered at key internal events (internal Open Forums held by Carlos Ghosn or vehicle pre-reveal);
- access to workstations and staff facilities (*eg* site access, dropped curbs, theater induction loop systems, signs, etc.);
- prevention, awareness-raising and training: each year various initiatives are organized internally, mainly to develop managers and employees’ understanding of the issues. In 2015, training on how to manage employees with disabilities was supplemented by a module on hearing impairment.

In France, with an employment rate of people with disabilities of 7.4% in 2015, Renault is continuing the commitments set out in its sixth agreement for people with disabilities, signed with all social partners on July 8, 2013. The Company thus reaffirmed its proactive disability policy 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:

- an internal social network, **Handi@Renault**, set up to support the inter-departmental action plan, today has over 1,000 disabled and non-disabled members. It is a platform where employees can talk about disability, share the latest news, report any issues encountered and promote best practices. It also supports actions that promote the employment of people with disabilities and raises awareness of disability;
- Handi@Renault organizes regular events to help change attitudes towards disability: supporting young people with disabilities between high school and further education, offering signing courses for managers and staff volunteers, entering into contracts for goods and services (work clothing, office supplies, gardening services, introductory braille workshops, etc.) with special centers that employ people with disabilities;
- in 2015, to mark the International Day of Persons with Disabilities, Handi@Renault hired an improvisational theater company to provide fun and offbeat entertainment at several sites in the Paris region. The aim? To make an impact by deconstructing stereotypes and preconceived notions that people might have about disability at work;
- other initiatives are being taken locally and internationally. For example, two French plants have arranged tours for the French paralysis association, while Renault do Brasil is offering signing lessons to managers and staff who volunteer for them. Renault Spain has signed contracts for goods and services (work clothing, office supplies, gardening services) with special centers that employ disabled people;
- in sport, the **Handi@Renault** plan has led to several partnerships, notably with the French sports federation for disabled people. Renault has been a partner of the French sports federation for disabled people for 18 years, providing vehicles and financial support. In return the federation assists Renault with training and awareness-raising initiatives. For example, Renault has assembled a team for the 2016 Rio Paralympic Games, with three “athlete-ambassadors”. Renault Poland, Renault Ireland, Renault do Brasil and Renault Spain also sponsor top athletes with disabilities;
- in the **Netherlands**, Renault has been recognized as an “Informal care-friendly organization” by the Secretary of State for Health and Sport on behalf of the Association for work and informal care.

2.4.2.2 PREPARE TOMORROW'S LEADERS

The Human Resources function develops personal development policies and practices for the Company's men and women to enable them to adapt to the new challenges faced by the Group and to support the implementation of Group strategy.

After having rolled out its management standard across the entire Group, Renault is now making new tools available in order to root the standard in everyday practices. The Group is proposing a structured and dynamic skills development system for its managers.

With a talent-spotting process shared by all business-lines and all Regions, and with the coordination of a diversity policy, Renault promotes equal opportunities and embraces diversity to pave the way for the Group's future in an increasingly global world.

To ensure that it has a robust talent management process, it is Renault's ambition to have a succession plan for each key post within the Group. Each month an indicator makes it possible for succession plans to be drawn up and circulated by the HR function and management.

The policies for talent development defined in 2012 have evolved to adapt to the Group's international expansion:

- implementation of precise and consistently defined selection criteria worldwide for identifying individuals with three levels of potential. To encourage diversity, the criteria of age and fluency in French have been dropped;
- decentralization of the talent detection process (for the three levels) and validation (for two levels). The countries and Regions are responsible for identifying high-potential employees and candidates for key positions.

RENAULT LEADERSHIP ASSESSMENT

Another tool used to detect talent 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 selected in accordance with the Renault Management Way standard. 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. Over 1,000 people have undergone the RLA since it was introduced in 2012 for the three levels of potential. The individual results produced from the RLA are shared with the employee in question, and used to draw up an individual development plan.

The RLA is also used for collective analyses which help to adjust our priorities and development tools. These development plans can combine several elements:

- complete educational programmes like those of business schools;
- training to strengthen specific skills, in terms of both knowledge (finance, international negotiations, etc.) and know-how (*eg* communication);
- career assessment;
- 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;
- international assignment with higher level of responsibility;

OPENNESS TO MULTICULTURAL PARTNERSHIPS

These development plans also include opportunities for 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 enabled the implementation of synergies and best practices in the Alliance. In addition to those on temporary assignment, 146 employees of Renault and Nissan were working at the partner Company in 2015. Most of these exchanges involve high-potential individuals, so that tomorrow's global leaders gain more international experience, or experts, in order to share and develop critical skills within the Alliance. These exchanges of experts are managed at regional level.

In addition to 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.

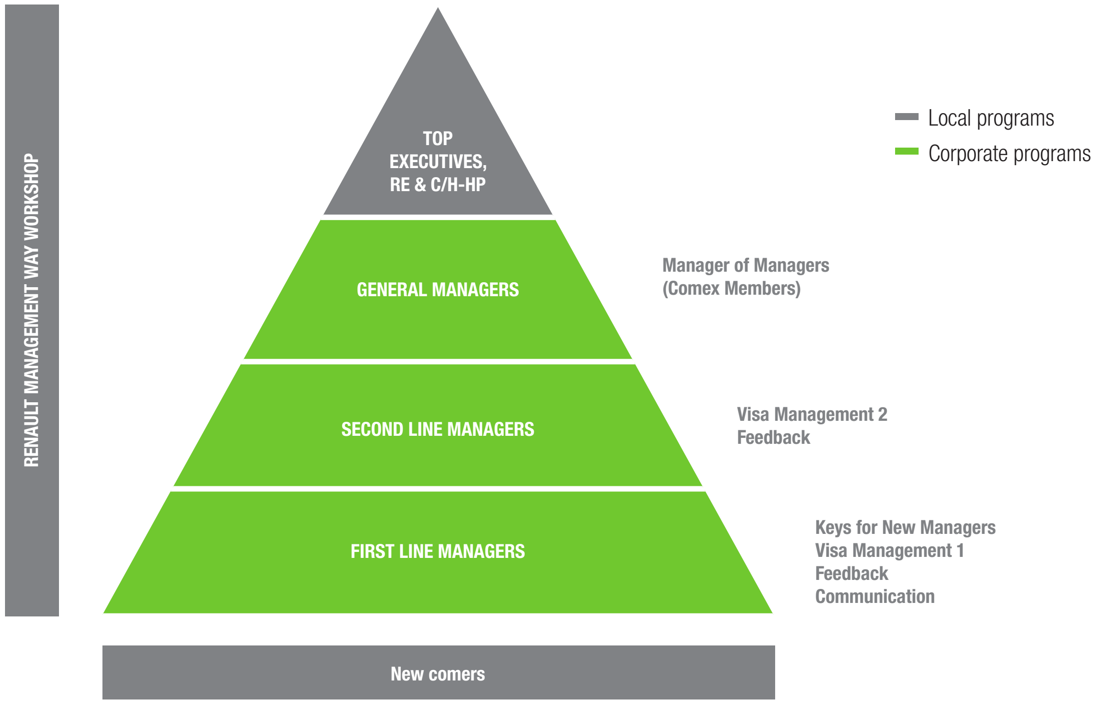
The links with Renault's other partners (Daimler and AVTOVAZ) are also reinforcing an international outlook and the capacity to work productively together.

2.4.2.3 TARGETED SUPPORT FOR MANAGEMENT DEVELOPMENT

Renault continually strives to improve the quality of its management quality.

In 2015, the Group implemented the management training programmes that were updated in 2014, targeting precisely 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 and organized according to the level of management responsibility (below example of France).



In 2015, the breakdown of management training in the Group's major countries was as follows:

COUNTRIES	NUMBER OF MANAGERS TRAINED	% OF MANAGERS TRAINED	NUMBER OF HOURS OF TRAINING
Argentina	275	87%	22,293
Brazil	557	98%	23,596
South Korea	332	96%	6,157
Spain	267	29%	6,684
France	2,355	50%	48,334
Morocco	249	38%	8,255
Romania	575	46%	25,998
Russia	238	73%	4,240
Turkey	152	33%	15,772

To illustrate this, the following initiatives were carried out locally in 2015:

- **Romania** has broadened its management training with three new programmes for specific audiences: Management Committee members, manufacturing managers, first-level engineering managers. With these new products, the country now has a comprehensive offering that covers all functions and levels of management;
- **Turkey** significantly increased the number of hours of training given to its managers in 2015 (+157%), introducing new programmes for key talent (holders of key positions and section heads) and manufacturing managers. This latter program, which covers management basics, is the first stage of a comprehensive Manufacturing School programme designed for plant managers;
- In **Russia**, "Management Clubs" have been extended to all business-lines. Launched in 2014 for manufacturing managers, they now enable all managers to build on the skills acquired during training sessions, engage in interactive discussions, hold workshops and examine case studies.

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 been carried out in France and Turkey to strengthen and broaden the capacity to assist of the Company's managers. About ten missions were carried out in France in 2014, followed by over 20 in 2015. In Turkey, 130 short missions have been conducted since 2010;
- 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 a team for the first time. In this program, offered in addition to the training course already designed for these individuals, new managers benefit from personal support over several months from an experienced and respected manager with whom they can discuss their questions, ideas and experiences;

- the RMW Community: the first Renault group managers' network.

  Set up in 2014 for Group managers on the internal social network My Declic, and with more than 10,000 members, the RMW Community offers managers a new French or English post every week, which may take the form of a short text or a video that is just a few minutes long. In 2015, information posted in text form was also available in Spanish. Using an interactive platform, the RMW Community enables managers in all countries and across all functions to develop their thoughts on management;

RMW COMMUNITY

THE FIRST MANAGER'S NETWORK OF RENAULT GROUP

For whom?

The community is dedicated to **hierarchical managers,** which is more than **10 000 people** all over the world.

All managers are members by default, you just have to follow the link in the weekly email.

This area is yours.

What for?

Confront RMW sprit and its values to the outside world.

Offer one news a week to help you being a more efficient manager in an international company, in no more than 15 minutes.

Create a direct contact with all your fellow managers.

TRENDS /
new trends impacting us

BUSINESS STORIES /
benchmark within easy reach

LEADER'S WORDS /
inspiring people

MANAGER'S WORKSHOP /
education and information tools

How to contribute?

Comment posts to
- Make a clarification
- Initiate a discussion
- Share your questions
- Confide your experience
- Ask for other managers' opinion

In the news feed
- Share a news or a link to an article or a video
- Offer themes of discussion or topics to talk about

CONNECT NOW! mycommunities.sharepoint.renault.fr/communities/renault-management-way/

- RMW 360 Feedback. Available since 2014 on the Talent@Renault platform and in seven languages, this tool enables managers to get feedback on how their managerial practices and behaviors are perceived by their environment (managers, peers, employees). Based on the RMW referential, it defines consistently roles and rules. This means that individual managers can identify their strengths as well as areas where there is room for improvement. They are then invited to consolidate their findings in a personalized action plan built jointly with their line manager.

All these programmes and tools have the Renault Management Way label, certifying that they meet Renault's management standards.

2.4.2.4 ENHANCING RENAULT'S IMAGE AS AN EMPLOYER OF CHOICE

To support recruitment in France and abroad, in 2015 the Renault group decided to bolster its digital strategy by launching a raft of initiatives:

- "**Passion at work**" - a series of videos presenting the various professions that make up the Company's strategic business areas, such as engineering, manufacturing, quality, purchasing, design, connectivity, digital simulation, sales costs. The dynamic, informal tone of these videos conveys how passionately our employees feel about their profession. This video series was designed for use on the Careers site and on social networks;
- Renault's presence on **social networks**, including the world's main professional social network, LinkedIn, by adding a Careers tab on the Company's homepage;

In 2015, the Careers tab was introduced for France, Romania, Morocco, Spain and corporate. This is an essential tool in the communication strategy of a company that wants to manage its online presence, promote its employer brand strategy, demonstrate its relevance and present its products and services innovatively through content customization. Followers of this page can opt to receive information about the Company, its products and new career opportunities that are posted on the site.

Developing a recruitment strategy on LinkedIn allows us to mine a rich seam of exceptional talent, as well as develop the future skills of our recruiters.

The number of followers of the Renault LinkedIn page grew by 45% in 2015, compared with 2014. The Careers tab added for the above-mentioned countries made a significant contribution to this increase.

Initiatives are implemented in individual countries to support local recruitment:

- in **Argentina**, virtual job fairs in the form of a stand on an interactive platform containing information about the Company, with videos, surveys, mailbox, social network presence and links to employee testimonials. Over 13,000 CVs have been received, 56% of which were from women;
- in **Colombia**, more than 3,000 students took part in an event organized in association with the university to encourage innovation projects;
- in **Brazil**, for the fifth consecutive year, Renault has been recognized for its initiatives and has been ranked as one of "The best companies to work for";
- in **France** – Renault participated for the first time in the *Challenge du monde des grandes écoles et des universités*, an event that brings together several thousand students, graduates and businesses in a combined sporting event and recruitment fair. The event also promotes diversity and disability.

A full calendar of social network activities and national events is planned for 2016 to enhance our employer image.

2.4.3 SUPPORT EMPLOYEE ENGAGEMENT

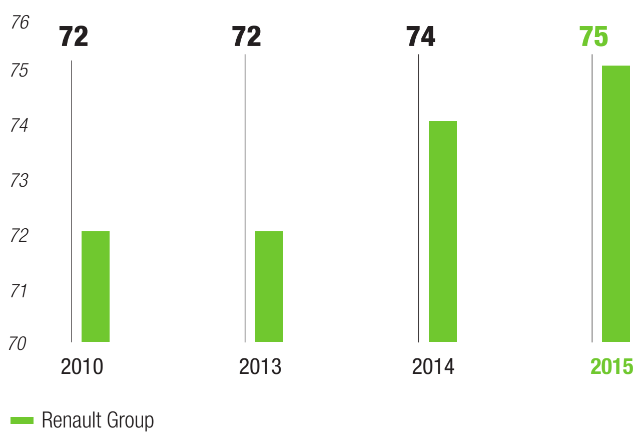
In October 2015, Renault asked all the Group's employees to express their views on their engagement through **the Group employee survey.** As in previous years, the survey was carried out by an independent firm [(1)].

This annual survey follows on from those carried out since 2010. 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 survey **measures changes** in two key indicators: **engagement** and **enablement**.

This provides the Company with a snapshot of employee perception, which it can use as a **progress indicator**.

With nearly 90,000 participants, the 2015 survey recorded an **84% participation rate**. This is extremely high compared with the corporate average and demonstrates the commitment of Group employees.

ENGAGEMENT RESULTS



Engagement is the ability of the Renault group to make people want to come to work for it, to arouse enthusiasm among its staff, and to make its employees strive to do their best. This garnered **75% of positive responses**. While the global standard (all companies in the panel) remains constant, Renault's has increased by one percentage point compared with 2014 and lies **eight percentage points above the global standard**. The key factors of engagement remain solid:

- Pride in working for the Group: 82%, or four percentage points higher than the global standard;
- Recommendation for other people to come to work for the Company: 69%, equivalent to the global standard.

ENABLEMENT RESULTS

The second indicator, enablement, refers to Renault's ability, as perceived by its employees, to create the necessary conditions to allow employees to do the best possible job. A total of **63% of responses were positive**. 65% of employees believe that there are no major obstacles within their team to prevent them from doing their job well: this is three percentage points higher than the global standard.

Apart from measuring changes in employee engagement, the survey results have been used to fine-tune the action plans implemented in 2015.

The next annual survey will take place end of 2016. This has become an effective tool for managers to measure progress, as well as an opportunity for dialogue within the Group to foster employee engagement.

2.4.3.1 IMPROVE THE WORK ENVIRONMENT

An occupational accident prevention, health, safety and work environment policy arose from the commitments made with the signing of the Declaration of Employees' Fundamental Rights in 2004, which were reinforced by the international framework agreement of July 2, 2013 on corporate social responsibility. The policy applies to employees of the Group's brands worldwide – Renault, Dacia and Renault Samsung Motors. Based on risk prevention, this policy aims to ensure employee safety, to maintain their physical and mental health, and to provide them with a motivating work environment.

(1) Hay group is an independent firm that conducts the same survey at many major multinational companies.

AN IMPROVED MANAGEMENT SYSTEM

The Renault group continues to build on deeply rooted policies: one management system is applied in all countries and across all sites and functions. Additional policies include the commitment of management, awareness-raising, and continuous training of managers in risk prevention, as well as the commitment of social partners.

The Renault group benefits from 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 disability project – receive regular training and attend various events to expand their fields of expertise to meet the Company's new challenges.

The health and safety plan launched in 2014 was further extended in 2015. The occupational health and safety programme and objectives are integrated within the Group's strategic objectives ("Drive the Change"), in this case to ensure that the Renault group is one of the leading global industrial companies in these areas. An action plan was approved and is being monitored by the Renault Group Executive Committee. An HSE Director has been appointed for Manufacturing and for Sales and after-sales. This commitment is reflected in four areas of work:

- implementing safety basics applicable throughout the Group;
- training of managers in risk prevention and in particular risk analysis based on a method deployed throughout the Group to improve the prevention of risks in manufacturing and repair shops;
- coordination of safety and ergonomics engineers' clubs by Region to improve network skills and drive forward the initiative;
- initial roll-out of the health and safety management system incorporating OHSAS 18001.

Finally, in order to measure progress and build on the momentum gained in 2014, the Group has identified ambitious objectives for reducing accidents that are monitored at all levels: Corporate, Regions, Divisions and Sites.

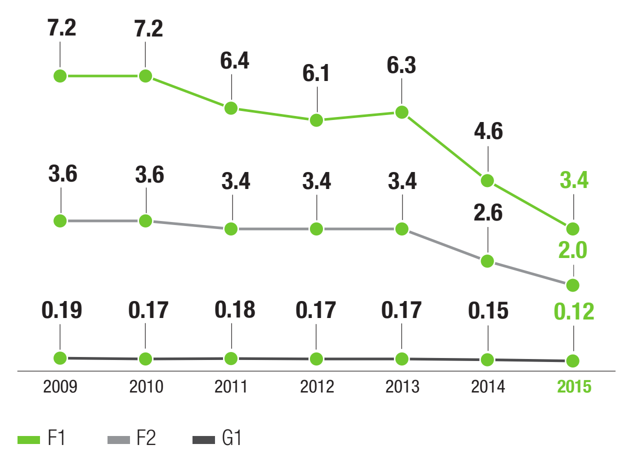
Improvements to our management system and the roll-out of our action plan within the Group yielded significant results in 2015, with the number of accidents reduced by over a quarter compared with 2014.

These results put us on track to achieve an F1 accident rate (i.e. all accidents requiring medical care) equal to 3 in 2016. All Group Functions and Regions are making progress, with many exceeding their ambitious targets yet.

WORKING ACCIDENT TRENDS

The action plan implemented from 2013 onwards yielded very significant results, particularly for industrial sites, with a large drop in the number of accidents:

EVOLUTION OF F1 /F2/G1 RATE – RENAULT GROUP



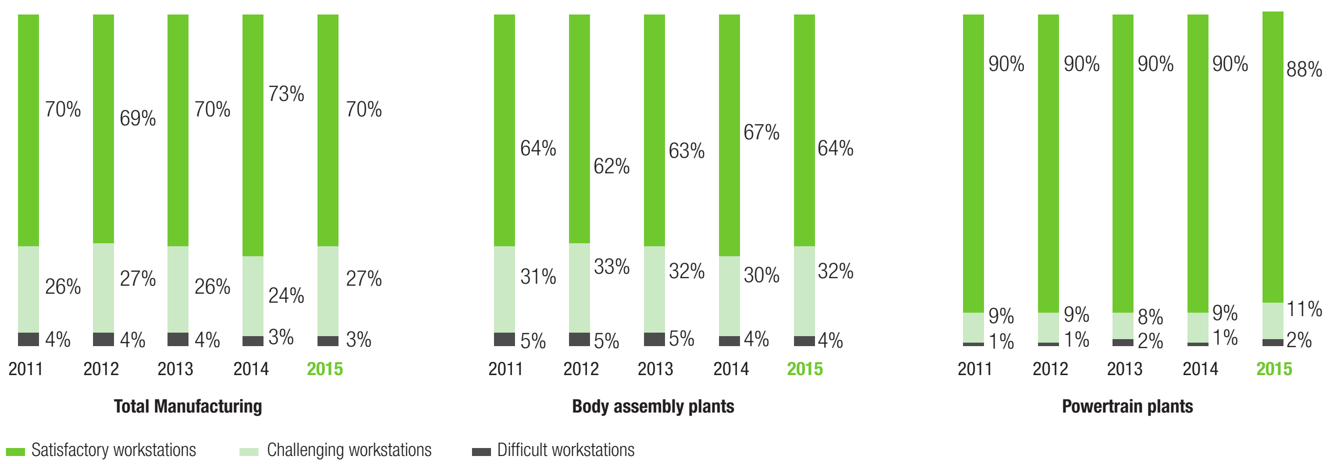
Working accidents are all accidents occurring during and at the place of work.

We observed a significant reduction in the number at Group level.

- **the F1 rate** (number of working accidents requiring treatment off-site per million hours worked) was 3.4 at end-2015, compared with 4.6 at end-2014, which represents a decrease of 26%;
- **the F2 rate** (number of working accidents with lost time per million hours worked) was 2.0 at end-2015, compared with 2.6 at end-2014, which represents a reduction of 23%;
- **the G1 rate** – the index measuring the severity of working accidents – which was 0.12 at end-2015, compared with 0.15 at end-2014, has continued to decrease after having remained stable over the previous financial years. This index corresponds to the number of calendar days lost due to occupational incapacity divided by the number of hours of exposure to risk, multiplied by one thousand.

IMPROVEMENT IN WORKSTATION ERGONOMY

The Renault group has developed an **ergonomics analysis method to assess its workstations**. 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 mapping, classified according to ergonomic constraints, across all the Group's industrial plants. It enables the most challenging workstations to be identified, including during design (vehicle projects), so that the numbers can be reduced. Furthermore, tools have optimized the processes of matching workstations to employees, particularly for staff with restricted aptitudes. A standardized approach to employability and regulated individual files are used by managers and medical staff to transfer persons suffering from restrictions to more suitable jobs.



All manufacturing workstations are assessed using a simplified ergonomic sheet which analyses their physical and cognitive challenges. The workstations are then classified according to the assessment result:

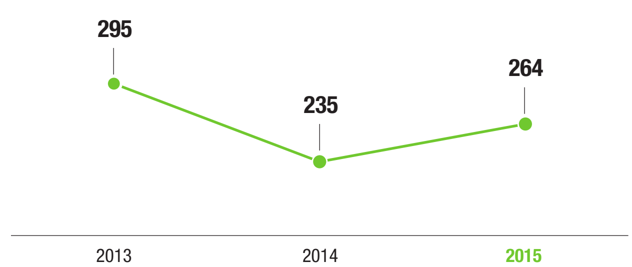
- satisfactory workstation – the workstation meets the target, *i.e.* it has a challenge level acceptable for women and men aged over 45;
- challenging workstation – workstation is acceptable for young men, but actions need to be taken to ensure that it can be used by more employees;
- difficult workstation – very challenging workstation to which improvements must be made and/or for which organizational measures are in place, such as workstation rotation.

As in 2014, 2015 has been marked by a very high number of vehicle and "powertrain" launches at our plants, with productivity growing steadily across all continents. Despite this, there were virtually no changes in the ergonomic rating of workstations, and the number of ergonomically challenging workstations was below 5%. These results are due to measures taken at the design stage of the manufacturing process and ongoing improvements suggested by ergonomists. For example, more than 1,500 improvement actions were identified in 2015 of which 80% have been completed.

ROAD ACCIDENT RISK MANAGEMENT

NUMBER OF COMMUTING ACCIDENTS

The number of commuting accidents was 264 at end-2015 compared to 235 in 2014, an increase of 12%, but remaining below the figures for 2013.



BREAKDOWN OF COMMUTING ACCIDENTS

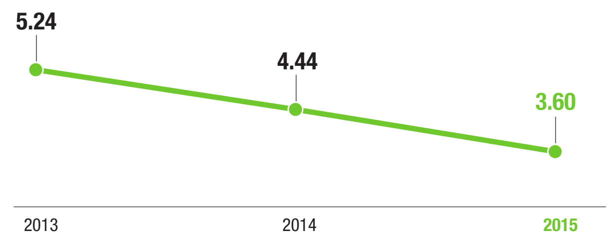
The breakdown of commuting accidents shows that the majority of accidents still involve cars or two-wheelers compared to pedestrian accidents and public transport accidents. This is why the Renault group is continuing and, in the light of these results, intensifying its prevention policy in respect of these types of accidents, in particular through training individuals, information activities or awareness-raising undertaken at the sites. Road risk prevention and safety for employees is discussed in chapter 2.7.1.4.

	CARS			TWO WHEELERS			PEDESTRIANS			PUBLIC TRANSPORT		
	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Breakdown of lost time - commuting accidents	41%	39%	40%	30%	34%	30%	24%	22%	23%	5%	5%	7%
Breakdown of lost time - days	24%	35%	34%	48%	45%	35%	26%	18%	27%	2%	2%	4%

OCCUPATIONAL ILLNESSES

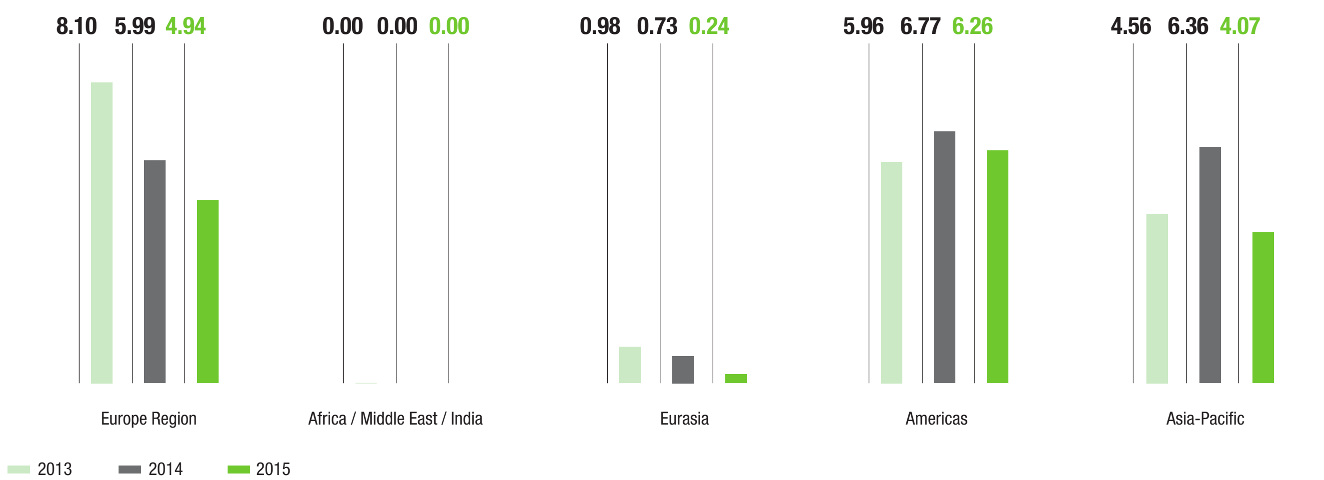
"Occupational illnesses" are pathologies caused by work. These illnesses do not always entail a medical leave of absence. Not all countries worldwide prepare statistics for occupational illnesses. The Renault group is nevertheless endeavoring to maintain worldwide records for this.

OCCUPATIONAL ILLNESS RATE



For the Renault group, the rate of reported occupational illnesses per one thousand employees decreased from 4.44 in 2014 to 3.60 at end-2015, representing a reduction of 18% over one year and 31% over two years.

OCCUPATIONAL ILLNESS RATE BY REGION

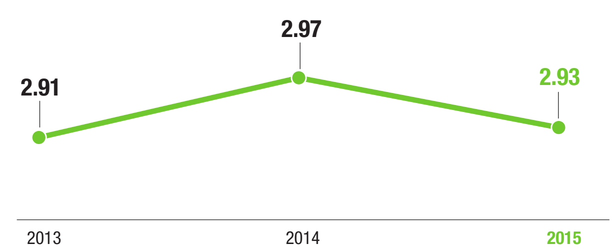


Reported occupational illnesses expressed in thousands per 1,000 employees.

The rate of occupational illnesses decreased in all regions compared to 2014. This reduction is of a steady and very significant nature in Europe. These results are due to preventative actions implemented in many countries through training and information initiatives (for example, «gestures and postures» or «ergonomics»), but also actions to continuously improve physical working conditions.

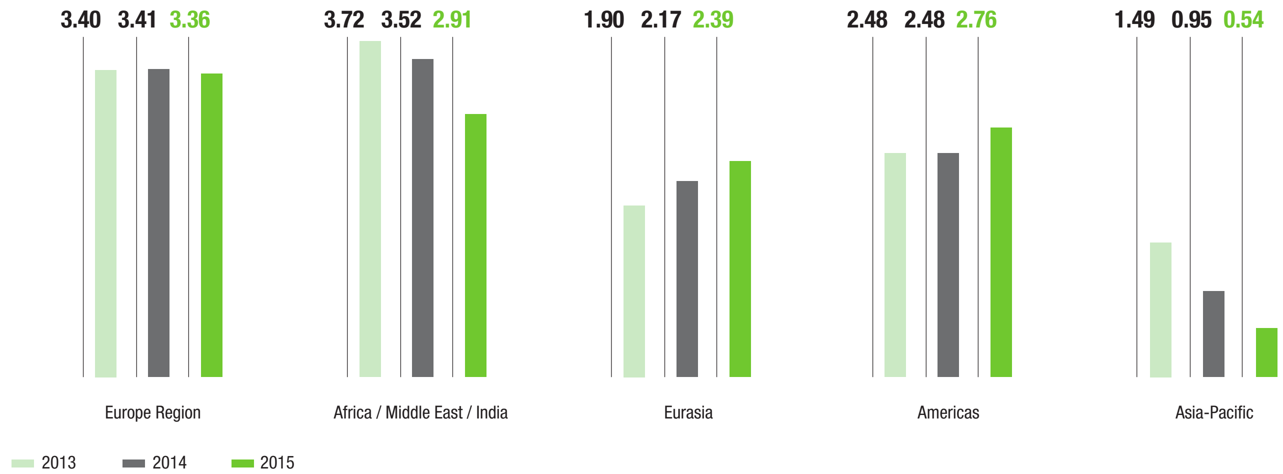
No occupational illness information is collected in the Africa, Middle East, India region. One notable factor in this result is the lack of statistics for occupational illnesses related to musculo-skeletal disorders in the countries of this Region.

GROUP ABSENTEEISM RATE



The absenteeism rate for the Renault group was 2.93%, a reduction compared to 2014 (2.97%). This reduction is due to actions implemented at several sites to reduce absenteeism on grounds of illness, notably thanks to health awareness and information policies. The rate of coverage for this indicator is around 99.9% of Group employees.

ABSENTEEISM RATE BY REGION OVER THREE YEARS



The rates vary greatly from one country to another, particularly because of the extent of social security coverage (whether provision is covered by pubic bodies or not). Rates decreased in the Europe, AMI and Asia Pacific Regions. They increased in the Americas and Eurasia Regions, primarily because sites have not yet implemented specific actions in this area.

The absenteeism rate is expressed as a percentage and is calculated on the basis of the average monthly workforce (permanent + fixed-term contracts) and a yearly theoretical number of working days.

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 method is available in the Methodological note.

A GLOBAL FRAMEWORK TO ENSURE LONG-TERM CONVERGENCE BETWEEN GROUP PERFORMANCE AND EMPLOYEE QUALITY OF LIFE IN THE WORKPLACE

A global framework for the work environment was introduced in **2012**. It aims to make Renault a place where the 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.

Each country **has undertaken concrete actions to improve workplace conditions**. Many plants continue to stand out, such as the sites in Slovenia, Brazil and Colombia. For example: health training for both employees and families, developing local services for personnel, providing on-site sports facilities and organizing tournaments, holding regular social events and encouraging dialog, and even physical exercise sessions at the start of factory shifts. In France, various initiatives aim to encourage dialog in order to settle day-to-day manufacturing unit issues (for example: demonstrated by table of issues). «Calm spaces», are being introduced at several sites, providing employees with the opportunity, for example, to take a nap at their workspace.

In the area of **health and prevention of occupational illnesses**, regular medical check-ups allow for preventive action, early screening for medical disorders, and ongoing medical monitoring of employees. The Renault group also regularly organizes information and training campaigns on topics such as ergonomics, stress, sleep and vigilance, cardiovascular risk factors (healthy eating, physical activity, etc.).

Regarding the prevention of psychosocial **risks and work-related stress**, a training course to identify people in difficulty and to improve quality of life **in the workplace was** introduced in **2012**. A training course entitled "act on the quality of life in the workplace, prevent psychosocial risks" has been introduced at several sites. More than 2,000 managers underwent training in France in 2015.

This complements the system already in place, consisting of:

- listening and support from medical teams (doctors, nurses and psychologists);
- 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 end-2015, more than 101,800 tests had been carried out as part of medical check-ups.

2.4.3.2 ASSESSMENT, DEVELOPMENT AND REMUNERATION

The performance appraisal, development and remuneration system has the two-fold objective of being fairer and more competitive. Talent@Renault is a global approach 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, employees (white collar), and the HR function. The introduction of this approach and its associated tools was completed in 2015 and now covers every country. **Performance is assessed** on the basis of three principles: team spirit, common criteria, and dialog, using the annual performance review.

Job performance is assessed according to specific criteria that are identical across 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 within the Company. The assessment is based on a discussion between manager and employee during the annual performance review. The performance 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, an improvement plan is implemented by the manager and employee to give fresh impetus to individual performance.

Talent@Renault also provides a way to share common policies and practices in **employee development** at Group level, 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 white collar staff is based on:

- **the level of responsibility.** Positions have been assessed according to their level of responsibility, using to the Hay international methodology. This assessment makes it possible to draw up a complete internal mapping of positions across the various business-lines and Regions, thereby ensuring greater transparency and global equality of 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. By end-2015, this job assessment method had been introduced in 34 Group countries.
- **work performance, or the capacity to perform a role**, 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 part of the remuneration of managers and executives is calculated according to the following principles:

- the higher the level of responsibility, the higher the percentage of variable remuneration;
- the higher the level of responsibility, the higher the percentage of collective targets;
- payment of variable remuneration is determined by achievement of two targets at Group level;
- variable remuneration is based on collective targets as well as the assessment of individual performance.

Two systems are 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 section 3.3.

EMPLOYEE PROFIT-SHARING

Renault has an incentive scheme for employees in France that includes the redistribution of Group profits as well as bonus payments for contributions to site performance.

Financial Year 2015

A new agreement for 2014-2016 was signed on February 17, 2014. As before, this agreement is in two parts:

- profit-sharing linked to the Group's operating margin;
- local incentive schemes based on site performance.

Over the past three years, profit-sharing and performance-related bonuses at Renault s.a.s. totaled the following amounts:

YEAR	AGGREGATE AMOUNT: INCENTIVE AND PERFORMANCE-RELATED BONUSES (€ million)
2013	74.65
2014	109.4
2015	111.1

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 labor 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 Actions Renault Fund throughout the year.

In 2015 total payments into Renault's savings scheme amounted to €19 million (up 14%, compared with 2014), of which 91% in the form of bonus transfers.

In 2011 Renault introduced a group retirement savings 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 profit-sharing bonuses, voluntary payments or part of their individual time savings leave (CTI, up to 10 days per year) into the plan. In addition, Renault will contribute the equivalent of 25% of the CTI days paid into the plan.

Employees can choose between free management of their savings, the funds proposed as part of the selected Group savings plan (with the exception of the Company share ownership funds) or management through the generational funds in the Natixis Horizon Retraite range.

In 2015, total payments into Renault's collective retirement plan amounted to €13.7 million, of which 79% came from the cash-out of paid leave.

The total value of Renault's company savings plans at December 31, 2015, was €897 million (see Appendix 2.9.1).

At end-2015, RENAULT decided to change the account trustee for its company savings plans. BNP ERE will now be the account trustee for present and former Group employees for all funds held in the Group savings and retirement plans.

COLLABORATIVE INNOVATION

Involving all personnel in a process of collaborative innovation has been a deep-seated part of Renault's corporate culture for more than 20 years, through the organization and promotion of "practical suggestions for improvement" (PSI). Supporting employee creativity continues to be one of the Company's main concerns, both because their knowledge of their work environment means that they are in the best position to suggest improvements and because of the direct link between employee creativity and motivation.

In 2014, Renault s.a.s. decided to renew and reform its participative innovation management. This new system encourages the generation of ideas resulting in quantifiable savings. It is complemented by the implementation of a quality control team.

2.4.4 SOCIAL DIALOG

In 2015, the social dialog within the Group received particular attention and reflects the Group's aim to prioritize negotiation in order to meet the contemporary challenges: combining corporate competitiveness with social cohesion, whilst still taking into consideration diverse expectations and highly contrasting local economic environments.

2.4.4.1 A SOCIAL DIALOG ACROSS FIVE CONTINENTS

The Renault group Works Council (*Comité de Groupe* Renault, CGR) is the sole forum representing all the Renault group employees worldwide. Involving Senior Management representatives and employee representatives from countries in which the Company is present, the Council reflects the geographical, social and professional diversity of Renault worldwide.

As the preferred forum for open and responsible international dialog, it allows Senior Management and employee representatives to discuss the Group's position and strategic direction, and also the interests of employees as a whole, while respecting all stakeholders.

This regular dialog enables Senior Management and employee representatives to anticipate more accurately any social aspects of changes at the Renault group level, in order to combine the Company's financial performance and social development in the context of globalized competition.

The Renault group Works Council is also the forum that monitors the global framework agreement **"Committing together for sustainable growth and development"**, agreed on July 2, 2013, by Renault Senior Management, the Renault group Works Council and IndustriALL Global Union.

GLOBAL FRAMEWORK AGREEMENT

"Committing together for sustainable growth and development".

The global framework agreement is a frame of reference for the application of human resources policy, in accordance with national legislations and conditions of social dialog.

2015 was marked by sustained activity in Europe, even though the economic environment remained fragile. At the same time, in the majority of emerging countries where Renault operates, economic or social instability affected the social climate, which caused greater tensions than in preceding years.

In this context, the Renault group Works Council and the global framework agreement were significant instruments for deploying our social policies at the international level.

KEY POINTS OF THE GLOBAL FRAMEWORK AGREEMENT

- **Comply with the principles set forth in the 1998 Declaration on Fundamental Principles and Rights at Work prepared by the International Labor Organization (ILO).**
- **Promote social dialog**, notably through complying with the principles established in the International Labor Organization's Freedom of Association and Protection of the Right to Organize Convention No. 87 of 1948, and its Right to Organize and Collective Bargaining Convention No. 98
- **Protect health, safety and the quality of life in the workplace**, by defining a "health and safety and workplace environment" policy, involving managers, employees, health and safety professionals and employee representatives, according to their fields of responsibility
- **Manage skills and employment**, by anticipating as far as possible changes in business activities through a dynamic skills-based approach, while promoting diversity
- Ensure compliance with **the provisions of the ILO's Equal Remuneration Convention No. 100**
- Ensure that wherever it operates in the world, employees and their families enjoy adequate protection in the **event of fatality, disability, working accident or occupational illness**
- **Make the respect for fundamental social rights a decisive criterion when choosing suppliers and subcontractors**
- **Promote the three priority areas of social responsibility:**
  - support for educational projects
  - helping young people to begin working in the automotive industry
  - promoting road safety
- **Contribute to environmental protection and to sustainable mobility for everyone**

PROMOTION AND RESPECT FOR FUNDAMENTAL LABOR RIGHTS

The Renault group is committed to complying with the principles set forth in the 1998 Declaration on Fundamental Principles and Rights at Work prepared by the International Labor Organization (ILO):

- effective abolition of child labor;
- elimination of all forms of forced or compulsory labor;
- elimination of discrimination in employment and occupation;
- freedom of association and the right to collective bargaining.

These principles are embedded in the following ILO conventions:

- Minimum Age Convention No. 138 of 1973 and Worst Forms of Child Labor Convention No. 182 of 1989;
- Forced Labor Conventions No. 29 of 1930 and No. 105 of 1957;
- Discrimination (Employment and Occupation) Convention no. 111 of 1958;
- Equal Remuneration Convention No. 100 of 1951;
- Freedom of Association and Protection of the Right to Organize Convention No. 87 of 1948;
- Right to Organize and Collective Bargaining Convention No. 98 of 1949;
- Workers' Representatives Convention No. 135 of 1971, in order to prevent any form of discrimination on the grounds of labor union involvement.

From July 26, 2001, the Renault group has also adhered to the universal principles of human rights set out in the United Nations Global Compact. In accordance with the Global Compact, the Renault group seeks, in particular, to combat all forms of corruption. The Renault group raises employee awareness of this issue *via* the Renault group Ethics Charter and different communication and/or training methods.

The Renault group is also committed to complying 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. It also recognizes ISO 26000 as a standard of reference.

2.4.4.2 WORLDWIDE ORGANIZATION OF SOCIAL DIALOG

The representation of 40 members of the Renault group Works Council is a testimony to the geographical, social and professional diversity of Renault worldwide. It aims to promote the expression of this diversity, primarily by enabling the main Group entities or subsidiaries to be represented in an effective manner with respect to the relevant employees and within a globally balanced framework:

- European Economic Area: 31 members;
- other countries: 9 members.

The Renault group ensures that employees are represented across all Group entities by elected employees from these representative entities or labor union members. It reaffirms its commitment to respect the right of freedom of association, in terms of the freedom to join and hold office in a labor union, in accordance with the principles laid down by International Labor Organization Freedom of Association and Protection of the Right to Organize Convention No. 87 of 1948.

The Renault group is also committed to respecting the terms of the International Labor Organization Right to Organize and Collective Bargaining Convention No. 98.

The full Works Council members, or their substitutes, must be employees of Renault or of a subsidiary in which Renault owns, either directly or indirectly, more than one-half of the share capital. They must hold the position of employee representative in it, whether through election or by labor union membership.

The Renault group Works Council may meet in several configurations including notably the Worldwide Works Council, the European Works Council and the Works Council Restricted Committee.

The Works Council principally met in 2015 as the Worldwide Works Council and as the Works Council Restricted Committee. The Group's business activity has not required a meeting of the European Works Council configuration. For the global framework agreement there is also a monitoring committee and a follow-up meeting, with all of the Worldwide Works Council members represented.

SOCIAL AGENDA 2015

FIRST HALF-YEAR	SECOND HALF-YEAR
Negotiation of the amendment regarding the operation of the Renault group Works Council.	Plenary session and meeting with the Chairman
Report on new Alliance synergies	Discussions with the automotive industry platform of the Castile and León (Spain) region
Report on strategic cooperation with Daimler	Discussions with a delegation from Renault Samsung Motors (Korea) on the economic and social context of the country
Assessment of the implementation of the Next project (Europe)	Visit to Douai and Oyak Renault (Turkey)
Visits to Revoz (Slovenia) and to Cléon	Restricted Committee learning session in Romania (Mioveni, Titu and Bucharest)
Presentations of new products and new brand identity	Discussions on the establishment of a special collective bargaining group for 2016
Monitoring commission for the global framework agreement	Monitoring meeting for the global framework agreement • day devoted to health, safety and the quality of life in the workplace • joint country presentations about the vitality of local employee dialog (Argentina and Romania)

In 2015, the Renault Group Works Council held 23.5 days of discussions, including 2 days of plenary sessions, 2 days of negotiations for a new amendments to the Works Council operating agreement,3.5 learning session days, 3 days of monitoring the global framework agreement and 6.5 days of Works Council Restricted Committee meetings.

MONITORING THE GLOBAL FRAMEWORK AGREEMENT

The signatories included in this agreement **an annual reporting tool** consisting of 60 indicators, defined jointly with industry experts and social partners.

These 60 indicators were also directly inspired by the guidelines of the **Global Reporting Initiative (GRI) and ISO 26000.**

This reporting tool is supplemented by annual in situ discussions with industry experts and local suppliers during the study visits undertaken each year by the Works Council Restricted Committee, to gain a better appreciation of the socioeconomic and cultural aspects of a particular country where Renault operates and a better understanding of Renault's industrial, commercial and social challenges in that country.

In this sense, the global framework agreement is a frame of reference for the application of human resources policy, in accordance with national legislations and local conditions of social dialog.

As far as employment in rapidly growing markets is concerned, the Renault Group, through the profitability of its products and the competitiveness of its industrial and commercial operations, plays a role in economic and social progress by encouraging the development of employment and employability within the industrial and commercial context.

In the context of strong fluctuations in demand and of diverse automotive markets, the Renault Group is seeking to find the best possible balance between the Company's interests and quality of life in the workplace for the employees in question, through consultations with employee representatives and labor unions. The relevant measures are implemented in accordance with national legislations and the local social dialog conditions.

The measures related to skills and employment are the subject of particular attention in the context of monitoring the global framework agreement. In the event of possible issues, the signatories, who are careful to maintain the climate of trust required in such circumstances, are committed to favoring the search for a solution through dialog, rather than any other action, by maintaining the confidential nature of discussions. Local problems that are drawn to the attention of the signatories are initially examined as part of local social dialog. If required, a solution will be sought at the country, regional and, if necessary, the Renault Group levels.

2.4.4.3 ONGOING LOCAL SOCIAL DIALOG

Multi-annual competitiveness agreements enable the interests of the Company and of employees to be reconciled.

The state of the markets and corresponding business trends at Renault led an increasing number of countries to sign **multi-annual competitiveness agreements**, matching the allocation of new products to more flexible working, moderate pay policy and adapted employment terms.

This is the case in **Spain**, where a three-year agreement (2014-2016) was signed in November 2012 with the largest labor unions UGT, CCOO and CCP. This agreement was enhanced by a generation contract. The Palencia plant was assigned the Renault KADJAR production, which started in April 2015, along with the new MEGANE from end-2015. As a result, the Palencia plant has been working three shifts since September 2015. The Valladolid body assembly plant has also been operating on three shifts for the production of the TWIZY and the CAPTUR. Finally, this employee agreement has enabled 3,000 employees to be taken on and around 800 "relevo contracts" will be transformed into permanent contracts before end-2016.

In France, the agreement concluded in spring 2013 with the three largest labor unions (CFE-CGC, CFDT and FO), the **"Contract for Renault's renewed growth and employee development in France"** has, in particular, created the right conditions for the production of 132,000 Micras to be assigned to the Flins factory by 2016, volumes of FIAT vehicles to the Sandouville plant and the transfer of the production of Micra chassis systems to the Le Mans plant. In March 2015, the Cléon plant started up a new production line for the Alliance electric motor, benefiting from €50 million of investment. Due to the efforts made since it was signed, together with a high level of activity, Renault has recruited 1,000 people on permanent contracts (250 more than provided for in the agreement), of whom half are employed at the plants and the other half in other functions, particularly in Engineering. This recruitment covers all professional categories (blue collars, technicians, engineers and white collars) and includes both recent graduates and experienced employees.

Following this agreement, **a new profit-sharing system** was implemented **for 2014-2016**. Signed by the CFDT, the CFE-CGC and FO on February 17, 2014, the new profit-sharing agreement includes two distinct systems. The first system, which involves Group profit reinforces and clarifies the link between improvements in the results and employee compensation.

The second system, of local site performance-related profit-sharing, aims to improve results relating to Quality, Cost and Delivery, and harmonizes the measurement criteria across Group entities, to ensure fairness and the development of a sense of belonging within the Group.

In **Brazil**, the two-year collective agreement signed in spring 2014 with the largest labor union, SMC, provides for the re-integration of jobs which have been outsourced until now.

In **Slovenia**, the agreement concluded on October 30, 2014 with the labor partners covering the years 2014, 2015 and 2016 combines fluctuating activity, adjustment of working time, employment and remuneration.

In **Argentina**, the agreement concluded on March 19, 2015 has three key elements: extending the opening hours of the plant, flexible work time, employment and pay.

In **Korea**, the agreement concluded in July 2015 enables Renault Samsung Motors to maintain RSM's competitiveness in a particularly uncertain market, employment stability and employee quality of life.

Finally, 84.3% of the employees of the Renault Group sites are covered by a **collective agreement**. It should also be noted that for the first time in 2015, Romania concluded a collective labor agreement for all of the employees of Renault Technologie Romania SRL.

SUMMARY OF COLLECTIVE AGREEMENTS

The 37 major collective agreements signed this year with social partners at country level, testify to its desire for responsible social dialog, in line with Group strategy and its human resources policy. There were several major areas of focus:

- company collective agreements;
- agreements promoting social dialog;
- salary policy and employment protection agreements;
- agreements promoting diversity;
- agreements on organizational restructuring.

NUMBER	COUNTRY	DESCRIPTION
		COMPANY COLLECTIVE AGREEMENTS
	Argentina	Competitiveness agreement of March 19, 2015
	Italy	Accordo contratto integrativo (Renault Italia and Sodicam Italia)
	Romania	Collective agreement (Dacia)
	Romania	Collective agreement (Renault Technologia Romania)
5	Slovenia	Kolektivna Pogodba (Revoz)
		PROMOTING SOCIAL DIALOG
		Amendment related to the Renault Group Works Council
		Agreement on the method and schedule for collective bargaining in 2015 and 2016
		Agreement on determining different sites and the composition of the Renault s.a.s. Central Works Council.
		Company agreement of October 9, 2015 on electronic voting for professional elections to the site committees and for employee representatives (Renault s.a.s.)
		Pre-election protocol agreement (Flins)
	France	Night vote (Flins)
		Pre-election protocol agreement (Grand-Couronne)
		Agreement on the composition and operation of the Health, Safety and Working Conditions Committee (CHSCT) (Le Mans)
		Site Works Council pre-election protocol agreement (Renault head office)
		Pre-election protocol agreement (Regional departments)
		Employee representative pre-election protocol agreement (Renault head office)
		Pre-election protocol agreement (Villiers-Saint-Frédéric)
13	Poland	Porozumienie pomiedzy Rada Pracownikow a Pracodawca w sprawie informownia oraz przeprowadzania konsultacji w Spolce (Renault Retail Group Warszawa)

NUMBER	COUNTRY	DESCRIPTION
		REMUNERATION, LEAVE ENTITLEMENTS, SOCIAL PROTECTION
	Germany	Gesamtbetriebsvereinbarung (Renault Retail Group Deutschland GmbH)
	Germany	Gesamtbetriebsvereinarung (Renault Retail Group Deutschland GmbH) - Vehicle sales
	Colombia	Pacto colectivo de los trabajadores de Sofasa
	Korea	Renault Samsung Motors 2015 Wage bargaining agreement
	Chile	Contrato colectivo
		Agreement of March, 6 2015 on annual salary negotiation (RENAULT s.a.s.)
		Annual salary negotiation (ACI Villeurbanne)
		Agreement of February 25, 2015 on salary negotiation (Fonderie de Bretagne)
	France	Amendment to the Company savings plan
	Morocco	2015 protocol agreement
11	Portugal	2015-2016 Workers' rights agreement
		PROMOTING DIVERSITY
		Agreement on gender equality between women and men within the Renault Retail Group (RRG) Economic and Social Unit (UES)
		Agreement on gender equality between women and men (Diac)
3	France	Agreement on the employment of disabled people (Sodicam 2)
		ORGANIZATIONAL RESTRUCTURING
		Fixed-term agreement on the capitalization of overtime arising from the extension of the afternoon working session in 2015 (Douai)
	France	Fixed-term agreement on adapting the plant to commercial requirements (Maubeuge Construction Automobile)
5	Spain	Changes to the Engine Assembly department organization x 3

2.4.4.4 RESPONSIVE INTERNAL COMMUNICATIONS

Dialog within the Group is at the same time nurtured by responsive and varied internal communication. Renault ensures that its employees are always kept up to date on what is happening in the Company, through a network of communication teams working within the business-lines and countries.

The Group has a single magazine, Global, designed for all its employees worldwide. With a print run of over 100,000 copies, the *Global* magazine is written in French and English and comes in eight local versions: Argentina, Brazil, Colombia, Romania, Russia, Slovenia, Spain and Turkey.

The second pillar of the Group's internal communications: **Declic, the bilingual French/English intranet portal**. This portal can be accessed anywhere in the world by all employees with a computer, *i.e.* around 50,000 people. The information on the homepage is updated daily to ensure rapid and widespread dissemination of Group news. The aim, whenever possible, is to give employees information either, before or at least simultaneously with its internal or 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. Videos are increasingly used to provide new site content. Employees can also watch video streaming broadcasts of strategic events (financial results, announcement of partnerships, etc.). *Open forums* (question and answer sessions) with senior executives are organized three or four times each year.

Employees are also offered a programmme of events that help to improve their knowledge of the product (exhibitions, the chance to test-drive vehicles, exclusive previews of new models). These events are also a way of teaching employees about health and safety issues, and about getting along together, both in the workplace and beyond.

The Chairman and CEO and the Group Management Committee hold frequent e-conferences to brief managers on current strategic projects. Educational materials are also sent out every month to all managers so they can inform their teams about results, the month's news and upcoming events.

2.5 HANDING ON KNOWLEDGE FOR THE FUTURE

Ever since the Renault group CSR strategy was formalized in 2009, education has been a top priority within the CSR policy.

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, covering societal, environmental and labor-related issues.

This chapter provides an overview of the social commitments made by the Group in 2015 with respect to educating the younger generation and the less well-off.

This concerns:

- relations with schools/universities worldwide;
- financial support for access to education throughout the world;
- training through research to encourage innovation.

2.5.1 RELATIONS WITH SCHOOLS/UNIVERSITIES WORLDWIDE

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.

2.5.1.1 THE RENAULT FOUNDATION WWW.FONDATION.RENAULT.COM

The Renault Foundation was founded in 2001 and is dedicated to higher education. It operates on the principle of equal opportunity and represents an outstanding example of the Company's efforts in the realms of 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 types of activity:

- the financing and joint creation of academic programmes in partnership with prestigious universities in France (Paris Dauphine University, *École 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;
- the financial support provided 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*) or to sharing knowledge and innovation (*Fonds de dotation Universcience*).

In 2015, the Foundation reinforced its partnerships worldwide, particularly in Brazil, Russia, Turkey, China, Algeria and Romania.

On the academic side, the Foundation supported and financed five educational programmes in 2015:

- one professional degree in Electric Vehicles and Electromobility (LPVEE);
- three master's degrees: Transportation and sustainable development, Mobility and Electric Vehicles, and Road Safety Management;
- one MBA in multicultural management.

These programs, created in conjunction with university partners, place particular focus on three areas at the heart of the Company's concerns: multicultural management, sustainable mobility and road safety.

The Foundation identifies young talents, and then offers them training programmes and support. For example, it organizes and finances in full the scholarship students' year of study in France (and in Lebanon for one of its programs): monthly grants, enrollment in the French schools and universities, social security, round-trip travel between the home country and France, economic and cultural educational trips.

Each year, over 80 Foundation scholarship students graduate.

In accordance with its articles of incorporation, Fondation Renault is not an incubator of young talent for Renault. It operates independently of the Company's recruitment policy. As it deals with corporate sponsorship, its role is to train young people in future functions in liaison with the Company's functional expertise. However, Renault can benefit from these young people during their work placement/apprenticeship for those who want to undertake these at the Company.

2.5.1.2 INSIDE THE RENAULT GROUP

The Renault foundations that exist within the Group's subsidiaries are also involved in higher education in their respective countries. For example:

- for the fourth consecutive year, the Renault Foundation Spain awarded its best final project prize to an industrial engineering student for a project involving sustainable mobility;
- the Renault Foundation Colombia continues to provide support to engineering students through its «Renault German Camilo Calle» program;
- in 2007, Renault Romania created the AEP master's programme (Automotive Engineering Project) in association with the University of Compiègne in France (UTC). This master's programme was created in close collaboration with Renault Romania's engineers and is offered in the partner technical universities of Bucharest, Pitesti, Craiova and Lasi in their respective specialties. 90% of graduates from this programme have been hired upon completing their internships with Renault Romania or one of its subcontractors.

2.5.1.3 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 from the academic world.** The sharing of knowledge is part of the Group's DNA. The Company makes appropriate expertise available, giving the employees involved a sense of satisfaction.

  Many employees spend some of their work time teaching classes at different schools/universities. These activities are organized either through official partnerships such as the Renault Foundation's academic programs, or at schools and universities in countries where Renault operates.

  In France, at the Ruitz STA site, employees coached 19 students in order to show them how to form, develop and bring to life a small company through the "Learn through Business" challenge. This enabled high school pupils to find out about the general workings of a company, budget management, production concepts, customer relationships and communication;
- **equipment donations.** In addition to its employees' expertise, the Renault group is well aware that knowledge is gained through the practical application of academic knowledge, and has made numerous vehicle and tool donations to schools.

  In Spain, for example, the Renault Foundation Spain gave a TWIZY to the Antonio de Nebrija University in Madrid, to round off the practical training of its engineering students.

  In Romania, Renault has provided teaching tools (cars, engines, transmissions, spare parts) to schools, high schools and universities, as well as computers to create a better learning environment for students. The equipment donations made since 2006 exceed €1.5 million;
- **welcoming students into the Company and leading them toward the professions of tomorrow.** Whether within the context of apprenticeships, internships, or even during business orientation programs, the Renault group places great importance on bridging the gap between young people and the professional world on every continent.

  Class trips organized to the Group's sites are very common practice within the Group. They aim to strengthen the relationship between the Group and the communities within which it operates.

  During 2015, Renault Colombia, has built its "Renault Experience" program, which introduces young people to the engineering professions. A large number of these individuals may be hired by the subsidiary upon completing their training. The Senior Management of Renault Colombia introduced the students to the DUSTER, and also organized a competition to encourage their creativity in the context of innovative solutions for the automotive industry. Two students from the UPB University in Medellin were awarded prizes on this occasion.

  Renault Russia, as part of its "plants for children" project organized five visits that, in addition to finding out about the plant, enabled them to attend various workshops and so learn about the manufacturing professions.

  In 2014, Renault Morocco signed a memorandum providing for the creation of a "bac pro" professional training programme at the Tangiers Med training institute for the automotive industry. This three-year renewable partnership promotes the creation of professional training programmes in the automotive field.

FOCUS ON APPRENTICESHIPS

In France, for example, the Renault Foundation prepares young people for tomorrow's careers through its professional degree programme in electric vehicles and Electromobility. Since 2012, the Company has offered around 60 apprenticeships in this new field to the students enrolled in the initial four classes of this professional degree programme. Many have pursued a second year of apprenticeship within the Company on the Master Pro training program, thanks to the strength of the relationship between the programme and the Company, as well as the programme's proven value.

In Colombia, Renault has implemented a cooperation agreement with the SENA to reinforce the quality of working relationships within the automotive industry. This public/private initiative should enable 82 apprentices to receive Renault's international accreditation in 2015.

Renault Romania has implemented a cooperation protocol to revitalize vocational education. This protocol, signed by the Romanian Prime Minister and Renault Romania Senior Management, was launched in 2014 with the Mioveni vocational high school. It provides for the creation of specialized courses in equipment design, manufacturing and maintenance, as well as stamping and smelting.

In addition, over 100 students per year have the opportunity to complete an internship with Renault Romania thanks to the Drive Your Future programme. This programme can be considered a career initiation since 30% of these students obtain employment contracts upon completing their internships;

- **bringing teachers into the Company:** through a partnership between the Renault Foundation and the Croissance Responsable Foundation, the Company opens its doors to junior high and high school teachers and guidance counselors. This innovative program, which brings together education and the corporate world, organizes three-day job shadowing experiences for teachers and guidance counselors.

  In Colombia, through the "Principals Leader Transformers" program, an Alliance with the local government, more than 16 school principals from state schools in the Uraba region received training to reinforce their leadership skills, giving them the means to transform their schools;
- **being challenged by joint school and industry projects.** For its 9th edition in 2015, the "Race in School" competition focused on F1, and involved over 200 high school students and their teachers from 24 education authorities throughout France. The objective is to work as a team to design, manufacturing and test a reduced-scale model electric F1 racing 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 exceptional experience allows young people to learn more about the automotive trades and perhaps encourages them to pursue this avenue professionally.

RENAULT MOBILIZ AND ICAM

In 2015, Renault Mobiliz and the *Institut Catholique d'Arts et Métiers* (ICAM) launched a partnership in the area of social entrepreneurship. Each year the fourth year students at the different ICAM sites (Lille, Nantes, Toulouse and Melun Sénart) work on a group project to form a company.

Together with the young entrepreneurs from Ticket for Change*, the Renault Mobiliz team went to meet students to:

- speak to them about the methodology for creating the Ticket for Change project (www.ticketforchange.org/) and offer them support from the Ticket for Change programme teams;
- offer them, according to the type of projects, *tutoring* by one of the 27 Renault ICAM volunteer engineers (from the 177 identified) to support them with their project.

Where a winning project meets the eligibility criteria, it may be put forward for funding from Mobiliz Invest (see 2.2.3.1).

After just four months' work, four projects have been sent to Mobiliz and proposed for tutoring by the ICAM engineers.

2.5.2 SUPPORT FOR ACCESS TO EDUCATION THROUGHOUT THE WORLD

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 and prevent student drop-outs are the cornerstone of the Company's CSR social policy.

2.5.2.1 SCHOOLING AND EQUAL OPPORTUNITY

Equal opportunity at the core of the Renault group's CSR values 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.

Russia has extended the "Professional Initiation" programme that enabled over 20 young people from Moscow to discover the automotive professions. The programme includes a factory visit, a workshop on safety in the workplace, and a course in manual dexterity.

In Morocco, Renault is continuing to invest to help keep children from dropping out of school. In 2015, this involved refurbishing the school in Laayoun (17 km from Essaouira), and also making efficient and safe school transport (Renault MASTER) available to students, for the journey to the high school in Meloussa where the Tangiers plant is located.

However, access to education is not just an issue affecting distant regions. In France as well, it may be difficult for the poorest people to access education. In 2014, Renault France, alongside the *École Polytechnique*, championed equal access to educational opportunities by signing a partnership agreement for the "A top university, why not me?" programme. As part of this agreement, Renault is committed in 2016 to helping high school students find out about the automotive professions and the huge challenges associated with them.

Renault's activities in this area also include the Renault Foundation's support for two other foundations striving for equal opportunity for deserving young people from low-income families. In 2014, Renault, *via* its Foundation, supports the "Un Avenir Ensemble" Foundation to help 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. The Renault Foundation also supports the Georges Besse Foundation each year for the schooling of twenty or so deserving young people who wish to pursue engineering studies.

* *In 2015, Renault Mobiliz renewed its partnership with Ticket for Change, a programme created by young entrepreneurs to engage their talents and unveil future entrepreneurs through an innovative approach. In 2015 HEC jointly created a Massive Online Open Course (MOOC) in association with Renault Mobiliz. The course has been followed by 20,000 young people from more than 140 countries.*

2.5.2.2 EMPLOYEE INVOLVEMENT

Renault's humanitarian aid in this field consists not only of financial or in-kind assistance provided to charities and local schools, but also takes the form of employee involvement throughout the world.

2.5.3 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 tomorrow's consumer purchasing decisions.

2.5.3.1 SUPPORT FOR ACADEMIC INSTITUTIONS: PARIS DAUPHINE UNIVERSITY AND UNIVERSITY OF BRADFORD

Renault, through the Renault Foundation, earmarks a percentage of its budget for financial support of academic research.

In 2015, the Renault Foundation supported research on marketing, allocating €50,000 to Paris Dauphine University to conduct fundamental marketing research.

Renault also provides support for academic institutions through its involvement with academic chairs. Renault experts are currently involved in supporting 12 academic chairs in subjects of high innovative value:

THEME	ACADEMIC PARTNER	PARTNERS	DATE
Robustness, reliability and energy performance of electric propulsion in cars using advanced control and observation techniques	Institut de Recherche en Communications et Cybernétique (IRCCYN), École Centrale Nantes		2015
Operational Excellence	Montpellier Business School, ECAM Lyon	Orange, Bristol Myers Squibb (BMS), Sanofi, SNCF, La Poste	2015
Design of use-oriented urban systems	Institut de Recherche Technologique SystemX, Centrale Supelec	SNCF, RATP, GDF Suez, ALSTOM	2015
In-car lighting systems	Institut supérieur d'optique, École Supérieure des Techniques Aéronautiques et de Construction Automobile (ESTACA), Strate École de Design	PSA, Valeo automotive lighting	2014
Uses of vehicles between services rendered and ownership in Japan, Korea, and Europe	Fondation France-Japan de l'École des hautes études en sciences sociales	-	2014
Mobility and quality of life in urban environments	Université Pierre et Marie Curie	PSA Peugeot Citroën	2013
Innovation management	École Polytechnique	Arcelor Mittal, Dassault Systèmes, Valeo	Renewed 2014
Theory and methods of innovative design	Mines ParisTech	Dassault Systèmes, RATP, Thales, Vallourec	2015 renewal
Smart Mobility	Université Pierre et Marie Curie	Atos Origin	2012
Social Business/Enterprise & Poverty	HEC ParisTech	Danone/Schneider Electric	Renewed in 2015
Modeling System for the inspection and the development of internal combustion engines	École Centrale Nantes	LMS Engineering Innovation	2013
Automotive distribution and service	L'École Supérieure des Sciences Commerciales d'Angers (ESSCA)	Nissan France - UCAR	1991

2.5.3.2 SUSTAINABLE MOBILITY INSTITUTE

In March 2009, Renault, the Renault Foundation and ParisTech founded the Sustainable Mobility Institute (*Institut de la Mobilité Durable*, IMD) to identify issues associated with the future of passenger transportation and the design of innovative and environmentally friendly mobility systems (primarily electric). These research efforts focus on electric mobility systems, the associated business models, the global vision of a shift in transportation to electric vehicles and battery technologies.

In 2015, the Sustainable Mobility Institute opened its doors at Nissan within the framework of the Alliance. It has extended its activity to the Autonomous and Connected Vehicle project covering all four themes (see 2.2.2.1).

2.6 ENVIRONMENT

2.6.1 THE ENVIRONMENTAL CHALLENGES

The unprecedented growth in human activities since the industrial revolution has been accompanied by an exponential growth in the demand for energy and raw materials, along with the associated environmental impacts. Over the recent past, these effects have intensified due to the extremely rapid growth rate of some emerging economies, particularly China. This has led to the proliferation of environmental and health issues and to tensions over the prices of raw materials.

Despite efforts to reduce fuel consumption and vehicle emissions, road transportation still contributes significantly to greenhouse gas emissions and to urban atmospheric pollution. Moreover, the large-scale production of vehicles requires considerable quantities of raw materials, whose price fluctuations have major economic repercussions for manufacturers.

Renault is a socially responsible company and is well-aware of the important ecological stakes that confront the automotive industry. In order to face these challenges, it has integrated them into its strategy and organizational structure. The Group has therefore chosen to become a pioneer in the development of a range of electric vehicles accessible to all, and in the implementation of the principles of a circular economy *via* the recycling of end-of-life vehicles, and the integration of an ever-increasing proportion of recycled materials in new vehicles. It is also committed to reducing the environmental impact of its products throughout their entire life-cycle from one generation to the next (see the section on Vehicle use under 2.6.2.2).

This voluntary and proactive effort is not just the result of Renault's historical commitment to sustainable development to benefit the greatest number of people. The reality is that environmental performance has increasingly significant financial implications, and is therefore acknowledged by the Company as an inherent factor in its competitiveness, as evidenced by the second priority of the Renault group's environmental policy approved in 2013 by its Chairman and Chief Executive Officer, Carlos Ghosn.

ENVIRONMENTAL POLICY OF GROUPE RENAULT

1. Prevent and continuously reduce the environmental footprint and health impacts of our products, services and operations, integrating life cycle assessment and circular economy principles.

2. Actively contribute to Groupe Renault competitiveness and to the protection of its material and immaterial assets.

3. Implement environmental management company-wide and across the value chain in order to ensure continuous improvement and compliance to regulations and to voluntary commitments.

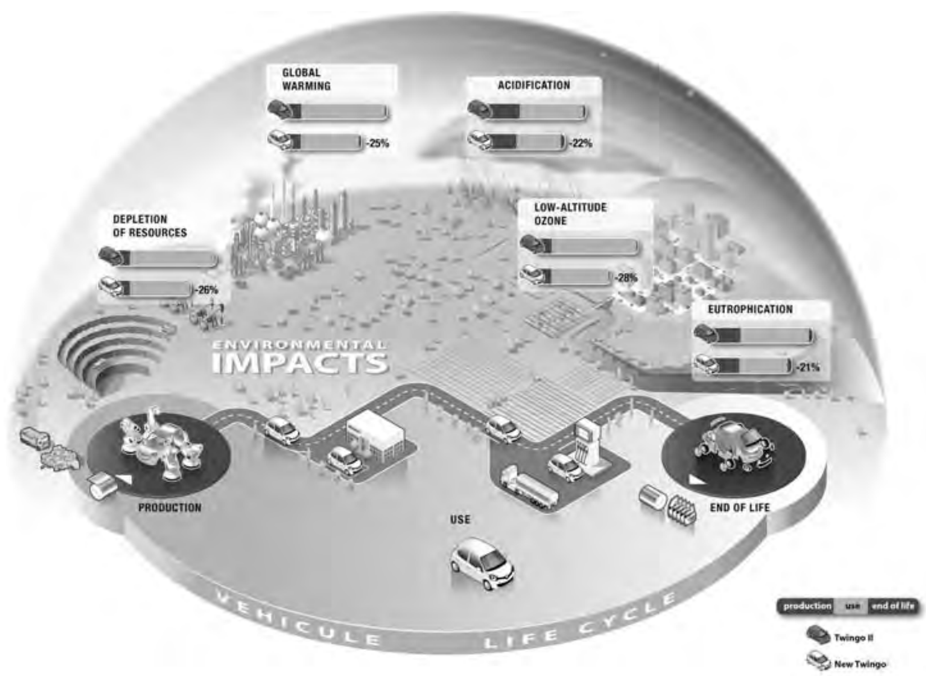
The priority areas for action are:

- climate change & energy efficiency;
- resources & competitive circular economy;
- health & ecosystems;
- innovative mobility systems and services;
- environmental management, transparent and responsible communication and stakeholders dialogue.

2.6.2 COMPANY-WIDE ENVIRONMENTAL MANAGEMENT

MAIN OBJECTIVES	DATE OF SETTING OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
Reduce the impact on the basis of the life-cycle analysis from generation to generation	2005	Ongoing	TALISMAN/LAGUNA III and KADJAR/SCENIC III: Reduction of 5% to 18% depending on impacts.
Publish the life-cycle assessments for the electric vehicle range, with critical reviews by outside experts	2009	Ongoing	LCA of ZOE KANGOO Z.E., FLUENCE Z.E. and TWIZY published
Conduct environmental and risk prevention audits annually at all manufacturing sites and the main tertiary and logistics sites (internal audits)	2003	Ongoing	100%
ISO 14001 certification of all Renault manufacturing sites	2012	Ongoing	100%

Renault has made environmental management part of its environmental policy since 1995. This approach is implemented Company-wide and throughout the life-cycle of its vehicles. These efforts are made possible by the presence of an environmental network at all Group plants and operations throughout the world. The 2013 review of the Renault group environmental policy has reaffirmed and expanded the scope of this managerial approach to the entirety of the Company's value chain.



2.6.2.1 LIFE-CYCLE ASSESSMENT (LCA)

Since 2005, Renault has been committed to reducing the environmental impact of its vehicles throughout their life-cycle, from one generation to the next. In order to ensure and monitor compliance with this commitment, since 2004, Renault measures the environmental impact of its vehicles throughout their life-cycle, from the extraction of the raw materials needed for manufacturing until their end-of-life. life-cycle analyses (LCA) are therefore produced:

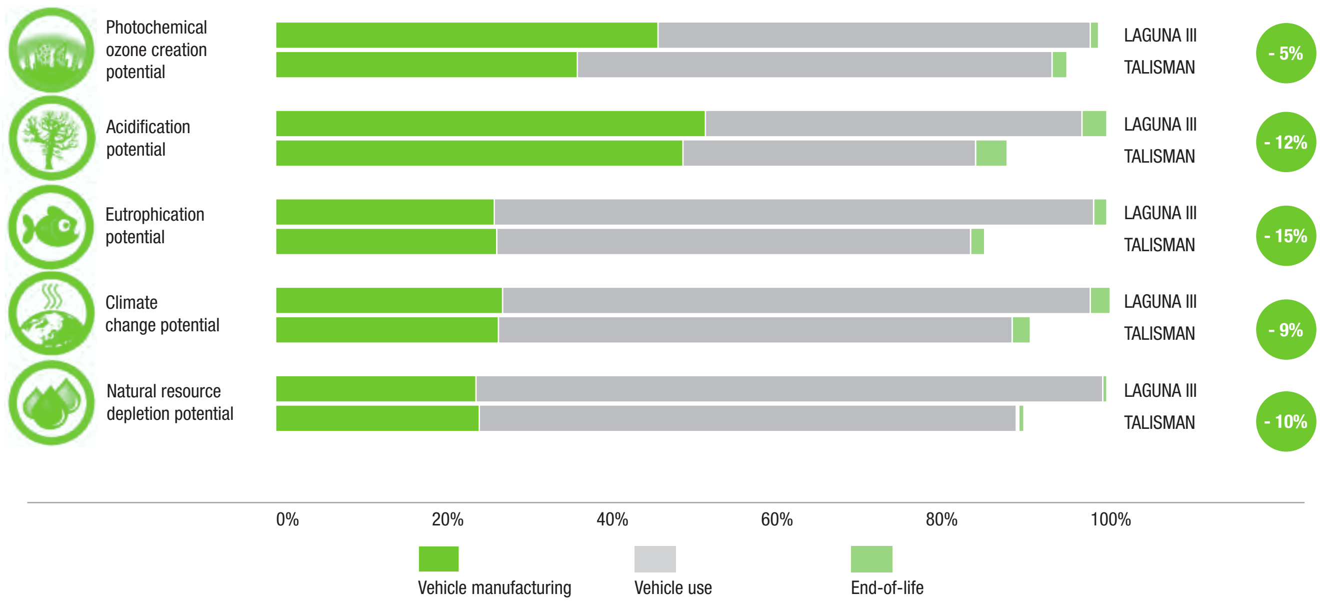
- prior to the vehicle design cycle, to analyze the potential environmental impact and benefits of technological innovations;
- after the design cycle, to confirm and measure the reduction of environmental impacts from one generation of vehicle to another.

At end-2015, 20 models representing 98% of the global sales of Group passenger cars and 90% of total sales of Group vehicles (the Renault, Dacia and RSM brands) were thus subjected to a complete LCA according to a standardized methodology, which was reviewed by an independent panel. Starting with the launch of the TWINGO III in September 2014, all new models are subjected to a comparative LCA with respect to their predecessor, available on request (see section 2.3.3.4). Each of these LCAs is subjected to a critical review by an independent expert following the ISO 14040 and 14044 standards, to evaluate, firstly, the methodology used and, secondly, all of the calculations and interpretations performed.

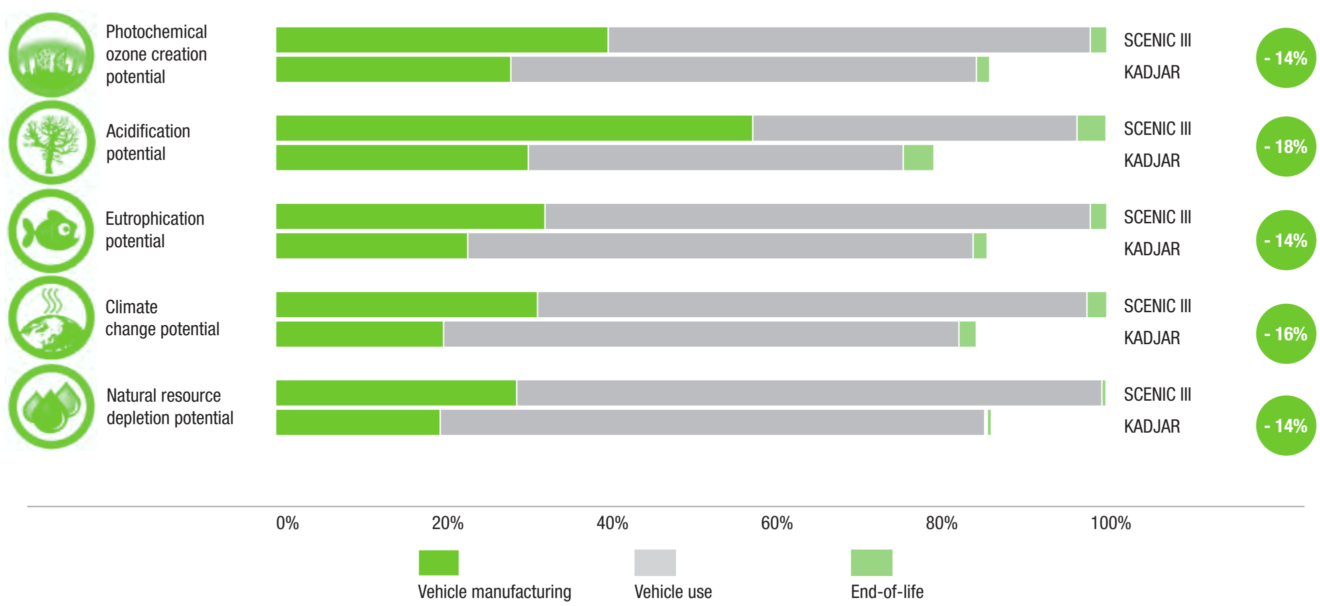
For further methodological details, please refer to appendix 2.9.2.1.

The LCAs performed on the Renault TALISMAN and KADJAR compared to their predecessors(1), presented below, highlight the reduction in environmental impact from one vehicle generation to the next.

COMPARATIVE LCA OF LAGUNA III (2007) AND TALISMAN (2015)



COMPARATIVE LCA OF SCENIC III (2009) AND KADJAR (2015)

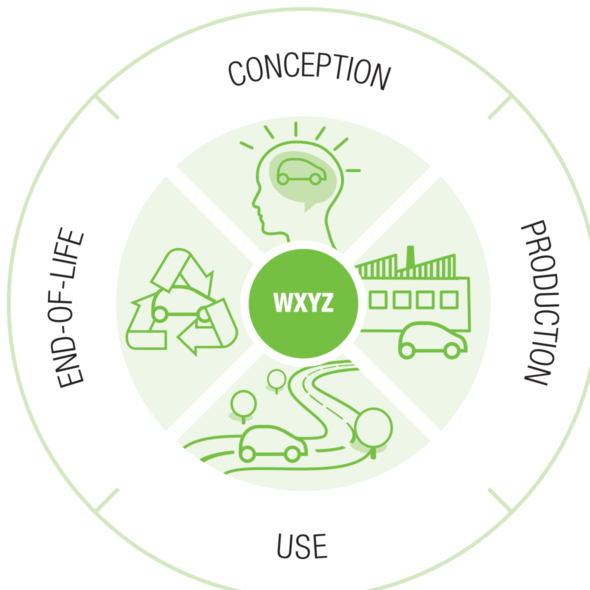


(1) Since the KADJAR is a completely new model and does not replace an existing vehicle, its comparative LCA has been conducted in comparison with the SCENIC III, the vehicle closest to it in terms of design and trim level.

2.6.2.2 ACTION AT ALL STAGES OF THE LIFE-CYCLE

This section presents the Environmental Management System (EMS) implemented by the Renault group according to the different stages in a vehicle's life-cycle, from design to end of life recycling. In order to make them easier to understand and to read, these stages have been divided into four main phases: design, manufacture, use and end of life. Symbols such as the one below will be used in this section and up to 2.6.3.8 in order to allow the reader to identify visually which of the four life-cycle phases the text is referring to. The topic or impact discussed (EMS, CO_2, Materials, Waste, Water, Air, Soil, Noise or Biodiversity or financial challenges associated with environmental issues marked with the € symbol) is indicated in the center of each symbol.

Conception:
- Design of the vehicle and its parts
- Materials and suppliers selection

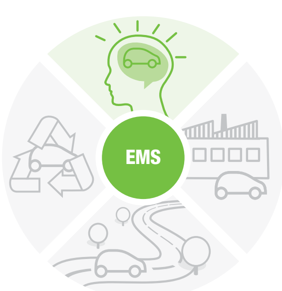


Vehicle end-of-life:
- Collection of end-of-life vehicles (ELV)
- ELV dismantling
- ELV parts and materials sorting and dispatch for reuse, recycling or recovery

Vehicle production:
- Materials (raw or recycled)
- Supply chain
- Parts and vehicle logistics
- Renault Group Plants

Vehicle use phase:
- Sale and after-sale (maintenance, etc.)
- Spare parts (new, renovated or reused)
- Vehicle use by the customer
- Fuel (or electricity) Production

ECO-DESIGN



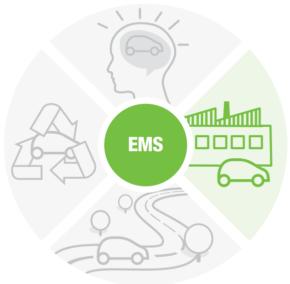
In order to effectively reduce environmental impact throughout the different stages of the life-cycle, steps must be taken from the vehicle design stage, *i.e.* two to five years prior to launch. Renault's policy is to integrate this concern not only within the normal development process which structures the designers' work, but also to involve component and materials suppliers.

Eco-design of the Renault group's vehicles involves in particular:

- the reduction of vehicle mass, fuel consumption and pollutant emissions;
- the possibility of recycling 85% of the vehicle's mass at end-of-life and to recover 95% of this, which requires the ability to easily identify and separate the recyclable materials and reusable parts during the dismantling process;
- the use of recycled materials, which minimizes the consumption of raw materials and the associated environmental impact;
- the possibility of renovating powertrains or certain parts of them (remanufacturing) by facilitating dismantling and assessment of their components;
- the minimization of the noise generated by the vehicle;
- the elimination of potentially toxic substances from vehicles and the manufacturing process;
- the provision of onboard eco-driving assistance tools in the vehicles.

Considering that 60% 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 2.3.2).

LOGISTICS



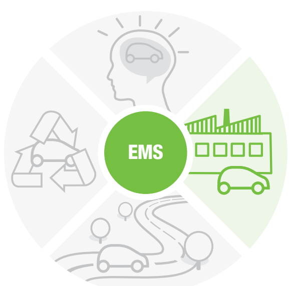
Environmental management in matters of logistics has been in place since 2010 and involves the measurement and reduction of greenhouse gas emissions associated with the transportation of parts intended for our industrial facilities and finished vehicles from our factories to their distribution outlets, through the Logistics ECO2 plan which focuses on:

- reducing kilometers traveled (localization of suppliers in production countries, optimization of logistical flows);
- improving truck and container load factors and packages;
- relying more on sea and rail transport as alternatives to road transport;
- evaluating and improving the carriers' environmental performance through collaborative efforts particularly aimed at measuring their energy performance, and educating and training the drivers of heavy trucks in eco-driving.

In addition logistics loops for reusable packaging have been introduced when their economic and environmental impact is positive, to lessen our reliance on single-use packaging and the waste it creates.

For more information on the Logistics ECO2 plan and reducing greenhouse gas emissions linked to transport, refer to section 2.6.3.1.

MANUFACTURING



The Renault group has selected a seamless approach. The environmental network is Company-wide. It establishes links between environmental activities and other processes in the Company as well as between the sites, so as to encourage the dissemination of best practices and the sharing of expertise. 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 assigned to the Production departments, where they organize and lead environmental management efforts;
- a team of specialists at each production site in charge of coordinating environmental improvement actions, as well as compliance with regulatory requirements and internal environmental standards across the entire site;
- experts at the corporate level who define and implement the technical policies, provide assistance and advice to the plants and projects, and coordinate the sharing of information and experience between sites and the reporting of environmental data at Group level.

The industrial environment network encompasses all the Renault Group industrial sites as well as the manufacturing functions. It consists of more than 200 members in 13 countries and 45 sites and subsidiaries.

Environmental management at Renault plants is underpinned by six pillars:

Continuous improvement based on ISO 14001

Starting in 1995, Renault began systematically implementing an environmental management approach at its sites, along with a drive for continuous improvement, based on ISO 14001. This was done to reduce environmental impact and ensure regulatory compliance. Since 2008, all of the Renault group's 31 industrial sites and the 10 main engineering and logistics facilities have been ISO 14001 certified.

The new ISO 14001:2015 standard, published on September 15, 2015 after more than three years of work by the International Standardization Organization (ISO), and which introduces more stringent requirements than the previous version ISO 14001:2004, will be rolled-out over three years at all the Renault Group ISO 14001 certified sites.

Group-wide tools and standards

E&HSE (Energy & Health, Safety, Environment) Technical Guidelines define the minimum requirements that apply to the Group's sites (See Eco-design of industrial processes below). These guidelines ensure that practices are standardized and reflect and adhere to the Company's policies and objectives in terms of the protection of individuals, property and the environment, no matter in which country the sites are located. This is particularly important in countries without a stringent regulatory framework.

For environmental management and the handling of chemical products, the sites can also rely on the availability of standardized tools managed by expert functions. These tools include:

- a worldwide Ecorisques expert system available in French, English, Spanish, Portuguese and Korean. The system ranks the environmental impact from activities and potential hazards in relation to the plants' chemical risk and prioritizes them in the plants' environmental action plans;
- a reporting system for environmental impacts and energy consumption (R2E);
- a CHEMIS database (Chemical Information System), available in the main languages used within the Group, for the management of dangerous substances and the prevention of chemical risks. CHEMIS is the key tool in the Renault group chemical risk management process, which aims, from both environmental and health standpoints, to introduce chemicals safely, to prevent the risks associated with their use, and to anticipate technological and regulatory changes (see 2.7.2);
- a process to monitor and track compliance with national and EU environmental legislation;
- a documentary base of Energy & Health, Safety, Environment (E&HSE) standards and best practices, accessible from any Group site.

Eco-design of industrial processes

Each industrial project is monitored by an Energy & Health, Safety, Environment Project Manager, who ensures that the applicable regulatory requirements and Group technical policies (or Activity Technical Guidelines) in respect of environmental protection, energy efficiency, industrial hygiene, and the prevention of fire and explosion risks are taken into account for each project milestone.

These E&HSE Technical Rules are based on the state of the art as well as the most stringent international regulatory or normative frameworks (The European Union's REACH regulation, ATEX directive, French legislation on facilities classified for environmental protection, US NFPA standards for fire protection, etc.) and are updated regularly. To complement this shared base of minimum requirements applicable to all Group sites, breakthrough technologies may be introduced at certain sites or projects according to constraints or opportunities related to the local environment, as illustrated in the box and map below.

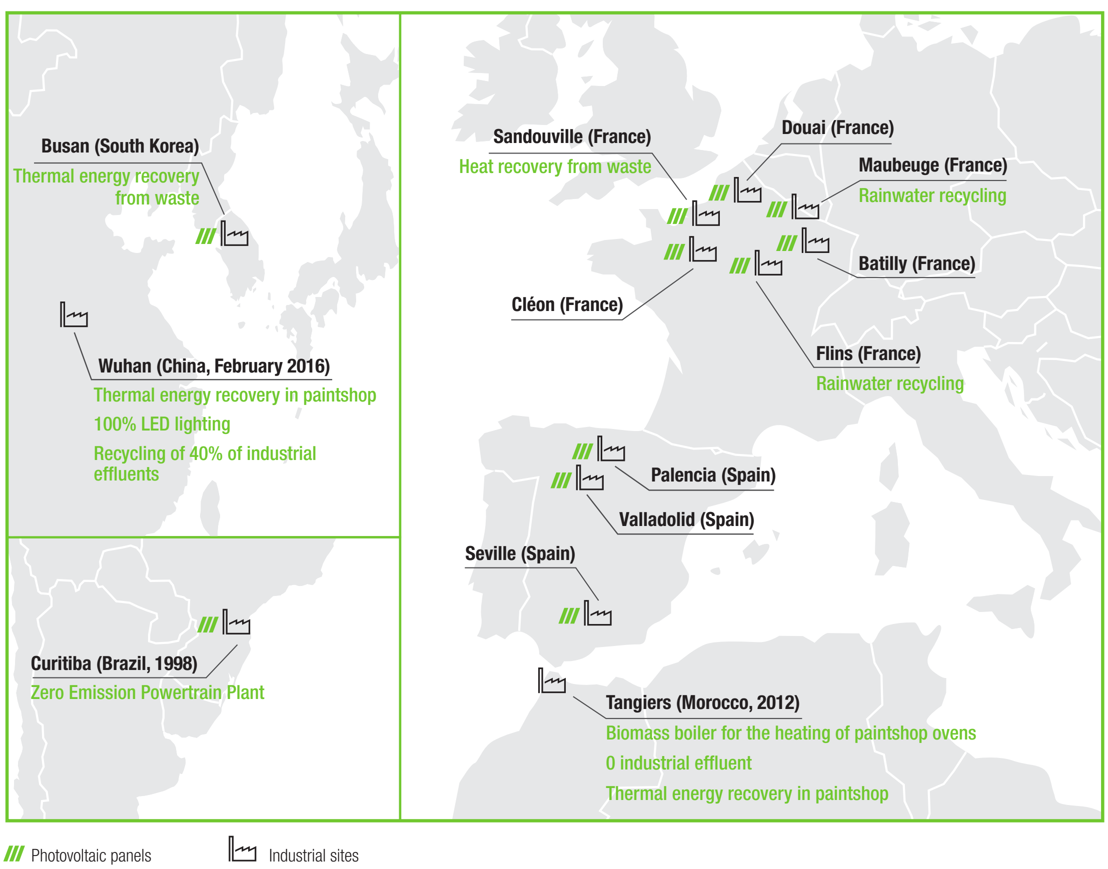
PLANTS ECO-DESIGNED TO RESPECT THEIR ENVIRONMENT

As a result of the Group's international expansion, new plants have been developed in recent years in emerging countries, particularly in North Africa and Asia, in order to take advantage of dynamic local markets. The design of each of these facilities has benefited from Group best practices and the latest technological advances in the environmental field. It takes into account the specific local environmental constraints and sensitivities, identified by an impact study at the outset of the project.

For example, the plants of Tangiers in Morocco (2012) and Chennai in India (Renault-Nissan, 2010), two countries subject to water stress, use the most advanced technologies to recycle all industrial wastewater, such that no industrial wastewater is discharged into the environment and external water supply requirements are reduced to a strict minimum (see 2.6.3.4). The Tangiers site is also equipped with a biomass boiler fueled by local agricultural waste (waste from the production of olive oil and from wood chippings, in particular from the site's packaging waste). As the National Office of Electricity and Drinking Water (ONEE) produces electricity locally from entirely renewable sources, 91% of the plant's energy needs are as a result met by renewable sources, meaning that the emission of more than 90,000 tons of CO_2 each year is avoided.

The plant opened in February 2016 by Renault and its partner, Dongfeng, at Wuhan in China, also benefits from the latest energy efficient technologies such as: LED lighting, recovery of thermal energy from the air discharged to the atmosphere and centralized management of energy-intensive equipment. It also recycles 40% of its industrial wastewater for its own internal use (sanitary facilities, watering, etc.) and uses water-soluble paints.

REMARKABLE TECHNOLOGICAL BREAKTHROUGHS IN THE ENVIRONMENTAL FIELD ON INDUSTRIAL SITES



Integrating environmental standards in the Renault Production Way

In 2004, Renault decided to include its environmental standards in the Renault Production Way (SPR). All workers therefore use environmental procedures daily at his/her workstation through the SPR process.

Anticipating industrial, regulatory and environmental developments

The E&HSE (Energy & Health, Safety, Environment) masterplans launched in 2002 describe the situation at 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. They contribute to the dialog between industrial strategy, engineering, building project owners and the plants to ensure that each project contributes to reducing the environmental impact of sites.

Site audits

Since the end of the 1990s, the Group has used internal environmental audits at all of its industrial facilities as well as its main engineering and logistics facilities worldwide in order to monitor the implementation of ISO 14001 requirements, and compliance with its own internal standards for the protection of the environment, individuals, and facilities. These complement the external audits performed annually by a certified independent body. 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 stimulate improvement in environmental performance. As of end-2015, the network has approximately 64 internal environmental auditors who are specifically trained and qualified in accordance with ISO 14001, and on the internal audit standards created based on the Energy and Health, Safety, Environment Technical Rules (see "Eco-design of industrial processes" above).

SALES AND AFTER-SALES

Renault Retail Group, the distributor of Renault, Dacia and Nissan brands in 13 European countries, established an environmental management policy in 2007. An RRG environment manager is responsible for training and coordinating a network of environment correspondents in France and Europe. She provides a set of environmental management best practices, which are available on the RRG intranet. RRG has also provided reporting in France since 2011, and in Europe since 2013, regarding the environmental impact of its establishments. A summary of this reporting is provided below.

RENAULT RETAIL GROUP – ENVIRONMENTAL IMPACTS

	FRANCE	EUROPE OUTSIDE FRANCE	PRINCIPAL MANAGEMENT AND IMPACT REDUCTION MEASURES
Number of sites*	49	35	
Reporting coverage rate	100%	100%	Three new sites in Spain: Barcelona Marques de Sentmanat (May 2014), Zona Franca (May 2014) and Levante Villarreal (April 2015). Two French sites have closed: Angoulême (Nov. 2014) and Beaucouzé (2014).
Waste (tons)	10,079	3,898	Waste management contracts with specialized suppliers
• o/w hazardous	2,641	1,320	Establishment of sorting guidelines The figures include site-specific estimates based on the volume of activity
• o/w non-hazardous	7,438	2,578	
Energy Consumption (MWh LHV)	108,080	54,367	Energy savings plan RRG has performed energy audits and is working with Alertéo to improve consumption => 4 sites monitored
Greenhouse gas emissions (t eq. CO_2)	16,323	15,791	Energy savings plan and energy audits
• o/w from combustion	13,537	5,755	
• o/w from electricity consumption	2,786	10,036	
• o/w from gas coolants	121	Unavailable	
VOC emissions (tons)	91,013	Unavailable	
Water consumption (m^3)	138,663	142,660	Leaks control based on water bills Oil separators used before discharge into sewage network
Soil and water tables			Extraction or neutralization of buried single-wall tanks Preventive equipments (spillage retention trays, double-wall tanks or above-ground tanks)

* *One site has one or more dealerships.*

Renault also provides support in these efforts to its dealer network and franchises. 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 managers participate in and contribute to these clubs.

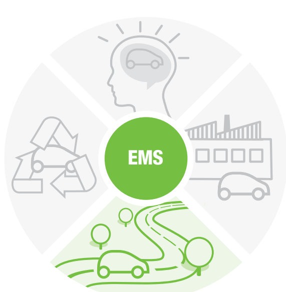
The Sales & Marketing department assists the network by providing a selected panel of national service providers for waste collection and treatment. Renault also finances its sales network's access to Autoeco.com, allowing sites to track the amount of waste they produce. Renault is also a partner of the CNPA (National Council of Motor Industry Professionals), which, as part of the "Environment Challenge," provides the sales network with technical support in the implementation of environmental protection measures and the search for financial assistance.

Given the small size of sales outlets (when compared to the size of the Group's industrial sites), their involvement in the ISO 14001 certification process is voluntary, except in South Korea where the distribution network is integrated into the overall ISO 14001 certification of the Renault Samsung Motors subsidiary.

The composition of products used in the Group's distribution network, and the parts and accessories sold under the various Group brands around the world are subject to the same rigorous control process as the products and parts used in manufacturing vehicles. This process seeks to protect the health of both the consumers and the workers involved in vehicle maintenance and repair, protect the environment, and ensure compliance with regulations in force in countries where the vehicles are distributed, such as the REACH regulation in Europe (see 2.7.2).

Renault also offers owners of its vehicles a large range of renovated ("standard exchange") powertrains and mechanical parts, sold at a lower cost than that of a new part, but still meeting the same quality standards. As well, there are used exterior parts (hoods, wings, headlamp units, etc.) collected in Indra's network of dismantlers and selected by the Gaïa subsidiary, that are available to customers whose vehicles are not economically repairable using new parts. These offers are part of the circular economy approach implemented by the Renault group to reduce the consumption of raw materials and environmental footprint associated with its products in their life-cycle (see 2.6.3.2)

VEHICLE USE

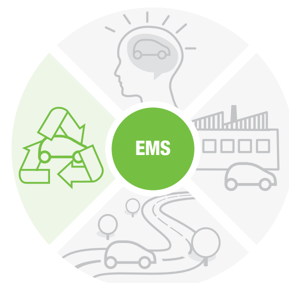


Life-cycle assessments show that more than 80% of the greenhouse gases and the majority of atmospheric pollutants emitted over the life-cycle of an ICE vehicle concern the vehicle usage phase (see section 2.6.2.1). The first solution for reducing these emissions is technological and involves **the reduction of emissions** from internal combustion vehicles, as well as the development and marketing of a range of **electric vehicles** that do not emit any pollutants or greenhouse gases during use. The Renault group therefore devotes a significant portion of its Research and Advanced Engineering expenses (about 60%) to this field, which places it among the leaders in the automobile industry in these two domains.

Moreover, the behavior of motorists, and how they use their vehicles, may be another avenue in which considerable progress can be achieved. Renault therefore endeavors to **promote eco-driving**, which can lead to significant reductions in energy spent and in greenhouse gas emissions during vehicle use.

The actions and results of the Company in terms of reducing emissions of greenhouse gases and atmospheric pollutants of ICE vehicles and the promotion of eco-driving are detailed in 2.6.3.1 Energy and climate change and 2.6.3.5 Air quality.

VEHICLE END-OF-LIFE



From 2015, EU regulations require that 95% of the mass of end-of-life vehicles be recovered, of which 85% must be recycled. 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 preparing to enforce similar ones (South Korea, Turkey, Russia).

Renault is helping to organize the collection and recycling of end-of-life vehicles everywhere it is required. This initiative takes various forms, such as establishing its own network of authorized collection and recycling centers for end-of-life vehicles, which Renault has done, in particular in France, or participation in a joint programme (manufacturers, dismantlers, government agencies) to set up such recycling networks.

In all cases, the vehicle is picked up at no cost to the last owner. Information concerning the methods for pollution removal, dismantling and recycling is supplied to the recycling operators and energy recovery networks using the web-site 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 more than 60% of the Group's global sales in 2015.

Renault has also established partnerships and commercial agreements for the collection, repair, second life and recycling of electric vehicle batteries in accordance with the regulatory requirements arising from manufacturers' increased responsibilities. Battery rental (or strictly speaking, vehicle rental) forms part of the package for the vast majority of electric vehicles marketed by Renault, with Renault remaining the owner and manager. This package ensures complete control of the collection and optimal recycling of end-of-life batteries, guaranteeing compliance with the Group's regulatory obligations in this area.

More information on these activities is provided in the section *Collect, Sort, Dismantle, Direct* in 2.6.3.2 Resources and the circular economy.

2.6.2.3 ORGANIZATION AND RESOURCES

The focuses of Renault's environmental policy are debated and approved 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 all sectors of the Company. To this end, it uses a network of representatives who are assigned to all Company departments, as well as the expertise network created within the Group in 2010 in areas such as "energy, environment and raw materials strategy" and "vehicle CO_2".

RESOURCES

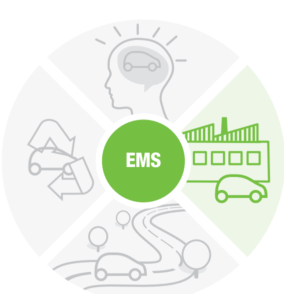
Renault spends over €1.5 billion per year on research and development. Most of these resources are dedicated to new-vehicle development, a phase in which improvement of environmental performance is inseparable from the standard product renewal process. About €165 million are allocated yearly to research and advanced engineering in the early stages of vehicle projects. A substantial portion of research and advanced engineering expenditure (in the region of 60%) is allocated to innovations specifically intended to reduce fuel consumption and vehicle emissions. These play a role in the appeal of the products, answer regulatory requirements (particularly in Europe), and represent an important tool for shrinking Renault's environmental footprint.

On the industrial side, Renault invests between €25 million and €35 million per year in the refurbishment and improvement of its facilities in terms of environmental, individual and property protection, and the production and distribution of energy. The operational expenses associated to these activities can be added to these amounts.

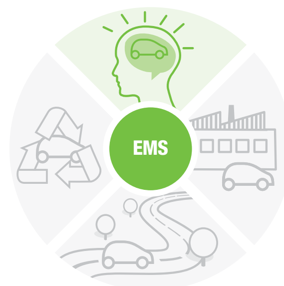
Renault also allocates financial resources to the development of partnerships and equity investments in the area of the environment and sustainable development through Renault Environnement, a subsidiary set up in 2008 and headed by the Group's Vice-President, Environmental Strategy and Planning.

ENVIRONMENTAL SKILLS AND TRAINING

Renault provides its employees with 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, and the sorting of waste. In the majority of plants, this training is done through a specific Dojo (workshop) and involves a hands-on approach to waste management practices and the handling of chemical products in day-to-day activities. In addition, educational and awareness-raising activities on environmental protection regularly take place through internal communication channels or through weekly team meetings.



In the engineering functions, employees have access to environmental 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. Renault employees in France also have access to eco-driving training.

2.6.2.4 ENVIRONMENT AND COMPETITIVENESS

The effort to reduce environmental impacts is still 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 operating costs, product appeal and the diversification of income streams.

REDUCING OPERATING COSTS

In the extremely competitive automobile market, keeping vehicle production costs low is crucial in order to retain a competitive edge.

Costs stemming from energy consumption and waste management at Renault's plants run into the hundreds of millions of euros each year. Optimizing these areas is thus a means of both reducing the environmental impact of operations and substantially lowering production costs. Energy consumption and waste management have therefore been selected as some of the priority areas for action, in order to meet the Group's objective of reducing operating costs to achieve a long-term operating margin of 5%.

In 2015, the actions taken to reduce energy consumption in all of the Group's plants, under the supervision of a dedicated centralized team (see 'Manufacturing' under section 2.6.3.1 Energy and Climate Change), secured savings of approximately €10.1 million on the Group's yearly energy bill.

In addition, in 2015 the Group sorted and resold recyclable waste (largely metals), generating profits of more than €150 million. Substantial potential savings could also be made from the recovery of other more specific waste materials. For example, using recycled solvents (cf. 2.6.3.3) rather than virgin ones reduces their cost by 30%.

Increased use of recycled materials and efforts to reduce exposure to critical raw materials are also part of the process of keeping costs low. One ton of recycled plastic, for example, costs substantially less than one ton of virgin plastic.

Reducing exposure to raw materials has become all the more important given both the extreme volatility and long-term upward trend of primary raw material prices. When competition is particularly intense, these hard-to-predict fluctuations can be only partially factored into vehicle sales prices. They thus have a direct impact on the Group's operating profit. (see 2.6.3.2). Setting up "short loops" for recycling materials within the Group's activity scope (see *Recycling: Developing Industrial Systems, Using Recycled Materials* under 2.6.3.2) is therefore a means of reducing both raw material purchase prices and the Group's exposure to raw material price volatility.

The increased quantity of recycled materials used in vehicles and shorter recycling loops (internally and externally) generated additional savings of €1.8 million in 2015 compared to the actions already implemented in 2014. Giving scrap metal from manufacturing to Renault foundries and suppliers of metal parts accounts for more than half of this total, with savings in material costs of €1 million in 2015. The metallic waste generated on the Group's sites is now being processed in a more systematic way for a safer flow of materials from our foundries.

APPEAL OF PRODUCTS AND SERVICES

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, customer surveys systematically reveal that fuel consumption is one of the ten main reasons for buyers to choose a Renault vehicle. Renault's determination to reduce its vehicles' fuel consumption and CO_2 emissions in use meant that in 2015 it was able to offer one of the passenger car ranges with the lowest emissions in Europe (see section 2.6.3.1), which gave it a significant competitive advantage.

In addition, Renault is not only aiming to reduce its environmental footprint, it is also working to increase customer loyalty. To this end, it is developing new tools and services that enable customers to limit their fuel consumption (embedded tools and eco-driving training, see the section on Eco-driving under 2.6.3.1) and to prolong vehicle life at a competitive price by offering an economical option for refurbished parts of guaranteed quality (see the section on Re-use under 2.6.3.2).

NEW ACTIVITIES

Working to find ways to both reduce environmental impacts and optimize the Group's economic resources has led Renault to explore areas which complement its core business, which has opened up new business opportunities.

Although the Choisy plant, which specializes in the renovation of powertrain components, has been in operation for over 40 years, the creation of the Renault Environnement subsidiary in 2008 boosted its environmental capabilities. Through its subsidiaries, Renault Environnement works in the following areas:

- recycling of end-of-life vehicles (Indra, joint-venture with Sita);
- industrial waste management for plants (Boone Comenor Metalimpex, joint-venture with Sita);
- recovery of parts and materials through recycling networks or selling refurbished parts (Gaïa subsidiary).

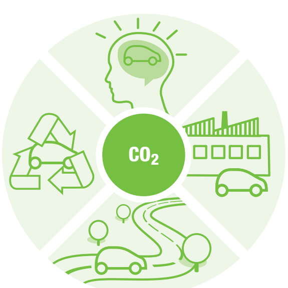
En 2015, these three Renault Environnement activities (explained in further detail under 2.6.3.2 Resources and the Circular Economy) generated revenues of close to €346 million. Each of these activities also recorded a net profit for the year.

2.6.3 ENVIRONMENTAL IMPACT: ACTIONS AND INDICATORS

2.6.3.1 ENERGY AND CLIMATE CHANGE

MAIN OBJECTIVES		SETTING OF OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
All sectors	**Reduce the average carbon footprint of the Renault group vehicles sold worldwide by an average of 3% annually between 2010 and 2016**	**2010**	**2016**	**-17.2% between 2010 and 2015 i.e. -3.7% per year**
Product	Market a range of zero-emission-during-use vehicles in markets where there is a demand	2012	2016	European market leader in 100% electric vehicles since 2013
Product	**Worldwide:** Help to meet the Group's Carbon Footprint objective by reducing CO_2 emissions for PC and LCV ranges[(1)]	2010	2016	129.9g CO_2/km in 2015, i.e. -13.3% between 2010 and 2015
Product	**Europe:** Reduce the average CO_2 emission level for the PC[(2)] range to less than 95g CO_2/km by 2021	2011	2021	111.3g CO_2/km in 2015
Manufacturing	Reduce greenhouse gas emissions by 10%[(3)] generated by the production of each vehicle between 2013 and 2016	2012	2016	-10.5% between 2013 and 2015
Manufacturing	Reach a 20% share of renewable energies (direct and indirect) at manufacturing sites	2008	2020	16.6% in 2015
Logistics	Achieve a 10% reduction in the CO_2 level of worldwide transportation activities between 2010 and 2016[(4)]	2013	2016	-12.9%
Product & services	Market combined product-service offers for corporate fleets that will allow monitoring and reduction of the environmental footprint	2009	2016	ECO2 Business range Driving ECO2 training (ICE and EV) Fleet Asset Management

(1) The Group's Passenger Cars and light commercial vehicles, all brands
(2) The Group's Passenger Cars, all brands
(3) Direct and indirect emissions linked to energy consumption (scope: see categories scope 1 and scope 2 of the table of Renault carbon footprint categories under 2.9.2.1).
(4) On a like-for-like basis and excluding effects of geographic and model mix.

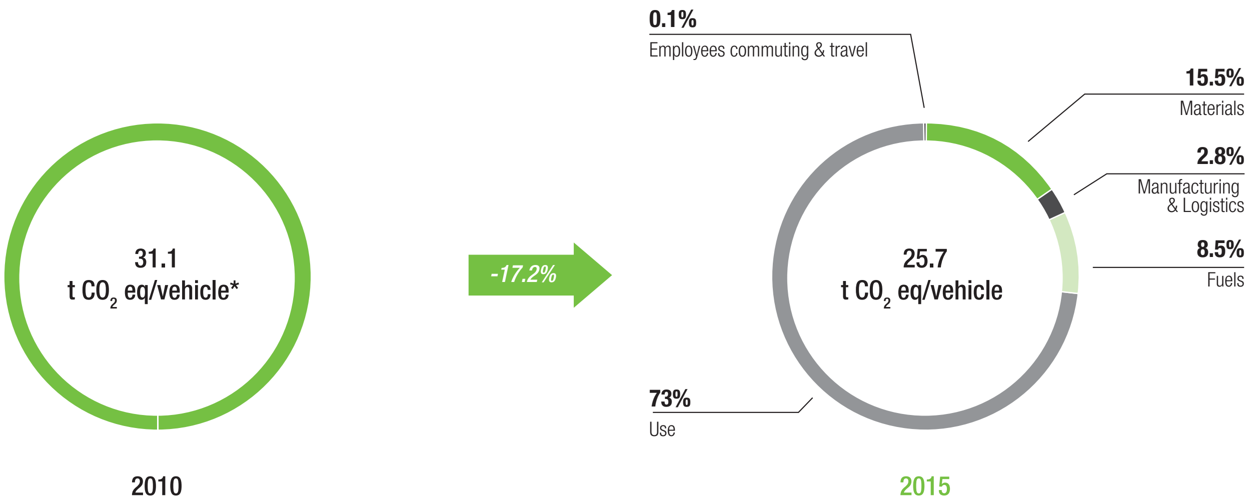


The carbon footprint of a product corresponds to the greenhouse gas emissions it generates over its life-cycle, from the extraction of the raw materials needed to manufacture it to its processing at end-of-life. The carbon footprint calculation for the Renault group vehicles includes direct and indirect greenhouse gas emissions caused by the Company's energy consumption during production (scopes 1 and 2), as well as most of the other indirect emissions associated with their design, manufacture, sale, use, and end-of-life processing (scope 3), as defined by the GHG Protocol.

In 2011, within the framework of the Renault 2016 *Drive The Change* strategic plan, Renault made a commitment, the only one of its kind in the industry, to reduce the average carbon footprint of vehicles sold worldwide by 10% between 2010 and 2013. This objective having been attained, it has been extended to the full duration of the plan, with a new reduction objective of an average of 3% per year between 2010 and 2016.

Further details on the method used to calculate Renault's carbon footprint can be found in appendix 2.9.2.1.

RENAULT CARBON FOOTPRINT



* *Following updating of the GaBi LCA database in 2015, the Materials part of the 2010 data was recalculated in order to ensure the data remains comparable between 2010 and 2015.*
Scope: all passenger cars and light commercial vehicles registered under the Renault, Dacia and Renault Samsung Motors brands worldwide. See appendix 2.9.2.1.

RENAULT, AN OFFICIAL PARTNER OF COP21 AND A STAKEHOLDER IN COMBATING CLIMATE CHANGE

The 21st United Nations Climate Change Conference (COP21) took place in Paris from November 30 to December 12, 2015. It allowed the 196 attendees to reach a universal and binding agreement, and to reach an accord on the associated funding, with a view to keeping the global temperature rise below 2°C above pre-industrial levels, or even 1.5°C by 2100.

The Renault group, aware of the crucial role that the automotive industry must play in meeting this objective, has called for an ambitious and binding climate agreement, and since 2010 it has, together with its partner Nissan, put forward an immediate, efficient and cost-effective solution to gradually reduce automotive reliance on fossil energies: Electric vehicles, which have a reduced overall carbon footprint on most markets (see the section on Electric vehicles below) and can use 100% renewable energy. The Renault-Nissan Alliance is the world leader in zero-emission[1] during use electric mobility, having sold more than 300,000 electric vehicles worldwide by end-2015, and is at the forefront of the transition to low-carbon mobility. In order to significantly reduce road transport's contribution to global CO_2 emissions (currently in the region of 15%), the world market for electric vehicles needs to expand considerably, together with the development of electricity production from renewable sources.

The Renault-Nissan Alliance therefore opted to become an official partner of COP21, both to demonstrate its support for an ambitious climate agreement, and to highlight the immediately available and effective solutions to climate change provided by electric vehicles. It provided the 30,000 UN-approved delegates with a fleet of 200 electric vehicles from the Renault and Nissan ranges, an unprecedented move for an international conference on this scale. 160 of the Alliance's willing employees were specially selected and trained for the event. They had the opportunity to become personally involved in the partnership in their role as fleet drivers, and therefore became ambassadors for the Alliance and for electric mobility during COP21. The Alliance's electric vehicles were therefore used to transport nearly 8000 approved delegates between their hotels and the conference venue, comprising a total distance of approximately 175,000 km.

In addition to this partnership and prior to the conference, Renault published its climate commitments on the NAZCA portal which was set up by the UNFCC (http://climateaction.unfccc.int/company/renault), which included shrinking the overall carbon footprint of each vehicle sold by the Group worldwide by 3% per year (see above), using 20% share of renewable energies by 2020 and setting an internal carbon price.

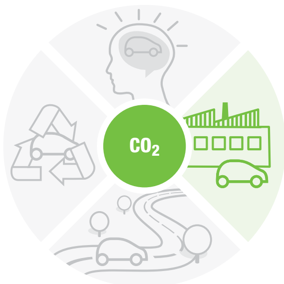
As part of its preparation of its next strategic plan, the Group is also working on defining ambitious targets to reduce the long-term carbon footprint of its products and business activities (by 2050), in relation with the Science Based Targets joint initiative launched by the CDP, the UN Global Compact, the WRI and the WWF and based on the latest scientific data. These targets will comply with the objective set by the Paris Agreement.

(1) *Zero CO_2 or atmospheric pollutant emissions in the driving phase.*

STRATEGIES FOR REDUCING GREENHOUSE GAS EMISSIONS BY SECTOR

Emissions during use and fuels	**Reduce fuel consumption and emissions of vehicles with internal combustion engines** *Downsizing* engine with turbocharging *Stop & Start*, braking energy recovery Hybrid vehicles: Hybrid *Assist Technology* (2017) General vehicle optimization (aerodynamics, mass, friction, heat loss, electrical consumption management, etc.) **Market a range of electric vehicles** KANGOO Z.E. (light commercial vehicle) FLUENCE and SM3 Z.E. (sedan) ZOE (multipurpose city car) TWIZY (two-seater quadricycle city car) **Promote eco-driving: Driving ECO2 programme** In-car assistance systems Eco-driving training
Materials and components	Increase the proportion of recycled materials (see 2.6.3.2) Reduce consumption of materials (see section 2.6.3.2)
Plants	**Reduce energy consumption** Implement technical and managerial best practices (*kaizen*) Reduce energy consumption outside production periods (minimal energy consumption) Improve energy yields, in particular by modernizing and decentralizing boilers **Develop renewable energies and substitutes for fossil energies** Biomass boilers, solar panels, heat recovery from waste, etc. Purchase of electricity from renewable sources
Logistics	**Logistics ECO2 programme** Reduce kilometers traveled (localization of suppliers in production countries, optimization of logistical flows) Reduce the number of trucks/containers transported (optimization of load factors for trucks/containers and packages) Rely more on sea and rail transport as alternatives to road transport Eco-driving training for truck drivers (in partnership with the transporters)

LOGISTICS



The implementation of the Logistics ECO2 programme in 2015 continued for each of the four progress priorities (see above table on segment strategies).

The main effort was focused on improving container and truck load factors. For example, on the three main flows for export by sea from France, Romania, Turkey and Spain, the improvement in container load factors has reduced the number of containers and prevented nearly 1,030 tons of CO_2 in air emissions.

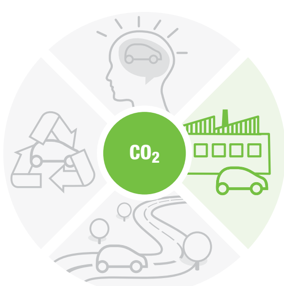
Similarly, the optimization of the truck load factor in Europe has kept around 20,400 trucks off the roads, or 4% of all transport units (TUs) and has prevented the emission of approximately 16,800 tons of CO_2.

In addition, localization rules near production sites have been set out for the 120 bulkiest parts. An indicator ensures that compliance with these rules is monitored for each new vehicle project.

In addition, Renault is responsible for the Environment and Transport Commission within the AUTF (Association of Freight Transportation Users), which aims to promote environmental best practices within the profession and the use of better quantification tools for greenhouse gas emissions resulting from transportation.

Finally, following the consolidation of the two Renault and Nissan Supply Chain departments within a single entity in 2014, the search for further synergies has intensified and the methods for monitoring the CO_2 emissions associated with logistics are currently being standardized within the Alliance.

MANUFACTURING



The greenhouse gas emissions reduction strategy is largely based on a reduction in energy consumption and the development of renewable forms of energy, since over 90% of the sites' emissions are the result of energy consumption. This strategy, seen in both continuous improvements and in breakthrough actions, is based on four components:

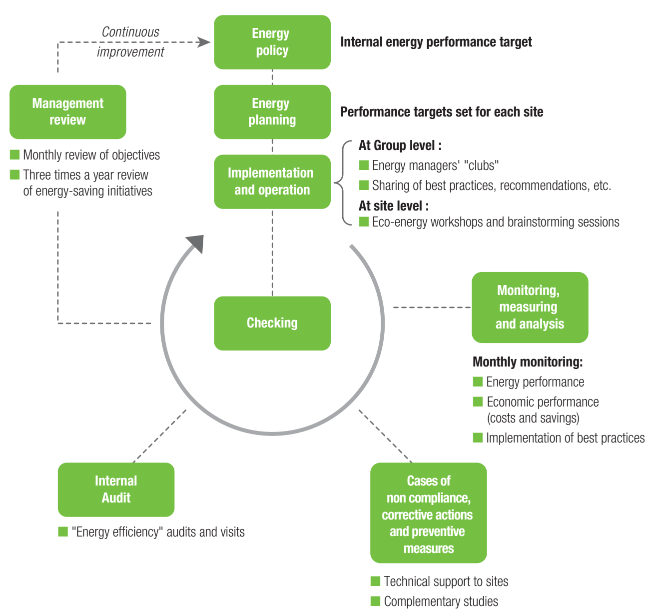
- management of energy consumption outside production periods (minimal energy consumption). A specific system is in place to completely shut down machines and general facilities whenever possible outside production periods;
- convergence toward the best organizational and technical practices identified. Ventilation and operating conditions (temperature and humidity) have been optimized in paint shops, the most energy-hungry areas in vehicle body assembly plants. Equipment downtime and re-start has also been optimized to minimize consumption. Specific actions are also applied to other production processes, such as the detection and handling of compressed air leaks or the optimization of the cooling of the welding guns used in sheet metal work;
- 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;
- develop renewable energies and substitutes for fossil energies, as shown by the setting up of a biomass boiler and using electricity from renewable sources on the Tangiers site in Morocco, (see Eco-design of industrial processes under 2.6.2.2), the use of steam generated by the burning of industrial waste at the Sandouville (France) and Busan (Korea) plants, and the 136 hectares of solar panels installed in the Group's French, Spanish, Korean and Brazilian plants (see inset below) in partnership with third-party investors.

136 HECTARES OF SOLAR PANELS ON THE GROUP'S SITES

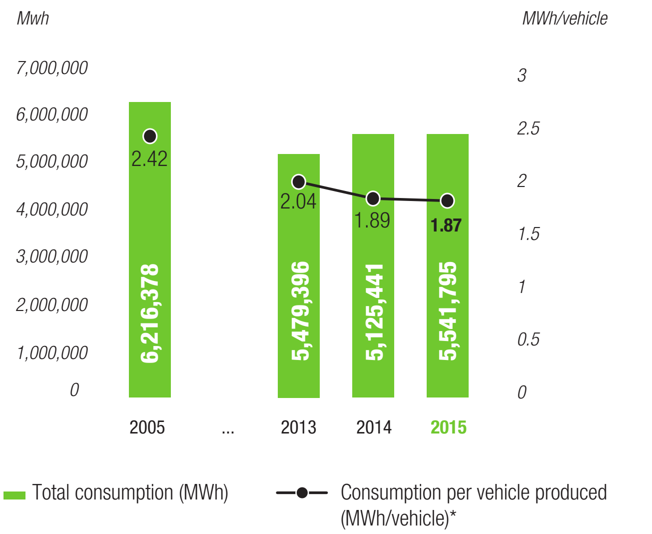
As of year-end 2015, the solar panels installed on Renault sites throughout the world (in France, Spain, Korea and Brazil) cover a total surface area of 136 ha, or the equivalent of nearly 190 soccer fields. The 88 MW of fully renewable electricity that they generate prevent 14,200 tons of CO_2 from being released into the atmosphere each year.

Energy management is also a major economic challenge for the Renault group, with a global annual energy bill of almost €300 million. That is why it is being managed by a dedicated corporate team, *via* a network of energy managers deployed across all Group sites, according to an organization based on the principles of ISO 50001 (although Renault has not up to now chosen to undertake a certification procedure in respect of this standard) outlined in the diagram below.

ENERGY MANAGEMENT WITHIN THE RENAULT GROUP



ENERGY CONSUMPTION



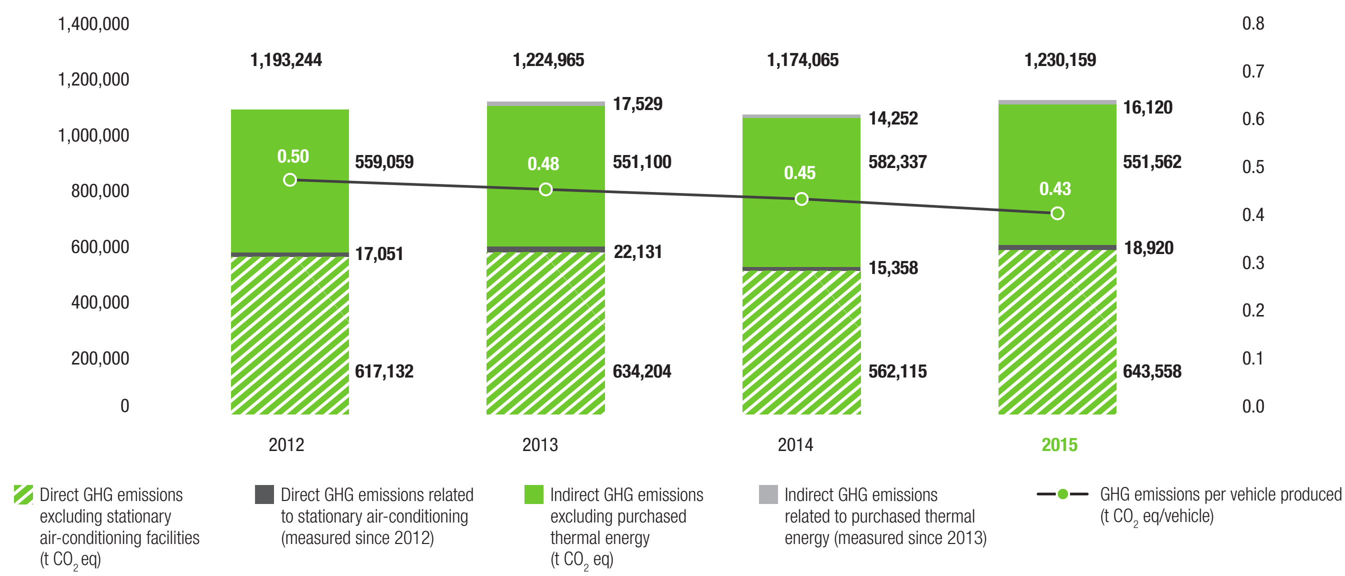
* *Given the high number of engines and gear boxes manufactured for partners, for the calculation of the MWh/veh ratio, powertrain plants consumption is adjusted pro rata to the total number of vehicles manufactured by the Group. However, no adjustment is applied to overall consumption presented in MWh in the chart.*

Scope: the reporting scope (described in Appendix 2.9.2.2) includes all manufacturing plants and the main logistical, tertiary, and engineering facilities excluding the RRG Commercial Network, which is subject to the specific reporting presented in 2.6.2.2.

DISTRIBUTION OF ENERGY CONSUMPTION BY ENERGY TYPE

	TOTAL CONSUMPTION	
	%	MWh
Electricity	51%	2,807,262
Natural gas	45%	2,491,732
Purchased thermal energy	3%	181,985
Other fossil energies	1%	54,106
Heavy fuel oil and domestic heating oil	0.1%	6,710
TOTAL	**100%**	**5,541,795**
Of which energy that is renewable or produced from renewable sources	16.6%	

GREENHOUSE GAS EMISSIONS(1)(2)



The emission indicator for GHG per manufactured vehicle is calculated for direct and indirect emissions by taking the measured emissions for the full period 2012-2015. Emissions related to purchased thermal energy, measured since 2013, are therefore not included in this indicator.

(1) Scope: the 2015 reporting scope for greenhouse gases (described in Appendix 2.9.2.2) includes direct (scope 1) and indirect (scope 2) emissions for all manufacturing plants and the main logistical, tertiary, and engineering facilities outside the RRG Commercial Network, which are subject to specific reporting presented in 2.6.2.2.
(2) Methodology: Greenhouse Gas Protocol; EPE protocol (Entreprises pour l'environnement) for quantifying and reporting GHG emissions.

BREAKDOWN OF GREENHOUSE GAS EMISSIONS[(1)(2)] BY SOURCE TYPE

	2014	2015	MEASURED SINCE
Direct emissions (scope 1)	49%	54%	
Stationary combustion installations	41%	44%	2003
Filling of air-conditioning systems with refrigerants on produced vehicles	3%	4%	2003
Testing of gear boxes, engines and vehicles on endurance test tracks	1%	1%	2003
Company cars	3%	3%	2009
Filling of stationary air-conditioning systems and procedures	1%	2%	2012
Indirect emissions (scope 2)	51%	46%	
Electricity	50%	45%	2009
Thermal energy	1%	1%	2013

Company vehicles include service vehicles, pool vehicles available to employees, shuttles, handling equipment and forklifts using LPG or propane.

Indirect emissions are related to purchased electricity (emissions related to steam and hot water purchased are not included).

(1) Scope: direct and indirect greenhouse gas emissions. Data are verified by the Independent Third Party; all sites are verified without correction in scope. (In 2012, the following were not included: Tangiers, Dacia Eau Potable, and Dacia waste storage facility).

(2) Methodology: Greenhouse Gas Protocol; EPE protocol (Entreprises pour l'environnement) for quantifying and reporting GHG emissions.

Adaptation to the consequences of climate change

Certain extreme climatic events may disturb or even, in the most serious cases, temporarily stop operations at some of the Group's production and logistics facilities. The main climatic risks likely to impact Renault 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).

The hail risk has, by far, the highest recurring financial impact due to the damage caused to new vehicles when they are stored in unprotected zones. In order to reduce the risk of damage caused by hail, between 2010 and 2013, the Renault group implemented a widespread plan to cover vehicle storage zones. This work was partly financed by Renault and partly by investors as part of a project to install photovoltaic panels. As a result of this plan, the majority of the Group's storage areas for new vehicles are now protected.

No other natural risks linked to climate change have so far led to any notable disruptions to activities 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.

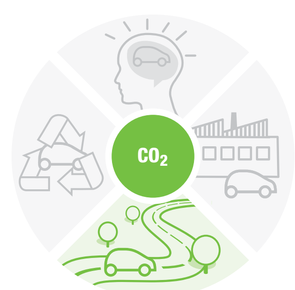
Opportunities, as well as risks, associated with the tightening of regulations on vehicle CO_2 emissions have been identified as a major competitiveness issue for the company and are monitored as such by the Executive Committee (see Environmental Risks in Section 1.5.1). Groupe Renault's positioning with regard to CAFE and new product advances in vehicle CO_2 emissions are presented below.

The agreement signed at the end of the Paris Conference on climate change (COP21) and the national commitments published on that occasion (INDC) have been analyzed in-depth for their implications for the automotive industry. The related opportunities and risks were presented to the Board to be taken into account in Group strategy and product planning.

The financial challenges associated with the European Union Emissions Trading System (EU-ETS), to which 13 Group sites are subject, are managed by a special Steering Committee. On-site efforts to reduce energy consumption (see the Manufacturing paragraph above), forward-looking and rigorous CO_2 emission management, annual quota allocations, and the "carbon leakage risk" status granted to automotive manufacturing, should help the Group to meet its annual obligations to surrender CO_2 allowances allocated in Europe, without having to resort to the market and therefore without any impact on its operational free cash flow, until 2019.

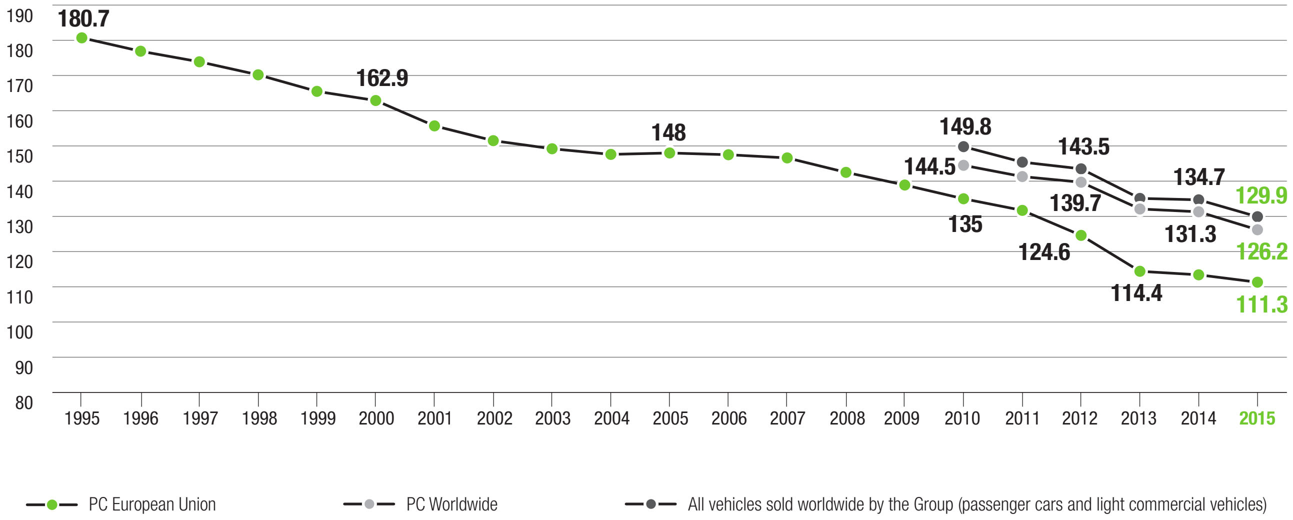
Finally, concerning the carbon fuel tax to be introduced in France in 2016 under the Energy Transition Law (€22 per ton of CO_2 in 2016, €56/t in 2020, €100/t in 2030), its financial impact in terms of the cost of customer vehicle use and its potential consequences on market growth (respective shares of the gasoline, Diesel, hybrid and electric engines) have also been analyzed and taken into account in the Group's industrial strategy and product planning.

VEHICLE USE



Renault aspires to make a significant contribution to the reduction of the environmental footprint of vehicles. In order to do this, it strives to provide mobility solutions that are more eco-friendly and that are accessible to the greatest number of people. In 2015, according to the data available when this report was published, Renault and Dacia's average CO_2 emissions in Europe were estimated at 111.3g of CO_2/km, placing the Renault group among the top European carmakers for the fourth consecutive year.

AVERAGE CO_2 EMISSIONS FOR PASSENGER CARS SOLD BY THE RENAULT GROUP (G CO_2/KM) – PC EUROPE, PC WORLDWIDE AND ALL VEHICLES WORLDWIDE – ALL BRANDS



Passenger cars, European Union: Average certified CO_2 emissions from the mixed New European Driving Cycle (NEDC).

1995-2014 data: EU, data from the AAA (*Association Auxiliaire de l'Automobile*) or the European Environment Agency.

2015 provisional data: EU 28 excluding Malta, Cyprus and Romania), AAA DATA.

Passenger cars, Worldwide and All Vehicles, Worldwide: The CO_2 emissions values taken into account for each model are those used to calculate the Group's Carbon Footprint indicator: see table presenting the scope covered and data sources in note 2.9.2.1, under «Use of products sold».

1. Internal combustion engine vehicles

In order to continue the reduction in CO_2 emissions of its internal combustion engine vehicles to meet its carbon footprint commitments, to comply with the regulatory requirements in each of the Group's markets (EU with average emissions limited to 95g CO_2/km by 2021, as well as China, Korea, Brazil, India, Turkey, Mexico, Japan, etc.) and to retain a sustainable position among automotive industry leaders in this field, Renault relies on various courses of action, such as:

- vehicle weight reduction through the use of lighter materials such as aluminum and the use of technological advances (hot pressed steel, etc.) that lighten the parts while retaining the desired mechanical characteristics;
- aerodynamics;
- downsizing, *i.e.* reducing the cubic capacity (and therefore the consumption) of an engine with an average power output equal to the turbo-compressors and an optimized combustion;
- the reduction of heat loss and mechanical friction;
- different levels of hybridization, from Stop & Start, which is now available for all of the rechargeable hybrid technology Z.E. range. A hybrid that is affordable and offers 'zero emission' mobility[1] for short day-to-day journeys, and is set to supplement Renault's electric product line over the coming years.

The Eolab concept-car presented at the 2014 Paris Motor-Show, has a consumption of only 1 l/100km and emissions of 22g of CO_2/km on the New European Driving Cycle (NEDC)[2] without compromising performance. This is achieved by integrating numerous technological advances in respect of weight reduction, aerodynamics and hybridization that will progressively be applied to the range.

2015 highlights include successful launches of the New ESPACE and KADJAR in the first half of the year, and the TALISMAN at the end of the year. Given the size of these models, Renault's high-end sales drive has led to an increase of 9kg in the average benchmark mass of the passenger cars sold in Europe by the Group in 2015. These vehicles have top CO_2 emission performance and rank amongst the leaders in their respective categories, with the 'eco leader' versions respectively emitting 95g of CO_2/km (TALISMAN), 99g of CO_2/km (KADJAR) and 116g of CO_2/km (New ESPACE). Accordingly, the range's average CO_2 emissions largely compensate for the negative impact of the increase in benchmark mass.

The Group's 'CAFE' in Europe has therefore seen a reduction of 2g of CO_2 / km in relation to 2014, despite the structural decrease of the share of Diesel engines (more efficient than gasoline engines) in the sales mix. The increase in electric car sales (see below) accounts for approximately 1g of CO_2 /km of this reduction.

2. Electric vehicles

Electric vehicles are a major component of Renault's strategy. The Company is targeting a large-scale rollout of this type of vehicle, given their lack of pollutant emissions on the road[1], which provides a real solution to atmospheric pollution in urban areas (see VEHICLE USE under 2.6.3.5). They can also significantly reduce the greenhouse gas emissions associated with transportation.

(1) No CO_2 or other polluting emissions during use, excluding replacement parts.
(2) Consumption, emissions and electric autonomy certified in accordance with applicable regulations.

The ZOE carbon footprint throughout its life-cycle is nearly 40% less than that of an equivalent internal combustion vehicle, based on the average European electric production mix. Moreover, the carbon footprint of each electric vehicle in use, including those on the roads today, is set to fall steadily over the coming years, given the planned increase in the share of renewable energy in the European energy mix (objective of 20% of final gross energy consumption in 2020 versus 14.1% in 2012)..

Furthermore, the introduction of electricity that is entirely generated from renewable sources, available to businesses and private consumers alike since the liberalization of the European energy market, not only makes possible zero-CO_2 emissions mobility during use, but also from "well to wheel", meaning that CO_2 emissions associated with the electricity production needed to charge an electric vehicle battery are included.

The synergies between electric mobility and renewable energy however go far beyond the mere reduction of CO_2 emissions related to battery charges. The challenge of widespread distribution of electric vehicles is emerging as an integral part of an optimal integration of renewable energies in the electricity production and distribution «ecosystem», at a lower cost and providing maximum benefit in terms of overall reduction of greenhouse gas emissions.

According to the study «En route pour un transport durable» (Towards sustainable transport) published in late 2015 by the European Climate Foundation and Cambridge Econometrics (see Section 2.1.6.6), intelligent management of electric vehicle charging could contribute to the creation of a net profit of €125 million in 2030 for the French energy system, while enabling greater integration of renewable energy. It would also add more than 20 million electric vehicles into France's car fleet without resorting to additional production capacity.

The considerable storage capacity that electric vehicle batteries represent could indeed be used to absorb surplus renewable energy when grid demand is lower than production and return the surplus during the consumption peaks. These peaks determine the size of electricity production and distribution infrastructures and contribute strongly to greenhouse gas emissions because they are currently covered for the most part by thermal power stations (gas, coal, etc.).

Such synergies can be implemented through intelligent management of the charging of electric vehicles (or even charges/discharges as part of solutions to power electrical grids or homes from batteries) and through the reuse of second-life batteries in electrical energy storage infrastructures. In 2015, Renault partnered with Bouygues Energie Services on a pilot project for an electricity storage station on a renewable energy production site. It also entered into a partnership with the British company Connected Energy for the commercial development of fast-charge solutions based on used Renault second-life batteries (batteries that have lost about 30% of their initial storage capacity).

In 2015, the Group reaped the rewards of a strong world market for electric vehicles, securing 26,994 new registrations (a 45% increase on 2014).

In 2015, Europe remained one of the first 'fully electric' vehicle markets in the world, and one of the strongest (increase of 48% on 2014). Renault has built on its leading position in Europe with a 49% increase in new registrations to 23,086 vehicles (not including the TWIZY), with this figure accounting for more than one in five vehicles sold on the continent[1]. The ZOE was the highest-selling electric vehicle in 2015 on the European passenger car market, with 18,453 registrations over the year (up 68%). Since Spring 2015, it has secured its leading position in France by extending its driving range to 240km[2], and has increased its market shares on the main European markets. The KANGOO Z.E. now accounts for more than half of all electric LCVs sold in Europe.

In 2015, electric vehicles accounted for 1.5% of Groupe Renault's total sales (and 0.61% of the whole of the European market). Although still relatively modest, there has been a net increase in this share in relation to 2014 (1%), and thus electric vehicles account for 1.9g/km of the reduction in Groupe Renault's 'CAFE[3]' in Europe. In 2015 alone this contribution to 'CAFE' reduction reached nearly 1 g/km. Unprecedented sales of 4,000 Renault Z.E. vehicles were made in December (representing 2.4% of the Group's European sales), on a European electric vehicle market which is continuing to grow at a rapid rate. The Group therefore forecasts further strong growth in electric vehicle sales in 2016, which will have a considerable impact on meeting the CAFE reduction objectives and reducing the Group's carbon footprint.

The potential of electric vehicles in terms of sales volume and contribution to the reduction in global greenhouse gas emissions is obviously not limited to Europe. According to the International Energy Agency[4] global electricity production from renewable energies should reach 26% of total production by 2020 (22% in 2013), thereby making electric vehicles, which are a subject of growing interest in many countries, even more attractive in terms of environmental benefits. In China, Groupe Renault has started to produce vehicles for the local market at the beginning of 2016, through its joint-venture with Dongfeng (Dongfeng Renault Automotive Company) and plans to launch an electric sedan in 2017. China has set itself the goal of reaching 5 million rechargeable electric vehicles or hybrids on the roads by 2020, and simultaneously increasing the renewable energies share of its primary energy consumption to 15% (20% by 2030).

Although the Group's electric vehicle sales remain largely focused on Europe, they have however seen rapid growth around the world, with 1,889 vehicles exported outside Europe in 2015 (a 133% increase on 2014). While the ZOE and KANGOO Z.E. constitute the majority of the electric vehicles sold by Renault in Europe, sales outside Europe are largely focused on the SM3 Z.E. sedan, which is produced in Korea by the Renault Samsung Motors subsidiary, and the TWIZY quadricycle. This demonstrates how the four models in the Group's electric vehicle range complement one another. The SM3 Z.E. has shown itself to be particularly well-suited to markets (especially in Asia) where sedans are still a strong status symbol, while the TWIZY's resolutely innovative concept and design has enabled it to open up brand new markets to electric mobility, such as Colombia (5th TWIZY market in 2015), Morocco, and Malaysia.

(1) 23.6% market share, and 25.2% of total electric vehicle sales including the Twizy quadricycle.
(2) Standardized NEDC certification cycle.
(3) The 'CAFE': Corporate Average Fuel Economy reflects average CO_2 emissions for all passenger cars sold by a particular carmaker – see the Renault group curve shown above.
(4) IEA Medium-Term Renewable Energy Market Report 2014.

3. Eco-driving

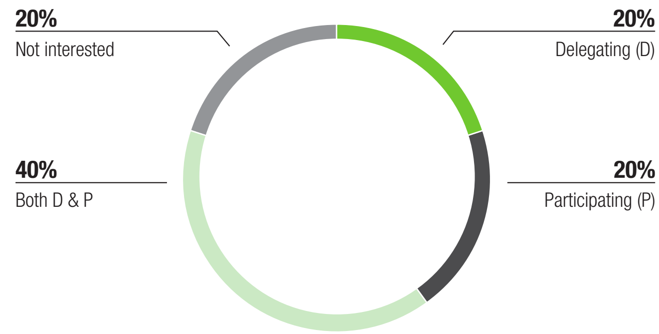
Fuel consumption actually observed by the average driver can diverge significantly from the certified values, with differences possibly exceeding 20% depending on the type of driving. This is due to certified consumption values being calculated for standardized cycles that do not reflect all driving styles (more or less aggressive) or all driving conditions (no heating or air conditioning, fluid urban and suburban traffic).

Renault aims to close this gap, so that the actual consumption noted by its customers is as close as possible to the certified values. In addition to the technological solutions described above, changes in driver behavior through eco-driving represent an additional avenue for progress and can bring about a decrease in energy consumption (gasoline, diesel or electricity) of up to 25%, depending on the driving style.

This was the impetus behind the creation of Renault's Driving ECO2 programme in 2008, which aims to offer vehicle-embedded driving aids to customers, as well as training services in order to assist them in reducing their fuel consumption through eco-driving.

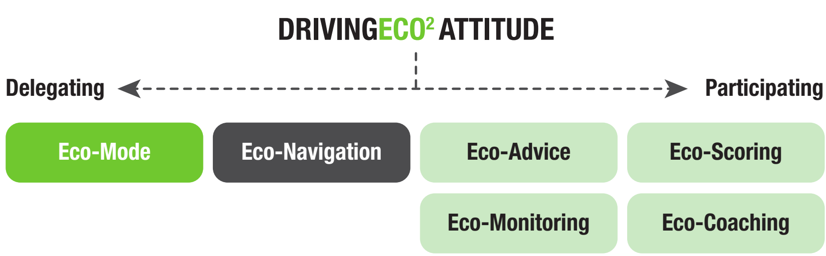
Surveys, conducted both internally and externally to better understand customers' expectations of embedded eco-driving aids, led to the identification of four driver profiles (see graph below):

- "participative" drivers who wish to take an active role by changing their behavior, and would like information and targeted advice on how to do this;
- "delegating" drivers, who are ready to give full responsibility for reducing their consumption to the vehicle;
- drivers who are both participative and delegating;
- finally, a minority of drivers who state that they have no interest in any form of eco-driving assistance.



In order to meet the specific expectations of each of its customers, Renault has developed a full range of Driving ECO2 embedded driving tools adapted for each driver profile, as illustrated in the diagram below:

- Eco-mode, triggered by the touch of a button, modifies vehicle performance and regulates thermal comfort to reduce fuel consumption by as much as 10%;
- the real-time driving aid tools Eco-Advice (speed change indicator) and Eco-Monitoring (which combines the driving style indicator, instant consumption and the engine regime);
- the Eco-Scoring and Eco-Coaching tools integrated into the multimedia systems (R-LINK, Medianav, and now the free R&Go smartphone application which is replacing R-LINK on the New TWINGO entry-level versions and Nouveau TRAFIC), which assess the driver and provide him or her with personalized advice based on the scores obtained;
- Eco-Navigation calculates the most fuel-efficient route for a given journey.



These embedded eco-driving aids have been available on all new Renault and Dacia models in Europe since 2012 and are now available on almost the entire range of passenger cars and light commercial vehicles, under the Renault and Dacia brands in Europe, Russia and Brazil and under the Renault Samsung Motors brand in South Korea.

INTRODUCTION OF EMBEDDED ECO-DRIVING AIDS

	MAIN MODELS EQUIPPED AT END-2015
Eco-mode	Renault range: TWINGO, CLIO, ZOE, CAPTUR, **New MEGANE**, **KADJAR**, **TALISMAN**, **New ESPACE**, KANGOO (Z.E. et thermique), TRAFIC, MASTER Dacia range: SANDERO, LOGAN, DUSTER, LODGY et DOKKER Renault Samsung Motors range: QM3, SM5, SM7
Driver assessment and coaching (R-Link 1 and 2, Media Nav or R&Go)	Renault range: TWINGO, CLIO, ZOE, CAPTUR, **New MEGANE**, SCENIC, **KADJAR**, **TALISMAN**, **New ESPACE**, KANGOO (Z.E. et thermique), TRAFIC, MASTER Dacia range: SANDERO, LOGAN, DUSTER, LODGY et DOKKER Renault Samsung Motors range: SM3, QM3, SM5, SM7
Driving style indicator	Renault range: CLIO, CAPTUR, ZOE, **New MEGANE**, **KADJAR**, **TALISMAN**, **New ESPACE**, TRAFIC Renault Samsung Motors range: QM3, SM5, SM7

In addition to embedded eco-driving aids, Renault offers eco-driving training to its fleet and retail customers and employees.

The Driving ECO2 training programs on internal combustion and electric vehicles, offered to fleet customers in partnership with the French driving school ECF (école de conduite française) and the International Federation of Safety Education Network (IFSEN), are now available in France, Spain and Morocco, Belgium, the Netherlands, Poland and Turkey. Course participants are trained on their own work vehicles, to which a Driving ECO2 Training System by Renault device is connected. This facilitates an analysis of the overall driving data so as to measure in real time the progress made through the implementation of the skills learned.

Renault also offers its corporate customers an embedded telematics system (Fleet Asset Management), which provides corporate fleet managers with remote access vehicle driving data (distance, consumption, average speed and Eco-score). This objective assessment of the driver's behavior encourages employees to adopt eco-driving measures during their travel and they can be trained if necessary.

2.6.3.2 RESOURCES AND THE CIRCULAR ECONOMY

MAIN OBJECTIVES		DATE OF SETTING OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
Product	Reach a proportion of 33% recycled materials in the total mass of new vehicles produced in Europe	2013	2016	30.6% (see appendix 2.9.2.1.)
Product	Reach a proportion of 20% recycled plastics in new Renault vehicles produced in Europe	2004	2015	20% on New ESPACE
Product	Integrate more recycled plastic (by mass) in each new model than on the model(1) it replaces	2014	Ongoing	Change in amount of recycled plastics from one generation to the next (by mass): MEGANE: +11.7kg/veh ESPACE+46kg/veh
Product	Increase the Group's overall consumption of recycled plastic by 20% between 2013 and 2016[2]	2014	2016	+18.7% between 2013 and 2015
End-of-life	Contribute actively to the performance of the end-of-life vehicle recycling industry and achieve an effective 95% recycling rate of end-of-life vehicle materials, in particular through capital investments.	2012	Ongoing	Monitored by national authorities

(1) Within this document, a model is understood to be a vehicle type produced in a given plant.
(2) In tons, on the basis of the projected 2016 production volumes as at March 1, 2015.

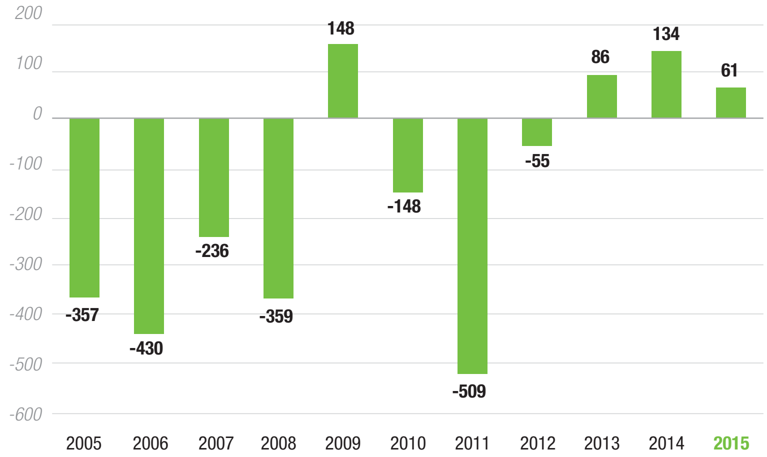
Metals and plastics make up more than 85% of the materials in automobiles. In 2015, nearly 2.9 million tons of steel, 340,000 tons of cast iron, and 320,000 tons of aluminum were needed to manufacture the vehicles sold by the Renault group worldwide, both in the Group's plants and by its parts suppliers. These estimated figures include offcuts of sheet metal and metal shavings generated during supplier parts manufacturing processes and in the Group's plants. In addition, the Renault group used about 515,000 tons of plastic materials, including offcuts, in vehicle manufacturing in 2015.

Among the materials used in the plants in the Europe and North Africa Regions (approximately two-thirds of the quantities above), it is estimated that the portion of recycled steel materials falls between 15% for flat steel and up to 100% for steel bars and cast iron. The recycled material rate for aluminum varies considerably according to the processes used to manufacture the parts: it is close to 100% for aluminum foundries and around 20% for hot-pressed aluminum parts manufactured internally, but remains close 0% for aluminum wheels. Renault is currently working to increase the recycled rate in these last two categories. Recycled plastic is estimated to have averaged 23.8 kg per vehicle in 2015.

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 rising trend observed in raw material prices since the beginning of the century and their volatility affect the Group's profitability.

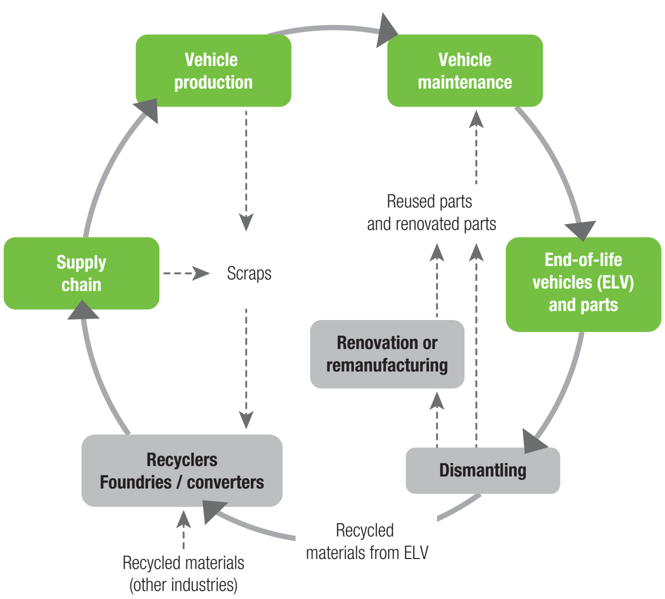
ANNUAL IMPACT OF FLUCTUATIONS IN MATERIAL PRICES ON THE GROUP'S OPERATING PROFIT

(€ million)



Renault uses circular economy principles to reduce the use of raw materials in three ways:

- designing vehicles that are more economical in materials, of which 95% of the mass can be recycled or recovered. Renault anticipated this European regulatory requirement and implemented it on all models brought to market as of 2007. In addition, it is voluntarily applied to all vehicles sold by the Renault group worldwide;
- developing technical solutions and industrial collection 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 an ever-increasing share of recycled materials into new vehicles.



DESIGNING VEHICLES THAT ARE RECYCLABLE AND MATERIAL-EFFICIENT

Since the early 2000s, the design of Renault vehicles has taken dismantling and recycling requirements into account. 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.

The possibility of renovating powertrains or certain of their parts (remanufacturing) is also taken into consideration from the beginning of their design by facilitating the dismantling and assessment of their components.

Renault is also working at reducing the amount of materials used in manufacturing its vehicles. Renault has introduced two technological advances to the steel used in vehicle bodies, in order to reduce the 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 the 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 (see Risks relating to raw materials – Securing resources in section 1.5.1.3).

COLLECT, SORT, DISMANTLE, DIRECT

Collection is an essential step in the recycling of end-of-life products. In addition to its regulatory obligations (see 2.6.2.2), Renault has chosen to invest directly in the collection and processing networks for end-of-life vehicles in France (45% of the Group's European end-of-life vehicles are located here due to Renault's long-term establishment in the country), in order to retain economic and technical control of material flows.

Thus, in 2008 the Renault Environnement subsidiary committed itself, along with the Sita/Suez Environnement Group, by taking a 50% stake in Indra. Indra has been active in automotive dismantling for over twenty years, and is involved in all levels of automobile dismantling, through four complementary activity clusters:

- engineering: Indra designs, develops, produces and markets innovative tools, equipment and processes (refined and tested at their own dismantling site in Romorantin) that deal with pollution removal, dismantling and recycling of ELVs. These tools and methods are intended to be widely distributed to all of Indra's dismantling network through training programmes that the Company develops and provides (340 people were trained in 2015);
- management-distribution of end-of-life vehicles for carmakers, insurers, governments, and even individuals through its 390 authorized ELV centers;
- dismantling/recycling in its own dismantling centers;
- marketing of guaranteed refurbished parts: Through its network, Indra distributes certified, reusable parts dismantled at its sites.

In 2015, approximately 390,000 end-of-life vehicles were processed by Indra's network of authorized dismantlers or by its own dismantling sites, 7,200 of these *via* the goodbye-car.com web-site set up in February 2014, offering a turnkey ELV collection service aimed at retail customers.

The Gaïa 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.

Renault has invested in these activities in order to meet a three-pronged goal:

- to meet Renault's regulatory obligations concerning ELV collection and processing in France;
- to improve the technical and economic performance of the network, thereby achieving the collective goal of a cost-efficient 95% vehicle recycling and recovery rate in 2015, through the development of new dismantling tools and processes for ELVs, and supporting and training its vehicle dismantling network;
- to supply short recycling loops (see RECYCLING paragraph below) in order to reduce dependence on and consumption of raw materials.

RE-USE

In addition to the marketing of unused parts by its Gaïa subsidiary (see above), since 2012, the Renault sales network in France has offered used body parts (including hoods, wings and headlamp units) collected and selected from Indra's network of dismantlers. This offer, unique among European carmakers, allows the refurbishment of vehicles for which repair would not otherwise have been economically viable using new parts alone.

RE-MANUFACTURING

For more than 60 years, Renault has practiced re-manufacturing, *i.e.* the refurbishment of mechanical parts. Used parts are collected in the sales network, sorted and refurbished. Since 1949, the renovation of engines and manual gear boxes has been carried out at the Choisy-le-Roi (France) plant. This activity adheres to a strict industrial process: involving complete dismantling, cleaning, sorting, refurbishment and replacement of faulty or worn parts, re-assembly and inspection.

These renovated («standard exchange») parts are sold to Renault vehicle owners at a price which is, on average, 40% lower than that of a new part, while satisfying the same quality requirements. Far from being marginal, the standard exchange parts offering covers 70% of the Group's powertrain parts and as many as 90% of ground contact parts (see below), and is regularly extended to cover new part categories. Each part replaced as a standard exchange saves a significant amount of energy compared with manufacturing a brand new part (a saving of up to 70% for an engine).

STANDARD EXCHANGE OFFER

The Standard Exchange offer also covers Dacia vehicles: Logans, Sanderos, and Dusters.

RECYCLING: DEVELOP NEW RECYCLING ROUTES, USE 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 (short loop). The challenge is to maintain the technical qualities and economic value of materials during recycling.

Renault has joined forces with other companies that share the same objectives in order to form consortia that bring together industrial entities, local communities, ADEME (Environment and energy management agency) and universities to create industrial and recycling networks for waste and parts from end-of-life vehicles and other industries (see inset below). The OREE (www.oree.org) and RECORD (www.record-net.org) trade associations, to which Renault belongs, help to coordinate these collaborative efforts.

At end-2015, the short-loop networks set up by Renault included:

- the recycling of metal parts coming from vehicle maintenance and repair. The first batch in 2012 consisted of faulty engines and gearboxes sent for renovation: once processed, components that are not reused in the renovated parts are recycled in Renault's foundries. In 2013 worn disk brakes collected in the sales network were added to this recycling process;
- copper recycling. The wire bought back from the dismantlers of end-of-life vehicles by Gaïa is processed to recover the copper. The copper is then re-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 Gaïa is of a high-quality, enabling it to meet demanding technical specifications and to replace raw or post-industrial material;
- polypropylene recycling (plastic): Gaïa collects bumpers from dismantlers and garages and ensures that they are processed to meet the Renault-Nissan Alliance's technical specifications. In 2014, two grades of polypropylene provided by this recycling network were listed with the Renault Materials Panel, and are currently awaiting approval for vehicle projects. New recycled polypropylene grades are also being developed for other uses;
- recycling of metal waste from manufacturing (sheet metal, shavings from machining). Loops between Renault plants or between Renault plants and suppliers of metal parts have been set up in France, Spain, and Brazil. New short loops were considered in 2015 for a planned implementation in 2016, which would increase recycling rates for these materials within the Group's business activities;
- recycling of platinum-group metals. Gaïa collects catalytic converters from end-of-life vehicles from dismantlers, from which it extracts the platinum-group metals. These recycled metals are then sold to an auto industry supplier to be re-used in the manufacturing of catalytic converters.

These short loops contribute to the achievement of Renault's objectives for the use of recycled materials in new vehicles. The collection and transportation of materials during the recycling process are also optimized to achieve the greatest reduction in the environmental footprint of the recycled materials.

The recycling of automotive textiles and work clothing, using an exclusive process (Valtex project) to create a sound insulating material for the soundproofing of vehicles, is also in the process of being approved for industrial use.

Progress in using recycled plastics is being made with each generation, notably owing to their greater availability. Each New ESPACE (marketed in the Spring of 2015) therefore contains more than 50kg of recycled plastics, including one third from post-consumer recycling[1], thus meeting the target of 20% recycled plastic in new vehicles produced in Europe in 2015. This objective, set in 2004, is replaced at the end of the Renault 2016 - Drive the Change plan by two new objectives that demonstrate the Group's aim to internationalize its efforts, in order to integrate a growing quantity of recycled plastics into the production of new vehicles:

- Integrate more recycled plastic (by mass[2]) in each new model than on the model it replaces;
- Increase the Group's overall consumption of recycled plastic by 20% between 2013 and 2016[3].

Renault and its partner Nissan are working together to identify new channels and to increase the incorporation of recycled plastics materials in vehicles produced outside Europe and Japan.

RECYCLED PLASTIC PARTS ON NEW ESPACE

(1) Post-consumer recycled materials: Materials from the recycling of end-of-life consumer products, as opposed to post-industrial recycled materials from manufacturing scrap.
(2) Within this document, a model is understood to be a vehicle type produced in a given plant.
(3) In tons, on the basis of the projected 2016 production volumes as at March 1, 2015.

COLLABORATIVE PROJECT INNOVATIVE CAR RECYCLING 95% (ICARRE 95) – LIFE +

September 2011 – July 2015

2015 saw the culmination of the Innovative Car Recycling 95% project (ICARRE 95), which received financial support from the European Commission's Life+ programme. Renault coordinated the project, which involved a range of partners and sub-contractors from the world of recycling.

Its purpose was to show how to recover 95% of the mass of ELVs (end-of-life vehicles) under conditions which are economically profitable for all stakeholders, through:

1. Creating and setting up new networks for parts or materials that are less frequently or never recycled by stakeholders in this area;
2. Alternative logistics which aim to reduce the environmental footprint of transport in the recycling process;
3. The development of recycling skills through training.

In order to achieve its goals, the project aims to give automotive components and materials a second life by promoting short loop opportunities within the automotive sector. The model created in this project is designed to be applicable and transferable on a larger scale at the European level.

The ICARRE 95 project focuses on all stages of the end of life of a vehicle:

I- Dismantling of end-of-life vehicles (ELV)

The measures implemented by ICARRE 95 for the dismantling phase have led Indra (a major player in automotive dismantling in France) to assess and trial solutions for improved dismantling and cost-efficiency, with a view to securing the sector's sustainability.

A «physical demonstrator» for the 95% recycling rate, which is the Icarre95 project's primary objective, is operational on the INDRA site in Romorantin, with actual volumes of 4,000 to 5,000 ELV/year.

II- Transformation and regeneration of dismantled parts and materials

ICARRE 95 focuses on the recycling of three major categories of materials that are currently not frequently recycled:

- plastic polymers: such as noryl® used for wings and polypropylene (PP) for bumpers and interior trims, etc.
- foam and textiles used in vehicle seats and rear parcel shelves, floor mats and trunk upholstery.
- metals such as copper taken from electrical wires, platinum-group metals from catalytic converters, cast iron, magnesium alloys from steering wheels and aluminum from engines and wheels.

Two partners have contributed their know-how and experience to the project: Synova is an SME which specializes in plastics recycling, and Duesmann is an international refining company which recycles catalytic converters.

Another facet of ICARRE 95's work is the creation of a full professional refurbished parts service for the automotive repair market (see Re-use under section 2.6.3.2). Key to this service are web tools which link the parts range to the requirements of professional repairers.

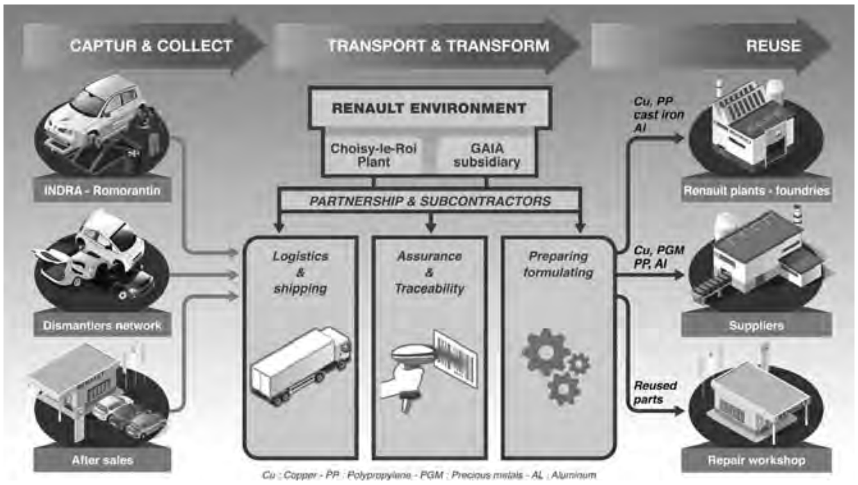
III. Logistics

ICARRE 95 has initiated a series of measures whose primary goal is to optimize logistics flows for the recycling of materials and thus reduce the associated fixed costs and environmental footprint. Optimized coverage of territory has enabled a 60% reduction in logistics costs per metric ton of recycled material.

IV. Skills and training

ICARRE 95 has brought together a network of over 50 bodies, laboratories and companies to support the project's four partners, Renault, Indra, Synova and Duesmann, which have contributed essential knowledge and skills in a wide range of areas including: waste collection, plastics manufacturing, logistics, information systems and processing of materials.

Higher education schools are also joining the ICARRE 95 project to develop new technological recycling solutions and integrate the skills required to implement them within their training courses, thus ensuring that these new channels have a future.



For further information, visit http://icarre95-programmelife.com

2.6.3.3 INDUSTRIAL WASTE

MAIN OBJECTIVES		DATE OF SETTING OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
Manufacturing	Reduce reliance on landfill disposal: Six manufacturing plants will no longer be disposing of waste in landfill in 2016	2007	2016	5 plants
Manufacturing	Reduce by 20% the quantity of hazardous waste generated per vehicle produced at the manufacturing sites between 2012 and 2016	2013	2016	-11.3% (compared with 2012)
Manufacturing	Reduce by 20% the quantity of mixed -non-hazardous waste generated by the manufacturing sites between 2012 and 2016	2013	2016	-26% (compared with 2012)

In accordance with the principles of the circular economy, Renault has adopted a preventive approach to achieve the maximum reduction in the environmental impacts associated with the production of waste, through the implementation of the following principles, in order of priority:

- **reduce** the quantity of waste generated at source, by first eliminating the source of its creation, where possible: this means that the use of sustainable packaging in the transportation of manufacturing parts is favored over that of single-use packaging, particularly for high-volume parts and short logistical flows (the economic and carbon assessments incorporating the return of empty packaging were not favorable for low volumes transported over long distances). This initiative was, however, slowed in 2015 by a shortage of sustainable packaging throughout the Group, leading to an increase in the overall quantity of packaging waste generated over the year.

When the production of waste cannot be avoided, an effort is made to reduce the quantity by separating the portion that is not strictly-speaking waste (recoverable active substances, water, etc.). For example, the filtering systems for paint sludge facilitate a reduction in the quantities of waste to be eliminated since they extract the water contained in the sludge. Similarly, the separation of dry matter and oils contained in the sludge and the shavings from milling reduces the tonnages of waste and facilitates the recovery of oils that can be reused in the manufacturing process;

- **reuse** spent products, production offcuts and scrap: in the assembly plants, excess anti-corrosion protection waxes are recovered after application, filtered and returned to the production system. Following the implementation of regeneration of solvents used to rinse the painting robots on most sites (89% of solvents are regenerated at the European and Moroccan sites), the re-use of these regenerated solvents in the same paint lines is being rolled out and has already been introduced at the Batilly, Maubeuge and Sandouville (France) sites. In Colombia, the Medellin plant has been recycling its paint solvents internally since 2014, enabling the plant to almost completely eliminate solvent waste. As regards powertrain manufacturing sites, the Cléon plant collects and regenerates used machining oils from several French plants to use as a substitute for new oils. When they are in good condition, used wood pallets are re-used within the Company or resold for the same purpose. Gaïa, a subsidiary of Renault Environnement, recovers unused end-of-series parts from within the plants, sorts them and sells them;
- **recycle** the materials contained within the waste. This form of waste treatment can be applied to most recoverable materials (cardboard, plastic, metal, etc.). In this way, metallic waste, which represents over 70% of the total production waste by mass, is almost completely recycled. Paper, cardboard and plastics are also systematically sorted for recycling. However, beyond these “traditional” recyclable waste categories, some more complex types of waste that may initially appear of no value can also be recycled through incorporation in the composition of new materials. In this way, the dust extracted from the air at the Le Mans plant (more than 1,500 t in 2015), previously disposed of in landfill until 2013, is now reused as a reagent in the hazardous waste stabilization process, instead of using raw material. Ashes from the biomass boilers at the Tangiers plant in Morocco (more than 1,000 tons in 2015) are used in bio fertilizers certified for use in organic farming;
- **recover energy** by using waste as an alternative fuel (in cement plants, for example) or by recovering the energy produced through incineration (in waste incineration plants) to produce electricity or steam; this in turn can be used to replace natural gas for heating paint drying ovens, as has been the case at the Sandouville plant in France and the Busan plant in South Korea.
- **disposal** consists of burning the waste or burying it in landfill. Renault is seeking to minimize the use of this waste management method. Based on a like-for-like scope of operations, Renault has reduced the quantities of manufacturing waste sent to landfill (except demolition waste and rubble) by 63% since 2008. At end-2015, five manufacturing plants were no longer sending any manufacturing waste to landfill (except for demolition waste and rubble).

To ensure consistency at a Group-wide level, Renault has drafted a waste table (a codified list of waste produced by sites). This makes it possible to standardize the approach to hazardous and non-hazardous waste internationally.

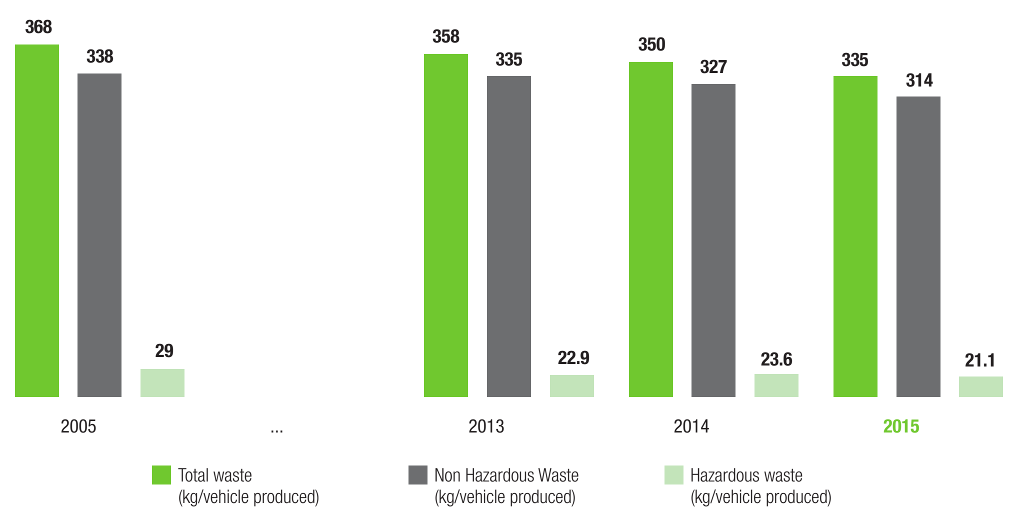
WASTE – TYPES AND TREATMENT METHODS (TONS/YEAR)[(1)]

		TOTAL	RECYCLED	ENERGY RECOVERY	INCINERATED WITHOUT ENERGY RECOVERY	OTHER ELIMINATION CHANNELS
	2015	59,924	19,649	22,910	5117	12,248
	2014	60,785	15,066	26,577	3,856	15,286
Hazardous industrial waste	2013	57,401	13,533	23,506	3,073	17,290
	2015	175,240	140,764	9,886	288	24,302
	2014	169,621	124,658	7,961	1,166	35,837
Non-hazardous industrial waste[(2)]	2013	192,954	141,201	9,735	675	41,343
	2015	717,114	712,802			4,312
	2014	669,978	666,454			3,524
Metallic waste	2013	652,698	650,299			2,399
	2015	**952,278**	**873,215**	**32,796**	**5,405**	**40,862**
	2014	**900,384**	**806,177**	**34,538**	**5,022**	**54,647**
TOTAL	**2013**	**903,052**	**805,032**	**33,241**	**3,748**	**61,031**

(1) Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG Commercial Network (the scope of reporting described in Appendix 2.9.2.2). Quantities of construction waste that are unrelated to the activity are not included.

(2) Excluding metallic waste.

WASTE PER VEHICLE PRODUCED (KG/VEHICLE)[(1)]



(1) Scope: all manufacturing plants and the main tertiary, logistics and engineering sites except those in the RRG commercial network (the scope of reporting described in Appendix 2.8.2.2). Quantities of construction waste that are unrelated to the activity are not included in this graph.

2.6.3.4 WATER CONSUMPTION AND QUALITY

MAIN OBJECTIVES		SETTING OF OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
Manufacturing	Reduce water consumption per vehicle by 45% (all sources included) compared with 2005	2012	2016	-42% (compared with 2005)
Manufacturing	Reduce the quantity of heavy metal waste (METOX) in liquid effluents per vehicle by 60% compared with 2005	2012	2016	-34% (compared with 2005)

Preserving water resources is an ongoing concern for Renault, both to ensure long-term supply and to reduce its impact on ecosystems. For this reason, the Group has set a goal of minimizing the impact of its activities on this precious resource through the implementation of the following five objectives:

1. **reduce** water consumption at source as well as the quantities of wastewater through well-designed processes and optimized management. For example, vehicle surface treatment is one of the major causes of water consumption in an automotive plant. The cascade filling of baths (water from one bath is redirected to another that requires a lower level of purity, etc.), stopping the rinse water flow between each body, and the presence of rinse manifolds between stages (which prevents the contamination of baths with impurities from the body) enable a reduction at source of the quantities of water used as well as the waste to be treated;
2. **reuse** water where possible for the same use: cooling in a closed circuit, increasing the lifespan of baths, 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 (purified) water to the flushing of toilets and the water curtains (air cleaners) of paint pits, which facilitates the reduction of the quantity of water consumed as well as that of waste discharged. Since late 2015, the Tangiers plant, already designed not to discharge any industrial waste, has had a basin that enables it to confine any accidental pollution and avoid its discharge into the environment, and to purify rainwater drained on the site by decantation;
4. **minimize the impact** of residual waste on the environment through efficient and strictly controlled treatment processes. New biological treatment plants were therefore 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 the means needed to confine waters from accidental spillage and that used for fire fighting.

RECYCLING OF INDUSTRIAL EFFLUENTS

Among measures used to meet its objectives of reducing water consumption and the discharge of pollutants into the environment, Renault places a particularly strong emphasis on the recycling of industrial effluents: the wastewater generated by the manufacturing process is treated in a manner that allows this same water to be transformed into a resource of sufficient quality to be re-used in the same process.

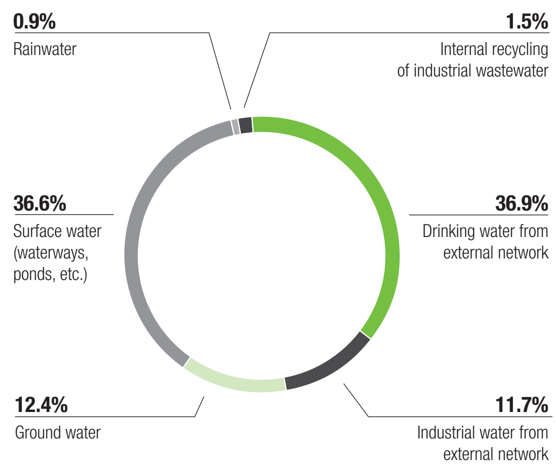
In the **powertrain plants**, the recycling of industrial effluents consists in separating the distillate (treated water) that can then be reintroduced into the process, from the concentrate (oily residue from evaporation) that will be directed to the appropriate waste treatment channel. Seven out of the Renault group's 13 powertrain plants implemented evaporation treatment on all or part of their industrial effluents in 2015.

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. The treated waste must be subjected to a reverse osmosis process (a purification process using a membrane), and an evapo-concentration process (extreme concentration of waste through different evaporation stages), that enables the re-use of the majority of the water contained therein, in a purified form, within the industrial processes and minimizes the quantities of waste generated.

The Tangiers body assembly plant in Morocco, which opened in February 2012 in an area where water is very scarce, is equipped with the most advanced technologies available, enabling it to recycle all its wastewater from the manufacturing process. This made it possible to save more than 120,00 cubic meters of water in 2015. Additional investment was made in 2015 to support the acceleration in the rate of production on the site and to significantly increase the volume of industrial waste recycled.

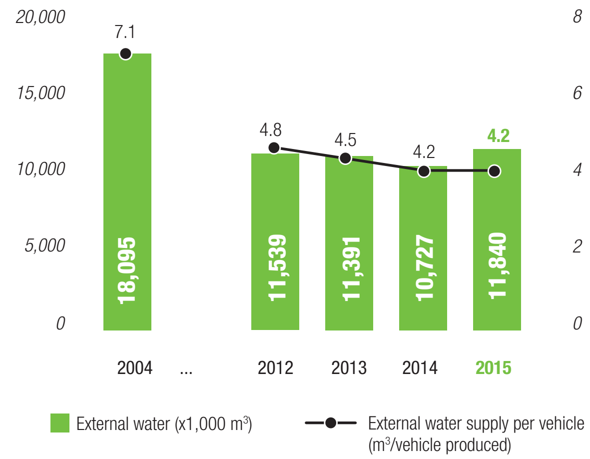
At the Group level, the decline in external water abstraction per vehicle produced remained stable on average compared to 2014 at 4.2 m^3 per vehicle, after a reduction of 8% in 2014 and 47% over 10 years (see chart). The effects of certain actions taken in 2015 will not, however, be seen until 2016 and these should allow the indicator to start declining once again.

DISTRIBUTION OF THE WATER SUPPLY BY SOURCE



Scope: all manufacturing plants & the main tertiary, engineering and logistics sites, excluding the RRG Commercial Network (reporting scope described in Appendix 2.9.2.2).

EXTERNAL WATER SUPPLY



External water supply corresponds to drinking water, industrial water, groundwater, surface water and rainwater networks.

Scope: all manufacturing plants & the main tertiary, engineering and logistics sites, excluding the RRG Commercial Network (reporting scope described in Appendix 2.9.2.2).

2.6.3.5 AIR QUALITY

MAIN OBJECTIVES		DATE OF SETTING OBJECTIVE	DEADLINE	STATUS AS OF YEAR-END 2015
Manufacturing	Reduce VOC emissions through ongoing progress and the gradual replacement of obsolete installations	2012	2016	-14% (g/m²) compared with 2012

MANUFACTURING

Volatile organic compounds (VOC)

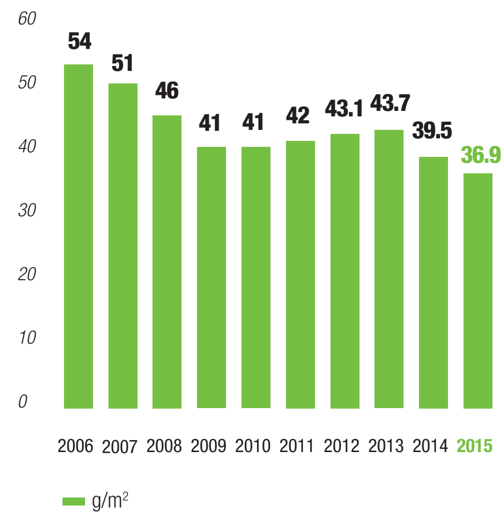
In 2015, volatile organic compound emissions per sq.m. of painted assembled bodywork fell by an average of 6.6% for the Group as a whole, to 36.9 g/sq.m.

The main actions to reduce VOC emissions during the year in the Group's plants included:

- replacing painting machines by robots (for a far more accurate optimization of the product quantities used) to apply body paint and/or varnish in the Bursa (Turkey) and Douai (France) plants;
- setting up new robots to apply a sealant layer or protective underbody layer in the Cordoba (Argentina), Curitiba (Brazil), Moscow (Russia), Palencia (Spain) and Sandouville (France) plants;
- disseminating the Group's best practices on the use of solvent paint products and reduction of Volatile Organic Compounds, led by the Group's Paint Engineering department.

At end-2015, 79% of vehicles produced each year were painted using paint with a water-soluble base (*i.e.* the solvent in the paint is comprised mainly of water), and 75% of the Group's paint and varnish drying ovens are linked to a Volatile Organic Compound incinerator.

VOC EMISSIONS

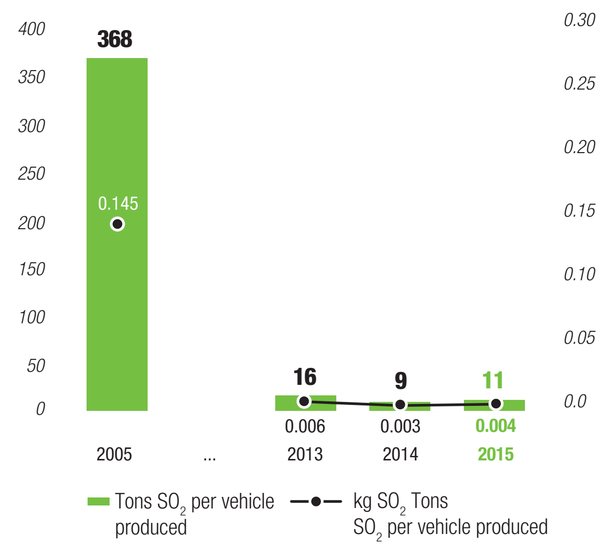


Scope: all body assembly and mixed plants (scope of reporting described in appendix 2.9.2.2). The emissions counted are those of the vehicle body paint workshops (excluding paint for parts such bumpers made of plastic materials and accessories).

Combustion-related emissions of SO_2 and NOx

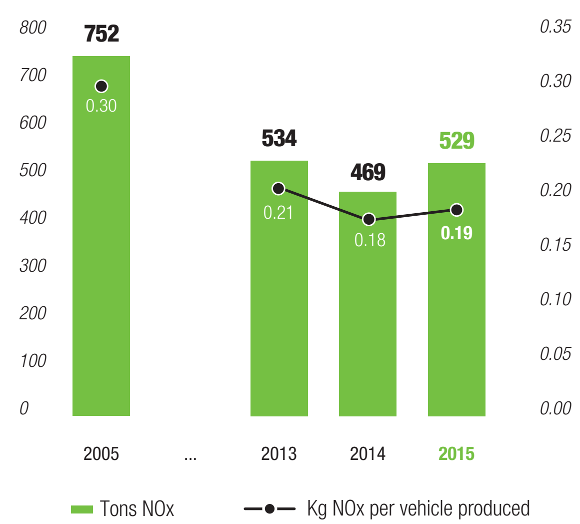
Over the past few years Renault has been conducting a large-scale programme to replace fuel oil by natural gas at its production plants. The aim is to cut emissions of sulfur dioxide (SO_2), nitrogen oxides (NOx) and carbon dioxide (CO_2). Since fuel oil is now almost no longer used at the Group's facilities, the main focus is now on the modernization of gas boilers and the installation of low NOx emissions burners.

SO_2 EMISSIONS



Scope: all manufacturing plants & the main tertiary, engineering and logistics sites, excluding the RRG Commercial Network (reporting scope described in Appendix 2.9.2.2).

NOX EMISSIONS



Scope: all manufacturing plants & the main tertiary, engineering and logistics sites, excluding the RRG Commercial Network (reporting scope described in Appendix 2.9.2.2).

VEHICLE USE

Reduction of pollutant emissions in internal combustion vehicles

All vehicles sold by Groupe Renault worldwide have received appropriate approval from the relevant authorities and comply with all regulations in force.

Following the deployment of particulate filters imposed by the Euro 5 standard (which has applied to all passenger cars since January 1, 2011 and to light commercial vehicles since January 1, 2012), the Euro 6b standard, which has applied to all passenger cars since September 1, 2015 (and LCVs since September 1, 2015 or 2016, according to their mass), lowers authorized particulate emissions once again for all engines, while reducing the authorized NOx emissions for the approval of Diesel vehicles by more than half in comparison with Euro 5 (from 180 to 80 mg/km), bringing the latter to a level close to those authorized for gasoline vehicles (60 mg/km).

Such a reduction, a more than six-fold decrease within 10 years, is made possible by implementing NOx trap or SCR (Selective Catalytic Reduction)-type post-treatment systems. The NOx trap is a chemical system that traps nitrogen oxides and transforms them into neutral gases. This catalytic converter also helps oxidize the hydrocarbons and carbon monoxide produced by partial combustion. It has been fitted in all diesel passenger cars sold by the Group in Europe since September 2015. SCR (Selective Catalytic Reduction) technology works to reduce nitrogen oxides in water and nitrogen by injecting urea. All TRAFIC and MASTER light commercial vehicles sold in Europe since September 2015 are fitted with this technology.

The rollout of the Euro 6b standard is however only one step in the reduction of pollutant emissions in internal combustion vehicles, and the Group is in the process of implementing an ambitious €1.2 billion investment programme staggered over four years to respond to the future Euro 6d standards, which will apply by 2017-2019 (respective dates for New Types and All Types). They will introduce, above all, measurements under real driving conditions (RDE protocol for Real Driving Emissions), as well as a new certification driving cycle that will be more stringent than the current NEDC cycle (WLTC, application date currently under discussion).

The effectiveness of remediation systems varies according to a multitude of factors, such as driving conditions, type of driving or temperature. Measurements conducted in a laboratory based on the standardized NEDC certification cycle[1] cannot by their very nature cover the variety of these customer uses.

For this reason, for a number of years Renault has supported the European undertaking to set up a system of measurement under real driving conditions, as well as to revise the standardized certification cycle (replacement of the NEDC cycle by the new WLTC cycle). Furthermore, in order to anticipate these regulatory changes as much as possible, in late 2015 Renault also announced its decision to considerably strengthen and step up its efforts to reduce pollutant emissions from vehicles in use.

(1) New European Driving Cycle.

In parallel, a €50 million programme was launched in July 2015, aiming to improve EGR systems (exhaust gas recirculation) by increasing their operating range in order to further limit emissions during use. Vehicles in the European range will be fitted with these improved EGRs from July 2016, and all customers who have purchased a Euro 6b vehicle – which already comply with current standards – prior to implementation of the new system will be offered the improved EGR by way of a simple system engine calibration adjustment.

Over the coming years, SCR technology will be deployed on the range of Diesel passenger cars to meet future Euro 6d standards. Even if SCR technology proves to be more stringent, with the fitting of urea tanks that need to be refilled regularly, it still enables nitrogen oxides to be reduced very effectively in all engine performance ranges.

In other markets, Renault adapts the technical definitions of its powertrains to fit local conditions (fuel quality, climate, dust, etc.) in such a way as to ensure each vehicle's compliance with applicable regulations in the country in which it is sold.

EMISSIONS REDUCTIONS IN LINE WITH PASSENGER CAR EMISSIONS STANDARDS (EUROPEAN UNION)

	EURO 1	EURO 2	EURO 3	EURO 4	EURO 5	EURO 6	% REDUCTION ACHIEVED BY EURO 6 COMPARED WITH THE 1ST LIMIT VALUE
START DATE (ALL TYPES)	1993	1997	2001	2006	2011	2015	
Diesel							
Nitrogen oxides (NOx)	-	-	500	250	180	80	-84%
Carbon monoxide (CO)	2,720	1,000	640	500	500	500	-82%
Hydrocarbons and nitrogen oxides (HC + NOx)	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 (NOx)	-	-	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^{12}*	-

All values are expressed in mg/km except PN, which is expressed in number of particles per km.

** Regulation no. 459/2012 authorizes direct-injection gasoline cars to emit $6x10^{12}$ particles until 2017; from then on, they will be limited to $6x10^{11}$, the same as diesel vehicles.*

Contribution of electric vehicles to the improvement of air quality in urban areas

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[1]. 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. Nissan, along with Aria Technologies, also led a similar study in the city of Hong Kong in 2014. These studies, which assessed both the reduction in local emissions due to electric vehicles and the increase in emissions caused by the increase in electricity generation, modeled the impact of a proactive policy to promote electric mobility.

In the scenario tested in Rome, electric vehicles represented 20% of all vehicles in city center areas subject to existing traffic restrictions, resulting in political proactiveness to promote clean vehicles by replacing the public fleet with electric vehicles and promoting small electric LCVs for goods delivery to end-customers. The study's findings showed 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 season, and up to 45% on major arterial roads, and particle concentrations (PM_{10}) would be reduced by up to 30%. Finally, the number of inhabitants and visitors alike exposed to benzene concentrations higher than 2 $\mu g/m^3$ (maximum value recommended by France's High Council for Public Health) in the historic city center would be reduced by nearly 50% in relation to the base scenario.

The proactive scenario modeled in Hong Kong assumed that 20% of passenger cars and light commercial vehicles (including light buses) would be electric and 20% of taxis and light buses would be bi-fuel LPG vehicles, all within a downtown area of 1 sq.km (Mong Kok neighborhood). This modeling demonstrates that if 20% of vehicles were electric, this fact alone would generate a 46% reduction in winter concentrations of volatile organic compounds and a 25% reduction in concentrations of particulates (PM_{10} and $PM_{2.5}$) in the neighborhood in question.

(1) Excluding replacement parts.

Cabin air quality

Air in the cabin is a complex blend of air drawn from outside the vehicle, which supplies the heating and air conditioning systems, and emissions from materials within the cabin. The Renault group takes these two components into consideration when designing its vehicles in order to control their impact on the quality of cabin air, and to maintain the health and comfort of passengers.

Treatment of external air drawn into the cabin:

When driving, the main influence on the quality of cabin air is that of external air, given the fast air renewal flow required for passenger comfort (200 m^3/h on average). Therefore as soon as it designs its vehicles, Renault ensures that the architecture enables an air treatment system to be fitted. Three types of technical solutions are implemented:

1. Particulate cabin filters (also known as pollen filters): They are made of non-woven fibers and designed to trap the smallest particles, with an effectiveness of over 85% efficiency from 2.5 µm in size and 95% for particles above 10 µm;
2. Combination cabin filters: These are pollen filters with a layer of activated charcoal grains added. In addition to particles, the activated charcoal traps gases including aromatic compounds and nitrogen dioxide. These filters are sized to trap an average of more than 85% of these compounds on the Renault vehicles on which they are fitted;
3. Automatic air inlet management system: This is an electronic system linked to a toxicity sensor, which automatically closes the air inlet when the sensor identifies a peak concentration of certain pollutants in the outside air (such as when the vehicle passes through a tunnel). In particular, it detects gases emitted by preceding vehicles.

The technical solutions applied to each vehicle are the result of a compromise between a number of services (treatment efficiency, defogging, noise and energy consumption), and vary according to the level of the range and equipment. The latest models marketed under the Renault and Renault Samsung Motors brands (ESPACE V, KADJAR, TALISMAN and MEGANE IV) do however come with combination filters as standard on all versions, together with the automatic air inlet management system on versions fitted with automatic air conditioning (the system cannot be offered on other versions as it requires power-driven air inlet valves).

However, any Renault, Dacia or Renault Samsung Motors customer whose vehicle is not initially fitted with a technical air treatment solution from the outset and requiring such a solution will be able to obtain this equipment through additional Renault after-sales service.

Emissions from materials within the cabin:

When the vehicle is stationary and exposed to sunlight, the presence of volatile chemical substance emissions from materials in the cabin may become overbearing when compared to the quality of the air outside. Renault has therefore set itself the objective of managing these emissions in order to minimize their impact on passenger health and comfort.

Thus, since 2009, all materials within all internal vehicle parts (cabin and trunk) whose total weight within the vehicle is over 100 grams have been subject to specifications deployed to all relevant suppliers, in an effort to manage emissions levels from the main categories of Volatile Organic Compounds.

Renault also ensures that any odors caused by the main contributors to the vehicle's atmosphere are limited. This is assessed by a panel of experts who are specifically trained in Renault's own methods, based on olfactory descriptors and an understanding of odor levels as set out by the methods of IAP-Sentic®, a consultancy firm specializing in odors (and a subsidiary of the Burgeap group).

THE ZOE IS ALSO DESIGNED WITH PASSENGER HEALTH IN MIND

Like all vehicles in the Renault Z.E. range, the Renault ZOE electric city car does not emit any atmospheric pollutants during use(1) and is also exemplary in ensuring passenger health and comfort vis-à-vis air pollution. It comes with the highest-quality external air treatment system (with combination filter) as standard, as well as the automatic air inlet management system. Furthermore, all of the materials used in the cabin have been selected to minimize the risk of any allergic reaction.

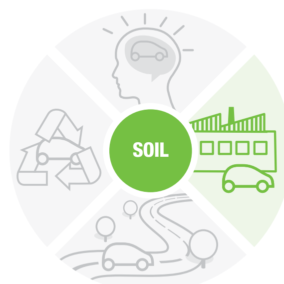
2.6.3.6 SOIL AND WATER TABLES

MAIN OBJECTIVE	DATE OF SETTING OBJECTIVE	DEADLINE
Manage remediation work when risks are identified	2001	Ongoing

Soil and water tables are environments that can potentially allow pollution from past activities to come into contact with targets to be protected (humans, natural environments, etc.). Renault has therefore implemented a policy to prevent pollution of these environments and, when past pollution is suspected, implements specific management strategies. This policy is applied to all Group facilities presenting a potential pollution risk, *i.e.* operational industrial facilities, former industrial facilities reconverted to other uses, as well as the Renault Retail Group (RRG) commercial network. Renault aims to maintain in-house skills in prevention of soil pollution and remediation.

In 2015 Renault's production plants, engineering and logistics sites, and head office represented a total area of 4,071 hectares, of which 46% are impervious surfaces such as buildings, parking lots, roads, and paths. Total surface area and the proportion of impervious surfaces did not change significantly from the previous year, at constant scope.

PREVENTION



The prevention policy at industrial sites is based on three key tools. A risk-rating grid is used to assess the level of pollution prevention and reinforce it if necessary by prioritizing required rehabilitation work. In the case of new production facilities, the soil prevention guide describes the best techniques to implement in each type of facility. Both of these tools are in use across all Renault industrial sites worldwide. The prevention policy ultimately relies on monitoring of the quality of groundwater. This monitoring, which is carried out systematically when regulations so require (all industrial sites in France), is also carried out voluntarily by Renault when potential sources of pollution are identified, to spot any movement of pollutants to sensitive areas and to take appropriate measures as early as possible.

Since 2011, all sites in the RRG commercial network have been equipped with pollution prevention tools, and oil and fuel are now stored above ground or in double-wall tanks fitted with alarms and retention tanks. Priority preventative actions, such as neutralization or replacement of single-wall underground tanks with aboveground or double-wall storage tanks, were completed in the European RRG network in 2013.

(1) Excluding replacement parts.

REMEDIATION

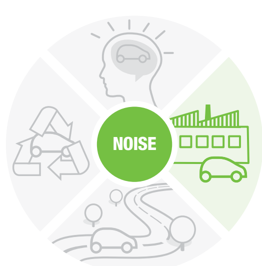
The management of past subsoil pollution hinges on a risk assessment based on the source-vector-target concept and aims to ensure the suitability of the subsoil for the planned or identified uses. There are three aspects to the pollution management policy:

- historic and documentary study, 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 commercial network. It is updated as necessary. This study enables the identification of potential sources of pollution and the evaluation of the vulnerability level at the facility and in its immediate surroundings;
- a physical diagnostic of soils is carried out on-site depending on the results of historic and documentary research;
- if the diagnostic confirms the presence of pollution sources, a quantitative evaluation of the health risks is performed in order to assess the exposure risk for site users and the immediate surroundings (workers, residents, school children, etc.);
- remediation operations may be started depending on the results of the two preceding steps. 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 end-2015, remediation work was undertaken at 22 sites.

2.6.3.7 NOISE

MANUFACTURING



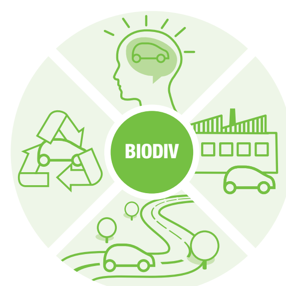
Noise is a complex subject that involves a wide range of factors such as weather, topography, type and power of noise sources by octave band, directivity, attenuation, or the impact of buildings. For the comfort of residents living near its production facilities, Renault is making active efforts to limit and reduce noise pollution from its activities by working to control "noise" at both existing and new facilities. Soundproofing measures are focused on stamping presses and extraction chimneys, which generally constitute the main sources of external noise across our industrial facilities.

VEHICLE USE

In accordance with European regulations, ICE vehicles sold by Renault in Europe in 2015 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. In addition, they produce a net improvement in users' acoustic comfort: the noise inside an electric vehicle is approximately 10 dBA lower than that of an internal combustion engine vehicle.

2.6.3.8 BIODIVERSITY



Protecting the biodiversity of species and ecosystems requires specific measures such as protecting habitats and combating the overexploitation of species, as well as reducing polluting emissions into ecosystems (water, air and soil). Renault's continuous efforts to mitigate the environmental impact of its activities and products (see previous sections) help to combat ecosystem depletion in this way.

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. On the Tangiers site inaugurated in 2012, a study was carried out on the impact of the planting of more than 5,000 trees between 2014 and 2015 in order to prevent soil erosion related to rainwater run-off on pervious areas of the site and the associated negative impacts on biodiversity. In Brazil, Renault, with the agreement of the local authorities, established a plan in 2008 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 sq.m., 60% is devoted to the conservation of an area of virgin forest. This virgin forest, made up mainly of araucaria trees, a species of pine threatened with extinction and protected under Brazilian law, is home to more than 170 species of animal.

2.7 HEALTH PROTECTION

In a proactive approach to health and safety, the Renault group is working to reduce the negative impacts of its activities and its products on the health and safety of all stakeholders. It aims to:

- improve working conditions for Group employees, protect their health, safety and well-being (see 2.4.3.1);
- include, in the environmental policy, air quality factors for manufacturing and vehicle use (see 2.6.3.5);
- ensure the safety of motorists and other road users, and more generally, help to reduce the death toll on the roads (see 2.7.1);
- protect the health of consumers and workers using a substance risk management policy (see 2.7.2).

2.7.1 ROAD SAFETY

Road safety is a real public health issue throughout the world. All continents are affected. 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 road fatalities will reach 1.9 million annually in 2020. Renault, a carmaker that designs, manufactures and distributes cars throughout the world, makes road safety one of the core concepts of its corporate social responsibility.

The Renault group's international expansion must be accompanied by the design of vehicles meeting regulations and security requirements in these new markets. The causes of accidents and injuries in these new Regions differ from the European market, so Renault is expanding its accident research beyond Europe, transferring its own know-how and gaining expertise from local laboratories and universities, and other key players in road safety.

In order to fully assume its responsibilities, Renault has made a two-fold 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.);
- within society. It participates actively with governments and civil society throughout the world to help improve road safety. Both alone and in collaboration with other organizations, Renault works to raise awareness of road safety and facilitate transfer of skills among road users and road safety stakeholders.

2.7.1.1 RENAULT ROAD SAFETY POLICY

Renault includes in its systemic vision the specific features of each country to properly take into account factors other than the vehicles and their technologies, such as the road infrastructure, current legislation and its application, the policy and level of training and of raising awareness of road users, etc. Thus, either alone or in partnership, Renault is working to implement the most suitable measures in line with the maturity of each country.

Renault's road safety policy and actions are based on a five-pronged approach:

RAISE AWARENESS

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 of the road, are key weapons in the battle to improve road safety.

PREVENT

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 remainder 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.

CORRECT

CORRECT

The quality of road handling and braking constitute the fundamental dynamics of the vehicle. They are fundamental to avoiding accidents. Nevertheless, there are situations where technology should intervene to compensate for driver error. This is the purpose of these active safety systems. They intervene in difficult or emergency conditions; however, they do not do entirely replace the driver.

PROTECT

PROTECT

A top priority of Renault's road safety strategy is to protect 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 also 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 taken into account.

RESCUE

RESCUE

Renault collaborates with French and foreign emergency services to optimize help for accident casualties. These services receive guides explaining how to perform rescue operations on Renault vehicles. They are also provided with late-model vehicles on which they can practice victim extraction methods.

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 2014-2015 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 several million young people, and some 800,000 teaching kits have been distributed. Currently running in a dozen countries, it is the biggest road safety awareness campaign ever organized by an carmaker. By way of example, the "Kids on the Road" programme intended for elementary school children has been rolled out to countries beyond France, including Poland, Slovenia, Portugal, Turkey, Brazil, Argentina and Colombia. In 2015, other countries joined the scheme, including Algeria and Croatia. The teaching kits are now also available in a digital tablet application format in order to make them more accessible and to protect the environment. A serious game launched in 2014, raises the awareness of children between the ages of 7 and 12 in terms of road safety and sustainable mobility through three missions and numerous scenarios. The game can be downloaded free of charge from the programme's educational resources center (http://www.securite-mobilite-pour-tous.com/resources).

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 reach elementary and middle-school children, who can take an active role in their own safety and mobility by participating in the national and international competition "Your Ideas, Your Initiatives". The 2014-2015 competition provided a showcase for 76 very well-developed initiatives, put forward by 4,310 students from 15 participating countries, including Russia, Brazil, Lebanon, India, Ukraine, China and Mexico.

«THE ROAD AND ME» CELEBRATES ITS 14TH YEAR IN ACTION IN TURKEY

The road safety training programme «The Road and Me» which aims to raise awareness among children about the risks and threats posed by road traffic and to encourage them to adopt good safety habits, is celebrating its 14th year running in Turkey. By the end of the 2015-2016 academic year, 1,787,000 school children from the 41 most risk-challenged towns in the country in terms of road safety, will have benefited from road safety training through Renault's «The Road and Me» program, which is the longest-running corporate social responsibility project in its field.

The project is led by Renault in partnership with Total Oil Turkey and the Turkish Road Safety Association, with the authorization and cooperation of the Ministry of National Education of the Republic of Turkey.

Each month, Ibrahim Aybar, Chief Executive Officer of Renault Mais, visits a school where the project is being run. During his last visit, he met students who had received training through the programme in 2003, when they were eight years old. Alper Mert, now aged 19, said: "Thanks to «The Road and Me» training, I have survived the Istanbul traffic over the years. It also helped me to get my driver's license at first attempt».

Renault Mais also targets secondary school students with the «Your Ideas, Your Initiatives» competition. The winner of the 2014-2015 competition, which is the first corporate social responsibility project to involve secondary schools in tackling the challenges of sustainable mobility and road safety, is the Beykoz Anatolian High School in Istanbul. With the aim of raising awareness about traffic rules and regulations, with their project «When the buzzer goes off, the rules apply» students from this school replaced the sound of the school recreation buzzer with a variety of information messages, including traffic rules.

In addition, the «The Road and Me» and «Your Ideas, Your Initiatives» web-sites allow everyone, including journalists, corporate social responsibility experts, NGOs, corporate communications professionals, parents, teachers, students, and a host of other players, to find out more about these programmes and to regularly distribute road safety information and advice.

GLOBAL ROAD SAFETY PARTNERSHIP

GLOBAL ROAD SAFETY PARTNERSHIP

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, implement best practices, and set up the multi-sector partnerships needed to effectively promote road safety. http://www.grsproadsafety.org

In 2015, the GRSP worked in 43 countries worldwide, through extensive national voluntary networks.

In 2015, Renault continued to support the actions of the GRSP at corporate level, but also on the ground in the target countries through its decentralized Engineering departments and commercial subsidiaries.

DRIVER TRAINING

The "Renault Track, the Right Track", a post-driver's license driving school launched in France (Eure department) in June 2013, is open to everyone: private and professional customers, Renault employees, experienced drivers, senior citizens anxious to improve or young people in the process of 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. (Renault also offers specific training dedicated to eco-driving, called Driving eco² (see 2.6.3.1)).

A similar school has existed in Poland since 2004. It has already trained over 13,000 individuals from 280 different companies.

In 2015, the Renault Track continued its collaboration with the University of Aix-Marseille with the development of a University Certificate (UC), intended for road risk prevention specialists. This UC aims to train people to drive behavioral changes to reduce companies' road accident rates. The training, delivered over 7.5 days on the Renault Track, was undertaken by 12 people in 2015.

The course covers both theory and practice, addresses the limits of the Human-Environment-Vehicle-Organization system using research conducted in particular by Renault. Participants put into practice on the track, the risk representations, perspective and analytical limits of the driving task, the GDE matrix (Goals of *Driver Education*), the physiology of risk, etc.

In 2014, Renault Mobiliz partnered with the French driving school ECF (*École de Conduite Française*) and digital economy experts to build TGD, The Good Drive. TGD is an app available in Android and Apple iOS versions that allows you to transform a smartphone or tablet into a controller (steering, braking, acceleration, visual controls, rear-view mirrors and turn signals) with an image that appears on the screen of a computer connected *via* WiFi. This serious game is also compatible with next-generation game consoles. Its engine can be exported to major computing platforms.

Training sequences are divided into «journeys» that are in turn comprised of «driving situations». Students have to handle about 200 different driving situations, such as country roads, cities or highways, in various conditions (rain, good weather, nighttime, etc.). They win or lose points depending on how they do. A «replay» function lets them watch their own performance or understand their mistakes.

TGD is a threefold innovation with a social impact.

- technological innovation: TGD is developing applications and driver training software by using tools from everyday life and transforming them into an ultra-light driving simulator that gives driving students unlimited chances to train, wherever and whenever they want to;
- economic innovation: TGD reduces the number of lessons students need to take on actual vehicles;
- educational innovation: TGD is a serious game that upends the «theory/practice» approach by introducing a «virtual/real», «simulation/driving a vehicle» interplay.

This threefold innovation is a present-day response to the problem of driver license accessibility that strongly affects disadvantaged groups in society.

MASTER IN ROAD SAFETY MANAGEMENT (MANSER)

To help road safety actors develop their own know-how, using global best practices and taking regional characteristics into account, Renault has co-developed a master's degree in "Road safety management" (MANSER) for the Middle East and North Africa, where road risk is particularly acute. The objective is to produce national and regional managers and experts capable of creating and coordinating road safety policies in their countries. Since it was launched in 2012, the programme has enabled 45 students (some of whom receive financial aid) to take the 18-month course of theoretical and practical instruction. Since the creation of the Manser, 16 students have graduated.

PREVENTION, CORRECTION, PROTECTION


PREVENT


CORRECT


PROTECT

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. Renault's past history in this field, featuring concept-cars that were revolutionary for their time (BRV, Epure) and various publications launched at reputable congresses, has developed into today's integrated approach towards automotive safety, based on passive safety measures over and above the usual requirements covered in the media, coupled with driver assistance for the regular driving stages, to help drivers adopt an appropriate driving style.

This commitment to automotive safety has been substantiated by the attainment, 19 times over, of the maximum 5-star rating in Euro NCAP tests, having been the first carmaker to do so in 2001 (with the Laguna 2). The in-depth knowledge of accident and injury mechanisms developed through LAB (the Renault-PSA Peugeot Citroën Accidentology and Biomechanics Laboratory) research, has furnished Renault with an ambitious and pertinent vision of the steps needed to improve road safety. The recent changes to the Euro NCAP confirm the lines of action taken 15 years ago: the need to limit seat-belt stress, through a system now used by almost all carmakers, and the need to better protect rear passengers (which have belt force limiters, as do the front passenger and driver, in our vehicles). One specific feature concerns the handling of abdominal injuries through submarining. These injuries are all too evident in accident statistics and commonly reported by the emergency services but, unfortunately, it is impossible to test them with the standard crash-test dummies (50^{th} percentile range) used by laboratories. Renault uses a specific type of crash-test dummy, which offers more reliable biofidelity in the pelvic region but which requires that additional checks be performed. Euro NCAP has therefore recently decided to include anti-submarining in its evaluation grid, but uses a smaller sized and less sensitive crash-test dummy than the one used by Renault.

At the same time, Renault took a very early interest in potentially problematic secondary effects associated with stronger vehicle structures: in the event of impact with another vehicle, the increased robustness designed to better protect the vehicle occupants may, in fact, cause more pronounced injuries in the other vehicle, cancelling out all or part of the benefit obtained in the first vehicle. This is known as crash compatibility. Renault suggested a dual approach to this problem encompassing the idea that a vehicle must be sufficiently robust to resist an external impact but must simultaneously limit the destructive potential of that vehicle itself towards others, by maximizing energy absorption between the two vehicles in a crash situation. To help with this problem, a tool was devised, in the form of a deformable barrier specifically designed to allow these two effects to be measured. This barrier, which subsequently became the basis of a joint safety proposal, together with PSA and the French government, was not initially taken on board during discussions around changes to frontal impact regulations (UNECE R94). Nevertheless, it is the bedrock of a major change to the Euro NCAP set to take place in the near future. Euro NCAP has decided to include crash compatibility in its evaluation system, and the deformable barrier now features in its road map. Renault is set to become a pioneer in the field.

This effort in the field of passive safety will therefore continue, particularly by introducing stricter rules for consumer testing around the world.

While efforts in passive safety undertaken by the entire automotive industry have enabled extremely important improvements to be achieved in terms of reducing the road death toll, recent technological advances, complementing public policy, have heralded a new and very promising area of progress: it is no longer a case of limiting the consequences of an accident, but rather, of reducing their severity, or even, avoiding them altogether. This is where primary road safety comes into play, with ADAS (Advanced driver assistance systems). In its time, electronic stability control, or ESC - now a regulatory standard - proved remarkably effective (30% fewer single-vehicle accidents), simply by allowing the driver to keep control of his vehicle in extreme conditions, specifically, conditions which would otherwise require a degree of skill and attentiveness that few road users are capable of demonstrating. But ADAS have now gone

one step further: they can now take corrective action on the driver's behalf and in his or her place. These systems, the most typical today being Automatic Emergency Braking (AEB), will be able to deal with one of the recognized causes of accidents: driver error due to inattention. Renault does not claim to be a pioneer in this field of development, which, due to the cost of these systems, mainly features in the high-end market. But it is our ambition to make them accessible to a wider public, while working to integrate them in our vehicles so that they will gain acceptance from road users. Other ADAS, however, form part of Renault's history of assisting drivers with the task of driving (Renault was one of the pioneers of the speed-limiter in Europe): the overspeed warning, combined with the speed-limiter, head-up display of driving information, automatic switching of main-beam/dipped-beam headlamps, lane departure warning, blind spot warning and safe distance alert.

Our New ESPACE is the first in its range to feature these new functions, which are already to be found in other CMF1 vehicles, namely the KADJAR, the TALISMAN and the MEGANE IV. The preparation of new systems is underway, benefiting from the very rapid progress in the development of sensors and onboard electronics. In 2016, a new generation of systems will make its debut, with improved efficiency and broader coverage of road safety situations. Thereafter, other ADAS will appear on the scene, paving the way for driverless vehicles.

RESCUE

RESCUE

In 2012 Renault became the official partner of the French National Federation of Fire and Rescue Services (*Fédération nationale des sapeurs-pompiers de France* or FNSPF), thereby rubber-stamping the long-lasting relationship that exists between these two major players in sustainable mobility.

In September 2015, the Renault group renewed its commitment and support to the Federation to work together in general interest missions carried out by the FNSPF and the French Fire and Rescue Services in terms of vehicle security, passenger safety and road prevention.

This support confirms Renault's commitment to the French fire and rescue services: in addition to the numerous technical and research & development collaborations that take into account new technological risks and include vehicle extrication and fire extinguishing tests on vehicles that run using new energies, Renault regularly donates vehicles to assist with training emergency services in road safety.

The implemented strategy focuses on four factors:

- improved knowledge of the Group's vehicles among firefighters;
- acknowledgment of constraints experienced by firefighters during interventions;
- implementation of research and innovation projects;
- technical modification to vehicles.

Intervention manuals for the brand's electric vehicles are also made available to emergency services, as well as decision support sheets, to be used in case where extrication is needed, for each new model in the range. These documents are created in conjunction with emergency services so as to best address their real needs.

Emergency services needs are taken into account from the design stage of vehicles. This is evidenced by the fireman access, already incorporated in ZOE, and which will be present in future electric vehicles in the range. This system enables firefighters to quickly and efficiently extinguish an electric vehicle fire.

New measures were implemented in 2015:

- 355 internal combustion and electric vehicles, some intact and some from crash testing, were donated to emergency services to help improve their training in extricating people from vehicles. Vehicle contribution agreements were signed with 70% of the French Departmental Intervention Units;
- 400 French firefighter trainers received training on how to handle electric vehicles (EV) from the Renault and Nissan ranges. This training was later expanded to include Spanish, Paraguayan and Bosnian firefighters;
- participation, several times a year, in national highway emergency training organized by two Departmental Intervention Units (17 and 86), and national training for intervention in situations involving alternative fuel vehicles;
- participation in all meetings of the CTIF (International Fire Committee - an umbrella group for firefighters from 34 countries);
- contribution to the creation of an ISO format for the decision support sheets used in dealing with vehicle accidents;
- the creation of the Renault Highway Emergency Challenge, organized by the Renault CSR department (DRSE), with its theme «What steps have you taken to improve highway emergency services?» intended for delivery to all fire services in France and francophone countries, to help improve highway emergency practices. The winner of the Highway Emergency Challenge was awarded a teaching TWINGO (for victim access and passive safety) and the four runners-up were each awarded a body in white displaying the different hardness of the high-strength steels.

  In the same spirit, the Paris Fire and Rescue Services Brigade (*Brigade des Sapeurs-Pompiers de Paris* or BSPP) were given a Wheelchair Accessible KANGOO to produce a video aimed at improving the handling of disabled persons involved in traffic accidents by training fire and rescue services personnel in the specific features of disabled access vehicles as well as the dangers posed by add-on equipment and the constraints associated with the victim's disability;
- technical contribution at four annual meetings of national fire and rescue services: technical seminars, themed days, national fire and rescue services convention, highway and medical convention;
- the rescue code, in use since mid-2014, is another example of the improvements in efficiency and safety of emergency services procedures. It enables firefighters to photograph a QR code located on the windscreen and rear window and instantly access the decision support sheet for any vehicle in the Renault or Dacia range, when attending a highway accident. This is made possible by a special application that was custom-designed in partnership with DESINCAR and made available to firefighters free of charge.

A number of research and innovation projects are underway in partnership with French firefighters, and there are projects to improve existing systems and components in our vehicles. Everything is geared toward improving the care given to the victims of road accidents by ensuring the safety of both victims and rescue workers. For example, a research project called QUO VADIS has ben launched in partnership with French doctors and firefighters that is supported by the Sécurité Routière Foundation. Renault accidentologists have trained firefighters in Paris and the Yvelines and Puy de Dome areas of France in how to record information from damaged vehicles as well as medical information about accident victims. This additional source of information should help doctors detect specific lesions and aid in the referral of victims to care centers best suited to their injuries. Since training has begun and for one year, a large number of road accidents have been recorded by firefighters using these tools. Initial results will be available in 2017.

To date, Renault has invested over €2 million in all its support programmes for firefighters.

2.7.1.2 INTEGRATING NEW TECHNOLOGIES

The vehicle of the future will be zero-emission, communicative and driverless.

The communicating vehicle will be connected with other vehicles, with the road and with the environment. Vehicles will share information regarding their location, speed and expected itinerary, etc. They will play a role as sensors for other vehicles: traffic, skid resistance, road obstructions, traffic incidents, unforeseen events, etc. The information collected will be used firstly to offer safety services (for example, alerts regarding incidents occurring along the itinerary, zones with specific dangers, traffic control at intersections and, why not, even anti-collision information), as well as traffic services (congestion, alternative itineraries in real time, etc.). The New Information and Communication Technologies (*Nouvelles technologies de l'information et de la communication*, NTIC) are becoming increasingly powerful and robust, and increasingly affordable, simple to use and diverse.

The driverless vehicle will be introduced gradually, initially, with partial or conditional autonomy, depending on the driving situations envisaged.

Various authorities (NHTSA, SAE, OICA, VDA, etc.) have defined levels of autonomy using scales (generally from 0 to 5), running from manual driving or driving assisted by driving information aids (level 0), to complete vehicle autonomy under all circumstances (level 5). These levels are established according to the distribution of tasks and the driving authority between the driver and the vehicle.

The major challenges associated with this connected driverless vehicle are technological (performance and reliability of the sensors and artificial intelligence, operational reliability), ethical and legal (the legal context and ergonomic issues through the interaction between the driver and the automated vehicle.

Of course, one of the greatest challenges is ensuring the safety of all users on a road system that is growing increasingly connected and automated. To this end, Renault is working in-house and in conjunction with Nissan, VeDeCom, the scientific community and industrial partners, as well as the public authorities, on all aspects of safety:

- operational reliability;
- the Overall Product Safety;
- compliance with regulations (technical aspects and traffic laws);
- compliance with the European declaration of principles regarding the human/machine interface;
- the creation of international standards and norms;
- the definition of a use case for connectivity and automation services compatible with foreseeable or predictable modes of use, particularly regarding the potential distraction effects;
- compliance with the provisions regarding the recording of personal data.

The goal is to demonstrate this safety through six types of testing, to test and validate the performance and safety of the services and associated technical solutions:

- basic operational tests using test facilities and simulations;
- operational tests on test tracks;
- operational tests on open roads with escort vehicles;
- service tests on authorized open roads;
- large-scale service tests on authorized open roads;
- pre-commercialization pilot tests.

The connected vehicle is already a reality with the roll-out of 1,000 Renault vehicles as part of the collaborative SCOOP@F project. Partially automated vehicles with simple initial cases of use will take their place in the Renault range before 2020.

2.7.1.3 OVERALL PRODUCT SAFETY

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 during visits to dealerships or, by 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;
- the 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;
- the establishment and introduction of training/awareness-raising sessions for relevant Renault employees.

2.7.1.4 EMPLOYEE SAFETY

Renault is particularly focused on road accident risk prevention and especially on employee training. Campaigns to inform and train staff are constantly being undertaken: communication, road safety week, defensive driving courses, etc.

The prevention of employee accidents during travel and traffic accidents while on business is part and parcel of an overall road risk prevention effort launched by Renault many years ago. Renault is a signatory of the road safety Charter, thereby confirming the Company's commitment to the fight against poor road safety. In this respect, the Company has initiated a series of campaigns to promote road safety to Group employees internationally, throughout its engineering, manufacturing and sales operations.

Renault also leads long-term communication and awareness-raising campaigns throughout the Group, as evidenced by:

- the implementation of employee awareness-raising campaigns led by prevention, health and safety engineers, occupational physicians and professionals in the field of the prevention of road hazards;
- the development of training measures for road risk prevention so as to reach a larger percentage of the workforce (including France, Romania, Morocco, Algeria and South America).

2.7.2 SUBSTANCE RISK MANAGEMENT

MAIN OBJECTIVES		DATE OF SETTING OBJECTIVE	DEADLINE
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. A number of countries worldwide have since followed the European Union with similar regulations.

Renault has an organizational structure dedicated to managing hazardous substances, with three divisions:

- in collaboration with the departments responsible for occupational health and working conditions, the Industrial Hygiene and Chemical Risks division manages workers' exposure to chemical risks at all Renault production, engineering and logistics sites around the world. It monitors the chemicals present in the formulations and verifies the classification and labeling of the chemical products used on site and also ensures compliance with the Product Safety Data Sheets provided by suppliers. In addition, the division coordinates research into technical solutions to eliminate priority hazardous substances. It provides an initial assessment of the chemical risk in accordance with generic use conditions. Finally, it carries out monitoring work on chemicals within the environment through the collection of samples and the analysis of the pollutants present at workstations. 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 carmakers. 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.

In addition, following an implementation phase, the REACH regulation is now fully incorporated in the Company's day-to-day operations. A multidisciplinary REACH Substance Management team is in charge of driving the appropriate processes and information systems, which enable the Company to fulfill the information and transparency obligations required by 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.

As part of a preventive and pre-emptive approach, since the 1960s, Renault has been replacing toxic substances found in the chemicals used at its plants and, since the early 2000s, those found in materials used. Renault has drawn up two lists of substances prioritized for replacement, for chemicals and materials respectively, which comprise, in particular, CMR (carcinogenic, mutagenic and reprotoxic) substances, substances of very high concern and subject to prior authorization (Appendix XIV of the REACH regulations), as well as substances whose use is not yet restricted, but which Renault would like to see banned at a global level.

These two lists are included in the Renault group standard «Substances» 00-10-050, which prohibits the use of hazardous substances and substances of concern, lists substances for which substitution is a priority, and requires suppliers to declare the substances used in their parts and preparations. In calls for tenders, Renault explicitly asks suppliers to comply with this standard. 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.

In addition to standard substances and those with identified risks, Renault pays close attention to the potential health effects of innovative materials, such as nanomaterials. In this respect, in 2015 Renault teamed up with the NanoRESP Forum, which proposes an open, non-polemical but critical debate on nanotechnologies and nanomaterials. This collaborative approach, involving manufacturers, distributors, users and consumers of «nanoproducts», provides an arena for discussion of their uses, benefits and risks in comparison with existing alternatives.

2.8 SUPPORTING LOCAL COMMUNITIES WHEREVER WE OPERATE

2.8.1 RENAULT, AN ACTIVE PARTICIPANT IN THE ECONOMIC GROWTH AND DEVELOPMENT OF ITS OPERATING REGIONS

The Company is a key participant in economic development due to the location and size of its operations, its procurement of parts and services, its distribution network and mobility solutions (products and services) proposed, and plays a role in the social development of its host countries.

The Renault group seeks to be a motor for change and act as a partner in the transformation of the communities within 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. The majority of the Group's contributions to its host countries are described in the preceding sections. Nevertheless, some illustrations are featured below.

2.8.1.1 AN ACTIVE PARTICIPANT THROUGH ITS CORE BUSINESS ACTIVITIES

With a few rare exceptions, it is impossible to truly isolate the Company's contributions within a complex and interdependent socioeconomic fabric. Beyond direct employment generated and the taxes paid by the Company, the other direct and indirect contributions and benefits are shared among the members of a network.

According to the figures published by the European Automobile Manufacturer's Association (ACEA), the automotive industry in EU 27 supported 12.9 million jobs in 2012, 2.2 million direct jobs, and roughly five indirect jobs for each automotive industry employee. These figures are confirmed by the OICA (International Organization of Motor Vehicle Manufacturers) internationally. Direct employment includes automotive manufacturing, equipment and accessories, and coachbuilders. Indirect employment includes other manufacturing fields, vehicle sales, parts and accessories, maintenance, fuel, leasing and transportation, as well as construction and road maintenance and associated activities.

The ACEA also points out that, for the 14 European countries for which tax data is available, the automotive industry has generated annual tax revenue totaling €385 billion for governments (2011 or 2012 depending on the country). This includes VAT on vehicles, parts and accessories, taxes on fuel, and lubricants, registration, insurance, driver's licenses, road fees, tolls, etc.

2.8.1.2 AN ACTIVE PARTICIPANT THROUGH ITS VOLUNTARY COMMITMENTS

This societal 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.

THE RENAULT GROUP FOUNDATIONS

Some Group subsidiaries now carry out their CSR activities within a foundation or similar structure. This not only strengthens CSR governance and strategy, but also demonstrates, from an internal and external standpoint, to the importance given to the identified issues. These foundations are locally funded and chaired by Renault's Chief Executive Officer in the country concerned, or the Company's Chairman and Chief Executive Officer for the Company Foundation in France. Since 2009, the global CSR function is represented within the governance of each new Foundation.

The Foundations' objective, as identified in the bylaws, encompasses all or part of the Group's CSR priorities. The activities performed on behalf of the Foundations are primarily aimed at populations outside the Company, and range from the local to the international, depending on the country and the programmes implemented. The activity reports are available directly on their web-sites.

COUNTRY	NAME	YEAR OF CREATION	PRINCIPAL ACTIVITIES	SCOPE OF ACTION	BUDGET 2015
Argentina	Fundación Renault Argentina http://www.fundacionrenault.org.ar/	1960	Education Environment Road safety Health Local development	Local and regional	€380,000
Brazil	Instituto Renault do Brasil http://www.renault.com.br/mais_renault/instituto-renault/	2010	Education Environment Road safety Diversity Local development	Local and regional	€480,000
Colombia	Fundación Renault Colombia	2014	Education Diversity Environment Road safety	National	€120,000
Spain	Fundación Renault España	1963	Education Sports	National - for employees' children	€400,000
	Fundación Renault para la Movilidad Sostenible http://www.fundacionrenaultmovilidadsostenible.com/	2012	Sustainable mobility	National	€150,000
France	Fondation d'Entreprise Renault https://www.fondation.renault.com/	2001	Education	International	€2.8 million

Renault also contributes by providing direct local assistance using a proactive approach. The Renault group employs innovative solutions aimed at resolving the issues faced by the communities in which it operates, while improving the Company's performance. This involves the creation of shared value

Some examples:

- **The Training Institute for Automotive Industry Professions** (*Institut de Formation aux Métiers de l'Industrie Automobile*, IFMIA-TM) in Tangiers, Morocco, was created as a result of a public-private partnership between the Moroccan State and Renault (a first in Morocco for this type of project) and operates under the National Pact for Industrial Emergence. Funded by the Moroccan State, it was set up by Renault Tangiers, which now ensures delegated management to provide a public training service for the automotive professions.

  This center has provided training for all employees of Renault Tangiers and a significant portion of employees at the Casablanca Plant and at Renault Commerce.

  Since it commenced operations in April 2011, IFMIA-TM has trained more than 11,500 individuals, delivering more than 1,200,000 training hours.

  Through its Maintenance, Manufacturing, Logistics and Lean-Manufacturing schools, IFMIA-TM has provided training and support services for Renault in Morocco, France, Algeria and Colombia.

  In 2015, IFMIA-TM launched its Management School, with a training programme specifically for individual managers and for managers of managers.

  In addition to its training role for Renault, IFMIA-TM also provides training and support for employees of around 30 partner companies and, since 2014, participates in the Moroccan Professional Bac project, thereby playing a part in developing young people's skills and employability.

  IFMIA-TM operates according to Renault standards. In this respect, it is ISO 9001 and ISO 14001 certified. It is also set up to be financially independent.

  After five years in operation, IFMIA-TM has become a benchmark in Training by Apprenticeship, for both Renault and the Kingdom of Morocco;
- in France, the Company signed the French government and local authorities' **Company and Neighborhoods Charter**, in June 2014. In doing so, it undertook to bring concrete solutions to economic, social and cultural development issues in neighborhoods deemed of priority importance by city policy, and to work in close collaboration with public authorities. In addition to the Charter, Renault signed an agreement detailing its commitments in the following areas. The agreement received a positive assessment in September 2015, on account of both the mechanisms in place and results obtained.
  - education and vocational guidance. Through the "Elles Bougent" organization, Renault has committed to expanding its network of female engineers and technicians who encourage young female high school and university students to enter the engineering and transportation professions;
  - employment, integration and training. (i) Under the terms of the framework agreement signed by Renault and the Ministry of Work, Employment, Professional Training and Social Dialog, the Group has committed to employing at its plants a number of young people experiencing difficulties in entering the workforce. Particular attention is paid to young people from high priority neighborhoods near our facilities. (ii) *Via* its *Société des Automobiles ALPINE* subsidiary, Renault has taken part in the "50 chances, 50 jobs" programme in the Dieppe region of France. Company managers coach young people in their employment search, thereby creating a bridge between them and the business world. (iii) In 2012, the Renault Foundation, the *Institut Universitaire de Technologie de Mantes en Yvelines* and *the Université de Saint-Quentin-en-Yvelines* created a professional degree in electric vehicles and Electromobility to serve as a launch pad toward employment in the electric mobility sector. Most of the students complete their internships with Renault. Particular attention is paid to recruiting young people from high priority neighborhoods;
  - local services, access to the Company's products and services. Based on a detailed mapping of priority neighborhoods, the Group is increasing the presence of Renault Socially Responsible Garages (*Garages Renault Solidaires*), part of the Mobiliz programme (see section 2.2.3.1), so that low income populations will have greater access to the programme's services.

In July 2015, Renault and RRG signed a local agreement with department 92, with certain specific commitments contained in the national agreement. Other local agreements will come into force in 2016.

2.8.1.3 AN ACTIVE PARTICIPANT THROUGH ITS PHILANTHROPIC ACTIVITIES

Since business is not everything, there is still room for pure philanthropy – unconditional donations – through patronage actions taken by Renault to support local or international initiatives. These activities take place at the grassroots level in cooperation with local partners.

They also play a role in cementing the position of the Group's entities in local communities.

RENAULT S.A.S.

Renault is regularly approached by NGOs, associations, volunteer organizations and employees seeking support for projects in the areas 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 to all on www.groupe.renault.com.

This front-office for submitting applications is open to both external organizations and Renault employees who belong to associations. Applicants provide documentation on their projects in terms of organization, including goals, quantitative indicators and budget breakdown. They must demonstrate how the project is consistent with the Renault group's CSR policy and how it fits within one of the four strategic priorities (sustainable mobility, road safety, environment, human capital). In 2015, Renault received and handled 170 requests for support for projects in France and abroad. €160,000 was awarded to 15 selected projects detailed in section 2.9.3.3.

Funding decisions are made collegially by a jury comprising employee representatives of the Renault group Works Council, the Legal, Communications, CSR and HR departments, and the different international Regions. The jury meets two-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 department. Other locally relevant requests can be paid for directly by the subsidiaries.

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.

RENAULT RETAIL GROUP

In 2003, RRG created a Social and Humanitarian Aid Fund (*Fonds d'Aide Sociale et Humanitaire*, FASH) dedicated to awarding financial assistance to RRG employees and to social, charitable or humanitarian organizations. Since its creation, nearly 160 organizations have received support: the initiatives undertaken by the Funds involve projects in areas such as education, health, disability, sponsorship and paid leave for employees to perform charity work. Its continuing action is based on a collective agreement, renewed in June 2014 for three years and concluded with all the trade unions representing staff at RRG. FASH is funded by an annual levy of 2% taken from amounts due in respect of the employee profit-sharing scheme based on the Company's financial performance. This endowment has a ceiling of €75,000 per year and is supplemented by a matching employer contribution from the Company. The fund is managed by a commission consisting of representatives from management and from each labor union, with requests submitted to the Works Councils.

2.8.1.4 CALCULATING THE IMPACT OF SOCIETAL FACTORS

To ensure its initiatives are coherent and in line with these themes, the Corporate CSR department (DRSE) coordinates them at global level and relies on a network of representatives in the main departments and the Group's geographical Regions, as well as a cross-functional network of CSR correspondents in most countries in which Renault operates.

To maximize the contribution these societal initiatives make to the Group's challenges, as defined in the CSR strategy, Renault aims to allocate 80% of its societal expenditure 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 the DRSE on an annual basis for centralized reporting. A detailed methodology can be found in section 2.9.3.1. as well as a description of the scope of reporting.

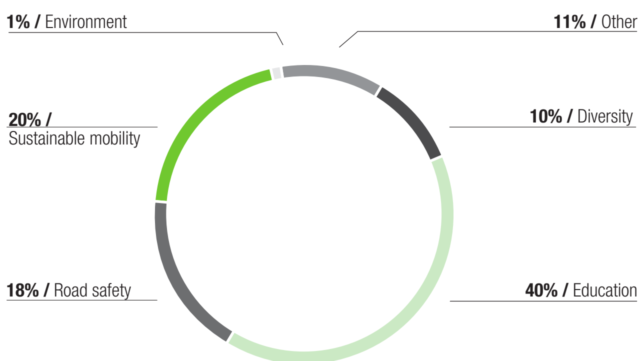
Selected key figures from 2015:

- more than 370 initiatives were identified in 27 countries, covering Renault's five geographical Regions;
- 89% of amounts provided to these initiatives address one of the Group's main societal responsibility themes;
- 61% of the amount is geared toward community investment-type projects.

A detailed breakdown is attached as Appendix 2.9.3.2.

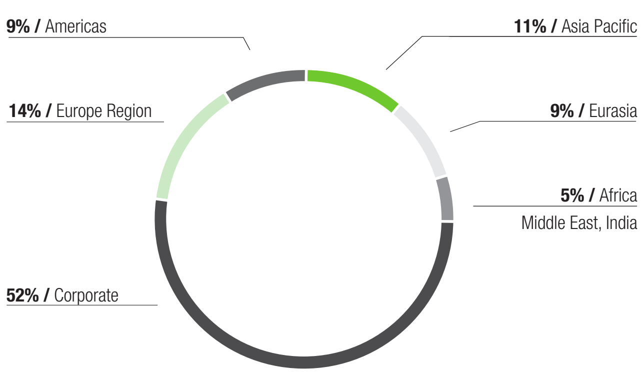
DISTRIBUTION OF INVESTMENTS WITH A SOCIETAL GOAL

BY PRIORITY THEME

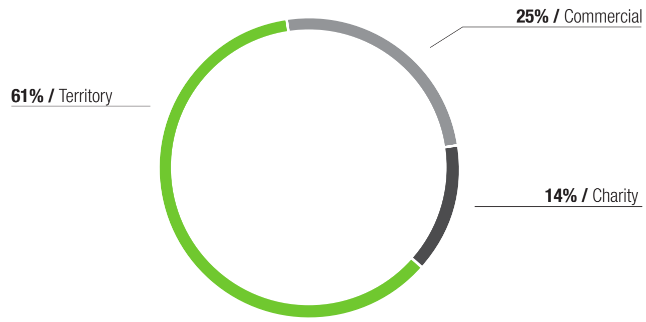


Renault's environmental policy, included as the fourth strand of CSR since 2014, is reflected in the core of its industrial strategy, its products and services (see 2.6). The actions referred to here are campaigns to raise awareness of environmental issues and local initiatives close to sites. In line with the Group's policy, over 80% of societal actions in 2015 concerned priority CSR areas.

BY REGION

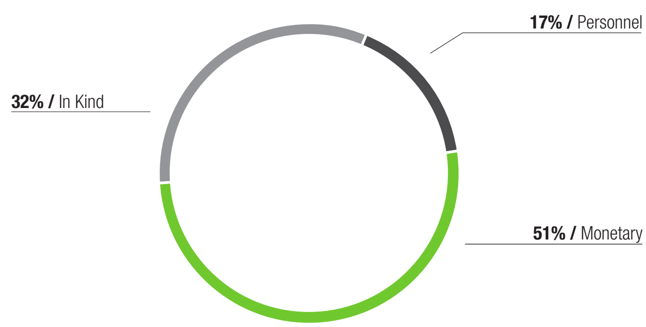


BY NATURE OF SUPPORT



In 2015, 61% of societal investment concerned the priority CSR areas in a strategic zone for the Company or a local focus considered as a priority.

BY TYPE OF DONATION



In 2015, project financing corresponds to 51% of total investments.

This graph represents the actual cost to the Company, and does not show major donations-in-kind. Amortized in accounting terms by the Company, the residual value used for the calculations is zero, despite a significant actual value for the beneficiaries. By way of example, the machine tools and test benches given to engineering schools and technical training centers.

2.9 APPENDICES

2.9.1 APPENDICES CONCERNING SOCIETAL COMMITMENT

GROUP SAVINGS AND COLLECTIVE RETIREMENT PLAN

COMPOSITION		NUMBER OF SUBSCRIBERS AT DECEMBER 31, 2015	ASSETS (in millions of euros)	PERF. 2015 (%)
Actions Renault Funds (Group savings plan)				
Actions Renault Fund[1][3]	Almost 100% Renault shares	29,524	445.8	54.48
Renault shares Fund[2]	Almost 100% Renault shares	7,482	96.8	54.48
Diversified funds (Group savings plan and collective retirement savings plan)				
Impact ISR Performance[3]	100% European shares	6,525	49.6	14.31
	50% diversified shares			
Impact ISR Équilibre(3)	50% bonds	11,632	158.6	8.22
	30% diversified shares			
	30% bonds			
	30% cash			
Renault Mobiliz Solidaire(3)	10% shared return	3,028	9.6 -	6.50
Humanis Taux ISR[3]	95% diversified bonds	10,064	85.6 -	0.14
Impact ISR Monétaire[3]	100% cash	7,314	33.2	0.04
Natixis Horizon Retraite (collective retirement savings plan)[3][4]				
2015	Diversified	690	4.6 -	0.28
2020	Diversified	788	5.2	1.48
2025	Diversified	462	2.7	5.99
2030	International shares	465	2.3	8.16
2035	International shares	337	1.5	8.98
2040	International shares	291	0.9	8.98
2045	International shares	119	0.2	9.00
2050	International shares	56	NS	8.93

(1) Actions Renault Fund for French tax residents.
(2) Renault shares Fund for tax residents outside France and Italy.
(3) Fund open for payments throughout the year.
(4) Funds whose maturity date corresponds to the planned date of the employee's departure.

2.9.2 APPENDICES CONCERNING THE ENVIRONMENT

2.9.2.1 COMMENTS ON THE METHODOLOGIES FOR SELECTING ENVIRONMENTAL INDICATORS FOR PRODUCTS

LIFE CYCLE ASSESSMENT

Life cycle analyses are carried out by Renault in accordance with 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 assessment 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 are used in 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. The data on the manufacturing of vehicles integrated in the life-cycle inventory comes from the annual environmental reporting for the industrial sites, which is subjected to verification by an Independent Third Party;
- usage and maintenance phase: The usage phase is calculated over 10 years and 150,000 km. The certified emissions for the regulatory cycle are taken into consideration. Following the widescale deployment of eco-driving aids in vehicles sold by the Group at the end of 2015, the positive impact of this type of equipment on consumption and CO_2 emissions for equipped models is taken into account from fiscal year 2015. Moreover, the impacts associated with the vehicles' energy consumption (diesel, gasoline or electricity) are calculated from "well to wheel", i.e. the emissions associated with the production and transport of the energy used are taken into account. In the usage phase, the maintenance activities performed throughout the life of the vehicle (tire changes, oil changes, brake fluid, etc.) are taken into account;
- end-of-life: emissions related to recycling processes are recognized. The recycling of materials from vehicles enables the use of virgin material and associated emissions to be avoided. The emissions avoided in this way are deducted from the carbon footprint.

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 Groupe Renault. The following methodologies have thus been chosen:

- the carbon footprint is calculated for a vehicle. Consequently, the emissions from associated logistics and powertrain plants are counted pro rata to the number of vehicles produced by the Group. (Groupe Renault sells engines and transmissions to other manufacturers and therefore produces more mechanical components than 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 in order to measure changes in the Group's carbon footprint in relation to 2010 on a comparable scope of activity;
- if there is an update to the GaBi LCA databases used to calculate the greenhouse gas emissions associated with the materials and parts purchased (see above), the 2010 reference value is recalculated with the new database in order to measure the changes to the indicator on a comparable basis. This is what happened in 2015.
- 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 methods broadens the range of available data, particularly for scopes 1 and 2).

The carbon footprint for Renault doesn't include a prospective 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.

GHG PROTOCOL CATEGORIES	RENAULT CARBON FOOTPRINT CATEGORY	SCOPE	SOURCE OF DATA
SCOPE 1		**DIRECT EMISSIONS**	
	Plants and other Renault sites	Worldwide Industrial, tertiary, logistics sites monitored by Renault (see appendix: Environmental indicators for the sites) Emissions from combustion of fuels only	*Primary: 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 and other Renault sites	Worldwide Industrial, tertiary, logistics sites, monitored by Renault (see appendix: Environmental indicators for the sites) Emissions from electrical energy only	Primary: 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. The GaBi LCA databases on the carbon intensity from materials and parts are the same between 2010 and 2015. To take into account the progress made by the industry, we take the value of 2% per year for carbon intensity reduction for the production of materials and parts. This ratio is based on an internal study of the average rate of improvement of the production carbon intensity of Groupe Renault's main suppliers of parts and materials. The benefits associated with the use of recycled materials are deducted	Secondary: GaBi LCA database (emissions linked to materials and parts). Primary: Renault design base (composition of vehicles, recycled materials), sales figures by country.
Logistics and supply (upstream)	Logistics	Worldwide Road/sea and rail transport	Primary: 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 (train, air and company vehicles)	Primary: travel agency reporting and in-house fuel station records.
Daily transport for employees	Travel	France Emissions prevented through homeworking are deducted.	Primary: information provided by employees.
Logistics and distribution (downstream)	Logistics	Worldwide Road/sea and rail transport	Primary: 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	Use	Worldwide All vehicles sold (passenger and light commercial) "Tank to wheel" emissions calculated for a 10-year life span/150,000km	Primary: Certification data, (NEDC in Europe), technical definitions (for countries without CO_2 certification), sales figures by country. 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). Eco-driving aids: efficiency of eco-driving aid technologies calculated on the basis of internal studies, equipment rate for vehicles sold calculated using engineering data.
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. End-of-life vehicle processing follows the requirements of the ISO 22628 standard, not the actual recyclability and recovery rate of each vehicle. (85% recyclability and 95% recovery).	Primary: Renault design base (material composition of vehicles), sales figures by country. Secondary: Gabi LCA database (carbon intensity of manufacturing of associated materials, parts and treatments).
Leased vehicles (downstream)	Use	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; Fuel and energy not included in scopes 1 and 2; Waste generated; Leased vehicles (upstream); Franchises, Investments; Transformation of products sold (not significant)	
OTHER INDIRECT EMISSIONS COUNTED IN THE RENAULT CARBON FOOTPRINT (OTHER THAN GHG PROTOCOL CATEGORIES)			
	Fuel	"Well to tank" emissions related to the production of energy consumed by vehicles sold (extraction of oil, transport, refining; production of the electricity consumed by electric vehicles)	Primary: CO_2 data based on CO_2 used, type of fuel used/ geography or country Secondary: JEC report for CO_2 emissions WtT based on CO2 TtW (usage) updated annually..

Note: Emissions from the Renault Retail Group distribution network, which were not measured for the base year (2010), are therefore not taken into account in the calculation of the Groupe Renault carbon footprint over the period 2010-2016.

PERCENTAGE OF RECYCLED MATERIALS IN VEHICLES PRODUCED IN EUROPE

For the monitoring period for the 2016 objective, the indicator is calculated based on a Renault Mégane equipped with a 1.6 L fuel engine representative of the range produced in Europe.

The rate is calculated using the composition of the materials in the vehicle and the average rate of use of recycled materials within the European materials production sector. When the same material presents variable rates of recycled materials depending on the mode of production (e.g. flat steel versus long steel), the material composition of the vehicle is adjusted to take this into account.

2.9.2.2 METHOD USED FOR THE "SITE ENVIRONMENTAL INDICATORS IN 2015" TABLE

Reporting for the environmental indicators was conducted in accordance with the stipulations of the 2015 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. 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 2015" table. All the impacts arising from employee catering facilities are included in the data for the Renault sites.

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.

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 presented in the Registration Document have also been subjected to external verification by the Independent Third Party, Ernst & Young et 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.

In Busan, the Delivery Dispatch Center (parking and shipping center for new vehicles) and employee housing are excluded for energy and water.

LIQUID DISCHARGES

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. This quantity is expressed in tons per year.

The toxic metals quantity represents the sum of the 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 only take into account the discharges relating to metals, Suspended Solids (SS) and Oxidizable Matter (OM), for which concentration and flow must be measured by law, and the discharges from the plants in Bursa (Turkey), Curitiba (Brazil),

Moscow (Russia), Novo Mesto (Slovenia), Cordoba Santa Isabel (Argentina) and SOMACA (Morocco), for which voluntary controls are taken into account in light of the significant contribution of these discharges to the Group's impacts.

For sites that are not subject to a regulatory requirement to measure pollutant flows or to consolidated voluntary controls at the Group level, the reported value is noted as «n/a».

Black water discharges, for which there is no regulatory measurement and/or reporting obligation, are not included in the water discharges. This concerns 38% of manufacturing sites (one of which is covered in a partial statement) and 73% of engineering, logistics and support sites.

The Moscow (Avtoframos) and Factoria Santa Isabel sites are subject to specific regulatory requirements, and receive an exemption on the calculation methodology of the specific flows.

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).

AIR 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 application of paint on bumpers and on parts and accessories is not taken into account.

The indicator shown corresponds to the tons of VOC emissions and the ratio of VOC emissions per m^2 of painted vehicle surface. The consolidated ratio for the Group corresponds to the total VOC emissions generated by the body assembly plants divided by the total of the painted surfaces.

The atmospheric discharges of SO_2 and NOx counted are the emissions from the combustion of fossil energies in fixed combustion 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 NOx 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 Groupe Renault 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 energies 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 Groupe Renault.

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 associated with transport on sites not listed above among the emissions counted (particularly the delivery by a road haulier external to Groupe Renault);
- 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 2015 reporting are:

- for electricity, those published by the IEA (International Energy Agency) in its CO_2 Emissions from Fuel Combustion 2014 publication;
- for steam and hot water, data calculated on the basis of information provided by suppliers.

Certain emissions from the foundry activity are not reported, but emissions from fossil energy combustion in the foundries are taken into account.

Emissions factors used in the calculations of SO2, NOx and GHG emissions are consistent with both the Order of October 31, 2012 on the verification and the quantification of emissions declared under the GHG Emissions Trading Scheme, and the CITEPA's OMINEA National Inventory Report - updated in February 2014.

The emission factor from fixed combustion installations of low NOx Natural Gas was calculated in 2011, based on an internal study of 88% of sites in the scope having low NOx 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, LPG (excluding vehicles), biomass, 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 consistent with CITEPA's OMINEA National Inventory Report (updated in February 2014) and the Order of October 31, 2012 on the verification and quantification of emissions declared within the GHG Emissions Trading Scheme, with the exception of LHV from natural gas in Spanish plants (Spanish national inventory of greenhouse gas emissions 1990-2009). The LHVs are consistent with the emissions reported in the EU Emissions Trading Scheme.

2.9.2.3 SITE ENVIRONMENTAL INDICATORS IN 2015[1]

			LIQUID DISCHARGES				AIR EMISSIONS								WASTE, EXCLUDING WORKSITE WASTE[18]				ENERGY
SITE NAME	VEHICLE PRODUCTION	EXTERNAL SUPPLY OF WATER *In thousands of m*	TREATMENT *PLANT*	SUSPENDED SOLIDS (SS) *in tons/ year*	COD *in tons/ year*	TOXIC METALS *in tons/ year*	TOTAL GHG *In teq CO_2*	O/W: DIRECT GHG	O/W: INDIRECT GHG	VOC *In g/m²*	VOC *In tons*	SO_2 *In tons*	NO_x *In tons*	TOTAL NHWIN *In tons*	O/W: NON-METALLIC NHW *In tons*	O/W: METALLIC NHW *In tons*	TOTAL HW *In tons*	ENERGY CONSUMP-TION *In mwh lhv*
MANUFACTURING SITES																		
BODY ASSEMBLY PLANTS																		
Batilly (SOVAB)[2]	126,461	269.4	PB	1.9	13.0	0.2	36,865	32,379	4,486	43.7	916	0.33	32.5	4,012	3,097	915	1,905	219,997
Casablanca (Somaca)[17]	59,023	133.0	-	84.9	128.3	4.3	22,390	6,820	15,570	74.7	423	0.23	4.3	5,179	4,935	244	465	53,009
Cordoba Santa Isabel[14]	76,055	237.6	PU	3.4	17.6	0.2	36,588	18,491	18,097	82.2	531	0.13	17.4	14,106	6,079	8,027	955	120,329
Dieppe	5,126	8.1	U	n/a	n/a	n/a	4,614	4,214	400	55.0	30	0.03	3.2	623	616	7	202	25,160
Douai[8]	133,566	434.5	PB	5.1	17.3	0.3	49,650	42,216	7,434	28.1	423	0.32	43.2	50,537	5,095	45,442	1,690	293,787
Flins[10]	146,864	1,050.9	PB	10.3	33.8	1.2	60,762	52,920	7,842	36.5	504	0.45	34.6	61,716	5,976	55,740	1,618	347,317
Maubeuge	151,060	229.3	PB	1.1	4.7	0.1	28,774	24,421	4,353	30.7	501	0.20	24.4	35,718	2,309	33,409	2,135	177,666
Envigado (Sofasa)	76,239	178.2	PU	5.4	62.3	0.4	14,250	10,481	3,769	63.9	469	0.04	5.1	9,072	8,753	319	338	43,055
Moscou (Avtoframos)	73,484	287.8	PU	5.2	62.0	0.1	49,169	15,834	33,335	71.9	547	0.12	15.7	8,488	8,132	356	986	174,480
Novo Mesto	129,440	197.2	PU	1.0	41.3	0.0	35,682	16,861	18,821	24.1	242	0.14	18.7	26,383	2,312	24,071	1,047	136,089
Palencia[11]	209,565	425.3	PB	1.9	15.4	0.4	48,038	28,849	19,189	27.3	600	0.27	32.6	32,375	5,406	26,969	1,803	211,144
Sandouville[13]	99,282	500.6	PB	2.0	13.2	0.1	38,526	31,796	6,730	45.8	654	0.28	34.4	30,679	3,651	27,027	2,735	266,028
Valladolid Carrosserie		130.9	PU	0.8	6.0	0.1	22,264	10,775	11,489	n/a	n/a	0.09	12.1	78,969	1,597	77,372	664	96,184
Valladolid Montage	257,507	487.9	PU	3.5	29.1	0.8	56,050	34,888	21,161	28.6	719	0.30	39.7	6,558	5,745	813	1,952	249,030
Tanger	228,932	415.0	PU	n/a	n/a	n/a	4,982	4,982	0	29.0	690	0.14	2.6	72,624	13,494	59,130	3,180	194,537
POWERTRAIN PLANTS																		
ACI Villeurbanne		21.6	U	n/a	n/a	n/a	2,617	1,889	727	n/a	n/a	0.02	2.1	3,000	180	2,820	95	20,177
Cacia[5]		88.5	PB	5.8	18.0	0.3	16,689	1,543	15,146	n/a	n/a	0.01	0.6	6,876	632	6,244	1,001	59,334
Choisy-le-Roi[6]		17.5	PU	1.9	7.2	0.0	1,502	1,312	190	n/a	n/a	0.01	1.4	3,166	396	2,771	156	8,681
Cléon[7]		967.9	PU	6.4	213.9	0.2	36,633	19,064	17,568	n/a	n/a	0.14	17.1	29,805	4,696	25,109	7,009	349,659
Le Mans		2,144.2	P	28.0	47.6	0.1	27,139	15,718	11,421	n/a	n/a	0.15	10.2	37,633	19,569	18,064	1,310	242,193
Los Andes		25.1	U	n/a	n/a	n/a	9,695	1,792	7,903	n/a	n/a	0.06	1.1	2,535	406	2,129	1,382	23,780
Ruitz (STA)		22.3	U	1.6	3.6	0.0	5,526	3,428	2,098	n/a	n/a	0.03	3.6	2,406	256	2,150	477	47,711
Seville		115.9	PU	2.6	36.9	0.0	23,927	5,858	18,070	n/a	n/a	0.05	5.6	8,027	489	7,538	2,101	96,209
Valladolid Motores[15]		235.1	PU	1.2	10.6	0.3	52,170	12,665	39,505	n/a	n/a	0.07	9.4	26,187	2,946	23,241	4,657	198,610
MIXED PLANTS																		
Bursa[3]	339,240	522.3	PBU	33.7	30.4	1.2	96,674	33,151	63,523	35.0	1,132	0.27	30.7	71,329	11,410	59,919	2,327	288,303
Busan (RSM)[4]	205,390	448.2	PBU	0.2	7.2	0.6	109,010	51,868	57,142	23.2	485	0.18	22.1	28,996	6,336	22,660	1,694	238,614
Curitiba Complexe Ayrton Senna	186,915	341.8	PU	29.0	231.4	1.0	31,565	18,228	13,337	39.1	767	0.14	18.0	41,668	14,041	27,627	3,350	173,719
Dacia Automobile[12]	339,204	1,130.2	PU	114.5	455.8	0.3	176,099	82,170	93,928	38.1	1,389	2.19	53.5	161,307	12,746	148,560	6,377	575,833
FOUNDRIES																		
Cordoba Fonderie Aluminium		12.0	U	n/a	n/a	n/a	5,213	2,767	2,446	n/a	n/a	0.02	3.2	230	10	220	3,581	19,605
Fonderie de Bretagne		115.1	PU	0.4	1.9	0.0	9,366	3,798	5,568	n/a	n/a	0.03	3.9	15,245	10,948	4,297	280	103,835
Tandil		34.5	U	n/a	n/a	n/a	8,996	1,403	7,593	n/a	n/a	0.01	1.5	1,074	623	451	493	26,555
TOTAL	**2,843,353**	**11,228**		**351.7**	**1,508.5**	**12.3**	**1,121,425**	**592,583**	**528,842**	**36.9**	**11,021**	**6.5**	**504.5**	**876,519**	**162,879**	**713,640**	**57,963**	**5,080,633**

SITE NAME	VEHICLE PRODUCTION	EXTERNAL SUPPLY OF WATER *In thousands of m*	TREATMENT *PLANT*	LIQUID DISCHARGES: SUSPENDED SOLIDS (SS) *in tons/year*	COD *in tons/year*	TOXIC METALS *in tons/year*	AIR EMISSIONS: TOTAL GHG *In teq CO_2*	O/W: DIRECT GHG	O/W: INDIRECT GHG	VOC *In g/m²*	VOC *In tons*	SO_2 *In tons*	NO_x *In tons*	WASTE, EXCLUDING WORKSITE WASTE(18): TOTAL NHWIN *In tons*	O/W: NON-METALLIC NHW *In tons*	O/W: METALLIC NHW *In tons*	TOTAL HW *In tons*	ENERGY: ENERGY CONSUMP-TION *In mwh lhv*
ENGINEERING, LOGISTICS AND SUPPORT SITES																		
Aubevoye		33.9	U	n/a	n/a	n/a	6,512	5,578	935	n/a	n/a	0.02	1.2	1,785	270	1,515	86	26,600
Boulogne (Head office and other entities)		44.0	U	n/a	n/a	n/a	6,401	3,950	2,451	n/a	n/a	0.02	2.3	426	411	15	50	39,945
Cergy-Pontoise		12.2	U	n/a	n/a	n/a	4,965	741	4,224	n/a	n/a	0.01	0.7	2,265	1,914	351	59	23,395
DACIA centre logistique CKD		8.5	U	n/a	n/a	n/a	3,019	1,737	1,282	n/a	n/a	0.01	0.4	1,917	1,840	77	0	7,887
Giheung (RSM)		63.6	B	n/a	n/a	n/a	15,691	2,986	12,705	n/a	n/a	0.01	0.6	640	442	198	923	29,903
Grand-Couronne		6.1	U	n/a	n/a	n/a	2,096	1,915	181	n/a	n/a	3.91	2.8	770	735	34	50	8,289
Guyancourt		227.0	U	n/a	n/a	n/a	23,812	18,875	4,936	n/a	n/a	0.12	6.5	2,350	1,882	468	262	140,845
Heudebouville (Renault Tech)		0.8	U	n/a	n/a	n/a	225	179	46	n/a	n/a	0.00	0.2	253	252	0	16	1,353
Lardy		113.7	U	20.4	42.5	0.1	22,458	18,358	4,100	n/a	n/a	0.10	4.1	490	408	82	385	106,670
Saint-André-de-l'Eure		7.5	U	2.7	4.1	0.0	1,197	1,056	141	n/a	n/a	0.01	0.4	1,709	1,603	106	33	6,811
Titu		41.0	U	n/a	n/a	n/a	11,271	6,320	4,951	n/a	n/a	0.02	0.7	341	137	203	25	21,402
Valladolid Services Centraux		41.5	U	0.2	1.2	0.0	6,829	5,114	1,715	n/a	n/a	0.12	3.2	466	373	93	38	19,634
Villeroy (DLPA)		4.3	U	n/a	n/a	n/a	1,470	978	491	n/a	n/a	0.01	0.4	2,135	1,889	246	20	12,096
Villiers-Saint-Frédéric		8.3	U	n/a	n/a	n/a	2,788	2,109	680	n/a	n/a	0.01	0.5	289	204	85	15	16,332
TOTAL		**612**		**23.38**	**47.8**	**0.1**	**108,734**	**69,895**	**38,839**	**N/A**	**0**	**4.38**	**24.0**	**15,835**	**12,361**	**3,474**	**1,961**	**461,162**
GROUP TOTAL 2015	**2,843,353**	**11,840**		**375.0**	**1,556.3**	**12.3**	**1,230,159**	**662,478**	**567,681**	**36.9**	**11,021**	**10.8**	**528.6**	**892,354**	**175,240**	**717,114**	**59,924**	**5,541,795**
GROUP TOTAL 2014(16)(18)	**2,571,185**	**10,746**		**379.7**	**1,682**	**12.2**	**1,174,065**	**577,474**	**596,590**	**39.5**	**10,424**	**8.8**	**469.4**	**839,599**	**169,621**	**669,978**	**60,785**	**5,125,441**
SITES OUTSIDE THE SCOPE OF CERTIFICATION, *for information purposes only:*																		
Dacia Drinking water production site		314.9	U	3.19	0.49	0.00	345.74	9.07	336.68	n/a		0.00	0.0	n/a	n/a	n/a	n/a	1,139.23
Dacia Davidesti waste storage facility		0.3	PB	0.06	0.25	0.00	23.68	0.00	23.68	n/a		0.00	0.0	n/a	n/a	n/a	n/a	66.52

n/a: not applicable (see comments on methodology.)

nm: not measured.

Treatment Plant Codes (means of treatment of liquid discharges): P: physico-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 discharges);

VOC: volatile organic compounds;

NHW: non-hazardous waste;

HW: hazardous waste;

(1) The scope of inclusion for the indicators and the associated methodological choices are detailed in the comments on methodology in 2.9.2.2.

(2) Data from the Batilly (SOVAB) plant includes liquid discharges from the Industrial Supplier Park and the Compagnie d'Affrètement et de Transport (CAT) as well as the Industrial Supplier Park waste.

(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 scope of accounting of the site 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 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.

(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 Dacia Automobile site include those of the Industrial Supplier Park.

(13) Water consumption and liquid discharges at the Sandouville site include 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 Motores plant are aggregated with those from the Valladolid Montage plant.

(16) The total impacts for the previous year are provided for information and relate to the certified scope of the year in question.

(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, the waste indicators do not take into account waste from construction sites, which are not directly related to the activity of the Group. Because of this change in methodology, the data for 2013 and subsequent years cannot be directly compared with previous years' data. For a comparison at an equivalent scope of accounting, refer to the tables and charts in section 2.6.3.3.

2.9.2.4 ENVIRONMENTAL INDICATORS FOR PRODUCTS

ENVIRONMENTAL CHARACTERISTICS FOR THE BEST-SELLING PASSENGER CARS IN EUROPE (EU 28) IN 2015

		BEST-SELLING VERSION IN 2015					LOWEST CO_2 EMITTING VERSION AT END-2015				
MODEL	FUEL	EMISSION STANDARD	EXTERNAL NOISE (DB)	ENGINE	FUEL CONSUMPTION NEDC (L)T	CO_2 EMISSIONS	EMISSION STANDARD	EXTERNAL NOISE DB	ENGINE	FUEL CONSUMPTION NEDC (L)	CO_2 EMISSIONS
RENAULT BRAND											
Twingo III	G	Euro 5	71.4	Sce 70	4.5	105	Euro 6	71.4	Sce70 S&S	4.2	95
ZOE	VE	-	70.2	R240	0.0	0.0	-	70.2	R240	0.0	0.0
	D	Euro 5	70.3	dCi 75	3.6	90	Euro 6	72.3	dCi 90	3.2	82
Clio IV	G	Euro 5	72.3	1.2 16v 75	5.5	127	Euro 6	72.8	Tce 90	4.7	105
	D	Euro 5	71.0	dCi 90	3.6	95	Euro 6	71.0	dCi 90	3.6	95
Captur	G	Euro 5	71.8	Energy Tce 90	4.9	113	Euro 6	71.5	Energy Tce 90	5.1	113
	D	Euro 5	73.8	Energy dCi	4.6	120	Euro 6	73.3	Energy dCi	4.0	104
Fluence	G	Euro 5	74.0	1.6 Mpi	6.8	155	Euro 6	70.2	1.6 16v 110	6.3	144
	D	Euro 5	72.8	dCi 110	3.5	90	Euro 6	72.8	dCi 95	3.6	93
Mégane III	G	Euro 5	70.8	Tce 115	5.3	117	Euro 6	72.6	Tce 115	5.3	119
	D	Euro 5	71.0	dCi 110	4.1	105	Euro 6	71.0	dCi 110	4.1	105
Scénic III	G	Euro 5	70.8	Tce 115	5.9	135	Euro 6	72.4	Tce 130	6.2	140
	D	Euro 6	72.0	Energy dCi 110	3.7	93	Euro 6	70.6	Energy dCi 110	3.3	86
Mégane IV	G	Euro 6	70.7	Tce 205	6.0	134	Euro 6	69.8	Tce 130	5.3	119
	D	Euro 6	72.9	Energy dCi 110 EDC	3.8	99	Euro 6	72.9	Energy dCi 110 EDC	3.8	99
Kadjar		Euro 6	73.3	Energy Tce 130	5.6	126	Euro 6	73.3	Energy Tce 130	5.6	126
	D	Euro 6	69.2	dCi 160 EDC	4.5	118	Euro 6	70.6	dCi 110 EDC	3.6	95
Talisman	G	Euro 6	68.0	Tce 200 EDC	5.8	130	Euro 6	67.8	Tce 150 EDC	5.6	127
	D	Euro 6	69.1	dCi 160 EDC	4.6	120	Euro 6	70.3	dCi 130 EDC	4.4	116
Espace V	G	Euro 6	70.1	Tce 200 EDC	6.2	140	Euro 6	70.1	Tce 200 EDC	6.2	140
	D	Euro 5	72.2	Energy dCi 90	4.6	119	Euro 6	72.2	Energy dCi 90	4.3	112
Kangoo II	G	Euro 5	71.1	Energy Tce 115	6.1	140	Euro 6	71.1	Energy Tce 115	6.2	140
Master III	D	Euro 5	72.9	2.0 dCi	7.4	195	Euro 6	73.8	2.3 dCi	6.3	165
Trafic III	D	Euro 5	70.7	1.6 dCi 120	5.7	149	Euro 6	73.9	1.6 dCi 125	5.6	149
DACIA BRAND											
	D	Euro 5	72.0	dCi 90	4.0	105	Euro 6	73.8	dCi 75	3.5	90
	G	Euro 5	71.8	Tce 90	5.4	124	Euro 6	74.0	Tce 90	4.9	109
Sandero II	LPG	Euro 5	72.1	1.2 16v75 LPG	7.5	120	Euro 6	74.0	1.2 16v 90 LPG	6.2	98
	D	Euro 5	71.3	dCi 75	3.9	103	Euro 6	73.8	dCi 90	3.5	90
	G	Euro 5	72.1	1.2 16v 75	5.9	137	Euro 6	74.0	Tce 90	4.9	109
Logan II	LPG	Euro 5	72.1	1.2 16v75 LPG	7.5	120	Euro 6	74.0	Tce 90 GPL	6.2	98
	D	Euro 5	73.4	dCi 110 4x2	4.8	127	Euro 6	75.0	dCi 110 4x2	4.4	115
Duster		Euro 5	71.4	Tce 125 4x2	6.3	145	Euro 6	71.4	Tce 125 4x2	6.1	138
	D	Euro 5	74.6	dCi 110	4.4	116	Euro 6	73.5	dCi 90	4.0	103
Lodgy	G	Euro 5	72.3	Tce 115	5.9	135	Euro 6	72.3	Tce 115	5.5	124
	D	Euro 5	72.6	dCi 90	4.5	118	Euro 6	73.2	dCi 90	4.2	108
Dokker	G	Euro 5	73.9	1.6 Mpi 85	7.5	168	Euro 6	72.3	Tce 115	5.7	130

2.9.3 APPENDICES CONCERNING SOCIETAL COMMITMENT

2.9.3.1 METHODOLOGY USED FOR KEY SOCIETAL REPORTING FIGURES

A. IDENTIFICATION OF INITIATIVES

The information included in the comprehensive reporting of societal initiatives is collected from a network of correspondents covering all countries in which Renault operates. This information:

- concerns the four CSR policy priorities: human capital, environment, sustainable mobility, road safety and "other" (including humanitarian aid, culture, sport, 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"/human capital,
- is divided into three categories corresponding to LBG (London Benchmarking group) recommendations: charitable gifts, investment in the community and 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 societal 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 (human capital, environment, 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 local 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 from the web-site which centralizes support requests submitted by charities (see chapter 2.8.1.3).

Initiatives led by non-consolidated entities on behalf of the Renault group and in accordance with the Group's CSR policy are set out in 2.9.3.2. In view of their full inclusion in the CSR implementation strategy and their relative weight in the combination of all initiatives undertaken (to date), they are not singled out in the summary.

B. ASSESSMENT OF THE INVESTMENT ASSOCIATED WITH SOCIETAL INITIATIVES

The following are included in the calculations:

- societal initiatives (defined in A) conducted by the Group's entities worldwide;
- annual allocations to the Group's Foundations for their CSR activities, broken down by specific initiative;
- the corporate CSR department budget allocated to the programmes relating to the four priorities;
- the portion of payroll costs associated with the implementation of the Foundation's and corporate department's CSR programs.

The amount of 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 sales cost;
- for the loan of a vehicle – application of an average monthly cost, all vehicles combined (calculation below), multiplied by 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 papers is €500. Spread over 24 months, the 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)[1] 5, or 230 days.
- average annual cost = Payroll costs (see chapter 2.4.1.2)/Total workforce (see chapter 2.4.1.1).
- average daily rate applied = Average annual cost/number of days worked, or €197/day.

(1) (Source: http://stats.oecd.org).

2.9.3.2 SUMMARY TABLE OF KEY SOCIETAL REPORTING FIGURES

NUMBER OF INITIATIVES BY PRIORITY THEME AND BY GEOGRAPHIC REGION

		REGION					
THEME	NO. OF ACTIONS	*CORPORATE*	EUROPE REGION	AMERICAS	ASIA-PACIFIC	EURASIA	AFRICA, MIDDLE EAST, INDIA
TOTAL	**373**	**57**	**156**	**84**	**13**	**39**	**24**
Diversity	80	22	29	16	3	9	1
Education	86	14	33	15	2	14	8
Road safety	69	11	16	26	2	5	9
Sustainable mobility	23	5	6	11	1	0	0
Environment	16	0	6	3	0	5	2
Other	99	5	66	13	5	6	4

BREAKDOWN OF SOCIETAL INVESTMENTS BY PRIORITY THEME AND BY GEOGRAPHIC REGION (€)

		REGION						
THEME	NO. OF ACTIONS	*CORPORATE*	EUROPE REGION	AMERICAS	ASIA-PACIFIC	EURASIA	AFRICA, MIDDLE EAST, INDIA	TOTAL
TOTAL	**373**	**6,022,325**	**1,581,337**	**1,065,008**	**1,218,889**	**1,082,452**	**523 618**	**11,495,643**
Diversity	80	300,353	267,689	103,913	37,875	432,480	11,171	1,153,481
Education	86	2,494,658	389,245	362,790	706,282	366,889	236,884	4,556,748
Road safety	69	1,165,740	175,030	204,955	122,624	211,630	242,641	2,122,619
Sustainable mobility	23	1,746,990	119,554	182,647	221,160	0	0	2,270,351
Environment	16	0	39,692	4,865	0	38,258	6,386	89,201
Other	99	314,584	590,127	205,838	130,948	33,194	26,536	1,303,242

BREAKDOWN OF SOCIETAL INVESTMENTS BY PRIORITY THEME AND BY MAIN OBJECTIVE (€)

THEME	NO. OF ACTIONS	CHARITY	TERRITORY	COMMERCIAL	TOTAL
TOTAL	**373**	**1,612,833**	**7,066,923**	**2,815,887**	**11,495,643**
Diversity	80	155,606	774,272	223,603	1,153,481
Education	86	719,165	3,790,177	47,406	4,556,748
Road safety	69	89,176	1,748,671	284,772	2,122,619
Sustainable mobility	23	0	230,858	2,039,493	2,270,351
Environment	16	31,818	17,347	40,036	89,201
Other	99	617,068	505,597	180,578	1,303,242

BREAKDOWN OF SOCIETAL INVESTMENTS BY PRIORITY THEME AND BY TYPE OF DONATION (€)

THEME	NO. OF ACTIONS	MONETARY	IN KIND	PERSONNEL	TOTAL
TOTAL	**373**	**5,923,620**	**3,725,764**	**1,874,810**	**11,495,643**
Diversity	80	977,305	67,609	110,246	1,153,481
Education	86	3,083,751	938,576	542,686	4,556,748
Road safety	69	923,152	934,754	268,807	2,122,619
Sustainable mobility	23	324,487	1,341,360	613,852	2,270,351
Environment	16	37,005	21,544	31,126	89,201
Other	99	577,919	421,922	308,093	1,303,242

These tables include four shares in non-consolidated entities totaling €42,480.

2.9.3.3 BREAKDOWN OF PROGRAMMES HAVING BENEFITED FROM SPONSORSHIP IN 2015 *VIA* THE RENAULT.COM WEB-SITE

THEME	PROJECT	OBJECTIVE	SUPPORT GRANTED
	Association Foyer de Bougligny	The association provides support for physically or mentally challenged individuals by fostering contact between the general public and residents of Foyer de Bougligny. The center provides a wide range of activities, above all, horse-riding adapted for disabled people, which is also open to the general public, thereby reducing exclusion and fostering links between able-bodied and disabled persons.	7,500
	I am the movie-maker!	The Loisirs Pluriel association provides a framework for 14 recreation centers providing services for both able-bodied and disabled children. The project was the inspiration of the students who set up the association. The main objective is to make an animated film with these children to raise awareness among the general public about what it is like to be a disabled child.	720
	Cover	The association works to improve clothing, in terms of accessibility, for disabled persons. COVER provides an interface between disabled people and the high-street fashion industry. The objective is to work on prototypes and label clothing appropriately to make it accessible to disabled people.	5,000
	L'envol	This association organizes free play therapy trips for seriously ill children. It arranges individual or group cultural or sports activities so that children can develop skills and self-confidence.	8,280
	Fondation Leopold Bellan - Centre Augustin Grossellin	The Centre Augustin Grosselin provides services for 60 young people who are either profoundly deaf or severely or moderately hard of hearing. Most of them also suffer from one or several related disabilities. The educational team aim to increase their independence and socialization, in particular, by organizing cultural and sports outings and trips. A mobility project for these young people has transformed their care and simplified their day-to-day life.	15,000
	Sikana	This not-for-profit organization produces and distributes teaching videos to improve the day-to-day lives of highly disadvantaged individuals and to enable them to access education, making education accessible to all, everywhere and at no cost. Basic and urgent priority themes have been targeted, such as sustainable agriculture, health, craftwork, nutrition and sport. It is seeking a partner for the Social Skills and Environmental Knowledge program, run in association with COP21.	25,000
	Savoir Apprendre	This association seeks to develop a love of science among disadvantaged young people by creating a mobile museum using an innovative teaching approach based on scientific experimentation (hands-on understanding of scientific phenomena.) This model differs from the usual format in schools and allows disadvantaged young people to flourish in an alternative learning environment.	9,000
Human Capital	AFAP Maison de l'apprenti	This association supports young people from 15 to 21 years of age with learning difficulties. The project aims to support 45 young individuals as they take part in technical and mechanical workshops to restore and transform an old Renault Juva 4 found in a barn, so that they may complete a professional project. The restoration of the Renault vehicle also involves making it more ecological by installing a bioethanol engine.	15,000
	Sauvegarde de l'enfant, de l'adolescent et de l'adulte en Yvelines	With the support of the Conseil Général des Yvelines, the Association Sauvegarde des Yvelines, founded in 1876, is developing a low-cost driving instruction project to assist people in need. The project seeks to enable people receiving the RSA low welfare benefit (around 200 individuals) to pay a modest fee for lessons and obtain their driver's license, without which their employability would be constrained.	13,500
	Pole Mobilité Emploi	Innovative digital platform to remove barriers to professional mobility and use that geographical mobility as an opportunity to find work. The platform centralizes all the information required to prepare for mobility. The aim is to forge links, through the platform, between the various players involved in this field. The platform brings together a large network of private and public players who all contribute their expertise to the project (psychological support, human resources, hardware, coaching) to create a dynamic employment environment in France and to fight against regional inequality.	10,000
Sustainable mobility	Rebondir après une épreuve	This association offers an innovative help programme in which the beneficiary is supported by a group (formed by volunteers) of psychologists, consultants, business managers, coaches, etc. This project aims to support individuals in need (employment, family, health) by maximizing their chances of being able to preempt or recover from instability.	2,000

THEME	PROJECT	OBJECTIVE	SUPPORT GRANTED
	Double Z	The main aim of this association is to raise awareness about road safety among people of all ages. It organizes a touring theatre event that is both educational and recreational, from its base in Ile de France. The association ran the touring event between January and December 2015, visiting 20 different towns and attracting around 4,000 spectators.	5,000
	Adel Metni	A project to provide defensive driving instruction for young people, so that they may learn the basic principles of road safety, the highway code and can differentiate between trouble-free versus risk-taking driving. Theoretical and practical training was carried out, first in Lebanon, and thereafter, throughout the Middle East.	14,000
	Protection Civile Paris 12	Protection Civile de Paris 12 wanted an electric vehicle to reduce its CO² emissions. It was given a KANGOO Z.E. for patrols and trips. Its work encompasses aid, training and humanitarian action for highly disadvantaged persons.	10,000
Road safety	Association Marilou	This association wanted to fit out a vehicle (such as a Renault MASTER) to create a mobile unit for its work in the prevention of at-risk driving and awareness-raising concerning road safety. With this customized vehicle it was able to take offender-drivers onboard during roadside monitoring operations, participate in road safety events, perform alcohol and drug screening on people leaving nightclubs and carry out road safety awareness activities.	20,000

2.9.4 GRENELLE II CROSS REFERENCE TABLE

CORPORATE SOCIAL, ENVIRONMENTAL AND SOCIETAL DATA IN ACCORDANCE WITH THE GRENELLE 2 ACT (ARTICLE 225-102 OF THE FRENCH COMMERCIAL CODE)

CORPORATE SOCIAL DATA

Employment				
		Group workforce	Group	2.4.1.1
		Breakdown of workforce by Region	Group	2.4.1.1
		Breakdown of workforce by gender	Group	2.4.1.1
	Total workforce and breakdown by Region, gender and age	Breakdown of workforce by age	Group	2.4.1.1
		New hires	Group	2.4.1.1
		Breakdown of new hires by Region	Group	2.4.1.1
	Hires and redundancies	Redundancies	Group	2.4.1.1
		Breakdown of payroll expenditure by Region	Group	2.4.1.2
		Ratio of payroll expenditure to revenue	Group	2.4.1.2
		Average payroll costs by Region	Group	2.4.1.2
		Performance appraisal, career development and remuneration	Group	2.4.3.2
Employment	Payroll expenditure and trends	Employee profit-sharing	Group	2.4.3.2
Work organization				
	Organization of work time	Homeworking employees	France	2.4.1.3
Work organization	Absenteeism	Absenteeism rate	Group	2.4.2.1
Training				
		Dynamic skills management policy	Group	2.4.1.4
		Monitoring of jobs and skills management planning	France	2.4.1.4
		Expanding consultancy	Group	2.4.1.4
		Management quality	Group	2.4.2 and 2.4.2.3
		Talent development	Group	2.4.2.1 and 2.4.2.2
	Training policies	Exchanges with Renault partners	Group	2.4.2.2
Training	Total number of training hours	Total training hours	10 major countries	2.4.1.4
Equal opportunities				
		Promotion of diversity	Group	2.4.2.1
		% of female managers	Group	2.4.2.1
	Policies to promote gender equality	% of key positions held by women	Talent@Renault	2.4.2.1
	Measures taken in favor of employment and integration of people with disabilities	% of disabled employees	Group	2.4.2.1
		% of key positions held by international profiles	Talent@Renault	2.4.2.1
Equal opportunities	Anti-discrimination policy	Employment policy for young people and seniors	Group	2.4.2.1
Health and safety				
		Prevention of psycho-social risk and occupational stress	Group	2.4.3.1
		Ergonomic rating of workstations in manufacturing	Group	2.4.3.1
		Road accident risk management	Group	2.4.3.1
		Occupational health and safety management system certification	Group	2.4.3.1
	Occupational health and safety	Monitoring of the work environment policy	Group	2.4.3.1
	Agreements with labor unions or employee representatives on occupational health and safety	Description of the policy on work health, safety and environmental risk prevention covered by the global framework agreement	Group	2.4.4.1 2.4.4.2
		Number of working accidents (F1)	Group	2.4.3.1
		Number of working accidents with lost time (F2)	Group	2.4.3.1
		Days of lost time due to working accidents (G)	Group	2.4.3.1
Health and safety	Working accidents (frequency and severity) and occupational illnesses	Occupational illness rate	Group	2.4.3.1

Industrial relations				
	Organization of social dialog, especially procedures on notification and consultation of employees and negotiations with employees	Global framework agreement on social, societal and environmental responsibility	Group	2.4.4.1 and 2.4.4.2
		Internal communications	Group	2.4.4.4
		No. of major agreements	Group	2.4.4.3
Industrial relations	Summary of collective agreements	Topics of major agreements	Group	2.4.4.3
Advancement of and compliance with the fundamental principles of the International Labor Organization in respect of 2.4.4.3				
	Freedom of association and the right to collective bargaining	Global framework agreement on social, societal and environmental responsibility	Group	2.4
	Elimination of discrimination in employment and occupation	Global framework agreement on social, societal and environmental responsibility	Group	2.4
	Elimination of forced or compulsory labor	Global framework agreement on social, societal and environmental responsibility	Group	2.4
ENVIRONMENTAL DATA				
Overall environmental policy				
	Integrating environmental issues into the Company organization	Describing the way environmental issues are integrated into the Group organization LCA comparison for KADJAR / SCENIC III and TALISMAN / LAGUNA III	Group	2.6.2.3 2.6.2.1
	Environmental assessment and certification processes	**Manufacturing** No. and % of ISO 14001-certified manufacturing sites % of manufacturing sites covered annually by environmental and risk prevention audits **Vehicles** ECO2 label % of vehicles in the range that have had an LCA	Group Europe Region	**Manufacturing** 2.6.2.2 2.6.2.2 **Vehicles** 2.3.3.4
	Information and training for employees on environmental protection	Presentation of the different types of environmental training sessions and awareness campaigns dedicated to employees	Group	2.6.2.2
	Resources dedicated to preventing environmental risks and pollution	Human resources (no. of members of the industrial environment network) Expenditure on Research and Advanced Engineering to reduce the environmental impact of the vehicles Investments dedicated to the protection of environment, people and property and production and distribution of energy on industrial sites	Group	2.6.2.2 2.6.2.3 2.6.2.3
Overall policy	Amount of provisions and guarantees for environmental risks	Amount of provisions	Group	Note 20 on provisions - 4.2.6.4
Pollution and waste management				
	Prevention, reduction and remediation of air, water and soil pollution with a severe environmental impact	**Manufacturing** VOC, NOx, SO_2 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 recycling industrial effluents	Group	**Manufacturing** 2.6.3.5 and 2.9.2.3 2.6.3.5 2.9.2.3 2.6.3.4 2.6.3.4
	Prevention, recycling and elimination of waste	**Manufacturing** Quantity of waste generated by the plants in tons and in kg per vehicle produced Breakdown of waste by treatment type No. of sites with zero waste to landfill	France	**Manufacturing** 2.6.3.3 and 2.9.2.3 2.6.3.3 2.6.3.3
		Vehicles Number of end-of-life vehicles dismantled by the subsidiary INDRA and its network of approved dismantlers % of sales in countries where Renault helps to organize the collection of end-of-life vehicles (ELVs)	France Group	**Vehicles** 2.6.3.2 2.6.2.2
Pollution and waste management	Mitigation of noise and other types of pollution specific to an activity	**Vehicles** Certified noise pollution levels for the top-selling versions of each model in the range in Europe	Europe Region	**Vehicles** 2.9.2.4

Sustainable resource use				
	Water consumption and water supply depending on local constraints	Water consumption (total m^3 and m^3/vehicle) Breakdown of consumption by source	Group	**Manufacturing** 2.6.3.4 and 2.9.2.3 2.6.3.4
	Raw materials consumption	Quantity of steel, cast iron, aluminum and plastics used in vehicle production	Group	**Manufacturing** 2.6.3.2
	Improving efficiency of resource use	% of recycled steel, cast iron, aluminum and plastics % of recycled materials in vehicles produced in Europe % of recycled plastics in New ESPACE	Group	**Vehicles** 2.6.3.2 2.6.3.2 2.6.3.2
		Manufacturing Energy consumption (total and by site)	Group	**Manufacturing** 2.6.3.1 and 2.9.2
	Energy Consumption	**Vehicles** Fuel consumption by (1) the top-selling versions and (2) the most efficient versions of each model in the range in Europe	Europe Region	**Vehicles** 2.9.2.3
		Manufacturing Energy consumption per vehicle	Group	**Manufacturing** 2.6.3.1
	Improving energy efficiency	**Vehicles** List of models with embedded eco-driving aids	Group	**Vehicles** 2.6.3.1
	Renewable energy use	**Manufacturing** % of renewable energy (direct and indirect) in energy consumption of manufacturing sites	Group	**Manufacturing** 2.6.3.1
Sustainable resource use	Land use	Total surface area covered by manufacturing sites, of which impervious areas	Group	2.6.3.6
Climate change				
		Manufacturing Greenhouse gas (GHG) emissions, total and by site Direct and indirect GHG emissions Breakdown of GHG emissions by source type	Group	**Manufacturing** 2.6.3.1 and 2.9.2.3 2.6.3.1 and 2.9.2.3 2.6.3.1
	Greenhouse gas emissions	**Vehicles** Average CO_2 emissions of the passenger car range Certified emissions of (1) the top-selling versions and (2) the most efficient versions of each model in the range in Europe	Europe Region	**Vehicles** 2.6.3.1 2.9.2.4
Climate change	Climate change adaptation		Group	2.6.3.1
Protection of biodiversity				
Protection of biodiversity	Actions taken to increase biodiversity		Group	2.6.3.8
INFORMATION RELATING TO SOCIETAL COMMITMENTS PROMOTING SUSTAINABLE DEVELOPMENT				
	Regional development		Group	2.8.1
Local impact	On residents and local populations		Group	2.8.1.1 and 2.8.1.2
Relations with stakeholders	Conditions for dialog		Group	2.1.6
	Partnerships and sponsorship initiatives		Group	2.8.1.2 and 2.8.1.3
Sub-contractors and suppliers	Inclusion of social and environmental issues in the purchasing policy	Dissemination of CSR standards in the purchasing process	Group	2.3.2
	Importance of sub-contracting and inclusion of CSR in relations with sub-contractors and suppliers	Monitoring suppliers' CSR performance	Group	2.3.2 and 2.8.1
	Anti-corruption action		Group	2.1.5 and 3.1.4
Fair practices	Measures taken in favor of consumer health and safety		Group	2.3.3.4, 2.7.1 and 2.7.2
Other actions implemented				

2.9.5 SUSTAINABILITY RATINGS AND INDEXES

Sustainability rating agencies, specialized departments of financial institutions and certain investor groupings assess companies on their commitments, policy implementation and performance in terms of labor relations, the environment and governance. These assessments are designed to meet demand from socially responsible investors, who use the findings to select the companies in which they invest[(1)].

The methods used vary from agency to agency. Some agencies specialize by investment region (Europe, worldwide, OECD, etc.) or asset class (large caps, small caps), have a sector focus or otherwise, or base their analyses on a combination and weighted criteria of their own choosing, which can vary significantly depending on their stated objectives.

Some of these rating agencies, usually working in partnership with providers of equity indexes, have developed special indices composed of the top-rated companies for labor relations, the environment or governance.

2.9.5.1 RENAULT'S RATINGS IN 2015

ROBECOSAM

Founded in 1995, SAM is an Asset Management company based in Switzerland, which specializes in setting up investment strategies based on economic, environmental and social criteria, analyzed in terms of long-term value.

2015 Results: Renault was not included in the Dow Jones Sustainability World index (DJSI World), despite the Group's outstanding performance, particularly in the environmental field. Its global rating remains well above the average in the automotive sector. For further details, please contact the RobecoSAM agency.

OEKOM

Oekom, one of Germany's leading rating agencies, analyses 750 large and mid-sized companies and more than 100 small enterprises within a geographical scope that spans the OECD, new EU member states, Russia and the principal Asian markets. The agency thus covers 80% of the MSCI World index, which measures stock market performance in developed countries.

2015 Results: Renault scored a B rating overall, and the Group was again ranked first out of the global carmakers analyzed.

RATING SCALE FROM A+ TO D-	OEKOM RATING	RANKING AMONG CARMAKERS
Social and cultural	B+	1
Environment	B	1
TOTAL SCORE	**B**	**1**

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 labor unions, and multinational corporations. Vigeo's unique model is aimed at both investors, with the declarative EuroSTOXX 600 ratings, and corporations, with corporate-solicited ratings.

2015 Results: Renault is still rated by Vigeo. For further details, please contact Vigeo directly.

CARBON DISCLOSURE PROJECT

The carbon disclosure project (CDP), founded in 2000, is tasked 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 companies regular requests for information in a standard format about their greenhouse gas emissions and policies on climate change. The CDP includes, in particular, members of the FT500 (the 500 largest companies in the world by market capitalization).

Results in 2015: based on its responses to the CDP questionnaire, which are available at www.cdproject.net, Renault was awarded a score of 100/100, associated with an A- performance, as a result of which it qualifies for inclusion in the Climate Disclosure Leadership index (CDLI).

SUSTAINALYTICS

Sustainalytics is an independent global provider of ESG analysis that specializes in environmental, social and corporate governance performance.

In 2015, Renault's score was 75/100.

(1) Socially Responsible Investment designates all financial investments made not solely on the basis of the financial performance of the shares followed, but also taking into account criteria such as the behavior of the Company in relation to its social, economic and environmental situation.

2.9.6 INCLUSION IN SOCIAL RESPONSIBILITY INDEXES

Renault is included in the following socially responsible indexes:

- Euronext-Vigeo Europe 120: companies that obtain the best aggregate ratings in their category are admitted to a Vigeo index. These ratings are arrived at by weighting the global score for each company's overall performance on all the risk factors taken into account by Vigeo in the definition and assessment of corporate social responsibility;
- Euronext Vigeo Eurozone 120: this index lists the 120 most advanced companies within the Eurozone;
- Ethibel Excellence: Renault was included in the ETHIBEL EXCELLENCE investment register in 2015 and had its position confirmed in 2016. Selection by the ETHIBEL Forum (www.forumethibel.org) indicates that the Company performs better in terms of Social Responsibility than its sector average.
- 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, lists 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.
- Global 100: Since 2005, Corporate Knights magazine has been quantifying and ranking responsible performance for the largest global companies. In 2016, Groupe Renault is again part of the Global 100 index in respect of its 2015 performance.

2.9.7 REPORT OF THE INDEPENDENT THIRD PARTY

Year ended the 31st December 2015

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 accredited by the COFRAC [1], under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company Renault, we present our report on the consolidated social, environmental and societal information established for the year ended on the 31st December 2015, 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. This latter is composed of the 2015 versions of the Environmental Reporting Protocol for Renault Facilities (Protocole de Reporting Environnement Etablissements Renault), the Calculation Procedure for accident rate indicators (Méthodes de calcul des indicateurs d'accidentabilité), the reporting instructions for HR indicators and the Carbon Footprint calculation procedure (hereafter referred to as the "Criteria"), and of which a summary is included in chapter "2.9.2 Appendices Concerning The Environment" and in the methodological notes from chapter "2.4 Human Capital: Committed To Sustainable Growth" 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 2015" of the "Site Environmental Indicators In 2015" table in chapter 2.9.2.3 of the management report [2] (hereafter referred to as "Selected Environmental Information"), has been established, in all material aspects, in accordance with the Criteria.

Our verification work was undertaken by a team of eight people between July 2015 and February 2016 for an estimated duration of twelve weeks.

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 [3].

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 chapter "2.9.2 Appendices Concerning The Environment" and in the Methodological Note in chapter "2.4 Human Capital: Committed To Sustainable Growth" 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

(1) Scope available at www.cofrac.fr

(3) ISAE 3000 – Assurance engagements other than audits or reviews of historical information

(2) Data checked for reasonable assurance presented on the line «Total Group 2015» in the table «Environmental Indicators for Sites 2015» in section 2.9.2.3.

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.

For the CSR Information which we considered the most important (4):

- at the level of the consolidated entity and the controlled entities, 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 (5), 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 procedures 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 13% of the total workforce, 10% of Health and Safety indicators and between 39% and 76% 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 CSR Information

Nature and scope of work

Regarding the Selected Environmental Information 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 39% and 76% of the Selected Environmental Information and describe in the above paragraph.

We consider that this work allows us to express a reasonable assurance opinion on this information.

Conclusion

In our opinion, the Selected Environmental Information by the company has been established, in all material aspects, in compliance with the Criteria.

Paris-La Défense, the 2nd March 2016

French original signed by:
ERNST & YOUNG et Associés

(4) Industrial sites quantitative environmental information: water consumption, energy consumption, emissions into water (Suspended solid, CDO, METOX), Industrial hazardous and non-hazardous waste, GHG direct and indirect emissions, SO_2, NOx and VOC emissions.
Quantitative environmental information of the retail network (Renault Retail Group perimeter): waste, 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).
Social quantitative information: headcounts and their split (age, sex, region), recruitments, lay off, absenteeism rate, frequency rate without lost days (F1 rate) and with lost days (F2 rate), gravity rate (G rate), professional diseases, training hours number, number of employees trained during the year, number of managers trained, handicapped employment rate, number of collective agreements signed.
Qualitative information: economic accessibility (chapter 2.2.3), polluting emissions of thermal vehicles (chapter 2.6.3.5), air quality in the passenger compartment (chapter 2.6.3.5), vehicle safety (chapter 2.7.1.1), substance risk management (chapter 2.7.2), social dialog (chapter 2.4.4), management of succession plans (chapter 2.4.2 Enhance quality of management, develop talent and promote diversity).

(5) Regarding industrial sites quantitative environmental information, we have selected: Novo Mesto (Slovenia), Douai (France), Cléon (France), Batilly (France), Dacia (Romania), Valladolid Carrosserie - Valladolid Montage – Valladolid Motores (Spain), Bursa (Turkey), Tanger (Morocco), Cacia (Portugal), Envigado (Colombia), Busan (South Korea), Los Andes (Chile), Grand Couronne – SO_2 emissions only (France).
Regarding retail network quantitative environmental information, we have selected: Bordeaux area (Pont de la Maye and Lormont garages), Nord area (Valenciennes and Lille Faches-Thumesnil garages) and Spain (Burgos and Majadahonda garages).
Regarding quantitative health and safety information, we have selected: Novo Mesto (Slovenia), Batilly (France), Valladolid Carrosserie - Valladolid Montage – Valladolid Motores (Spain), Cacia (Portugal) and Los Andes (Chile).
Regarding quantitative social information linked to absenteeism, training, handicap, and collective agreements, we have selected: Spain, Slovenia, Portugal and Chile.

19 DIRECTORS

OF THE BOARD WITH VARIOUS COMPETENCIES AT RENAULT'S SERVICE

CORPORATE GOVERNANCE

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

In accordance with 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 composition of the Board of Directors and the application of the principle of balanced representation of men and women on the Board, the preparation and organization of the Board's work, and the internal control and risk management procedures implemented by the Company.

This report was prepared under the responsibility of Chairman of the Board of Directors based on the work carried out as part of a multidisciplinary working group composed of representatives of the Finance department, the Audit, Risk Control and Organization department and the Group's Legal department.

The report was ratified by the Board of Directors at its meeting on February 11, 2016.

Renault also continuously analyzes best practice in the area of corporate governance. In accordance with Article L. 225-37 of the French Commercial Code, Renault refers to the Afep-Medef Code for corporate governance of publicly listed companies in preparing this report. A table is included indicating the few recommendations that have not been followed (see table, section 3.1.1.7).

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 COMPOSITION, PREPARATION METHODS AND 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.

The operating principles and missions of the Board are described in the internal regulations of the Board of Directors, which is available in its entirety on the Renault group web-site. The main extracts from the internal regulations are presented below.

3.1.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

Internal regulations of the Board of Directors on the Board's composition

Through its composition, the Renault Board of Directors seeks balanced representation, competence and ethical behavior 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 profile is assessed with respect to the above criteria.

Internal regulations of the Board of Directors on the process for the selection of directors:

The candidates are then interviewed by the Appointments and Governance Committee. Following these interviews, the Appointments 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 organization 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 organized, and the internal control and risk management procedures implemented by the Company.

The Company is administered by a Board of Directors with **19 members**, including:

14 DIRECTORS appointed by the Shareholders' Annual General Meeting, of whom

- **2** directors are appointed on the proposal of Nissan and **1** director appointed on the proposal of the employee shareholders;

2 DIRECTORS appointed by administrative order, representing the French State;

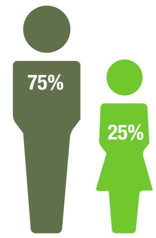
3 DIRECTORS elected by employees.

INDEPENDENT DIRECTOR RATIO(1)

66.7%
INDEPENDENT DIRECTORS

33.3%
NON-INDEPENDENT DIRECTORS

GENDER BALANCE ON THE BOARD OF DIRECTORS (1)



DIVERSITY

6

OUT OF 19 DIRECTORS ARE **FOREIGN NATIONALS**

PASCALE SOURISSE
Independent Director

PATRICK THOMAS
Independent Director

MARC LADREIT DE LACHARRIÈRE
Independent Director

DOMINIQUE DE LA GARANDERIE
Independent Director

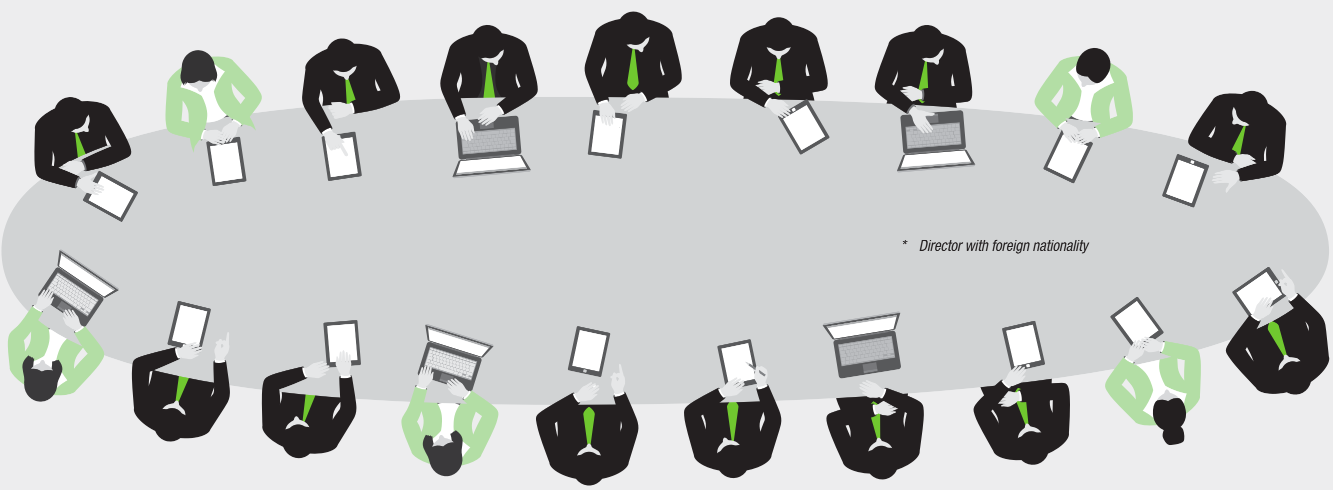
HIROTO SAIKAWA*
Director elected on proposal of Nissan

FRANCK RIBOUD
Independent Director

CARLOS GHOSN*
Chairman of the Board of Directors

ALAIN BELDA*
Independent Director

MARTIN VIAL
Director appointed by the State



* *Director with foreign nationality*

MARIETTE RIH
Director elected by employees

RICHARD GENTIL
Director elected by employees

PHILIPPE LAGAYETTE
Independent Director and Lead Independent Director

THIERRY DESMAREST
Independent Director

YURIKO KOIKE*
Director elected on proposal of Nissan

PASCAL FAURE
Director appointed by the State

CHERIE BLAIR*
Independent Director

ÉRIC PERSONNE
Director elected by employees

JEAN-PIERRE GARNIER*
Independent Director

BENOÎT OSTERTAG
Director elected on proposal of the employee shareholders

BOARD COMMITTEES AT DECEMBER 31, 2015

	ALAIN J-P BELDA	THIERRY DESMAREST	PASCAL FAURE	DOMINIQUE DE LA GARANDERIE	JEAN-PIERRE GARNIER	RICHARD GENTIL	MARC LADREIT DE LACHARRIÈRE	PHILIPPE LAGAYETTE	BENOÎT OSTERTAG	ERIC PERSONNE	MARIETTE RIH	HIROTO SAÏKAWA	PASCALE SOURISSE	PATRICK THOMAS	RÉGIS TURRINI
APPOINTMENTS AND GOVERNANCE COMMITTEE	✱			✱			✪	✱							✱
REMUNERATION COMMITTEE	✱	✱			✱		✱			✱				✪	
MEMBER OF THE AUDIT, RISK AND ETHICS COMMITTEE				✱				✪	✱				✱		✱
INTERNATIONAL STRATEGY COMMITTEE	✱	✪	✱		✱	✱				✱	✱	✱		✱	
INDUSTRIAL STRATEGY COMMITTEE		✱	✱		✪	✱			✱		✱				

✱ *Member* ✪ *Chair*

(1) In accordance with the Afep-Medef Code.

The number of Board members is linked on the one hand to a desire to have a majority of independent directors, and on the other to the significant number of directors elected or appointed directly pursuant to laws, by-laws or agreements with Nissan.

The composition of the Board aims to find a balance of experience, skills, independence and ethical approach, while respecting the principle of balanced female/male representation and with a level of diversity that reflects the Group's international presence. Thus, the Board is composed of:

- five women: Ms. Blair (appointed at the Annual General Meeting of April 30, 2015), Ms. Koike, Ms. de La Garanderie, Ms. Rih (elected by employees) and Ms. Sourisse. Women directors have sat on Renault's Board continually since 2003. The Company applies Law No. 2011-103 of January 27, 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards, and on professional equality. The Board will continue to apply its policy to promote female directorships, aiming to have at least 40% female members by 2017, in accordance with the law and the Afep-Medef Code. The appointment of a new female director will therefore be proposed at the Annual General Meeting on April 29, 2016 (see biography provided in section 3.1.1.2);
- a number of directors of non-French nationality (American, British, Brazilian and Japanese), who represent 31.6% of the members of the Board;
- four directors representing employees and employee shareholders.

Directors are selected based on the criteria mentioned above and, in particular, on the basis of their experience and skills (managing large international groups, knowledge of specific aspects of the Group's business, knowledge of the markets in which Renault is established, financial knowledge).

The directors elected internally by employees in November 2012, Ms. Mariette Rih and Messrs. Richard Gentil and Eric Personne, as well as the director representing employee shareholders, Mr. Benoît Ostertag, continued their training cycle in 2015. In particular, they undertook internal training provided by Group employees and training by external organizations. These training courses contribute to enabling them to 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 section 3.1.1.2). It should be noted that the arrangements for these training courses have been in line with the provisions of the decree of June 3, 2015 on the training of directors representing employees for several years.

Finally, apart from the directors elected on a proposal from Nissan and directors representing the State, there are no agreements with major shareholders, customers, suppliers or others according to which one of these persons or one of their representatives was selected as a member of a Board of Directors or Senior Management

During 2015, the composition of the Board changed as follows:

- Ms. Chérie Blair was appointed as a director at the Annual General Meeting on April 30, 2015 for a period of four years, as the replacement for Mr. Charles de Croisset;
- the term of Mr. Philippe Lagayette was renewed at the Annual General Meeting on April 30, 2015;
- by order dated September 9, 2015, Martin Vial, the new Commissioner of the Agency for State Participation, was appointed to the Board of Directors as a representative of the State, replacing Régis Turrini.

The term of the directors is four years. In accordance with the recommendations of the Afep-Medef Code, the expiration of these terms will be staggered in order to avoid a large number of renewals at once.

Finally, the average age of the directors in office at December 31, 2015 was 62 years.

EXPIRATION OF THE TERMS OF BOARD MEMBERS

YEAR OF EXPIRY	EXPIRY OF THE TERM OF	METHOD OF APPOINTMENT	DATE OF FIRST APPOINTMENT
	Ms. Rih	Director elected by employees	November 2012
	Mr. Desmarest*	Director elected by the Annual General Meeting	April 2008
	Mr. Garnier*	Director elected by the Annual General Meeting	April 2008
	Mr. Gentil	Director elected by employees	November 2012
2016	Mr. Personne	Director elected by employees	November 2012
	Ms. de La Garanderie*	Director elected by the Annual General Meeting	February 2003
	Mr. Belda*	Director elected by the Annual General Meeting	May 2009
	Ms. Koike	Director elected by the Annual General Meeting on the proposal of Nissan	April 2013
2017	Mr. Ostertag	Director elected by the Annual General Meeting on the proposal of employee shareholders	May 2011
	Ms. Sourisse*	Director elected by the Annual General Meeting	April 2010
	Mr. Thomas*	Director elected by the Annual General Meeting	April 2014
	Mr. Ghosn *(Chairman and Chief Executive Officer)*	Director elected by the Annual General Meeting	April 2002
	Mr. Ladreit de Lacharrière*	Director elected by the Annual General Meeting	October 2002
	Mr. Riboud*	Director elected by the Annual General Meeting	December 2000
2018	Mr. Saikawa	Director elected by the Annual General Meeting on the proposal of Nissan	December 2006
	Ms. Blair*	Director elected by the Annual General Meeting	April 2015
2019	Mr. Lagayette*	Director elected by the Annual General Meeting	May 2007

* *Independent director.*

Directors representing the French State are appointed by order for an unlimited period.

The terms of directors elected by employees will end in November 2016. Internal elections will be organized in order to elect the three new directors representing employees.

3.1.1.2 LIST OF TERMS OR FUNCTIONS OF THE DIRECTORS

DIRECTORS AT DECEMBER 31, 2015

CARLOS GHOSN

Chairman of the Board of Directors

Birth date: 03/09/1954 (61 years old)

Nationality: French-Brazilian

Date of first appointment: April 2002

Start date of current office: April 2014

Current term expires: 2018 AGM

Number of registered shares held: 305,200

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Born in March 1954, Carlos Ghosn is a graduate of the École Polytechnique and the École des Mines in Paris.

He joined Michelin in 1978 as Manager of the Le Puy plant in France. Following this he lead Michelin South America's business operations and was based in Brazil. In 1989 he became Chairman and Chief Executive Officer of Michelin North America. Carlos Ghosn joined Renault in 1996 as Deputy Chief Executive Officer. In addition to overseeing Renault's operations in the Mercosur, he was also responsible for research, engineering and automotive development, manufacturing, powertrain operations and purchasing. In 1999, he became the Chief Executive Officer of Nissan Motor. He was appointed as Chairman and Chief Executive Officer in 2001.

As well as being Chief Executive Officer of the Group since May 2005, he is still the Chairman and CEO of Nissan Motor. He was appointed as Renault's Chairman and Chief Executive Officer in 2009, and reappointed in 2014.

In 2013, Carlos Ghosn was also voted in as Chairman of the Board of Directors for Russian manufacturer AVTOVAZ.

Finally, he is a member of the International Advisory Council for Beijing's Tsinghua University, and a member of the Strategic Council for Beirut's Saint Joseph University.

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 Mobiliz Invest (France)

Chairman of the Management Board of Renault-Nissan b.v. (Netherlands)

Chairman of the Management Board of Alliance Rostec Auto b.v. (Netherlands)

Chairman of the Board of Directors of Renault do Brasil (Brazil)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of Alcoa	2011

ALAIN J.P. BELDA

Independent Director

Birth date: 06/23/1943 (72 years old)

Nationality: American

Date of first appointment: may 2009

Start date of current office: April, 2013

Current term expires: 2017 AG

Number of registered shares held: 1,000

Chairman of the Remunerations Committee

Member of the Appointments and Governance Committee

Member of the International Strategy Committee

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 Restoque (Brazil)

Non listed companies:

Executive Director of Warburg Pincus (USA)

Director of Oméga Energia Renovavel SA (Brazil)

Director of Banco Indusval & Partners (Brazil)

Director of GPS Serviços (Brazil)

Director of Pet Center Marginal (Brazil)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of Citibank	2012
Member of the Business Council	2015

CHERIE BLAIR

Independent Director

Birth date: 09/23/1954
(61 years old)

Nationality: English

Date of first appointment: April 2015

Current term expires: 2019
Annual General Meeting

Number of registered shares held:
100

BIOGRAPHIE – EXPÉRIENCE PROFESSIONNELLE

Cherie Blair CBE, QC is as a leading barrister, specialising in human rights and international law. She was appointed a Queen's Counsel in 1995, and is the wife of former British Prime Minister Tony Blair. Through her role as Founder and Chair of Omnia Strategy LLP, Mrs Blair currently advises both governments and international corporations on how to improve and sustain strong human rights standards. As a supporter of the United Nations Global Compact, she also advises on implementing the UN Guiding Principles on Business and Human Rights and works with business to develop and strengthen corporate social responsibility practices. With over 35 years' experience as a leading barrister, she has represented over 30 governments as well as numerous multinational corporations in international disputes. She is also an adviser to the B Team, a not-for-profit initiative formed by a global group of leaders, "to create a future where the purpose of business is to be a driving force for social, environmental and economic benefit".

Mrs Blair is the Chancellor Emeritus and Honorary Fellow of Liverpool John Moores University; Governor Emeritus and Honorary Fellow of the LSE and the Open University (D.Univ.Open 1999); LLD (Hons), University of Liverpool (2003); Hon.D.Lit UMIST (2003); Doctor of Laws (Westminster University). She is also the founder of the Cherie Blair Foundation for Women, which runs programmes to support women entrepreneurs across the developing world, including Africa.

She is Vice Chair of the International Council on Women's Business Leadership founded by Secretary Hillary Clinton. Mrs Blair sits as an Honorary Chair of the World Justice Project and is patron and President of the Africa Justice Foundation. In 2007, she received the Eleanor Roosevelt Val-Kill medal in recognition of her high ideals and courageous actions. In 2013, she was awarded the CBE in the New Year Honours for her services to women's issues and to charity in the UK and overseas.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

N/A

Non listed companies:

Founder and Chair, Omnia Strategy LLP, London

Other legal entities:

Founder and Patron, Cherie Blair Foundation for Women, London

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

THIERRY DESMAREST

Independent Director

Birth date: 12/18/1945
(70 years old)

Nationality: French

Date of first appointment:
April 2008

Start date of current office:
April 2012

Current term expires: 2016 AGM

Number of registered shares held:
1,500

Chairman of the International Strategy Committee
Member of the Remuneration Committee
Member of the Industrial Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Thierry Desmarest is a graduate of the École Polytechnique and an engineer at the Corps des Mines (Mines Inspectorate). Thierry Desmarest spent four years at the New Caledonia Mines Directorate, before becoming a Technical Advisor to the Office of the Minister for Industry in 1975, then to the Office of the Minister for the Economy in 1978.

In 1981 he joined Total and took over the management of Total Algeria, followed by various management roles for Total Exploration Production, for which he became the Chief Executive Officer in 1989 as well as a member of the Executive Committee.

He was appointed as Chairman and Chief Executive Officer of Total in 1995, TotalFina in 1999, and then Elf Aquitaine and TotalFinaElf in 2000.

He served as the Chairman and Chief Executive Officer of Total S.A from 2003 to February 2007, when he became Chairman of the Board of Directors. Mr. Desmarest was appointed as Honorary Chairman of Total SA in May 2010 and remains a Director. He returned to the role of Chairman of the Board of Directors of Total S.A from October 2014 to December 2015. He also chairs Total SA's Governance and Ethics Committee and Strategic Committee.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Director of Total SA (France)

Independent Director and Lead Independent Director of Air Liquide (France)

Non listed companies:

N/A

Other legal entities:

Chairman of the Total Foundation

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of the Musée du Louvre	2014
Director of the École Polytechnique	2014
Chairman of École Polytechnique Fondation	2014
Honorary Chairman of Total SA	2014
Director of Sanofi	2014
Director of Bombardier Inc.	2014
Chairman of the Board of Directors of Total SA	2015

PASCAL FAURE

Director appointed by the State

Birth date: 02/01/1963
(53 years old)

Nationality: French

Date of first appointment:
February 2013

Start date of current office:
February 2013

Current term expires: N/A

Number of registered shares held:
N/A

Member of the Industrial Strategy Committee
Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Born on February 1, 1963 in Nice (Alpes-Maritimes), Pascal Faure is an engineering graduate of the École des Mines, and a graduate of the École Polytechnique (1983) and the École Nationale Supérieure des Télécommunications (ENST) in Paris (1988).

Pascal Faure began his career at Bell Laboratories (PA, United States), followed by Apple Computer (CA, United States), and then the Centre National d'Études des Télécommunications (France Télécom/CNET) as a Project Manager in secure communications and cryptology.

Between 1992 and 1995, he worked for the French Budget Ministry on the credibility of the administrative policy on IT, and was then appointed as technical advisor responsible for budgetary, fiscal employment and land planning affairs for the French Minister for Tourism, and later for the Minister for Land Planning, Cities and Integration.

From 1997 to 2001, Pascal Faure performed the role of Director of Development, Financial Affairs and Deputy to the Director-General of the Institut Télécom. He was then appointed Deputy Technical Director at the French Ministry of Defense.

At the same time, he was President of the Association of Telecoms Engineers from 2001 to 2006.

Between 2007 and 2012, Pascal Faure was successively appointed Vice-Chairman of the Conseil Général des Technologies de l'Information (CGTI), then Vice-Chairman of the Conseil Général de l'Industrie, de l'Énergie et des Technologies (CGIET), and finally Vice-Chairman of the Conseil Général de l'Économie, de l'Industrie, de l'Énergie et des Technologies (CGEIET).

From December 2012 to September 2014, Pascal Faure held the position of Director General of competitiveness, industry and services.

On September 18, 2014 he was appointed Director-General of Enterprise.

Co-founder of the collection of works Territoires de l'information; co-direction of works: Nouvelles Technologies, Nouvel État (1999), Éthique et société de l'information (2000), Media@media (2001).

He is a Knight of the French Legion of Honour (Chevalier de la Légion d'Honneur), a Officer of the French National Order of Merit (Officier de l'Ordre National du Mérite) and an Officer of the 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 Board of Directors (non-voting director) of AREVA SA (France)

Non listed companies:

Director representing the French State at Bpifrance Participations

Director representing the French State at Bpifrance Investissement

Other legal entities:

Member of the Atomic Energy Commission

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 PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director representing the French State at Française des Jeux	2013
Director representing the French State at France Télécom	2013

DOMINIQUE DE LA GARANDERIE

Independent Director

Birth date: 07/11/1943
(72 years old)

Nationality: French

Date of first appointment:
February 2003

Start date of current office:
April 2013

Current term expires: 2017 AGM

Number of registered shares held:
1,150

Member of the Appointments and Governance Committee
Member of the Audit, Risk and Ethics Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Founder and partner of the law firm La Garanderie & Associés which specifically deals with corporate law, business governance and corporate social responsibility.

She was the first woman to become Chair of the French Bar Association (Bâtonnier de l'Ordre des Avocats) (1998-2000).

She served as the Vice-Chair of the OECD group on the development of corporate governance principles (2005-2006).

She has also served as a member of the Commission Nationale Consultative des Droits de l'Homme (National Advisory Commission on Human Rights).

She 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).

Ms. de La Garanderie is currently a member of the Haut Comité pour le Gouvernement d'Entreprise (Afep-Medef).

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.

ry Chair and founder of the Association Française des Femmes Juristes (AFFJ – French Women Lawyers' Association).

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of Holcim France Bénélux	2012

JEAN-PIERRE GARNIER

Independent Director

Birth date: 10/31/1947 (68 years old)

Nationality: French, American

Date of first appointment: April 2008

Start date of current office: April 2012

Current term expires: 2016 AGM

Number of registered shares held: 1,000

Chairman of the Industrial Strategy Committee

Member of the Remuneration Committee

Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Jean-Pierre Garnier holds both a master's degree in pharmaceutical science and a Ph.D. in pharmacology from the Louis-Pasteur University in Strasbourg, and obtained an MBA from Stanford University in 1974.

He joined American laboratory Schering-Plough, and worked in a series of roles in Switzerland, Denmark and Portugal. In 1983 he became Vice-Chairman of Marketing, and then was appointed first Vice-Chairman and Chief Executive Officer of the over-the-counter Drugs division, where he was responsible for the sale and marketing of drugs in the United States. He was then made Chairman of Schering-Plough. He joined SmithKline Beecham in 1990 as Chairman of the Company's pharmaceutical business in the North America region, and became Chairman of the pharmaceutical division in 1994 and Executive Director the following year. He was selected as Chairman and CEO of SmithKline Beecham in December 1999. In December 2000, he took over at the helm of the new GlaxoSmithKline (GSK) group.

He joined Laboratoires Pierre Fabre in July 2008 as a Director of Pierre Fabre Participations. At end-August 2008, Jean-Pierre Garnier was appointed Chief Executive Officer of Laboratoires Pierre Fabre, and from 2011 Chairman and Chief Executive Officer of Actélion.

He is an Operating Partner of Advent International (USA).

He is an Officer of the French Legion of Honour (Officier de la Légion d'Honneur) and also 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)

Director of Radius Health Inc. (USA)

Non listed companies:

Chairman of the Board of Directors of Alzheon Inc. (USA)

Other legal entities:

Director of the Paul Newman Foundation (USA)

Director of the Max Planck Institute (Germany)

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Chairman of the Board of Directors of Cérénis (France)	2015

RICHARD GENTIL

Director elected by employees

Birth date: 04/29/1968 (47 years old)

Nationality: French

Date of first appointment: November 2012

Start date of current office:

Current term expires: April 2012

Number of registered shares held: 1

Member of the Industrial Strategy Committee

Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Started work as a Maintenance Technician at the Fonderie (foundry) in 1988. He specialized in hydraulics, pneumatics and gas for the whole foundry. Holder of the BEP and CAP electro-technical and electro-mechanical vocational certificates and of a Baccalauréat in the Maintenance of Automated Mechanical Systems. Speaks and writes English fluently. Member of the Renault Cléon Establishment-level Works Council Solidarity Committee.

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 PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

YURIKO KOIKE

Director proposed for election by Nissan

Birth date: 15/07/1952 (63 years old)

Nationality: Japanese

Date of first appointment: April 2013

Start date of current office: April 2013

Current term expires: 2017 GM

Number of registered shares held: 100

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Yuriko Koike 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 "Cool Biz", as well as a number of other policies aimed at changing the mindset of the general public and countering global warming. Ms. 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. Ms. Koike began her career as a television personality and an expert on affairs in the Arab world. She has authored 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 PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

3

MARC LADREIT DE LACHARRIÈRE

Independent Director

Birth date: 11/06/1940 (75 years old)

Nationality: French

Date of first appointment: October 2002

Start date of current office: April 2014

Current term expires: 2018 AGM

Number of registered shares held: 1,020

Chairman of the Appointments and Governance Committee

Member of the Remuneration Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Marc Ladreit de Lacharrière studied economics in Paris, after which he obtained a place at the École Nationale d'Administration (ENA), «Robespierre» class (January 1968-May 1970).

Mr. Ladreit performed various management roles at Banque Indosuez until 1976, before joining the L'Oréal group and becoming Vice-Chairman and Chief Executive Officer (1984-1991). At the same time he served as a Director of Synthélabo (1986-1991), Crédit Lyonnais, Air France, France Télécom, Musée du Louvre and L'Oréal.

In 1991, Marc Ladreit de Lacharrière founded his own group named Financière Marc de Lacharrière (Fimalac). Fimalac acquires holdings in a range of companies, particularly in the financial and media sectors. Notably Fitch Ratings, Groupe Lucien Barrière, Webedia.

Marc Ladreit de Lacharrière has been a Director of the Casino group since 2000, and a Director of Renault since 2002.

He is the Chairman of French intellectual journal La Revue des Deux Mondes.

He is a patron of the Musée du Louvre, and was elected to the Académie des Beaux-Arts in 2006 to take the place vacated by Gérald Van der Kemp (free members category). In the same year he founded and financed the Fondation Culture & Diversité to help young people «from priority education schools».

In 2007 he took on the role of Chairman of the Board of Directors for the Agence internationale des musées de France (France Museums) a body which, amongst other things, is responsible for completing the Louvre museum in Abu Dabi.

He was awarded the Grand Cross of the French Legion of Honour (grand-croix de la Légion d'honneur) on December 31, 2010.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Chairman and Chief Executive Officer of Fimalac (France)

Director of the Casino group (France)

Director of Fermière du Casino Municipal de Cannes (France)

Permanent representative of Fimalac on the Board of Directors of (NextRadio TV France)

Non listed companies:

Chairman of the Management Board of the Marc de Lacharrière group (France)

Chairman of the Board of Directors of Agence France Museums (France)

Chairman of the Board of Directors of Fitch Group Inc. (USA)

Chairman of the Supervisory Board of Webedia (France)

Director of the Lucien Barrière SAS group (France)

Manager of Fimalac Participations Sarl (Luxembourg)

Permanent Representative of Financière de l'Océan Indien (SAS) on the Board of Directors of Ciel Ltd (Mauritius)

Director of Gilbert Coullier Productions (SAS) (France)

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 – Political Science Foundation (Fondation des Sciences Politiques)

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Chairman of the Board of Directors of Fitch Ratings (USA)	2012
Director of the Musée des Arts Décoratifs	2013
Chairman of the Abbaye de Lubilhac endowment fund	2013
Director of L'Oréal	2014

PHILIPPE LAGAYETTE

Independent Director
Lead Independent Director

Birth date: 06/16/1943 (72 years old)

Nationality: French

Date of first appointment: May 2007

Start date of current office: April 2015

Current term expires: 2019 AGM

Number of registered shares held: 1,000

Lead Independent Director
Chairman of the Audit, Risk and Ethics Committee
Member of the Appointments and Governance Committee

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 Dépôts et Consignations, a post he held until December 1997.

He headed up JP Morgan's activities in France from 1998 to August 2008 and then held the position of *Vice-Chairman* for the EMEA Region until January 2010.

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 Fondation de Coopération Scientifique for Alzheimer's research

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

BENOÎT OSTERTAG

Director elected on proposal of the employee shareholders

Birth date: 08/02/1965 (50 years old)

Nationality: French

Date of f*irst appointment:* May 2011

Start date of current office: April 2013

Current term expires: 2017 AGM

Number of registered shares held: 97 shares in an FCPE mutual fund

Member of the Audit, Risk and Ethics Committee
Member of the Industrial Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Graduate in engineering from the École Centrale de Paris (ECP) and a Renault employee for 25 years, Benoît Ostertag has worked in mechanical engineering on the Lardy and Rueil sites (France) where he was involved in designing test benches, engine cooling systems and heat measurement tools. He supervised a team until 2011. He is currently the quality process leader at the Guyancourt Technocentre (France).

Mr. Ostertag was a CFDT representative on the Establishment-level Works Council and then on the Renault s.a.s Central Works Council from 2006 to 2011.

He has represented employee shareholders on the Renault group 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

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

ÉRIC PERSONNE

Director elected by employees

Birth date: 10/14/1962
(53 years old)

Nationality: French

Date of first appointment:
November 2012

Start date of current office:
April 2013

Current term expires:
November 2016

Number of registered shares held:
100

Member of the Remuneration Committee
Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

After starting his career as a Photographer, in 1988 Éric Personne became a Renault employee and lead a 15-strong team selling 250 vehicles per year. In 2002 he joined the Renault Retail group where he performed a number of roles: including head of after-sales development, and head of ISO certification. Since 2007, Éric Personne has been responsible for commercial and quality reporting for Renault Retail group. Between 2005 and 2012, Éric served as a CFE-CGC representative on the Renault Works Council, and has built up more than 30 years of experience in employer and employee industrial action in his various professional circles.

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 PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

FRANCK RIBOUD`

Independent Director

Birth date: 11/07/1955
(60 years old)

Nationality: French

Date of first appointment:
December 2000

Start date of current office:
April 2014

Current term expires: 2018 AGM

Number of registered shares held:
331

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Franck Riboud is a graduate of the École Polytechnique Fédérale de Lausanne (EPFL).

He joined the Group in 1981, and until 1989 held a series of responsibilities in Management Audit, Marketing and Sales roles. After serving as Sales Director for Heudebert, in September 1989 he was appointed as Head of department for the integration and development of new companies from the Biscuits division. He was involved in the largest takeover to date by a French company in the United States: the takeover of Nabisco's European business by BSN. In July 1990 he was appointed Chief Executive Officer for Évian.

Franck Riboud took on the role of Director of Business Development for the Group in 1992. The Group then launched its internationalization project with increased development in Asia and Latin America and created an Export department.

In 1994, BSN changed its name to Danone and developed a worldwide brand.

Mr. Riboud was Chairman and Chief Executive Officer of Danone from May 2, 1996 to September 30, 2014. Following a separation of roles, he became Chairman of Danone's Board of Directors on October 1, 2014.

Since 2008 he has served as the Chairman of the Board of Directors for SICAV (mutual fund) danone.communities, a funding body which aims to promote the development of profitable businesses with the primary goal of focusing on social objectives rather than profit.

Since 2009 he has also been the Chairman of the Steering Committee of the Fonds Danone pour l'Écosystème, and since December 2011 a member of the Steering Committee of the Livelihoods fund.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Chairman of the Board of Directors and Chairman of the Strategic Committee for Danone SA (France)

Non listed companies:

Director of Bagley Latinoamerica SA (Spain)

Chairman of the Board of Directors of Danone.Communities (mutual fund – SICAV) (France)

Director of Rolex SA (Switzerland)

Director of Rolex Holding SA (Switzerland)

Member of the Steering Committee of the Livelihoods Fund (mutual fund – SICAV) (France)

Other legal entities:

Chairman of the Steering Committee of Fonds Danone pour l'Écosystème

Director of the International Advisory Board

Member of the Supervisory Board of the Fondation ELA

Member of the Board of the Fondation EPFL Plus

Honorary Member of the Association ELA

Director of RAISE (endowment fund)

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director and member of the Remuneration Committee for Accor SA	2012
Director of Lacoste SA	2012
Director of Omnium Nord Africain (ONA)	2012
Director of the French national agri-foods industry association (Association Nationale des Industries Agroalimentaires)	2013
Chief Executive Officer and Chairman of the Executive Committee of Danone SA	2013

MARIETTE RIH

Director elected by employees

Birth date: 03/26/1967 (48 years old)

Nationality: French

Date of first appointment: November 2012

Start date of current office: November 2012

Current term expires: November 2016

Number of registered shares held: 8 shares in an FCPE mutual fund

Member of the Industrial Strategy Committee
Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

After gaining a BTS qualification as a trilingual secretary, Mariette Rih joined Renault Automation in 1990 as an Assistant to the Export department. In December 1999 she became part of the coordination office for the Renault-Nissan Alliance, and then joined CEO communications for Nissan Europe until 2005. Between 2005 and 2007 she returned to Renault's L'Atelier, then took over the coordination of exhibitions at Renault Square Com. In 2009, Mariette Rih took over demonstrations and communication technology tools with the Brands Showcase. She has been a B2E Project Manager with the Digital Communications department since June 2014.

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 PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

HIROTO SAIKAWA

Director elected on proposal of Nissan

Birth date: 11/14/1953 (62 years old)

Nationality: Japanese

Date of first appointment: December 2006

Start date of current office: April 2014

Current term expires: 2018 GM

Number of registered shares held: 100

MEMBER OF THE INTERNATIONAL STRATEGY COMMITTEE

Biography – professional experience

Hiroto Saikawa was born on November 14, 1953. After graduating from the University of Tokyo with a degree in economics, he joined Nissan Motor Co., Ltd. in 1977. In 1999, he assumed the position of General Manager of Purchasing Strategy department of Nissan Europe N.V. He became Executive General Manager of the Renault-Nissan Purchasing Organization in 2001, and took up the post of Senior Vice-President of Nissan Motor Co., Ltd. in 2003. He was promoted to Executive Vice-President in April 2005, and joined the Board of Directors in June the same year. In June 2011, he was appointed Representative Director. In addition to the responsibilities, he was named Chief Competitive Officer in April 2013 and assumed the position of Vice-Chairman in June 2015.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Representative Director, Chief Competitive Officer and Vice-Chairman of Nissan Motor Co., Ltd.

Non listed companies:

Director of Dongfeng Motor Co., Ltd

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
N/A	

PASCALE SOURISSE

Independent Director

Birth date: 03/07/1962
(53 years old)

Nationality: French

Date of first appointment:
April 2010

Start date of current office:
April 2014

Current term expires: 2018 AGM

Number of registered shares held:
1,000

Member of the Audit, Risk and Ethics Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Pascale Sourisse is a graduate of the École Polytechnique and the 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, followed by Alcatel. In 2001 she became Chairwoman and Chief Executive Officer of Alcatel Space and then of Alcatel Alenia Space in 2005. In 2007, Pascale Sourisse was appointed Assistant Chief Executive Officer of Thales and a member of the Executive Committee, responsible for the Space division. She was also appointed as CEO of Thales Alenia Space. In 2008, she was appointed Senior Vice Chairwoman and CEO of Thales' Land & Joint Systems division and in February 2010, became Senior Vice Chairwoman and CEO of the Defense & Security C4I Systems division. Since 2012 she has also served as Chairwoman and Chief Executive Officer of Thales Communications & Security, and Chairwoman of Thales Services.

In February 2013, Pascale Sourisse was appointed as the Chief Executive Officer of International Development for the Thales group. She is also the Chairwoman 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, Member of the Appointments and Governance Committee and the Remuneration Committee of Vinci (France)

Director, Member of the Audit and Ethics Committee and Chair of the End-of-Lifecycle Obligations Monitoring Committee for Areva SA (France)

Non listed companies:

Chairwoman of Thales International SAS (France)

Chairwoman of Thales Europe SAS (France)

Permanent representative of Thales in her capacity of Director of ODAS (France)

Other legal entities:

Chairwoman of the Board of École de Télécom Paris Tech (France)

Director of the Agence Nationale des Fréquences (France)

Director of the Agence Nationale de la Recherche (France)

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Member of the collegiate body of Thales Security Solutions & Services SAS (France)	2011
Chairwoman of SITAC SAS (formerly 181 Centelec SAS) (France)	2011
Member of the Board of Directors of the Institut Télécom (France)	2011
Chairwoman and Chief Executive Officer of Thales Communications & Security SAS (France)	2012
Chairwoman of Thales Services SAS (France)	2012
Member of the Supervisory Board of Thales Alenia Space SAS (France)	2012
Member of the Board of GIFAS (France)	2012
Member of the Board of Directors of DCNS (France)	2012
Chairwoman of Thales Canada Inc. (Canada)	2013
Director of Thales UK Ltd (United Kingdom)	2013
Director of Thales Electronics Ltd (United Kingdom)	2013
Member of the Supervisory Board of Thales Netherland BV (Netherlands)	2013
Director of Thales USA Inc. (USA)	2013
Director of Australian Defence Industries Pty Ltd (Australia)	2013
Director of Thales Australia Holdings Pty Ltd (Australia)	2013
Director of Thales Underwater Systems Pty Ltd (Australia)	2013
Director of Thales Training & Simulation Pty Ltd (Australia)	2013
Director of ATM Pty Ltd (Australia)	
Director of Australia Corporate Finance Pty Ltd (Australia)	2013
Director of Australia Finance Pty Ltd (Australia)	2013
Permanent representative of Thales in her capacity of Director of SOFRESA (France)	2015

Ms. Sourisse has held numerous corporate offices with subsidiaries of Australian Defence Industries. In the interests of clarity and legibility, not all of these offices are listed here.

3

PATRICK THOMAS

Independent Director

Birth date: 06/16/1947
(68 years old)

Nationality: French

Date of first appointment: 2014 AGM

Start date of current office:
April 2014

Current term expires: 2018 AGM

Number of registered shares held:
100

Chairman of the Remuneration Committee
Member of the International Strategy Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Patrick Thomas is a graduate of the École Supérieure de Commerce Paris (ESCP).

From 1997 to 2000 he chaired the Lancaster group, and from 2000 to 2003 served as Chairman and Chief Executive Officer of British company William Grant & Sons.

Patrick Thomas served as Chief Executive Officer of Hermès International from 1989 to 1997. On July 15, 2003 he rejoined the Hermès group as Chief Executive Officer of Hermès International before being appointed as manager, a role which he performed from September 15, 2004 until his retirement on January 31, 2014.

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Member of the Supervisory Board of Laurent Perrier (France)

Non listed companies:

Member of the Supervisory Board of Leica Camera AG (Germany)

Member of the Supervisory Board of Château Palmer (France)

Chairman of the Supervisory Committee of Ardian Holding (France)

Member of the Supervisory Board of Massilly Holding (France)

Manager of SCI Les Choseaux (France)

Offices within the Hermès group:

Chairman of the Board and Director of Shang Xia Trading (Shanghai)

Director of Faubourg Italia (Italy)

Chairman and Director of Full More group (Hong Kong)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of Lacoste (France)	2012
Vice-Chairman and member of the Supervisory Board of Gaulme (France)	2012
Manager of Hermès International	2014

Mr. Thomas has held numerous corporate offices with the Hermès group's subsidiaries. In the interests of clarity and legibility, all of these offices are not listed here.

MARTIN VIAL

Director appointed by the State

Birth date: 02/08/1954 (61 years old)

Nationality: French

Date of first appointment: September 2015

Current term expires: N/A

Number of registered shares held: N/A

Member of the Audit, Risk and Ethics Committee

Member of the Appointments and Governance Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Martin Vial is a graduate of the ESSEC Business School and the École nationale supérieure des postes et télécommunications. He is 61 years old.

In 1982 he was appointed as a Director of the PTT (French administration for postal services and telecommunications) with the Direction Générale des Postes, and in 1986 joined the Treasury department at the French Ministry of Economy and Finance. He performed a series of roles between 1988 and 1993, including technical advisor, assistant director and the chief of staff of the Ministry of Postal Services, Telecommunications and Space, the Ministry of Infrastructure, Housing and Transport, and finally the Ministry of Postal Services and Telecommunications.

In 1993, Martin Vial was appointed Chairman and Chief Executive Officer of the airline Aéropostale, a joint subsidiary of Air France, La Poste and TAT. In 1996 he was elected Chairman of the CSTA (French air transport association) and of the FNAM (National Federation of Commercial Aviation).

At end-1997, he became Chief Executive Officer of the La Poste group and created three Business divisions: post, parcels and express service and banking and financial services.

In December 2000 he was appointed both as Chairman of the La Poste group and Vice-Chairman of the Caisse Nationale de Prévoyance (CNP).

In September 2002, Martin Vial joined the Cour des Comptes as a Conseiller-Maître.

From 2003 to 2014, he served as Chief Executive Officer of Groupe Europ Assistance, the world leader in care services with 44 subsidiaries in 33 countries, and as Director and CEO of Europ Assistance Holding. He also chairs several Boards of Directors for the Group's companies.

In January 2015 he founded Premium Care, a care company for the elderly.

Martin Vial was appointed Commissioner for State Holdings (Commissaire aux Participations de l'État) on August 24, 2015.

Mr. Vial, (61) is a graduate of ESSEC and of the École Nationale Supérieure des Postes et Télécommunications (ENSPT).

He is a Knight in the National Order of the French Legion of Honour (Chevalier dans l'Ordre National de la Légion d'Honneur) and in the French National Order of Merit (Ordre National du Mérite).

He wrote La lettre et *la Toile on the development* of the Internet in France (Albin Michel – 2000), and La *Care Revolution, l'homme au cœur de la révolution mondiale des services* (*Nouveaux Débats Public* – 2008). He has also contributed to two collective works Empreintes sociales, en finir avec le court terme (Odile Jacob – 2011) which he wrote with nine other French business leaders, and *La société des marques* (Parole et Silence – 2015).

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:

Director of Thales (France)

Director of EDF (France)

Non listed companies:

Director of BPI France SA (France)

Other legal entities:

N/A

OFFICES IN OTHER COMPANIES IN THE PREVIOUS FINANCIAL YEAR AND OVER THE PAST FIVE YEARS NO LONGER HELD:	Current terms expires:
Director of Homair Vacances	2014
Director of Business Solutions Capital	2014
Director and Chief Executive Officer of Europ Assistance Holding	2014
Director of Europ Assistance South Africa, Germany, China, Spain, Italy, Portugal	2014
Chairman of Europ Assistance Brazil, Belgium, France, UK, USA	2014
Chairman of CSA	2014

The business address of all directors in the context of their duties is that of Renault's head office (see section 5.1.1.1).

DIRECTOR PROPOSED FOR RE-ELECTION

The terms of Mr. Thierry Desmarest and Mr. Jean-Pierre Garnier as directors expire at the end of the Shareholders' Annual General Meeting on April 29, 2016.

As part of the preparations for the Annual General Meeting, the Board of Directors has reviewed the particular situation of these directors. It noted the quality and involvement of each of them in the context of the work of the Board.

However, in view of the objective of increasing the proportion of female directors, the Board has decided to propose renewing only Mr. Desmarest as director. In particular, the Board took into account:

- the skills he brings to the work of the Board;
- his experience in managing a large French group;
- his availability and involvement in the work of the Board and its committees;
- his independence and the absence of conflicts of interest.

DIRECTOR WHOSE APPOINTMENT IS PROPOSED TO THE MEETING

In the context of pursuing its objective of increasing the proportion of female directors, the Board of Directors has reviewed the nomination of Ms. Olivia Qiu, in light of:

- 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.

The Board of Directors, at its meeting of February 11, 2016, found that the appointment of a female Director of French and Chinese nationality, would contribute to the gender balance and the international diversity of the Board. In addition, the profile of Ms. Qiu, Chief Innovation Officer of Philips Lighting and a senior executive in the Philips group, fulfills the wish expressed by Board members to open the Board to people from more industrial backgrounds and, in particular, from the new technology sector (see the Board of Directors' assessment in section 3.1.1.6). Ms. Qiu brings together her experience and knowledge of both Asia and Europe. Her knowledge of Asian (China in particular) and European cultures and markets represents a real asset for Renault's Board at a time when the Group's business in China is expanding.

OLIVIA QIU

Independent Director

Birth date: 08/19/1966 (49 years old)

Nationality: French and Chinese

Date of first appointment: N/A

Start date of current term: N/A

Current term expires: N/A

Number of registered shares held: N/A

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Olivia Qiu studied engineering at Nankai University, holds a degree in electronics from *the China Electronic Science and Technology University* (UESTC) and a Ph.D in management science from the École Supérieure des Affaires de Grenoble.

From 1987, Ms. Olivia Qiu was an Engineer responsible for military radars, then for Research and Development at the *China Chengdu Design Institute No. 784*.

She joined Alcatel in 1997 as a project manager responsible for negotiating three joint-ventures for Alcatel China Cable Sector. In *1998, she was appointed Sales Director of the Alcatel East China Region then, in 2000, Commercial Operations Director*. In 2002, she became Marketing and 3G Operations Director for Alcatel Shanghai Bell, and from 2004 to 2005, Asia-Pacific Region Business Development Director for Alcatel.

From 2005, she directed commercial activities, marketing, technical solutions and service implementation at Alcatel China. In 2008, she was appointed Regional Director for East Asia, Chief Executive Officer of Alcatel-Lucent Shanghai Bell.

Ms. Olivia Qiu was Chief Executive Officer in charge of «Strategic Industries» at Alcatel-Lucent until 2013. Her other offices and functions during the past five years are described below.

Ms. Olivia Qiu has been a Board Director of Saint-Gobain since June 2011. Principal position held: Chief Innovation Officer, Philips Lighting

OFFICES AND OTHER FUNCTIONS IN FRENCH AND INTERNATIONAL COMPANIES

CURRENT OFFICES

Listed companies:
Director of Saint-Gobain group (France)

Non listed companies:
N/A

Other legal entities:
N/A

OFFICES IN OTHER COMPANIES IN THE PAST FIVE YEARS NO LONGER HELD	Expiry of term
Director and Chief Executive Officer of Alcatel-Lucent Shanghai Bell (China)	2013
Vice-Chairwoman of the Board of Directors of Alcatel-Lucent Qingdao Telecommunications (China)	2013
Chairwoman of the Board of Directors of the following companies (China): Alcatel-Lucent Shanghai Bell Enterprise Communications Co. Ltd, Alcatel- Lucent Sichuan Bell Communication System Co. Ltd, Lucent Technologies Qingdao Telecommunications Enterprise Co. Ltd, Lucent Technologies Information and Communications of Shanghai Ltd	2013

3.1.1.3 ADDITIONAL INFORMATION ON THE MEMBERS OF THE BOARD OF DIRECTORS

RIGHTS AND OBLIGATIONS OF DIRECTORS

The internal regulations of the Board describe the rights and obligations of directors with respect to:

- an awareness of the legal regulations relating to *sociétés anonymes* (public limited companies) and the Company's by-laws;
- the right to disclosure and duty to keep informed;
- the duty of diligence;
- the duty of loyalty;
- professional confidentiality and privileged information;
- the holding of shares in the Company. The Board's internal regulations, amended with reference to the revised Afep-Medef Code, recommend that directors own a significant number of shares in view of the director's fees paid to them[1], except for those directors who do not receive fees personally. In this respect, the directors representing the staff or the shareholder employees do not personally receive director's fees (which are paid directly to their trade unions); they are therefore not required to hold a significant number of the Company's shares. In addition, administrative regulations forbid directors appointed by the French State from owning shares;
- refund of expenses.

NO CONVICTIONS OR CONFLICTS OF INTEREST

To Groupe 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.

(1) Approximate percentage of Renault share capital owned by directors, excluding the State's ownership: 0.02 %.

To Groupe 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.

Company officers are not bound to Renault or any of its subsidiaries by service agreements that provide for benefits.

3.1.1.4 ORGANIZATION, OPERATION AND MISSIONS OF THE BOARD

BALANCED AND EFFECTIVE GOVERNANCE

In 2009, the Board of Directors chose to combine the functions of Chairman of the Board of Directors and Chief Executive Officer, with Mr. Ghosn performing these roles from then onwards. The Board of Directors has observed that this is an effective governance structure which, in particular, offers a more responsive and efficient decision-making process to ensure and strengthen the cohesion of the entire organization.

Taking account of the combining of the functions of Chairman of the Board with those of Chief Executive Officer, the Board of Directors has focused on implementing various measures in order to guarantee a balance of powers in line with best practice in governance:

- the presence of a majority of independent directors on the Board of Directors;
- the presence since of a Lead Independent Director, Mr. Lagayette, chosen from among the independent directors, whose role is described hereafter;
- limitations on the powers of the Chief Executive Officer, specified in the internal regulations of the Board of Directors.

These measures, together with the active role played by the Lead Independent Director and other independent directors, help to establish balanced governance arrangements within the Board of Directors and its committees and have proved their effectiveness during recent years.

This effectiveness was particularly illustrated in 2015 during discussions relating to the Alliance and Renault share ownership.

1. OPERATION OF THE BOARD

The Board of Directors appoints one of its members as Chairman (re-electable), who must be a natural person.

The other operating rules of the Board of Directors are specified in the Board's internal regulations.

Internal regulations concerning the operation 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.

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 finalizing the separate or consolidated financial statements, appointing or dismissing the Chairman of the Board of Directors, the Chief Executive Officer and the deputy Chief Executive Officers, for which proceedings the directors are required to attend in person.

Meetings are convened by any means and may be sent by the Secretary of the Board.

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.

Minutes of each meeting of the Board of Directors are kept in accordance with legal provisions.

2. MISSIONS OF THE BOARD OF DIRECTORS

Internal regulations concerning the 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. It meets as often as the interests of the Company and the laws and regulations require.

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.

It ensures the quality of financial information published, including the financial statements or in the case of significant transactions. It publicizes 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 compensation.

Each year it also approves the list of directors considered to be independent. The Board debates at least once a year issues surrounding its operation and that of its committees, in addition to the annual assessment that is made in this respect.

The Board prepares and convenes the General Meeting of Shareholders and sets its agenda.

One of the basic tasks of the Board is to define the mode of general management and the limitations of power of the Chairman and Chief Executive Officer.

2.1 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 at that time, and reappointed in 2010 and 2014.

This mode of governance, unifying the functions of Chairman of the Board and Chief Executive Officer, occurs in a majority of French listed companies with Boards of Directors. It is suited to the Company's organization and operation, providing in particular a responsive and effective decision-making process.

2.2 Balance of powers

All of the following provisions allow for balanced governance while ensuring effective decision-making.

I. Independence of the Board of Directors

The Board of Directors is committed to the principle of independence set down in its internal regulations.

Internal regulations concerning the independence of 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 judgment. 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, on a proposal of the Appointments and Governance Committee, the list of its members considered independent, based on the criteria set by 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 have close family ties with a company officer;
- not to have been a Statutory Auditor of the corporation within the previous five years;
- not to have been a Director of the corporation for more than 12 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;
- not to be an employee or executive 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;
- not to be an executive 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;
- 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.

The Board of Directors of Renault must be composed of at least 50% independent directors, the percentage being calculated according to the recommendations of the Afep-Medef Code on the matter.

The process of evaluating the independence of Renault's directors is performed by the Appointments and Governance Committee. As a result, once a year, the Board of Directors reviews the independence of each director according to the independence criteria specified in the Afep-Medef Code and transposed in the internal regulations.

On February 11, 2016, the Board approved the following list of independent directors: Ms. Blair, Ms. de La Garanderie and Ms. Sourisse, and Messrs. Belda, Desmarest, Garnier, Ladreit de Lacharrière, Lagayette, Riboud and Thomas.

The Board of Directors has closely examined the situations of Messrs. Ladreit de Lacharrière and Riboud, in relation to the Afep-Medef Code's recommendation that a person "*should not serve as a director for more than twelve years*". Pursuant to the Code's "comply or explain" principle, the Board has decided, on the proposal of the Appointments and Governance Committee, not to adopt this criterion for these two directors for reasons set out in the table in section 3.1.1.7.

Moreover, the Board noted the insignificant nature of business relationships between the directors and Renault, having regard to the nature and amounts involved in the context of these relationships. The Board thus ensured that no significant cash flow existed between Renault and any one of the companies in which one of its directors is a director or executive officer, including by examining the proportion that these companies represent in Renault's revenue. In this review, the Board paid particular attention to the situation of Mr. Lagayette, Senior Advisor at Barclays. It emerged that Renault had only limited financial flows with this bank, which is not one of the banking institutions with which Renault works principally. Moreover, Mr. Lagayette has indicated that he would undertake not to be involved in the event of transaction involving Barclays and Renault and that he would not participate in any possible decision of the Board of Directors of Renault involving Barclays.

II. Lead Independent Director

Mr. Lagayette, whose term was renewed at the Annual General Meeting on April 30, 2015, performs the role of Lead Independent Director.

According to the internal regulations, the role of Lead Independent Director cannot be held for more than four consecutive years. As a result, Mr. Lagayette may not be Lead Independent Director beyond 2019.

The role of the Lead Independent Director is defined in the internal regulations.

Internal regulations of the Board of Directors concerning the Lead Independent 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 Independent 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 Appointments and Governance Committee, from among the directors qualifying as independent. The Lead Independent Director is appointed for the term of his/her Directorship, however the Board may at any time discontinue the position.

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 and the Chairmen of the specialized committees;
- ensuring the directors are able to perform their roles under the best possible conditions and, in particular, that they are well informed before Board meetings. The Lead Independent Director is also the preferred point of contact for the independent directors;
- managing and preventing conflicts of interest;
- ensuring compliance with the internal regulations;
- making decisions concerning the proposed agenda of Board meetings;
- chairing the meetings of the Board of Directors in the absence of the Chairman and 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 compensation;
- convening the Board of Directors in exceptional circumstances after obtaining the opinions of all committee Chairmen;
- meeting the Group managers regularly;
- reporting on his/her activities in the Registration document.

The Lead Independent Director may also be a member of one or more specialized committees. He/she may also attend meetings of the specialized committees of which he/she is not a member.

2015 ANNUAL REVIEW OF THE LEAD INDEPENDENT DIRECTOR

During the 2015 financial year, the Lead Independent Director attended all Board meetings and all meetings of the Appointments and Governance Committee (of which he is a member) and those of the CARE (which he chairs).

The Lead Independent Director plays a major role in the Company's governance arrangements, by performing several activities based on six themes:

Dialog with the senior executives and independent directors

As every year, the Lead Independent Director has held regular discussions with:

- the independent directors to ensure that the conditions were met for them to effectively fulfill their roles;
- the Chairman and Chief Executive Officer, members of the Group Executive Committee and the directors of the key departments (Director of Group Accounting, Legal Director, Tax Director, etc.) and the statutory auditors.
- He also ensured that he kept abreast of the activities of the Group and its competitors.

Board meetings

The Lead Independent Director was involved in preparing Board meetings, giving his opinion on the agenda for each meeting and ensuring the quality of the information provided to members of the Board and to its committees.

In 2015, he particularly requested that the Board of Directors review several specific issues related to the Group's current activities and the automotive industry.

Governance

In his capacity as a member of the Appointments and Governance Committee, the Lead Independent Director participated in:

- the recruitment process for a new female director;
- discussions related to the governance and operation of the Board;
- review of the changes to the internal regulations of the Board of Directors in accordance with the Afep-Medef Code.

Performance of the Chairman and Chief Executive Officer

He chaired the discussions of the Board of Directors regarding the performance and compensation of the Chairman and Chief Executive Officer, which were not attended by the Chairman and Chief Executive Officer.

Investor relations

The Lead Independent Director noted the concerns of major shareholders and ensured that the Company responded to them in a satisfactory way.

Contribution to the Alliance Stabilization Agreement

Authorized by the Board of Directors of Renault, the Lead Independent Director participated actively in discussions that occurred in 2015 between Renault and its two main long-term shareholders, the French Government and Nissan, for a stabilization of the Alliance following the increase in the French Government's stake in Renault and the failure by the Renault Annual General Meeting to adopt the principle "one share = one vote".

The Lead Independent Director chaired the ad hoc Committee formed by the Board of Directors, the purpose of whose creation was not only to monitor more closely the progress of discussions with the French Government and Nissan, but also to encourage the emergence of an agreement capable of upholding the essential interests of Renault in compliance with the stability objective of the Renault-Nissan Alliance established by the Board of Directors of Renault (for the ad hoc Committee, see the Board's activity relating to the defense of corporate interests, below).

III. Specific authorizations 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.

In addition, the internal regulations provide for the following limitations of power:

Internal regulations of the Board of Directors concerning the limitation of the powers of the Chairman and CEO

The Chief Executive Officer must obtain authorization 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).

3. ACTIVITY OF THE BOARD OF DIRECTORS IN 2015

The Board of Directors met eight times in 2015 (including three exceptional meetings). On average, Board meetings lasted for three hours, while two meetings lasted for an entire day.

The particular relevance of news items in 2015 meant that agenda discussions and resolutions were adjusted to include the topics of relevance to Renault, demonstrating the Board's highly responsive character. In particular, among other subjects, several meetings dealt with the temporary increase of the French State in Renault's share capital and with monitoring the discussions between the State and Nissan that led to the Alliance Stabilization Agreement.

In 2015, the level of attendance was 95% (for details of the level of attendance of each director, see section 3.3.2.2).

On the main matters, the Board took the action described below:

Group strategy

The Board debated the following principal topics:

- update on the second part of the Renault 2016 plan Drive the Change (2014-2016), presented by Senior Management and approved in 2011 by the Board of Directors;
- challenges in the area of optimizing revenues;
- digital strategy, connected services and the driverless vehicles;
- Renault's strategy on emissions and the development of regulations in the area of engine certification.

As every year, the Board of Directors organized its annual strategic seminar (two days in 2015) in order to debate important topics for the Group and, in particular, the Renault-Nissan Alliance. During the seminar, the directors benefited from an in-depth presentation from operational managers on the macro-economic environment for the automotive market and on Group strategy and the outlook following the conclusion of the Drive the Change plan.

Defense of corporate interests

The Board of Directors reviewed the consequences of the increase in the French Government's stake in Renault and the related non-adoption by the Renault Annual General Meeting of the principle «one share = one vote» with respect to the Renault-Nissan Alliance.

The Board of Directors authorized the Lead Independent Director, Philippe Lagayette, to take part in discussions with the French Government and Nissan and to report to it to assess the compatibility of the requests and proposals made to defend the corporate interests of Renault and the main objective of preserving the Renault-Nissan Alliance.

An ad hoc Committee chaired by the Lead Independent Director and composed of three other independent directors and a director representing employees was appointed to assist the Lead Independent Director in his tasks. The ad hoc Committee played an active role in the search for a solution while constantly looking to preserve Renault's corporate interests.

The ad hoc Committee met, in person or by telephone, on many occasions during the last quarter of 2015 to evaluate the alternatives and make recommendations to the Board of Directors, until the signing of an agreement between Renault and each of its two main shareholders, whose terms are described in the Statutory Auditors' special report on related party agreements and commitments (section 4.3.2) and, regarding the component relating to the limiting of the French Government's voting rights in Renault, in section 5.2.6.3.

The Board of Directors was regularly informed of the progress of the work of the ad hoc Committee, and the Committee prepared a comprehensive review of its actions for the meeting of the Renault Board of Directors on December 11, 2015, at which the signing of the agreements between Renault and, respectively, the French Government and Nissan was approved.

Accounts and budget

In particular, the Board:

- approved the Group's consolidated financial statements and the parent-company financial statements of Renault SA and Renault s.a.s. for 2014;
- set the appropriation of 2014 income to be proposed to the Shareholders' Annual General Meeting, which included a dividend payout;
- examined the consolidated financial statements for first half 2015;
- approved the budget for 2016.

Corporate governance

In particular, the Board:

- proposed the renewal of the term of Mr. Lagayette, the Lead Independent Director, and the appointment of Ms. Blair as the replacement for Mr. de Croisset;
- noted the appointment of Mr. Vial, a new director representing the State, appointed by order, to replace Mr. Turrini;
- drew up the list of independent directors on the proposal of the Appointments and Governance Committee (see above, page 232);
- made the preparations for the Annual General Meeting on April 30, 2015 and, in particular, setting the agenda;
- authorized the signing of a non-compete agreement between the Company and Mr. Ghosn, Chairman and Chief Executive Officer. The details of this agreement appear in section 3.3.1.1 and in the statutory auditors' special report on regulated agreements and commitments (section 4.3.2).
- debated the composition of its specialized committees;
- reviewed the reports prepared by the Chairman of each specialized committee;

- conducted an assessment of its operation in 2015 (see the conclusions of this assessment in section 3.1.1.6);
- set the compensation of the Chairman and Chief Executive Officer;
- determined the terms and conditions of the performance shares plan for 2015;
- conducted a review of the by-law provisions regarding the age limits that apply to the Chairman of the Board of Directors, to directors and to the Chief Executive Officer;
- conducted a review of its internal regulations with regard to the Afep-Medef Code and, in particular, as a consequence of the decisions taken by the Annual General Meeting on age limits for directors;
- approved the implementation of the decree of June 3, 2015 on the training of directors representing employees in order for them to discharge their duties and the arrangements for their in-house training. It should be noted that the decisions taken in this context only serve to ratify existing practices in the Company. With regards in particular to preparing for Board meetings, Renault directors already enjoyed the maximum time provided in law;
- approved the report of the Chairman of the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code;
- examined and approved answers to shareholders' questions ahead of the Annual General Meeting.

Regulated agreements

At its meeting on December 11, 2015, the Board of Directors approved the signing of an Alliance Stabilization Agreement comprising two agreements, one between Renault and the French State whose purpose is to set a ceiling on the State's voting rights at the Annual General Meeting, and the other between Renault and Nissan regarding Nissan's governance arrangements. The details of this agreement appear in the statutory auditors' special report on regulated agreements and commitments (section 4.3.2) and in chapter 5.

In addition, at its meeting on February 11, 2016, the Board of Directors reviewed the "regulated" agreements entered into in previous years and which were ongoing in 2015.

3.1.1.5 SPECIALIZED COMMITTEES OF THE BOARD IN 2015

Five specialized committees have been set up to conduct in-depth examinations of specific topics relating to the Board of Directors' role in order to assist the Board in its missions and work. The Board is informed of the committees' opinions in reports made by their respective Chairmen at Board meetings.

The general operation of the committees is primarily set out in the internal regulations of the Board of Directors.

Internal regulations of the Board of Directors concerning the committees:

The Board of Directors decides on the composition of the committees and the choice of their respective Chairmen based on a proposal of the Appointments 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:

- Industrial Strategy Committee;
- 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:

- Audit, Risks and Ethics Committee;
- Appointments and Governance Committee;
- Remuneration Committee

In order to fulfill 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 organizations and service providers outside the Company to perform, at the Company's expense, any studies they consider conducive to the fulfillment of their missions.

1. AUDIT, RISKS AND ETHICS COMMITTEE (CARE)

NUMBER OF MEMBERS			NUMBER OF MEETINGS		
5 2015	VS	6 2014	**5** 2015	VS	4 2014

PERCENTAGE OF INDEPENDENT DIRECTORS*			ATTENDANCE RATE		
75% 2015	VS	80% 2014	**100%** 2015	VS	100% 2014

* *In accordance with the provisions of the Afep-Medef Code, directors representing employee shareholders and directors representing employees are not counted in the level of independence.*

MEMBERS AT DECEMBER 31, 2015(1)

- Mr. Lagayette* (Chairman)
- Ms. de La Garanderie*
- Ms. Sourisse*
- Mr. Ostertag
- Mr. Vial(2)

* *Independent director.*
(1) The Board of Directors of February 11, 2016 appointed Mr. Thomas member of the CARE.
(2) Mr. Vial was appointed member of the CARE on December 11, 2015.

Composition

The internal regulations detail the guidelines for the composition of the CARE.

Internal regulations of the Board of Directors concerning the composition of the CARE

The composition of the CARE is as follows:

- at least two-thirds independent directors, excluding employee directors or those representing employee shareholders;
- directors having accounting and/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.

The composition of the CARE was reviewed to ensure that all its members have the financial and/or accounting knowledge or professional background appropriate to the fields covered by the committee's missions (see the directors' biographies in section 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. 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.

Mr. Vial was appointed Commissioner of the Agency for State Participation on August 24, 2015. He has held several corporate offices in state-owned companies.

Missions

Internal regulations of the Board of Directors concerning the missions of the CARE

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 corporate social responsibility (CSR).

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 Annual 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 part of the report of the Chairman of the Board of Directors referred to in Article L. 225-37 of the French Commercial Code, which relates 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 Organization department;
- the Group Protection and Risk Prevention department;
- the Ethics department;
- the Group Finance department;
- the statutory auditors.

Overview of activity

The CARE met five times in 2015, with a level of attendance of 100% (for details, see the table in section 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:

- review of the consolidated financial statements and the parent-company financial statements of Renault SA and Renault s.a.s. for 2014, the Group's consolidated financial statements for the first half of 2015, and related financial press releases. The CARE studied in particular issues related to the valuation of assets in the Automotive division, asset impairment tests, the developments in the automotive market and their impact on Renault's financial performance;
- the review of the accounting and financial impacts of certain Group partnerships;
- monitoring of 2015 performance with respect to the budget;
- the preparation of the 2016 budget;
- the monitoring of the 2015 internal audit plan and presentation of the internal audit plan for 2016;
- the external audit plan conducted by the statutory auditors as part of their legal auditing task;
- the independence of the appointment of the statutory auditors;
- the monitoring of financial risks and notably the Group's exposure in Brazil, Argentina and Russia;
- Renault's position on emissions and engine testing certification;
- the work of the Ethics department, particularly in the area of personal data protection;
- the status of the main legal matters being dealt with by the Legal department, and fiscal risks being monitored by the Tax department;
- internal control and risk management (mapping of the Group's major risks);
- the CSR Director's Activity report.

One of the responsibilities of CARE is to review the efficiency of internal control and risk management systems, as set out in section 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

NUMBER OF MEMBERS			NUMBER OF MEETINGS		
6	vs	5	**2**	vs	2
2015		*2014*	*2015*		*2014*

PERCENTAGE OF INDEPENDENT DIRECTORS			ATTENDANCE RATE		
83.3%	vs	80%	**91.6%**	vs	90%
2015		*2014*	*2015*		*2014*

MEMBERS AT DECEMBER 31, 2015

- Mr. Thomas* (1) (Chairman)
- Mr. Belda*
- Mr. Desmarest*
- Mr. Garnier*
- Mr. Ladreit de Lacharrière*
- Mr. Personne

* *Independent director.*

(1) *The Board of Directors of April 30, 2015 appointed Mr. Thomas as the Chairman of the Committee, replacing Mr. Belda.*

Composition

The internal regulations detail the guidelines for the composition of the Remuneration Committee.

Internal regulations of the Board of Directors concerning the composition of the Remuneration Committee

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.

Missions

Internal regulations of the Board of Directors concerning the missions of the Remuneration Committee

The Remuneration Committee's mission is to enable the Board of Directors to determine all the compensation 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 compensation for the Chairman and Chief Executive Officer;
- proposes to the Board of Directors the rules for setting the variable portion of the compensation for the Chairman and 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 Chairman and 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 compensation, non-cash benefits and retirement benefits of the Chairman and Chief Executive Officer;
- examines all compensation and benefits received, including, where appropriate, from other Group companies, by the main senior managers not holding corporate office, particularly members of the Executive Committee; the committee may, on this occasion, invite the Chairman and CEO;
- 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 compensation of a senior manager holding corporate office.

Overview of activity

The committee met twice in 2015. The level of attendance was 91.6% (for details, see section 3.3.2.2).

The main items on its agenda were:

- the compensation of the Chairman and Chief Executive Officer;
- performance with respect to the variable portion of the compensation of the Chairman and Chief Executive Officer, in connection with the Renault 2016 – Drive the Change plan;
- monitoring of performance with respect to the deferred variable portion in shares of the 2013 compensation of the Chairman and CEO;
- the summary table of the compensation package of the Chairman and Chief Executive Officer in view of the shareholder advisory vote (Say on Pay).

3. APPOINTMENTS AND GOVERNANCE COMMITTEE

	2015		2014
NUMBER OF MEMBERS	5	VS	5
NUMBER OF MEETINGS	2	VS	2
PERCENTAGE OF INDEPENDENT DIRECTORS	80%	VS	80%
AVERAGE LEVEL OF ATTENDANCE	100%	VS	100%

MEMBERS AT DECEMBER 31, 2015

- Mr. Ladreit de Lacharrière(1) (Chairman)
- Ms. de La Garanderie(1)
- Mr. Lagayette(1)
- Mr. Belda(1)
- Mr. Vial(2)

(1) Independent director.

(2) Mr. Vial was appointed a member of the Appointments and Governance Committee on December 11, 2015.

Composition

The internal regulations detail the principles of composition of the Appointments and Governance Committee.

Internal regulations of the Board of Directors concerning the composition of the Appointments and Governance Committee

The composition of the Appointments 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.

As Chairman and CEO, Mr. Ghosn may intervene during committee meetings at the request of the directors, to add to the discussion.

Missions

Internal regulations of the Board of Directors concerning the missions of the Appointments and Governance Committee

The missions of the Appointments and Governance Committee are as follows:

- drawing up a procedure for selecting directors, the Chairman of the Board of Directors, the Chief Executive Officer (whether a separate person or not) and the company officers;
- making all proposals to the Board of Directors regarding appointment of the Chairman of the Board of Directors, the Chief Executive Officer (whether a separate person or not) and the company officers in compliance with that procedure;
- deciding whether to renew company 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 for the succession of the Chief Executive Officer in the event of unforeseen vacancy, 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 ensuring 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;
- examines the part of the report of 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 organizing the proceedings of the Board;
- drawing up, each year, with the assistance (where necessary) of an organization outside the Company, an assessment of the composition of the Board, the manner of preparing and organizing the Board's proceedings, and, where applicable, proposing amendments.

Overview of activity

The Committee met twice in 2015. The level of attendance was 100% (for details, see section 3.3.2.2).

The main items on its agenda were:

- the renewal at the Annual General Meeting of April 30, 2015 of the term of Mr. Lagayette, in particular as the Lead Independent Director;
- the appointment of a new female director, Ms. Blair;
- the continued effort being applied to increase the proportion of female directors on the Board of Directors in light of the forthcoming renewal of directorships;
- the annual review of the Board of Directors, as part of a self-appraisal process (see section 3.1.1.6);
- review of the list of independent directors pursuant to the criteria set out in the Afep-Medef Code and, in particular, the criterion relating to conflicts of interest;
- the composition of committees of the Board of Directors;
- questions concerning the age limit of Directors, which led to the Annual General Meeting amending the by-laws;
- the review of the Board's internal regulations with regard to the Afep-Medef Code and amendments to by-laws decided by the Annual General Meeting;
- the implementation of the reform on the establishment of a statutory double voting rights attached to shares in registered form for more than two years;
- the implementation of the decree of June 3, 2015 on the training of directors representing employees in order for them to discharge their duties and the arrangements for their in-house training;
- the non-compete agreement between the Company and Mr. Ghosn, Chairman and Chief Executive Officer, the details of which appear in section 3.3.1.1 and in the statutory auditors' special report on regulated agreements and commitments (section 4.3.2);
- the succession plan for the Chairman and Chief Executive Officer.

4. INTERNATIONAL STRATEGY COMMITTEE

NUMBER OF MEMBERS			NUMBER OF MEETINGS		
9	vs	9	**2**	vs	2
2015		*2014*	*2015*		*2014*

PERCENTAGE OF INDEPENDENT DIRECTORS			AVERAGE LEVEL OF ATTENDANCE		
44.4%	vs	44.4%	**77.7%**	vs	92.8%
2015		*2014*	*2015*		*2014*

MEMBERS AT DECEMBER 31, 2015

- Mr. Desmarest(1) (Chairman)
- Ms. Rih
- Mr. Belda(1)
- Mr. Faure
- Mr. Garnier(1)
- Mr. Gentil
- Mr. Personne
- Mr. Saïkawa
- Mr. Thomas(2)

(1) Independent director.

(2) From February 11, 2016, Mr. Thomas was no longer a member of the International Strategy Committee.

Composition

The internal regulations detail the guidelines for the composition of the International Strategy Committee.

Internal regulations of the Board of Directors concerning the composition of the International Strategy Committee

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.

Missions

Internal regulations of the Board of Directors concerning the missions of the International Strategy Committee

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;
- analyzing 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.

Overview of activity

It met twice in 2015. The level of attendance was 77.7% (for details, see section 3.3.2.2).

The main items on its agenda were:

- Renault's operations in Argentina and Iran in the light of political and economic developments in these countries;
- Renault's activity in Japan and Algeria in order to assess the consistency of the Group's international strategy and its positioning in different countries.

5. INDUSTRIAL STRATEGY COMMITTEE

NUMBER OF MEMBERS
6 (2015) vs 7 (2014)

NUMBER OF MEETINGS
2 (2015) vs 2 (2014)

PERCENTAGE OF INDEPENDENT DIRECTORS
33.3% (2015) vs 42.8% (2014)

AVERAGE LEVEL OF ATTENDANCE
100% (2015) vs 100% (2014)

MEMBERS AT DECEMBER 31, 2015

- Mr. Garnier* (Chairman)
- Ms. Rih
- Mr. Desmarest*
- Mr. Faure
- Mr. Gentil
- Mr. Ostertag

* *Independent director.*

Composition

The internal regulations detail the guidelines for the composition of the Industrial Strategy Committee.

Internal regulations of the Board of Directors concerning the composition of the Industrial Strategy Committee

The composition of the Industrial Strategy Committee is as follows:

- directors chosen for their expertise in the industrial sector;
- a Chairman appointed from among the independent directors.

Missions

Internal regulations of the Board of Directors concerning the missions of the Industrial Strategy Committee

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 these 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.

Overview of activity

It met twice in 2015. The attendance rate was 100% (for details, see section 3.3.2.2).

It examined in particular:

- strategies for standardization of platforms (*i.e.* the lower structure of the vehicle not visible to consumers) in conjunction with Renault's partners, and future production development;
- the Alliance's powertrain strategy, particularly with regard to regulatory developments.

3.1.1.6 ASSESSMENT OF THE BOARD OF DIRECTORS

The Board of Directors conducts an annual assessment of its operation to improve the efficiency of its work, with a formal assessment at least once every three years with the help of external consultants. This formal assessment was carried out during 2014.

For 2015, the Board conducted a self-assessment of its organization and operation, as well as that of its committees, and devoted an agenda item at its meeting on December 11, 2015 to a debate on the subject, led by the Chairman of the Appointments and Governance Committee, Mr. Ladreit de Lacharrière. This self-assessment focused on the following points in particular: the role and composition of the Board, the independence of directors, the organization of Board meetings, relations with the Senior Management, etc.

The assessment revealed that the structure and operation of the Board and its committees were well regarded, with high-quality debate emerging as one of its key strengths. Directors also underlined:

- the quality of the Board's work, through the active participation of members and efficient leadership of debates by the Chairman;
- the importance of the Lead Independent Director, who helps to ensure that the Board's discussions are productive, particularly on sensitive issues;
- the reactivity of the Board and committees, which are quick to address current issues; and
- the popular informal lunches organized after Board meetings.

Two areas for improvement have been identified for future years:

- opportunities for appointing more women to the Board, as well as broadening its international membership, and opening up the Board (and its committees) to younger candidates, potentially with a more industrial background (automotive or new technologies); the nomination of Ms. Qiu to the Board specifically addresses this point;
- opportunities for an in-depth review of certain subjects (HR, CSR, ethics), particularly when examining strategic issues.

Furthermore, the Board of Directors has taken on Board comments made by directors during the 2014 assessment, with the reduction in attendance of GEC members at Board meetings and special Board or committee meetings, depending on current events. The Board of Directors also agreed to continue the practice whereby independent directors hold informal meetings without senior executives present.

The Board's assessment for 2015 also noted that the Appointments and Governance Committee valued the individual contributions from each director.

3.1.1.7 THE "COMPLY OR EXPLAIN" PRINCIPLE

In exercising the "Comply or Explain" principle provided for by Article L. 225-37 of the French 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: Article 9.4: Independence criteria for directors: The independence criteria contained in the Code include *"not having been a director for more than twelve years"*.	The Board of Directors has decided not to retain the criterion for independence in the Afep-Medef Code in relation to the term of office of Messrs. Ladreit de Lacharrière and Riboud. The Board noted, however, at its meeting of February 11, 2016, that the independence rate on the Board remained, in any event, higher than 50%, even having removed these two directors from the list of independents. The Board is therefore compliant with recommendation 9.2 of the Afep-Medef Code (independence rate: 66.6% including Mr. Ladreit de Lacharrière and Mr. Riboud; 53.3% excluding Messrs. Ladreit de Lacharrière and Riboud). • **Independence of Mr. Ladreit de Lacharrière** At its meeting on February 11, 2016, the Board of Directors reviewed the situation of Mr. Ladreit de Lacharrière with regard to the director independence criteria of the Afep-Medef Code. The Board noted that Mr. Ladreit de Lacharrière met all of the Code's criteria except that relating to the duration of his term. Specifically, Mr. Ladreit de Lacharrière exercises no functions in the Group and has no particular interests or special relationships linking him to Renault. To ensure the independence of directors, the Afep-Medef Code recommends limiting the period a director may sit on the Board to twelve years. The Board concluded, however, with respect to Mr. Ladreit de Lacharrière, that the length of his term as director was not of such nature as to call into question his independence. Mr. Ladreit de Lacharrière is a prominent figure and has held office in major international groups (e.g. L'Oréal, Casino, France Telecom, Air France, etc.). 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 the functioning of Boards of Directors and professional experience mean that Mr. Ladreit de Lacharrière brings an independent viewpoint and mind. In this regard, the Board considered his outstanding work in implementing governance best practices at Renault, when assessing his independence. Accordingly, the Board considered that the length of term criterion was not relevant to the personality and experience of Mr. Ladreit de Lacharrière and decided not to apply this criterion. • **Independence of Mr. Riboud** At its meeting on February 11, 2016, the Board of Directors reviewed the situation of Mr. Riboud with regard to the director independence criteria of the Afep-Medef Code. The Board noted that Mr. Riboud meets all of the Code's criteria except that relating to the duration of his term. Specifically, Mr. Riboud exercises no functions in the Group and has no particular interests or special relationships linking him to Renault. To ensure the independence of directors, the Afep-Medef Code recommends limiting the period a director may sit on the Board to twelve years. The Board nevertheless concluded that Mr. Riboud's term was not such as to call into question his independence. The experience of Mr. Riboud as Chief Executive Officer of Danone is an indicator of his skill and significant contribution to the discussions of the Board. 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. Accordingly, the Board concluded that the length of term criterion was not relevant to Mr. Riboud and decided not to apply this criterion.

3.1.1.8 PROCEDURES FOR SHAREHOLDERS TO TAKE PART IN ANNUAL GENERAL MEETINGS

Article 21 of the Company's Articles of Association sets forth the procedures for shareholders to take part in Annual General Meetings. These procedures are summarized in chapter 5, "Renault and its shareholders" (see section 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 section 5.2.6.3.

3.1.2 PRINCIPLES AND RULES ADOPTED BY THE BOARD OF DIRECTORS FOR THE COMPENSATION OF THE CHIEF EXECUTIVES OFFICER

As stated in the preamble to chapter 3 of the Registration document, the Company refers to the Afep-Medef Corporate Governance Code as revised on November 12, 2015.

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 Remuneration Committee worked with a specialized consultancy on the basis of an analysis of compensation practice at comparable French blue chip companies and in foreign corporations operating in the same sector.

This compensation comprises:

- 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 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:

- 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 definitively acquired until four years after they are granted and are subject to:

- an attendance criterion within Renault;
- performance criteria, assessed over a period of three years from the time the shares are granted.

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.

The shares acquired by the Chairman and Chief Executive Officer are existing shares, which do not lead to any dilution for shareholders.

As of 2015, Mr. Ghosn's variable compensation is subject to additional performance criteria strengthening the links between the variable portion and the achievement of the Group's strategic objectives. In order to increase the variable portion from 150% to 180% of the fixed portion, in addition to meeting the four criteria above-mentioned, the additional 30% compensation will also be subject to additional performance conditions concerning:

- operating margin (15%);
- free cash flow (15%).

In addition to the fixed and variable compensation, the Chairman and Chief Executive Officer's compensation is composed of the elements described below.

The Chairman and Chief Executive Officer receives performance shares, as authorized by the Annual General Meeting of April 30, 2013.

In his capacity as a Director of Renault, Mr. Ghosn receives directors' fees.

As of 2015, the Board of Directors authorized a non-compete agreement between Renault and the Chairman and Chief Executive Officer, the terms of which are described in the Statutory Auditors' Report in section 4.3.2.

Lastly, the Chairman and Chief Executive Officer benefits from the collective supplementary pension scheme set up for members of the Group Executive Committee.

All detailed information concerning the compensation of the Chairman and Chief Executive Officer is found in section 3.3.1.

3.1.3 ROLE OF THE EXECUTIVE BODIES AND COMMITTEES

3.1.3.1 EXECUTIVE BODIES AT APRIL 1, 2016

(See section 1.1.2)

3.1.3.2 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 notably:
  - the Group Executive Committee (GEC), which is in charge of strategic orientations and decisions, oversees operations and controls the execution of directives by monitoring budget commitments and strategic objectives as well as policies and operations in the Regions, programmes and corporate functions,
  - the monthly "Operational Review" Committee, headed by the Chairman and CEO,
  - specialized committees (*e.g.* product/project committees) headed by the Chairman and CEO, who may delegate this to 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, programmes, manufacturing and logistics, sales and marketing, purchasing, design, legal, risks, ethics and compliance, Office of the CEO, etc.) or by Region.

The operating rules and characteristics of these committees – name of the committee 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, Africa-Middle East-India, Americas, Asia-Pacific and Eurasia). Each RMC is made up of representatives of the corporate functions and vehicle programmes as well as managers from the main countries in each Region.

The Programme departments correspond to segments of the automotive range. The Programme departments are assigned long-term profitability objectives for the life-cycles of the products they develop, manufacturing and market. They receive support from the Regions and corporate functions.

3.1.4 ETHICS POLICY

3.1.4.1 OBJECTIVES AND GUIDELINES

The ethics policy aims to:

- promote ethical values within the Group;
- implement a comprehensive and active anti-corruption policy within Renault;
- protect employees, customers and shareholders;
- protect the Group's image and assets;
- promote global citizenship by helping establish loyal and fair relationships with its economic partners (suppliers, etc.);
- encourage these, and in turn their own partners, to comply with shared ethical criteria (fundamental social rights, etc.).

The Ethics Charter sets out the Group's key principles and fundamental values. It is intended for all employees in all countries in which the Group is present.

The "Ethics in Practice" Guide sets out the Charter in detail. This document helps to answer any questions that may arise regarding ethical issues encountered at work.

The ethical guidelines also include seven codes of good conduct which have been specifically drawn up for business functions with specific ethical requirements. Their aim is to explicitly set out both what employees must and must not do.

Lastly, a leaflet on the «seven best ways to approach an ethical issue» is systematically issued to employees at the end of any training session they attend on ethics and anti-corruption.

3.1.4.2 ACTORS AND BODIES

The Ethics Director of the Group, who is responsible for this policy, reports directly to the Chairman and Chief Executive Officer (CEO). He regularly reports to the Audit, Risks and Ethics Committee (*Comité de l'audit, des risques et de l'éthique*, CARE) and to the Group's Board of Directors on actions undertaken under his responsibility.

His duties are as follows:

- to reinforce the Group's ethical governance reference material;
- to examine ethical cases;
- to implement the Renault ethics policy internally and increase awareness of it externally in order to actively boost the Group's reputation and image.

The Ethics Director relies on the following people in particular to implement his/her duties:

- the Ethics Officers already in place in Algeria, Argentina, Brazil, Chile, China, Columbia, India, Iran, Mexico, Morocco, Portugal, Romania, Russia, Slovenia, South Korea, Spain and Turkey. They are responsible for the ethics function in each of their countries, in particular to ensure better compliance with laws and local regulations and lead the local Ethics and Compliance Committees (*Comité d'éthique et conformité pays*, CECP);
- the Data Protection Officer (*correspondant informatique et liberté*, CIL), who reports to the Ethics department, is responsible for ensuring that Renault meets its commitment to respect the privacy and personal data of its employees and customers and that it meets its associated legal and regulatory obligations;
- two facilitators whose mission in France is to create the conditions required to resolve any conflicts between employees and to offer a confidential, neutral and friendly listening environment.

The Ethics Director directs the Group's ethics policy with the support of the following bodies:

- the Ethics and Compliance Committee (*Comité d'éthique et de conformité*, CEC), over which he presides, includes representatives of the following functions and departments: audit, risk management and organization, legal, human resources, corporate social responsibility, the environment, Group prevention and protection, finance, technical regulations and certification. 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. The committee met four times in 2015;
- the Fraud and Anti-Corruption Committee (*Comité antifraude et corruption*, CAFC), presided by the Ethics Director, includes the following members from the Ethics and Compliance Committee: legal, human resources, safety, and internal control. It meets when required for the most complex cases. The committee met five times in 2015;
- the local Ethics and Compliance Committees (CECP), led by the corresponding country Ethics Officer, implement the tasks and decisions of the Group Ethics and Compliance Committee, with the approval and support of the Ethics Director as the leading authority. These are already in place in 17 countries.

The Ethics Director also receives alerts issued via a global whistle-blowing procedure that complies with regulatory requirements. A description of this procedure is available to all employees in the Ethics section of the intranet.

3.1.4.3 ASSESSMENT AND OUTLOOK

In 2015, the Ethics Director had regular meetings with the Chairman and CEO and submitted an activity report to the President of the Audit, Risks and Ethics Committee on seven occasions, including three times with the full committee present. He also provided an update on the progress of the deployment of the Group's ethics policy at several meetings of the Group's employee representative bodies: Works Council, Central Works Council.

In the year just ended, the Ethics department handled a total of 84 ethical cases, including some as a preventative measure.

Training on the Renault ethics and anti-corruption policy has already been rolled out to over 9,700 managers across 18 countries. Romania, France and Spain had the highest number of managers trained.

The e-learning programme "Doing business without corruption", created in collaboration with the NGO Transparency International, is available to employees on the Renault group intranet.

The Data Protection Officer has held 45 training sessions for employees on the importance of protecting privacy and personal data. She has advised internal teams and subsidiaries on all matters relating to data protection and on the regulatory changes that occurred during the year (*e.g.* Russia's invalidation of the Safe Harbor agreement) and has provided support on projects with a data protection impact (*i.e.* connected vehicles & services and autonomous vehicles).

Renault, like other carmakers, must rise to the challenge of the digital age, make mobility more intelligent and connected and offer personalized services to its customers, all of which involves the collection and processing of personal data. Recognizing that major concerns exist on this topic, September 16, 2015 saw European manufacturers, through the ACEA (European Automobile Manufacturers Association), make public the data protection principles that relate to connected vehicles and services (transparency, customer choice, data security, etc.).

The following issues will be developed in 2016:

- continued employee training on appropriate ethical behavior;
- consolidation of the anti-fraud and anti-corruption policy: the preparation of a document detailing the Renault group's anti-corruption policy is currently underway. A due diligence process will be operational and systematic, so as to enable the Group to protect itself, in relation to our current and future partners, against the risks of fraud and corruption;
- continued standardization of sanctions within the Group, with regard to ethics breaches;
- enhanced relations with the Ethics Officers on how to improve alert reporting worldwide.

A two day seminar, organized by the Ethics department, will bring together the Ethics Officers from the various countries to ask them to share their best practices.

With regard to the protection of personal data, the priority will be to continue discussions with data protection authorities with a view to creating a compliance package and to implement the principles of the new European regulation, in collaboration with Group and Nissan entities.

3.1.5 GROUP INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

3.1.5.1 OBJECTIVES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Renault group has adopted organizational structures and procedures to contain the risks inherent in its activities and to limit their negative impact. The internal control and risk management systems are implemented in all the Company's businesses, activities and Regions. The main 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 the business' objectives will be achieved. In order to mediate between the opportunities and risks, Renault group's global risks management system aims to reduce the impact and/probability of events having a significant influence on the control of operations or the fulfillment of objectives. The internal control and risk management system identifies and assesses risks by measuring the level of risk factor management and the efficacy of management plans.

3.1.5.2 REGULATORY FRAMEWORK OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

Since 2007, 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.

With regard to sales financing, RCI Banque has defined its own internal control framework in accordance with banking and financial regulations. This system is outlined in chapter 3.1.7 (Sales Financing). RCI Banque is subject to controls by the French Prudential Supervisory Authority (*Autorité de contrôle prudentiel et de résolution*, ACPR).

3.1.5.3 ORGANIZATION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The overall internal control system is based on the three lines of control principle represented in the diagram below:

The internal control and risk management systems help to control operations and fulfill Group objectives:

- the internal control system aims to control processes so as to provide reasonable assurance on the efficacy, compliance and reliability of financial, accounting and management information;
- the risk management system identifies and assesses major risks likely to hinder the business' ability to fulfill its objectives in order to maintain these risks at a level judged acceptable by Senior Management;
- as part of its duties, internal audit assesses the functioning of the internal control and risk management systems, and issues recommendations for improvement.

The first two lines of control report on internal control and risk management issues to dedicated committees: the Risks and Internal Control Committee (*Comité des risques et du contrôle interne*, CRCI) and the Ethics and Compliance Committee (*Comité d'éthique et de conformité*, CEC) outlined in chapter 3.1.4.2. They occasionally report to the Executive Committee and the Operational Review Committee as part of thematic presentations. The aim of the Risks and Internal Control Committee is to regularly validate and assess the efficacy of the internal control and risk management system.

The second and third lines of control present the results of their work to the Audit, Risks and Ethics Committee (*Comité de l'audit, des risques et de l'éthique*, CARE), whose duties are defined in chapter 3.1.1.5.

In the course of their duties, the statutory auditors assess the internal control of the preparation and processing of accounting and financial data and, when necessary, issue recommendations.

3.1.5.4 DEPLOYMENT OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Group comprises two operating segments, Automotive and sales financing. Sales financing has its own internal control and risk management system and organization, which is outlined in chapter 3.1.7. Automotive is organized around three axes: Regions, Corporate Functions and Programmes. These help set the business' strategy and implement this on a daily basis through the QCD performance indicators (Quality/Cost/Delivery). However, each area has its own specific characteristic:

- the "Regions" axis develops the business in the field. The Regions are responsible for optimizing the business and profitable revenues;
- the "Corporate Functions" axis groups together all of the business' functions, with global responsibility. The Corporate Functions define the policies, and supply the appropriate standards, methods and skills to the Programmes and Regions;
- the "Programmes" axis is responsible for the life cycle of the vehicles and related services at a global level. The Programmes develop the vehicle ranges and control their profitability (cost/value balance).

3.1.5.5 GUIDELINES FOR THE INTERNAL CONTROL SYSTEM

INTERNAL DELEGATIONS AND SEPARATION OF POWERS

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.

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 limits on 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.

The principle of separation of functions and tasks is required at all hierarchical and functional levels within the Group, and within the computer systems, to facilitate independent control and to separate tasks and functions corresponding to operations, the protection of property and their booking for accounting purposes.

ETHICAL GUIDELINES AND BUSINESS FUNCTIONS OF THE GROUP

The Corporate Functions define and issue the policies and standards to be deployed, which are then rolled out as procedures and operating methods to ensure that processes at operational level function in accordance with the principles outlined in the Ethics Charter and the corresponding codes of conduct. The Internal Control department has distributed guidelines entitled "Minimum Control Standards", which lists the main controls to be performed and incorporated into the operational staff's control activities.

3.1.5.6 SCOPE

The internal control system applies to the parent company and all fully consolidated companies. The risk management policy is applied at Group level for major risks. It is rolled out at operating entity level (countries, commercial subsidiaries and/or plants) and to vehicle programmes.

3.1.5.7 THE MAIN ACTORS IN INTERNAL CONTROL AND RISK MANAGEMENT

In accordance with the AMF's general internal control principles and respecting the principle of the separation of functions, the Renault internal control system is implemented in accordance with the three control levels set out in chapter 3.1.5.3:

- at level one are:
  - operational management, which adapts and applies within its scope of responsibility the internal control and risk management principles 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's code of ethics, as well as their own dedicated codes of ethics;
- at level two, this system is permanently monitored to evaluate its proper application and efficacy. This monitoring is performed by:
  - the Internal Control department using self-assessment questionnaires and compliance tests. It also sees that action plans are carried out if any shortcomings are observed,
  - the Risk Management department: as both project manager for mapping the Group's major risks, and as an adviser and to support risk mapping by the Programmes and operating entities in the Regions (whether industrial or commercial),
  - the Group Performance and Internal Control department coordinates and leads this process in the field, supported by its representatives in the entities and regions. It ensures that all personnel comply with management rules and assists operational staff in the coordination of their action plans and monitoring,
  - the departments, known as "Corporate functions", represent the business' functions and are responsible on a global scale for establishing policies, standards and methods;
- level three involves:
  - the Internal Audit department which independently and objectively assesses the control of operating performance, provides advice and recommendations on how to improve the control systems and gives Senior Management reasonable assurance on the degree of control over operations in the form of a report setting out the observations, the recommendations listed according to three levels of criticality and the conclusions (strengths/weaknesses, audit rating, etc.).

Internal audits are performed on all activities and entities of the Automotive branch of the Renault group. They may also be performed on converged companies of Renault/Nissan subsidiaries.

Internal Audits are certified by the French Institute of Audit and Internal Control (*Institut Français de l'Audit et du Contrôle Internes*, IFACI), in accordance with the standards for the professional practice of internal auditing (*Référentiel Professionnel de l'Audit Interne*, RPAI) comprised of 30 requirements across three categories: methods, services and management.

The audit plan is prepared annually. This annual audit plan is reviewed as and when required and is based on the Group's risk mapping.

Audit types:

- Compliance audit to control the implementation or application of internal and external guidelines;
- Efficiency audit to provide operational management with an external assessment and objective overview of operations controls and the adequacy of methods implemented, compared with performance objectives and best practices; this type of audit may be required to assess the quality and efficiency of risk management plans;
- Fraud audit to assess any process that carries a risk of fraud or to perform specific investigations following an alert;
- Follow-up audit to verify the implementation of action plans drawn up by management following a prior audit which produced an «insufficient» rating.

Recommendations arising from internal audits lead to the drafting of action plans, implemented by the auditees and validated by the auditor.

The Audit department monitors the corrective action and twice a year prepares a progress report on the recommendations, with high or medium criticality, which it provides to the Group's Senior Management and CARE.

3.1.5.8 ASSESSMENT AND OUTLOOK

In 2015, the work of the Internal Control department focused on the following points:

- the reinforcement of the anti-fraud system following the initiatives launched in 2013 including raising awareness of and providing training on internal and external fraud. The focus this year was on raising entity awareness of the risk of external "CEO fraud";
- the preparation and deployment of a corruption risk map allowing for the supervision of at-risk operations;
- in order to help operational staff coordinate the separation of powers, the Internal Control department has established a method for analyzing the separation of duties using standard matrices on the main processes at risk (accounts, stock management, purchasing, etc.), and this is currently being implemented across the entities;
- in order to measure the level of deployment of the internal control system, 10 criteria (training, diagnostics, coordination, application of tools, etc.) are monitored to ensure the proper implementation of the fundamentals of internal control;
- the creation of a reporting and management tool to make use of the results of the self-assessment questionnaire at Group level for all consolidated entities;
- the annual updating of self-assessment questionnaires relating to activities in purchasing and vehicle distribution;
- the launch of a project to simplify and expand the Group's delegation handbooks which shall be operational at the beginning of 2016;
- the 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 operating risks is crucial to securing processes and performance;
- the annual updating of tools for operational staff, such as basic internal control principles ("Minimum Control Standards"), which provide a reference for control activities;
- the introduction of numerous coordinators as part of a data-mining project which has led to confirmation of the target for 2016.

The priorities for 2016 will be to continue certain initiatives and projects begun in previous years, such as the data-mining project, and the development of control and risk monitoring systems.

3.1.5.9 TRAINING 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.

The Internal Control department has launched a programme of specific and further training for operational managers within the entities. The Internal Control department trained 110 people in 2015. All Internal Control employees have undergone training during the last two years. In addition, communication initiatives have been rolled out to 350 managers and 20 Management Committees.

3

3.1.6 IMPLEMENTATION OF INTERNAL CONTROL AND RISK MANAGEMENT OBJECTIVES

3.1.6.1 RISK MANAGEMENT

The global risk management system has been formally set out by the Risk Management department (*Direction du management des risques*, DMR) in a document that outlines all of the organizational principles 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 these risks by means of: elimination, prevention, protection or transfer. This method applies to the Group, entities and vehicle programmes. The mapping of major risks (descending and ascending) is presented to and validated by the Risks and Internal Control Committee, the Group Executive Committee and the Audit, Risks and Ethics Committee.

To carry out its duties, the Risk Management department relies on two networks:

- one comprising employees mainly from the performance and control function, for the operating entities (countries, commercial subsidiaries and/or plants) and from the quality function, for the Programmes. These employees are known as Operational Risk Managers (*Risk Managers Opérationnels*, RMO). They work with the Risk Management department on the operational implementation of risk management systems within the entities and programmes;

- the other made up of experts who manage a specific area of risks. These may be risks common to all companies or specific to one of Renault's sectors of activity. These experts are known as Expert Risk Managers (*Risk Managers Experts*, RME) and consult on the standardized risk management plans in their area of expertise.

The risk factors to which the Group is exposed are described in chapter 1.5. Analysis is performed based on the type of risks within the Group (the Risk Universe). The risk management policy and insurance policy are also detailed there:

- risks linked to strategy;
- risks linked to governance;
- cross-group operational risks;
- risks linked to the definition of the product, service;
- risks linked to the design of the product, service;
- risks linked to purchasing;
- risks linked to upstream logistics;
- risks linked to manufacturing;
- risks linked to downstream logistics;
- risks linked to the sale of products and services;
- financial risks;
- quality risks;
- human resources risks;
- IT risks;
- legal risks.

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.

3.1.6.2 ASSESSMENT AND OUTLOOK

In 2015, the Risk Management department focused its activities on:

- the continuation of an "ascending" (bottom-up) approach to risk analysis, focused on assessment – by around 60 operating entities – of cross-group risks in terms of both industrial and commercial activities;
- the strengthening of processes to improve the management of major risks identified in the mapping updated in 2014;
- methodological assistance in the implementation of "country", "plant" and "commercial subsidiary" risk mapping, carried out with the operational risk managers of the relevant entities;
- assistance to the Programme departments in creating risk mapping for priority vehicle projects and to operating entities in mapping major risks linked to their operations.

Furthermore, measures to raise employee awareness of the risk culture continued.

In 2016, the Risk Management department, in addition to its current activities, will concentrate its efforts on:

- the implementation of the mapping of major risks to the Group, and the preparation of the Group's next strategic plan;
- the coordination of new processes arising from the risk mapping carried out in the operating entities ("countries", "plants", "commercial subsidiaries");
- continued assistance in implementing the risk mapping of operating entities and vehicle projects;
- measures to raise awareness of the risk culture (communications and training).

3.1.6.3 COMPLIANCE WITH LAWS, REGULATIONS AND THE COMPANY'S BY-LAWS

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 Officer is responsible for ensuring that the decision-making departments (technical regulations, legal, human resources, environment, etc.) have reliable procedures in place to guarantee regulatory compliance. The Legal department provides support and assistance in this respect.

The Regulatory Compliance department has developed a method to assess existing procedures, approved by the CEC. This method has been applied to all areas subject to regulation. In parallel with this assessment of the organization and processes in place, the Regulatory Compliance Officer and the Legal Compliance Officer have worked with each decision-making department to rank the severity of the risk of regulatory non-compliance (see risk factors in chapter 1.5.1.1).

This method has been applied to all areas subject to regulation and is regularly updated to assess the level of risk control and its severity. The frequency of the assessments, between six months and three years, depends on the severity of the risk and level of control in the previous assessment.

The system as a whole is managed by the internal monitoring procedure of the Regulatory Compliance department.

3.1.6.4 MANAGEMENT OF ACTIVITIES

The internal control system aims to ensure the proper functioning of the internal processes implemented, using a framework of methods and procedures. The operating processes are guided by QCD (Quality/Cost/Delivery) indicators, for which the risks have been analyzed as part of the entity mapping, the vehicle programme risk mapping, self-assessment questionnaires and performance reviews.

3.1.6.5 QUALITY AND RELIABILITY OF FINANCIAL, ACCOUNTING AND MANAGEMENT INFORMATION

Senior Management 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 programmes. Group Management Control draws up an instruction memorandum for each of the two operating sectors, the Regions, functions and programmes. 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 performance and control function stimulates and measures economic performance at the various levels of the organization (Group, operating sectors, Regions, functions, programmes).

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:

- developing the Group's economic and budget objectives;
- implementing the internal control system and Renault's risk management process;
- coordinating the Group by measuring the performance of its entities, Regions, functions and vehicle programmes and, in particular, monitoring free cash flow indicators;
- 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.

The Group uses management guidelines to prepare its accounting and financial information. These guidelines aim to provide operational staff with standard management procedures.

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 are business specific or apply to the entire Group;
- an economics dictionary to help employees better understand the main concepts and aggregates used to guide the Group's business performance.

The internal control system for accounting and financial data is based on the AMF reference framework. 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" 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 in advance on the basis of two pre-closing dates: May 31 for the June closing and October 31 for the December close. 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:

- operating systems upstream from accounting are standardized as far as possible;

- ERP financial and accounting modules chosen by the Group are introduced in the industrial and/or commercial, engineering and Sales Financing entities worldwide.

This 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 prepared at corporate level. It is deployed in those subsidiaries that use the 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 French and foreign subsidiaries) and its statutory auditors. The Charter was updated at end-2014 as part of the renewal of the Board of auditors in 2014 and to take into account regulatory changes relating to legal audits.

FINANCIAL REPORTING

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 of the Group's 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:

- communication with financial markets;
- relations with investors and individual shareholders;
- relations with financial rating agencies;
- relations with analysts and investors specialized in socially responsible investments;
- relations with the regulatory authority (AMF);
- the preparation of the half-yearly and annual financial reports and quarterly data as well as the filing of the RD with the AMF.

3.1.7 SALES FINANCING: RCI BANQUE

RCI Banque has an internal and risk management system that complies with banking and financial regulations. This system aims to reduce the probability of risk exposure in the Company by implementing appropriate action plans. This section deals with the following topics:

- organization of the RCI Banque group;
- the general framework for internal control and risk management within the RCI Banque group;
- the bodies and actors involved in internal control and risk management.

ORGANIZATION OF THE RCI BANQUE GROUP

The organization of the RCI Banque group aims to develop the commercial activities linked to sales financing, to manage transactions with customers and give the support functions a more global mission to support international development. The leadership of this organization, which is based on a mapping of the business' processes, comprises three components:

- the hierarchical line:
  - the Executive Committee of the RCI Banque group, the Group's Senior Management body, deploys the policy and strategy of RCI Banque, under the supervision of the Board of Directors,
  - the Management Committees liaise with the Executive Committee in implementing the operations required to achieve their objectives;
- the functional line, which comprises the functional and activity departments, has the following duties:
  - to define specific policies and operating rules (IT system, human resources, financial policy, credit risk management, etc.),
  - to support the operating departments and ensure the proper implementation of the defined policies by said departments.
- monitoring:
  - in 2014, in accordance with the application of CRD IV, Group monitoring was reinforced by separating the functions of Chairman and CEO. A Risk Management department was also created to replace the risk function,
  - as of 2015, to reinforce monitoring even further, the Board of Directors relies on five of its committees: a Risk Committee, a Remuneration Committee, an Appointments Committee, a Strategic Committee and an Audit and Accounts Committee.

GENERAL FRAMEWORK FOR INTERNAL CONTROL AND RISK MANAGEMENT WITHIN THE RCI BANQUE GROUP

RCI Banque has a global internal control system which aims to identify, analyze and manage the main risks identified in relation to the Company's objectives. The RCI Banque group's Internal Control Committee has validated the general framework for this system, which is described in the Internal Control Charter.

This Charter defines the system applicable to the entire Group and specifies in particular:

- the general arrangements for managing internal control;
- the local arrangements for subsidiaries, branches and joint-ventures;
- the special arrangements for various functional areas.

The global internal control system for the RCI Banque group includes three intervention levels:

- 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 led by the Permanent Control department and coordinated by the local Internal Controllers. These Internal Controllers are independent of operating units and carry out inspections to 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 RCI Banque group's Audit and Periodic Control department which implements the annual audit plan approved by the Audit and Accounts Committee. This control ensures that operations are compliant and procedures are respected, assesses the risk level actually incurred and ensures the efficacy and suitability of the permanent control system.

In the course of their duties, the statutory auditors assess the internal control of the preparation and processing of accounting and financial information and, where necessary, issue recommendations.

The operating risk management system covers all the macro processes of the RCI Banque group and includes the following tools:

- the operational risk mapping deployed in all of the RCI Banque group's consolidated subsidiaries which identifies major operating risks. These risks are then managed and monitored on a regular basis. This operational risk mapping is updated annually by the functional departments and is assessed by the process owners;
- systems connected to the operating risks which have been put in place for the following risks: risk of non-compliance, internal fraud, outsourcing of essential or important services, money laundering, financing terrorism and corruption;
- the incident database identifies data relating to operational risk incidents so that preventive and corrective measures can be put in place and to create regulatory, leadership and management reports. The system sets thresholds for immediately communicating certain incidents to Renault group's Executive Committee, Board of Directors and Ethics and Compliance Committee (CEC), and to the French Prudential Supervisory Authority (ACPR);
- the key risk indicators monitor the development of certain critical operating risks in order to implement, depending on the alert threshold fixed, preventive actions before incidents occur. These indicators are defined in the business and public customers, credit network, refinancing, accounting and IT processes.

BODIES AND ACTORS INVOLVED IN INTERNAL CONTROL AND RISK MANAGEMENT

- The Board of Directors, as supervisory body, has the following responsibilities:
  - it decides on the Company's business strategy and monitors the implementation, by Executive Directors and the Executive Committee, of supervisory procedures to ensure effective and prudent management;
  - it approves and periodically reviews the strategies and policies for taking on, managing, monitoring and reducing risk;
  - it examines the governance model, periodically assesses its effectiveness, and ensures that corrective action is taken to remedy any shortcomings;
  - it oversees the publication and communication processes and checks the quality and reliability of information due to be published and disclosed by the Company.

As such, the Board devotes at least one meeting a year to a review of the internal control system, in order to sign off on the annual report on internal control submitted to the French Prudential Supervisory Authority (ACPR).

The Board of Directors is assisted in its duties by various committees:

- the Audit and Accounts Committee meets twice a year. It is responsible for preparing, presenting and monitoring the financial statements, overseeing the statutory audit of the separate and consolidated financial statements, monitoring the independence of the statutory auditors, verifying the effectiveness of internal control and risk management systems, reviewing the audit plan, and analyzing the audits carried out;
- the Risk Committee meets four times a year. Its role includes examining the risk map and signing off on the definition of risks, and analyzing and authorizing RCI Group risk limits in line with the Board's risk appetite and with a view to assisting the Board in terms of oversight. It is also responsible for analyzing action plans in the event that limits or notification thresholds are exceeded, and for examining pricing systems for products and services. In parallel with the Remuneration Committee, it also has the task of examining whether the remuneration policy is compatible with the Company's risk exposure;
- the Remuneration Committee meets three times a year. It examines the compensation of Company officers and the head of risk management, and prepares decisions for the Board of Directors concerning individuals who have an impact on risk and risk management. It is also responsible for ensuring compliance with the collective bargaining agreement, defining the principles and rules that govern executive compensation, and conducting an annual remuneration policy review;

- the Appointments Committee meets three times a year. It has the task of recommending directors to the Board. It is also in charge of the annual review of the Board of Directors, including its structure, membership, gender diversity and breadth of directors' knowledge, skills and experience. It submits nominations to the Board for Executive Directors, the Chief Executive Officer, Executive Vice-Presidents and the head of risk management;
- the Strategy Committee meets four times a year. Its role is to analyze the deployment of the strategic plan, as well as reviewing and signing off on various strategic projects.

- **The Executive Committee**, in charge of the Group's executive management, directs the RCI Banque's policy and strategy.

  The Executive Committee oversees the Group's risk management aided by the following committees:

  - the Financial Committee, which reviews the following topics: economic analysis and forecasts, cost of funds, liquidity risk, interest rate risk and counterparty risk in the different areas and subsidiaries of the Group. The balance sheet and income statement of RCI Holding are also analyzed to make the necessary adjustments to intra-Group transfer pricing;
  - the Credit Committee, which approves commitments exceeding the authorization limits of subsidiaries and the Group head of commitments;
  - the Customer Finance and Risks Committee, which evaluates the quality of customer origination and benchmarks subsidiaries' performance in terms of recovery. Within the dealership network, changes in the outstanding portfolio and inventory turnover are reviewed, together with changes in dealer and portfolio classification;
  - the Regulatory and Basel III Committee, which reviews major regulatory changes in prudential supervision and action plans, and validates internal rating models and the associated management policy;
  - the Internal Control, Operational Risk and Compliance Committee, which oversees the Group's entire internal control system, monitors quality and related procedures, and adapts resources, systems and procedures. It defines, manages and monitors the principles of the operational risk management policy and compliance control system. It also keeps track of action plans. This committee also exists within each subsidiary.

- The Director of the Permanent Control department (Département du contrôle permanent, DCP), who reports to the Risk Management Director, is responsible for the permanent control of organizational compliance and for directing the general internal control system for the entire Group. In terms of internal control in the RCI Banque group subsidiaries, the Director of the Permanent Control department is supported by Internal Controllers who report to him/her functionally. The Internal Controllers report hierarchically to the CEO of the subsidiary. The Director of the Permanent Control department is supported by employees within the coordination functions to manage the internal control system within the RCI Banque group departments.
- Process owners have been assigned to each macro process and are responsible for preparing and updating first level procedures and controls.
- Regulatory Monitoring Officers are responsible for monitoring, analyzing and informing operational staff of any regulatory changes impacting RCI Banque as part of the compliance control system put in place to ensure good corporate governance.
- The Audit and Periodic Control Director for the RCI Banque group reports to the CEO and is independent of the Permanent Control department. He/she works with the different subsidiaries based on an annual audit plan validated by the Audit and Accounts Committee. Audits result in written reports including recommendations that are submitted to the Internal Control Committee and the Audit and Accounts Committee. The controls performed are also communicated to the Board of Directors. These controls are presented in the annual internal control report, which is submitted to the French Prudential Supervisory Authority (ACPR).

3.2 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE ("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 Commercial Code ("*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.

For the year ended 31 December 2015

To the Shareholders,

In our capacity as Statutory Auditors of Renault, and in accordance with Article L.225-235 of the French Commercial Code ("*Code de commerce*"), we hereby report on the report prepared by the Chairman of your company in accordance with Article L.225-37 of the French Commercial Code for the year ended 31 December 2015.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L.225-37 of the French Commercial Code ("*Code de commerce*") particularly in terms of the corporate governance measures.

It is our responsibility:

- to report to you on 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 this report contains the other disclosures required by Article L.225-37 of the French Commercial Code ("*Code de commerce*"), it being specified 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 the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

These 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 consisted 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 existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and 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 engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with Article L.225-37 of the French Commercial Code ("*Code de Commerce*").

Other disclosures

We hereby attest that the report prepared by the Chairman of the Board of Directors includes the other disclosures required by Article L.225-37 of the French Commercial Code ("*Code de commerce*").

Paris La Défense, March 9, 2016

The statutory auditors
French original signed by

KPMG Audit *A division of KPMG S.A.*	ERNST & YOUNG Audit

3.3 COMPENSATION OF SENIOR EXECUTIVES

3.3.1 COMPENSATION AND BENEFITS OF THE SENIOR EXECUTIVE OFFICER

This section relates to the Senior Executive Officer, the Chairman and CEO, Mr. Carlos Ghosn.

In accordance with the Afep-Medef recommendations and with the position of the French securities regulator, *Autorité des Marchés Financiers* (AMF), the Chief Executive Officer does not also hold an employment contract with Renault.

3.3.1.1 COMPONENTS OF COMPENSATION

The components of the compensation due or attributed to the Chairman and CEO in respect of 2015, which will be submitted for a consultative opinion to the shareholders at the Annual General Meeting to be held on April 29, 2016, are set forth in this chapter and summarized in a table in chapter 6 of the Registration document.

The compensation of the Chairman and CEO is composed of the following:

- a fixed portion;
- a variable portion, 25% of which is payable in cash and the balance in the form of deferred and conditional shares;
- performance shares.

These components are determined by the Board of Directors on the basis of studies carried out by the Remuneration Committee with the help of a specialized consultancy, by analyzing compensation at comparable French CAC 40 companies and in foreign corporations operating in the same sector. This compensation structure is designed to align the interests of the Chairman and Chief Executive Officer with those of the Group.

In addition to these components, a non-compete agreement, approved by the Annual General Meeting on April 30, 2015, was signed between the Company and the Chairman and Chief Executive Officer, who also benefits from a supplementary pension plan.

A breakdown of compensation for 2015 is given below.

FIXED AND VARIABLE COMPENSATION

It should be noted that the Chairman and CEO is not compensated 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.

This compensation comprises:

- a fixed portion;
- 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. Where all the targets are 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:

- return on equity (10% maximum);
- operating margin (40% maximum);
- free cash flow (40% maximum);
- managerial performance, assessed qualitatively (up to 60%). The qualitative element is based on the following:
  - monitoring of the competitiveness agreement in France: assignments of vehicle and mechanical projects (Renault and partners), assessment of production volumes assigned for 2016,
  - the quality of the environmental commitment: position in Europe in electric vehicles, CO_2 emissions of vehicles in Europe,
  - development of a multi-year R&D strategy: level of investment in R&D and monitoring of Capex, further standardization policy (CMF approach – Common Modules Families) and ongoing policy of module deployment, product coverage by Region,
  - Corporte Social Responsibility: auditing of non-financial data, visibility, social impact in terms of diversity, and health & safety,
  - partnerships: growth in the number of projects with partners, development of synergies and cost savings enabled by partnerships,
  - Alliance synergies: increase in the amount of synergies, changes in major synergies.

Each of these six items accounts for 10% of the qualitative criteria (maximum of 60%).

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

The variable portion is paid as described below. Note that these payment terms only concern the Chairman and Chief Executive Officer:

- 25% of the variable portion is paid in cash;
- the remainder is paid in shares, on a deferred and conditional basis, as follows.

The shares granted as part of the 2015 deferred variable portion will not be acquired until 2020, and are subject to:

- a four-year employment criterion within Renault;
- performance conditions based on the financial criteria for the Chairman and CEO's variable compensation, assessed over three consecutive financial years.

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 three years.

The shares acquired by the Chairman and Chief Executive Officer are existing shares and do not lead to any dilution for shareholders. For the 2015 fiscal year, the Board of Directors decided, as proposed by the Remuneration Committee, that the amount of the fixed portion would be €1,230,000. The amount of the fixed component is unchanged since 2011.

Concerning the variable part, the Board of Directors decided, as proposed by the Remuneration Committee, that the level of achievement of the financial criteria was 90% of the fixed portion and the level of achievement of the qualitative criterion was 55%, based on the following breakdown:

PERFORMANCE CRITERIA	WEIGHTING	LEVEL OF ACHIEVEMENT
Return on equity (ROE)	10%	10%
Operating margin	40%	40%
Free cash flow	40%	40%
Monitoring of the competitiveness agreement	10%	10%
The quality of the environmental commitment	10%	7.5%
Development of a multi-year R&D strategy	10%	7.5%
Corporte Social Responsibility	10%	10%
Joint arrangements	10%	10%
Synergies within the Alliance	10%	10%
TOTAL	150%	145%

Therefore, in respect of 2015, the Board of Directors approved the variable portion of the compensation of the Chairman and CEO at 145% of the fixed portion, which amounted to €1,783,500 (compared with 147.5% of the fixed portion, or €1,814,250 for 2014).

The Board of Directors' meeting of February 11, 2016, acting on a proposal from the Remuneration Committee, decided the payment of the variable portion as follows:

- variable portion paid in cash (25% of the variable portion): €445,875;
- variable portion paid in shares on a deferred basis (75% of the variable portion): €1,337,625.

MULTI-ANNUAL VARIABLE COMPENSATION

The Chairman and CEO does not receive multi-year variable compensation.

EXCEPTIONAL VARIABLE COMPENSATION

The Chairman and CEO was not paid any exceptional compensation in 2015.

LONG-TERM ELEMENT OF COMPENSATION

Since 2013, the Renault group has decided to no longer to implement "stock-option" plans, but to implement only performance share plans.

The Chairman and CEO thus receives performance shares, as authorized by the Annual General Meeting of April 30, 2013.

Performance share plans are decided annually. According to industry best practice, all awards, regardless of the beneficiary, are subject to a minimum of three years' employment from the date of award of the performance shares, and to performance criteria assessed over a minimum of three consecutive financial years.

The terms of these plans are described in section 3.3.3.

PERFORMANCE SHARES (AUTHORIZATION GRANTED BY THE ANNUAL GENERAL MEETING OF APRIL 30, 2013)

The Chairman and CEO receives performance shares, according to the same conditions as other Group executives, subject to additional performance criteria due to his position as Executive Director.

As authorized by the Extraordinary General Meeting of April 30, 2013, on February 11, 2015, the Board of Directors, acting on a proposal from the Remuneration Committee, granted the CEO 100,000 performance shares for 2015.

It is noted that allocations of performance share are subject to the following ceilings:

- the total number of performance shares allocated may not exceed 1.5% of the share capital over three years, averaging 0.5% of the share capital per year;
- the number of performance shares allocated to the Chairman and Chief Executive Officer may not exceed 15% of the total shares allocated.

Of the 100,000 performance shares, the number of vested shares will depend on the following performance criteria:

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

These criteria are assessed over a period of three years (2015, 2016, and 2017).

The criteria put in place are exacting, stable, verifiable and quantifiable.

The achievement rates for the plans whose performance assessment period has expired are:

- Plan 17, relating to the year 2011: no criteria met,
- Multi-year Plan 18, relating to the 2011-2013 period: 100% of criteria met,
- Plan 19, relating to the year 2012: 50% of criteria met,
- Plan 20, relating to the year 2013: 88.48% of criteria met.

When the criteria are not met, no shares are granted at the end of the vesting period.

In addition, the vesting of performance shares is subject to a condition of presence of four years from the date of allocation (*i.e.* until 2019).

The CEO is subject to a conservation commitment of 25% of the performance shares definitively acquired after the acquisition period, until his term of office.

The CEO has taken the formal undertaking no to use risk hedging transactions on performance shares, until the end of the retention period.

ATTENDANCE FEES

The method of allotment of directors' fees is reiterated in section 3.3.2.2 of the Registration document. As a member of the Renault Board of Directors, Mr. Ghosn received €48,000 gross in respect of 2015.

COMPENSATION FOR TERMINATION OF OFFICE AND NON-COMPETE INDEMNITY

The Chairman and CEO does not benefit from any severance clause in respect of 2015. As of 2015, the Board of Directors authorized a non-compete agreement, the terms of which are described in the statutory auditors' report in section 4.3.2.

If the Board of Directors decides to implement this agreement, the Chairman and Chief Executive Officer will receive, during the two-year period of application of the agreement and provided there are no breaches of the agreement, gross financial compensation equal to two years' gross salary (fixed and variable), payable in 24 monthly payments. Such financial compensation will be calculated upon the paid salary and not the theoretical salary. The Board of Directors will decide, upon Mr. Ghosn's departure, whether to enforce said non-compete agreement. It may unilaterally decide to waive this clause.

SUPPLEMENTARY PENSION PLAN

The Chairman and Chief Executive Officer benefits from the collective supplementary pension scheme set up for members of the Group Executive Committee. This pension scheme is opened to new beneficiaries.

This plan was approved by the Board meetings held on October 28, 2004 and October 31, 2006 and by the Annual General Meeting of April 30, 2010 (10th resolution). The plan was confirmed by the Board of Directors on February 12, 2014 and approved by the Annual General Meeting of April 30, 2014 (seventh resolution).

The supplementary pension plan for the benefit of the Chairman and CEO covers:

- a defined contribution scheme equivalent to 8% (5% paid by the Company, 3% by the beneficiary) of the annual compensation comprised between eight and sixteen times the upper 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 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. The reference compensation is capped at 65 times the annual social security ceiling.

In all cases, the total amount of retirement benefit of the Chairman and CEO is less than or equal to 45% of his basic compensation.

Finally, the application of the supplementary pension plan is subject to the presence of the Chairman and CEO within the Group when he claims his pension.

3.3.1.2 SUMMARY TABLES

The tables below are based on the recommendations of the Afep-Medef and the French securities regulator ("AMF").

SUMMARY TABLE OF COMPENSATION, STOCK-OPTIONS AND SHARES ALLOCATED TO MR. CARLOS GHOSN

(TABLE 1 IN ACCORDANCE WITH AFEP-MEDEF RECOMMENDATIONS)

	2015	2014	2013
Carlos Ghosn – Chairman and CEO			
Compensation owing in respect of the year (details in table 2)(1)	3,066,940	3,098,509	2,669,142
Value of options granted during the year (details in table 4)	0	0	0(2)
Value of performance shares granted during the year (details in table 6)	4,184,850	4,117,321	0
TOTAL	**7,251,790**	**7,215,830**	**2,669,142**

(1) As a reminder, following the signing of the Competitiveness Agreement, payment of 30% of the variable portion for fiscal year 2012 is postponed and made conditional on Renault's fulfillment of all the fixed-term commitments made under this Agreement.
(2) No options were granted from 2013. Those granted for FY 2013 have been executed on 12/13/2012. See table 4 hereafter.

The total compensation for the Chairman and CEO indicated in the summary table above includes the valuation of shares subject to performance conditions which condition the acquisition. In 2016, the compensation paid in cash for fiscal year 2015 represents €1,737,003 including the following elements: the fixed portion, 25% of the variable portion paid immediately in cash, attendance fees in respect of the term of office as director and the value of in-kind benefits (for details, see table no. 2 below). Payment of the balance is subject to certain conditions relating to the achievement of performance criteria.

SUMMARY TABLE OF THE COMPENSATION OF THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

(TABLE 2 IN ACCORDANCE WITH AFEP-MEDEF RECOMMENDATIONS)

a) **The total compensation of the Chairman and CEO paid by Renault SA and the companies it controls was as follows** (in €):

	AMOUNTS 2015		AMOUNTS 2014		AMOUNTS 2013	
CARLOS GHOSN	OWING	PAID	OWING	PAID	OWING	PAID
Fixed compensation	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000
Variable compensation paid in cash	445,875	453,563	453,563	346,245	346,245	1,007,370
Variable compensation paid in shares, subject to conditions(1)	1,337,625	0	1,360,687	0	1,038,735	
Attendance fees	48,000	48,000	48,000	48,000	48,000	48,000
In-kind benefits	5,440	5,440	6,259	6,259	6,162	6,162
TOTAL	**3,066,940**	**1,737,003**	**3,098,509**	**1,630,504**	**2,669,142**	**2,291,532**

(1) With effect from the variable portion for 2013, the Board of Directors decided that 75% of the variable portion due in respect of any year would be converted into the form of shares whose granting would be subject to performance and presence conditions (see section 3.3.1.1 for a description of this mechanism).

b) **Compensation 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, 2014 and June 30, 2015 in its annual financial report Yukashoken-Hokokusho for fiscal years 2013 (from April 1, 2013 to March 31, 2014) and 2014 (April 1, 2014 to March 31, 2015), the total compensation received by Mr. Ghosn as Chairman and CEO of Nissan Motors Co., Ltd. was ¥995 million for FY 2013 and ¥1,035 million for 2014.

FISCAL YEAR (FROM APRIL 1, 2014 TO MARCH 31, 2015) (in millions of yen)	COMPENSATION	STOCK-OPTIONS	TOTAL
2014	1,035*	0	1,035*

* *Figures published by Nissan in compliance with JGAAP accounting standards.*

For information, using the European Central Bank exchange rate at March 31, 2015 (i.e. 1 euro =128.95 yen), the value of 1,035 million yen represents approximately 8,026,367 euros.

This information is directly accessible, with all updates, on the Renault web-site at the address:
http://groupe.renault.com/finance/gouvernance/activite-du-conseil-dadministration/

c) Compensation of Mr. Ghosn in his capacity as a Director of AVTOVAZ.

Mr. Ghosn did not receive any compensation in his position as Chairman and member of the AVTOVAZ Board of Directors in respect of 2015.

SUMMARY TABLE OF BENEFITS PAID TO THE SENIOR EXECUTIVE OFFICER

(TABLE 10 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

SENIOR EXECUTIVE OFFICER	EMPLOYMENT CONTRACT	SUPPLEMENTARY PENSION PLAN	INDEMNITIES OR BENEFITS OWED OR LIKELY TO BE OWED FOR THE TERMINATION OR CHANGE OF OFFICE	NON-COMPETE INDEMNITY	OTHER COMPENSATION
Carlos Ghosn Chairman and Chief Executive Officer	No	Yes	No	Yes	No

STOCK-OPTIONS GRANTED TO THE CHIEF EXECUTIVE OFFICER

(TABLE 4 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

	PLAN NO. AND DATE	TYPE OF OPTIONS	VALUE OF OPTIONS BASED ON THE METHOD ADOPTED FOR THE CONSOLIDATED FINANCIAL STATEMENTS(1)	NO. OF OPTIONS GRANTED	EXERCISE PRICE	EXERCISE PERIOD
Carlos Ghosn	No. 18 4/29/2011	BOUGHT	931,000	100,000(2)	€38.80	From 04/30/2015 to 04/28/2019
	No. 19 12/08/2011	BOUGHT	558,000	100,000(3)	€26.87	From 12/09/2015 to 12/07/2019
	No. 20 12/13/2012	BOUGHT	750,258	150,000(4)	€37.43	From 12/13/2016 to 12/12/2020

(1) 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 18-H of the notes to the consolidated financial statements).

(2) In view of the achievement of performance criteria, the Board of Directors in its meeting of February 12, 2014 decided to definitively allocate all options initially attributed.

(3) In view of the achievement of the plan's performance criteria, the Board of Directors in its meeting of February 13, 2013 decided to definitively allocate 50% of the 100,000 options, i.e. 50,000 options.

(4) In view of the achievement of the plan's performance criteria, the Board of Directors in its meeting of February 12, 2014 decided to definitively allocate 88.48% of the 150,000 options initially attributed, i.e. 132,720 options.

STOCK-OPTIONS EXERCISED DURING THE YEAR BY MR. CARLOS GHOSN

(TABLE 5 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

	PLAN NO. AND DATE	NO. OF OPTIONS EXERCISED DURING THE YEAR	EXERCISE PRICE	GRANT YEAR
Carlos Ghosn	No. 18 04/29/2011	100,000	€38.80	2011

PERFORMANCE SHARES ALLOCATED DURING THE YEAR TO MR. CARLOS GHOSN

(TABLE 6 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

	PLAN NO. AND DATE	NUMBER OF SHARES	VALUE OF OPTIONS BASED ON THE METHOD ADOPTED FOR THE CONSOLIDATED FINANCIAL STATEMENTS	DATE OF ACQUISITION	DATE OF AVAILABILITY	PERFORMANCE CONDITIONS
Carlos Ghosn	No. 22 02/11/2015	100,000	4,184,850	02/11/2019	02/11/2019	Yes

PERFORMANCE SHARES AVAILABLE TO MR. CARLOS GHOSN DURING THE YEAR

(TABLE 7 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

	PLAN NO. AND DATE	NO. OF SHARES AVAILABLE DURING THE YEAR	TERMS OF ACQUISITION
Carlos Ghosn	-	n/a	-

3.3.2 DIRECTORS' COMPENSATION

In accordance with Article L. 225-45 of the French Commercial Code, the Annual General Meeting may allocate directors' fees, the amount of which remains fixed until otherwise decided.

3.3.2.1 AMOUNT

The Combined General Meeting on April 29, 2011 set an annual amount of €1,200,000 to be apportioned among the directors for the current year and subsequent years, until further notice. The Board is responsible for allotting these fees.

3.3.2.2 METHOD OF ALLOTMENT

Article 21.1 of the Afep-Medef Code recommends that directors' fees should include a variable portion, paid for actual attendance of Board and committee meetings. The variable portion should be larger than the fixed portion.

To comply with this recommendation, the Renault Board of Directors decided, on October 8, 2014, to amend the rules on the allocation and calculation of directors' fees. Since 2014, the following new calculation rules are applicable:

- fees paid to Board members:
  - a fixed portion of €18,000 per year, for being a member of the Board,
  - a variable portion of €6,000 per meeting, related to the actual attendance at Board meeting,

    Fixed and variable parts are capped at a total of €48,000 per director per year;
- fees paid to committee members:
  - a fixed portion of €1,500 per year, for being a member of a committee,
  - a variable portion of €3,000 per meeting, for members' actual attendance at committee meetings, capped at:
    - €6,000 per member, per year, for committees other than the CARE,
    - €9,000 per member, per year, for the Audit, Risks and Ethics Committee (CARE).

    The fixed and variable portions are capped at a total of:
    - €7,500 per member, per year, for committees other than the CARE,
    - €10,500 per year for members of the CARE;
- for chairing a committee:
  - a fee of €7,500 per year for chairing a committee,
  - a fee of €15,000 per year for chairing the Audit, Risks and Ethics Committee (CARE).

Total fees allocated to directors in respect of 2015 amounted to €1,155,300 (compared with €1,182,000 in 2014).

3

SUMMARY TABLE

FEES ALLOTTED TO DIRECTORS FOR THE YEAR BASED ON ATTENDANCE AT BOARD AND COMMITTEE MEETINGS (TABLE 3 IN ACCORDANCE WITH AFEP-MEDEF CODE RECOMMENDATIONS)

	ATTENDANCE RATE, BOARD AND COMMITTEE MEETINGS IN 2015[1]						TOTAL GROSS FEES RECEIVED (in €)[2]	
DIRECTORS	BOARD	AUDIT, RISKS AND ETHICS COMMITTEE	REMUNERATION COMMITTEE	APPOINTMENTS AND GOVERNANCE COMMITTEE	INTERNATIONAL STRATEGY COMMITTEE	INDUSTRIAL STRATEGY COMMITTEE	2015	2014
Mr. Ghosn	100%	-	-		-	-	48,000	48,000
Mr. Belda	87.5%	-	100%	100%	50%	-	67,500	78,000
Ms. Blair[4]	100%		-	-	-	-	30,000	-
Mr. de Croisset[4]	100%	100%	-	-	-	100%	23,850	66,000
Mr. Desmarest	75%	-	100%	-	100%	100%	70,500	78,000
Mr. Faure[3]	100%		-	-	0%	100%	57,000	57,000
Mr. Garnier	100%	-	50%	-	50%	100%	72,000	72,000
Mr. Gentil	100%	-	-	-	100%	100%	63,000	63,000
Ms. Koike[5]	87.5%	-	-	-	-	-	44,250	42,000
Mr. Ladreit de Lacharrière	87.5%	-	100%	100%	-	-	66,750	70,500
Ms. de La Garanderie	100%	100%	-	100%	-	-	66,000	66,000
Mr. Lagayette	100%	100%	-	100%	-	-	81,000	81,000
Mr. Ostertag	100%	100%	-	-	-	100%	66,000	66,000
Mr. Personne	100%	-	100%	-	100%	-	63,000	59,250
Mr. Riboud	87.5%	-	-	-	-	-	44,250	48,000
Ms. Rih	100%	-	-	-	100%	100%	63,000	59,250
Mr. Saikawa	100%	-	-	-	100%	-	55,500	55,500
Ms. Sourisse	100%	100%	-	-	-	-	58,500	58,500
Mr. Thomas	100%		100%		100%		63,000	25,714
Mr. Turrini[3][4]	75%	100%		100%			28,200	17,143
Mr. Vial[3][4]	100%		-	-	-	-	24,000	-

(1) For directors whose appointment to the Board or one of the committees began or ended during 2015, the attendance rate is calculated on the duration of their term of office, not the fiscal year.

(2) Gross amounts are calculated on the basis of methods adopted in 2014 and listed in paragraph 3.3.2.2 above.

(3) Directors representing the French State.

(4) Directors whose appointment to the Board or one of the committees began or ended during 2015.

(5) Ms. 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. Ms. Koike donated the fees due to her in respect of 2014 to a non governmental organization.

3.3.3 COMPENSATION OF SENIOR EXECUTIVES: PERFORMANCE SHARES

3.3.3.1 LEGAL FRAMEWORK

In its fourteenth resolution, the Combined General Meeting of April 30, 2013, authorized the Board of Directors to make one or more bonus grants of "performance shares" (existing shares or shares to be issued in the future) to the Executive Director and some employees of the Company and its related companies, under 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.* 0.5% of the share capital *per annum*;
- the number of performance shares allocated to the Chairman and CEO shall not exceed 15% of the total 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. executives with strong potential. Granting 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 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 programmes and projects. The plan also applies to Sales Financing, and to the heads of the Group's major support functions.

SHARE 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 an assessment of their development potential.

Beneficiaries are divided into three categories.

Senior executives

The senior executives comprise the 28 members of the Renault Management Committee, including the 12 members of the Group Executive Committee at March 1, 2016.

The Chairman and CEO cannot receive more than 15% and the members of the Executive Committee (including the CEO) cannot receive more than 30% of the total number of performance shares allocated.

Senior executives

Senior executives are granted a variable number of performance shares each year, based on the levels of responsibility, performance and results. Some senior executives may not be eligible for the allocation.

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 (level of responsibility, annual performance and development review, Career Committees, specific monitoring for high-flyers, etc.); these systems form a comprehensive observation platform used to single out the most deserving executives.

Altogether the three categories represent roughly 900 executives annually. For information, the total number of beneficiaries was 892 under the 2012 plan, 861 under the 2013 plan, 898 under the 2014 plan and 1,013 under the 2015 plan.

3.3.3.3 SUMMARY TABLES OF PLANS

PAST AWARDS OF SUBSCRIPTION OR PURCHASE OPTIONS AND PERFORMANCE SHARES

Plans 18, 19 and 20 are share option subscription plans.

Plans 18b, 19b, and 20b are performance share allocation plans from which the Senior Executive Officer is excluded.

Plan 21 is a performance share allocation plan. The shares allocated to the Chairman and CEO under this plan are subject to an additional performance criterion not applied to other beneficiaries of the plan.

Plan 22 is a performance share allocation plan. The shares allocated to the Chairman and CEO under this plan are subject to an additional performance criterion not applied to other beneficiaries of the plan.

The volume of plans in progress at 12/31/2015 accounted for 1.85% of capital.

PAST AWARDS OF SUBSCRIPTION OR PURCHASE OPTIONS

STOCK-OPTION PLANS*

(TABLE 8 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

GRANT DATE/ DATE OF BOARD OF DIRECTORS' MEETING		TOTAL NUMBER OF SHARES THAT MAY BE GRANTED OR ACQUIRED	O/W FOR CHIEF EXECUTIVE OFFICER CARLOS GHOSN	OPTION START DATE	EXPIRY DATE	SUBSCRIPTION/ PURCHASE PRICE[1]	NO. OF SHARES SUBSCRIBED AT 12/31/2015	TOTAL NO. OF CANCELED OR LAPSED OPTIONS AT 12/31/2015	OPTIONS OUTSTANDING AT 12/31/2015
AGM authorization granted on April 29, 2011									
PLAN 18	04/29/2011	490,000	100,000	04/30/2015	04/28/2019	38.80	295,038	11,388	183,574
Plan 19[2]	12/08/2011	300,000	100,000	12/09/2015	12/07/2019	26.87	13,000	150,000	137,000
Plan 20[3]	12/13/2012	447,800	150,000	12/13/2016	12/12/2020	37.43	0	51,578	396,222

* *Renault pays particular attention to the demands of long-term compensation plans. For example, the Board of Directors noted that the objectives of plans 15, 16 and 17 had not been reached. As a result, all the stock-options corresponding to these plans have been cancelled.*

(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.*

(2) *The Board of Directors' meeting of February 13, 2013 noted that the 2012 operating margin target was not reached but that the FCF target was reached. As a result, 50% of the stock-options corresponding to plan 19 have been cancelled.*

(3) *The Board of Directors meeting of February 12, 2014, noted that 88.48% of performance criteria had been achieved. As a result, 11.52% of the stock-options corresponding to plan 20 have been cancelled.*

PAST AWARDS OF PERFORMANCE SHARES

PERFORMANCE SHARE PLANS*

(TABLE 9 IN ACCORDANCE WITH AFEP-MEDEF RECOMMENDATIONS)

DATE OF GRANT/DATE OF BOARD OF DIRECTORS' MEETING		TOTAL NO. OF SHARES GRANTED	OF WHICH CHIEF EXECUTIVE OFFICER CARLOS GHOSN	FINAL ACQUISITION DATE	LOCK-UP PERIOD ENDS	SHARES CANCELED AT 12/31/2015	SHARES OUTSTANDING AT 12/31/2015
Plan 18b shares	04/29/2011	1,233,400	0	04/30/2014	04/30/2016	58,603	1,174,797
Plan 19b shares[1]	12/08/2011	609,900	0	12/09/2013	12/09/2015	311,850	298,050
Plan 20b shares[2]	12/13/2012	679,900	0	12/13/2014	12/12/2016	93,315	586,585
Plan 21 shares	02/12/2014	313,807	100,000	02/12/2018	02/12/2018	2,520	311,287
Plan 21b shares	02/12/2014	980,045	0	02/12/2017	02/12/2019	3,560	976,485
Plan 22 shares	02/11/2015	367,605	100,000	02/11/2019	02/11/2019	0	367,605
Plan 22b shares	02/11/2015	1,053,650	0	02/11/2018	02/11/2020	3,385	1,050,265

* *Renault pays particular attention to the demands of long-term compensation plans. For example, the Board of Directors noted that the objectives of plans 15, 16 and 17 had not been reached. As a result, all the allocations corresponding to these plans have been cancelled.*

(1) *The Board of Directors meeting of February 13, 2013 noted that the 2012 operating margin target was not reached but that the FCF target was reached. As a result, 50% of the shares corresponding to Plan 19b have been cancelled.*

(2) *The Board of Directors' meeting of February 12, 2014, noted that 88.48% of performance criteria had been achieved. As a result, 11.52% of the shares corresponding to Plan 20b have been cancelled.*

INFORMATION ON THE TEN EMPLOYEES OTHER THAN COMPANY OFFICERS

(TABLE 10 IN ACCORDANCE WITH AFEP/MEDEF RECOMMENDATIONS)

SUMMARY OF STOCK-OPTIONS GRANTED TO AND EXERCISED BY THE 10 EMPLOYEES OTHER THAN COMPANY OFFICERS, RECEIVING THE HIGHEST NUMBER OF OPTIONS	TOTAL NO. OF OPTIONS GRANTED/ SHARES SUBSCRIBED OR ACQUIRED	EXERCISE PRICE	PLAN 18	PLAN 19(1)	PLAN 20(2)
Options granted 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 by the ten employees of this issuer and these companies, acquiring or subscribing the largest number of options (aggregate information)	198,000		185,000	13,000	0

(1) The Board of Directors meeting of February 13, 2013 noted that the 2012 operating margin target had not been reached. As a result, 50% of the stock-options corresponding to Plan 19 have been cancelled.

(2) The Board of Directors' meeting of February 12, 2014, noted that 88.48% of performance criteria had been achieved. As a result, 11.52% of the stock-options corresponding to Plan 20 have been cancelled.

SUMMARY OF PERFORMANCE SHARES GRANTED TO THE 10 EMPLOYEES OTHER THAN COMPANY OFFICERS AND SHARES DEFINITIVELY ACQUIRED BY THESE EMPLOYEES	TOTAL NO. OF SHARES GRANTED	PLAN 18B	PLAN 19B(1)	PLAN 20B(2)	PLAN 21	PLAN 22
Shares granted 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)	626,000	110,000	68,000	78,000	185,000	185,000
Shares held on the issuer or the aforementioned companies, and acquired by the ten employees of this issuer and these companies, acquiring the largest number of shares (aggregate information)	213,015	110,000	34,000	69,015	0	0

(1) The Board of Directors meeting of February 13, 2013 noted that the 2012 operating margin target had not been reached. As a result, 50% of the shares corresponding to plan 19b have been cancelled.

(2) The Board of Directors' meeting of February 12, 2014, noted that 88.48% of performance criteria had been achieved. As a result, 11.52% of the shares corresponding to plan 20b 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.

Pursuant to the Afep-Medef Code, the Chief Executive Officer made a formal commitment not to hedge performance share risk until the holding period set by the Board of Directors has expired.

3.4 INFORMATION ON SECURITIES TRANSACTIONS

The Board of Directors, as well as some Group employees whose position affords them access to privileged information, are classed as insiders under the meaning of Article L. 622-2 of the AMF General Regulation. Within this context, the Company, in accordance with Article L. 621-18-4 of the French Monetary and Financial Code, keeps a list of persons classed as permanent insiders, which can be accessed by the AMF.

In accordance with the provisions of the AMF General Regulation, Company employees concerned are kept informed of AMF and Company codes of good conduct and disclosure requirements applicable to personal transactions involving the Company's shares.

FORMULA E

2015 OPERATING MARGIN

IN MILLION

€2,320

OF REVENUES

5.1%

FINANCIAL STATEMENTS

4

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

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 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.

For the year ended December 31, 2015

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, 2015, 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, 2015 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, the 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 respectively disclosed in notes 12-A and 13-A to the consolidated financial statements, the Group accounts for its investment in Nissan and its investment in AVTOVAZ 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. We have also verified the conditions underlying the reclassification of the AVTOVAZ loans and receivables granted by Renault into the line "investments in associates and joint-ventures" of the consolidated financial position. We have also reviewed the methods used to assess the recoverable value of the net investment of Renault in this company. Finally, for those two equity investments, we have verified that the information given in the notes to the consolidated financial statements mentioned above is appropriate;
- 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-K and 10-A2;
- as disclosed in the note 8-B to the consolidated financial statements, the Group recognizes part of the net deferred tax asset of the French tax Group; we have reviewed the consistency of the underlying assumptions for the forecasted taxable income and the resulting utilisation of tax 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.

Paris La Défense, February 16, 2016

The statutory auditors

French original signed by

KPMG Audit *A department of KPMG S.A.*	ERNST & YOUNG Audit

4.2 CONSOLIDATED FINANCIAL STATEMENTS

4.2.1 CONSOLIDATED INCOME STATEMENT

(€ million)	NOTES	2015	2014
Revenues	**4**	**45,327**	**41,055**
Cost of goods and services sold		(36,113)	(33,310)
Research and development expenses	10-A	(2,075)	(1,721)
Selling, general and administrative expenses		(4,819)	(4,415)
Operating margin[1]	**5**	**2,320**	**1,609**
Other operating income and expenses	6	(199)	(504)
Other operating income	6	*77*	*102*
Other operating expenses	6	*(276)*	*(606)*
Operating income (loss)		**2,121**	**1,105**
Cost of net financial indebtedness[2]	7	(225)	(245)
Cost of gross financial indebtedness	7	*(387)*	*(386)*
Income on cash and financial assets	7	*162*	*141*
Other financial income and expenses[2]	7	4	(88)
Financial income (expenses)[2]	**7**	**(221)**	**(333)**
Share in net income (loss) of associates and joint ventures		**1,371**	**1,362**
Nissan	12	*1,976*	*1,559*
Other associates and joint ventures	13	*(605)*	*(197)*
Pre-tax income		**3,271**	**2,134**
Current and deferred taxes	8	(311)	(136)
NET INCOME[1]		**2,960**	**1,998**
Net income – non-controlling interests' share		137	108
Net income – parent-company shareholders' share		2,823	1,890
Basic earnings per share[3] (in €)		10.35	6.92
Diluted earnings per share[3] (in €)		10.29	6.90
Number of shares outstanding (in thousands)			
For basic earnings per share	9	*272,708*	*273,049*
For diluted earnings per share	9	*274,314*	*273,946*

(1) The restatements resulting from retrospective application of IFRIC 21 "Levies" are presented in note 2.
(2) The new breakdown of financial income and expenses is presented in note 7.
(3) Net income – parent-company shareholders' share divided by number of shares stated.

4.2.2 CONSOLIDATED COMPREHENSIVE INCOME

(€ million)	2015 GROSS	2015 TAX EFFECT[1]	2015 NET	2014 GROSS	2014 TAX EFFECT[1]	2014 NET
NET INCOME	**3,271**	**(311)**	**2,960**	**2,134**	**(136)**	**1,998**
Other components of comprehensive income from parent company and subsidiaries						
Items that will not be reclassified subsequently to profit or loss	***52***	***(43)***	***9***	***(276)***	***18***	***(258)***
Actuarial gains and losses on defined-benefit pension plans	52	(43)	9	(161)	18	(143)
Fair value adjustments on financial liabilities[2]	-	-	-	(115)	-	(115)
Items that have been or will be reclassified subsequently to profit or loss	***(193)***	***78***	***(115)***	***(2)***	***38***	***36***
Translation adjustments on foreign activities[3]	(299)	-	(299)	(100)	-	(100)
Partial hedge of the investment in Nissan[3]	(103)	85	(18)	8	55	63
Fair value adjustments on cash flow hedging instruments[4]	56	(24)	32	(4)	2	(2)
Fair value adjustments on available-for-sale financial assets[5]	153	17	170	94	(19)	75
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	**(141)**	**35**	**(106)**	**(278)**	**56**	**(222)**
Share of associates and joint ventures in other components of comprehensive income						
Items that will not be reclassified subsequently to profit or loss	***(89)***	***-***	***(89)***	***(73)***	***-***	***(73)***
Actuarial gains and losses on defined-benefit pension plans	(89)	-	(89)	(73)	-	(73)
Items that have been or will be reclassified subsequently to profit or loss[6]	***1,450***	***-***	***1,450***	***507***	***-***	***507***
Translation adjustments on foreign activities	1,462	-	1,462	448	-	448
Fair value adjustments on cash flow hedging instruments	(6)	-	(6)	22	-	22
Fair value adjustments on available-for-sale financial assets	(6)	-	(6)	37	-	37
TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	**1,361**	**-**	**1,361**	**434**	**-**	**434**
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	**1,220**	**35**	**1,255**	**156**	**56**	**212**
COMPREHENSIVE INCOME	**4,491**	**(276)**	**4,215**	**2,290**	**(80)**	**2,210**
Parent-company shareholders' share	-	-	4,070	-	-	2,090
Non-controlling interests' share	-	-	145	-	-	120

(1) The tax effect includes income of €239 million in 2015 (€262 million in 2014) resulting from recognition of net deferred tax assets of the French tax consolidation group, comprising €188 million related to net income and €51 million relating to other components of comprehensive income (respectively €210 million and €52 million in 2014) (note 8-B).

(2) Correction to the fair value of financial liabilities at January 1, 2014.

(3) There were no reclassification to profit or loss for this item in 2015 (or 2014).

(4) Including €8 million reclassified to profit or loss in 2015 (€11 million in 2014).

(5) Including €7 million reclassified to profit or loss in 2015 (no such reclassifications in 2014).

(6) Including (€19) million reclassified to profit or loss in 2015 (no such reclassifications in 2014).

4.2.3 CONSOLIDATED FINANCIAL POSITION

(€ million)	NOTES	DECEMBER 31, 2015	DECEMBER 31, 2014
ASSETS			
Non-current assets			
Intangible assets and *goodwill*	10-A	3,570	3,443
Property, plant and equipment	10-B	11,171	10,801
Investments in associates and joint ventures		19,356	16,720
Nissan	*12*	*18,571*	*15,833*
Other associates and joint ventures	*13*	*785*	*887*
Non-current financial assets	22	1,478	1,681
Deferred tax assets	8	881	716
Other non-current assets	17	1,131	1,152
TOTAL NON-CURRENT ASSETS		**37,587**	**34,513**
Current assets			
Inventories	14	4,128	3,391
Sales financing receivables	15	28,605	25,733
Automotive receivables	16	1,262	1,242
Current financial assets	22	1,760	1,530
Current tax assets	17	62	38
Other current assets	17	3,068	2,607
Cash and cash equivalents	22	14,133	12,497
TOTAL CURRENT ASSETS		**53,018**	**47,038**
TOTAL ASSETS		**90,605**	**81,551**

(€ million)	NOTES	DECEMBER 31, 2015	DECEMBER 31, 2014
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(227)	(134)
Revaluation of financial instruments		890	703
Translation adjustment		(2,059)	(3,276)
Reserves		21,653	20,381
Net income – parent-company shareholders' share		2,823	1,890
Shareholders' equity – parent-company shareholders' share		**27,992**	**24,476**
Shareholders' equity – non-controlling interests' share		482	422
TOTAL SHAREHOLDERS' EQUITY	**18**	**28,474**	**24,898**
Non-current liabilities			
Deferred tax liabilities	8	122	141
Provisions for pension and other long-term employee benefit obligations – long-term	19	1,550	1,683
Other provisions – long-term	20	1,178	1,240
Non-current financial liabilities	23	5,707	7,537
Other non-current liabilities	21	1,285	1,204
TOTAL NON-CURRENT LIABILITIES		**9,842**	**11,805**
Current liabilities			
Provisions for pension and other long-term employee benefit obligations – short-term	19	50	67
Other provisions – short-term	20	997	1,088
Current financial liabilities	23	4,143	3,216
Sales financing debts	23	30,740	25,828
Trade payables		8,295	7,094
Current tax liabilities	21	219	162
Other current liabilities	21	7,845	7,393
TOTAL CURRENT LIABILITIES		**52,289**	**44,848**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**90,605**	**81,551**

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 SHAREHOLDERS' SHARE)	SHAREHOLDERS' EQUITY (PARENT-COMPANY SHAREHOLDERS' SHARE)	SHAREHOLDERS' EQUITY (NON-CONTROLLING ENTITIES' SHARE)	TOTAL SHARE-HOLDERS' EQUITY
RESTATED BALANCE AT DECEMBER 31, 2013	**295,722**	**1,127**	**3,785**	**(187)**	**571**	**(3,674)**	**20,629**	**586**	**22,837**	**377**	**23,214**
2014 net income								1,890	1,890	108	1,998
Other components of comprehensive income[1]					132	398	(330)		200	12	212
2014 comprehensive income					***132***	***398***	***(330)***	***1,890***	***2,090***	***120***	***2,210***
Allocation of 2013 net income							586	(586)			
Dividends							(469)		(469)	(52)	(521)
(Acquisitions)/ disposals of treasury shares and impact of capital increases				53					53		53
Changes in ownership interests[2]							10		10	(23)	(13)
Cost of share-based payments							(45)		(45)		(45)
BALANCE AT DECEMBER 31, 2014 AS PUBLISHED	**295,722**	**1,127**	**3,785**	**(134)**	**703**	**(3,276)**	**20,381**	**1,890**	**24,476**	**422**	**24,898**
Restatement for application of IFRIC 21[3]							39		39		39
AVTOVAZ restatement[4]						2	(27)	15	(10)		(10)
RESTATED BALANCE AT DECEMBER 31, 2014	**295,722**	**1,127**	**3,785**	**(134)**	**703**	**(3,274)**	**20,393**	**1,905**	**24,505**	**422**	**24,927**
2015 net income								2,823	2,823	137	2,960
Other components of comprehensive income[1]					187	1,138	(78)		1,247	8	1,255
2015 comprehensive income					***187***	***1,138***	***(78)***	***2,823***	***4,070***	***145***	***4,215***
Allocation of 2014 net income							1,905	(1,905)			
Dividends							(518)		(518)	(65)	(583)
(Acquisitions)/ disposals of treasury shares and impact of capital increases				(93)					(93)		(93)
Changes in ownership interests[2]						77	(80)		(3)	(20)	(23)
Cost of share-based payments							31		31		31
BALANCE AT DECEMBER 31, 2015	**295,722**	**1,127**	**3,785**	**(227)**	**890**	**(2,059)**	**21,653**	**2,823**	**27,992**	**482**	**28,474**

(1) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension plans during the period. In 2014, they also include an amount of (€115) million corresponding to a correction to the fair value of financial liabilities at January 1, 2014.

(2) Changes in ownership interests comprise the effect of acquisitions and disposals of investments, and commitments for buyouts of non-controlling interests. In 2015, they include a €79 million reclassification between translation adjustments and reserves concerning the foreign exchange effect of transactions undertaken in previous years.

(3) The restatement resulting from retrospective application of IFRIC 21 "Levies" is presented in note 2.

(4) For the purposes of the Renault consolidation, given the existing time constraints for production of financial information, the AVTOVAZ accounts were previously consolidated with a 3-month time-lag. This no longer applies as of December 31, 2015 (note 13-A).

Details of changes in consolidated shareholders' equity in 2015 are given in note 18.

4.2.5 CONSOLIDATED CASH FLOWS

(€ million)	NOTES	2015	2014
Net income		**2,960**	**1,998**
Cancellation of dividends received from unconsolidated listed investments[1]		(34)	(31)
Cancellation of income and expenses with no impact on cash			
Depreciation, amortization and impairment		2,728	2,711
Share in net (income) loss of associates and joint ventures		(1,371)	(1,362)
Other income and expenses with no impact on cash	26-A	(375)	92
Dividends received from unlisted associates and joint ventures		-	-
Cash flow[2]		**3,908**	**3,408**
Dividends received from listed companies[3]		**581**	**463**
Net change in financing for final customers		(3,136)	(1,618)
Net change in renewable dealer financing		(233)	(202)
Decrease (increase) in sales financing receivables		**(3,369)**	**(1,820)**
Bond issuance by the Sales Financing segment	23-A	3,814	3,469
Bond redemption by the Sales Financing segment	23-A	(2,640)	(3,396)
Net change in other sales financing debts		3,729	1,682
Net change in other securities and loans of the Sales Financing segment		59	(314)
Net change in financial assets and debts of the Sales Financing segment		**4,962**	**1,441**
Change in capitalized leased assets		**(522)**	**(291)**
Decrease (increase) in working capital	**26-B**	**457**	**771**
CASH FLOWS FROM OPERATING ACTIVITIES[4] [5]		**6,017**	**3,972**
Capital expenditure	26-C	(2,801)	(2,511)
Disposals of property, plant and equipment and intangibles		66	90
Acquisitions of investments involving gain of control, net of cash acquired		(3)	(11)
Acquisitions of other investments, net of cash acquired		(25)	(415)
Disposals of other investments, net of cash transferred and other		13	-
Net decrease (increase) in other securities and loans of the Automotive segment		(299)	62
CASH FLOWS FROM INVESTING ACTIVITIES		**(3,049)**	**(2,785)**
Dividends paid to parent-company shareholders	18-D	(555)	(503)
Dividends paid to non-controlling interests		(65)	(56)
(Acquisitions) sales of treasury shares		(102)	(26)
Cash flows with shareholders		**(722)**	**(585)**
Bond issuance by the Automotive segment	23-A	533	1,680
Bond redemption by the Automotive segment	23-A	(1,403)	(1,513)
Net increase (decrease) in other financial liabilities of the Automotive segment		558	(52)
Net change in financial liabilities of the Automotive segment		**(312)**	**115**
CASH FLOWS FROM FINANCING ACTIVITIES		**(1,034)**	**(470)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS[6]		**1,934**	**717**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends from Daimler (€34 million) and Nissan (€547 million) in 2015.
Dividends from Daimler (€31 million) and Nissan (€432 million) in 2014.
(4) Current taxes paid in 2015 amount to €384 million (€268 million in 2014).
(5) Net interest paid in 2015 amounts to €253 million (€259 million in 2014). Details are given in note 26.
(6) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	2015	2014
Cash and cash equivalents: opening balance	**12,497**	**11,661**
Increase (decrease) in cash and cash equivalents	1,934	717
Effect of changes in exchange rate and other changes	(298)	119
Cash and cash equivalents: closing balance*	**14,133**	**12,497**

* *Cash subject to restrictions on use is described in note 22-C.*

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4.2.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

4.2.6.1 INFORMATION ON OPERATING SEGMENTS AND REGIONS

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;
- 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.

A – Information by operating segment

A1 Consolidated income statement by operating segment

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2015				
Sales of goods	41,180	31	-	41,211
Sales of services	1,928	2,188	-	4,116
External sales	**43,108**	**2,219**	**-**	**45,327**
Intersegment sales	(364)	412	(48)	-
Sales by segment	**42,744**	**2,631**	**(48)**	**45,327**
Operating margin(1)	**1,485**	**824**	**11**	**2,320**
Operating income (loss)	**1,288**	**822**	**11**	**2,121**
Financial income (expenses)(2)	**(72)**	**-**	**(149)**	**(221)**
Share in net income (loss) of associates and joint ventures	**1,367**	**4**	**-**	**1,371**
Pre-tax income	**2,583**	**826**	**(138)**	**3,271**
Current and deferred taxes	(35)	(272)	(4)	(311)
Net income	**2,548**	**554**	**(142)**	**2,960**
2014				
Sales of goods	37,176	31	-	37,207
Sales of services	1,698	2,150	-	3,848
External sales	**38,874**	**2,181**	**-**	**41,055**
Intersegment sales	(356)	413	(57)	-
Sales by segment	**38,518**	**2,594**	**(57)**	**41,055**
Operating margin(1)	**861**	**751**	**(3)**	**1,609**
Operating income (loss)	**409**	**699**	**(3)**	**1,105**
Financial income (expenses)(2)	**(108)**	**(15)**	**(210)**	**(333)**
Share in net income (loss) of associates and joint ventures	**1,366**	**(4)**	**-**	**1,362**
Pre-tax income	**1,667**	**680**	**(213)**	**2,134**
Current and deferred taxes	88	(225)	1	(136)
Net income	**1,755**	**455**	**(212)**	**1,998**

(1) Details of depreciation, amortization 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

CONSOLIDATED FINANCIAL POSITION BY OPERATING SEGMENT – DECEMBER 31, 2015

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
ASSETS				
Non-current assets				
Property, plant and equipment and intangible assets	14,415	336	(10)	14,741
Investments in associates and joint ventures	19,284	72	-	19,356
Non-current financial assets – investments in non-controlled entities	4,830	2	(3,460)	1,372
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	119	-	(13)	106
Deferred tax assets and other non-current assets	1,745	300	(33)	2,012
TOTAL NON-CURRENT ASSETS	**40,393**	**710**	**(3,516)**	**37,587**
Current assets				
Inventories	4,087	49	(8)	4,128
Customer receivables	1,455	29,094	(682)	29,867
Current financial assets	1,475	1,007	(722)	1,760
Current tax assets and other current assets	2,132	3,505	(2,507)	3,130
Cash and cash equivalents	11,571	2,672	(110)	14,133
TOTAL CURRENT ASSETS	**20,720**	**36,327**	**(4,029)**	**53,018**
TOTAL ASSETS	**61,113**	**37,037**	**(7,545)**	**90,605**

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	**28,389**	**3,461**	**(3,376)**	**28,474**
Non-current liabilities				
Long-term provisions	2,355	373	-	2,728
Non-current financial liabilities	5,693	14	-	5,707
Deferred tax liabilities and other non-current liabilities	868	539	-	1,407
TOTAL NON-CURRENT LIABILITIES	**8,916**	**926**	**-**	**9,842**
Current liabilities				
Short-term provisions	1,023	24	-	1,047
Current financial liabilities	4,811	-	(668)	4,143
Trade payables and sales financing debts	8,389	31,474	(828)	39,035
Current tax liabilities and other current liabilities	9,585	1,152	(2,673)	8,064
TOTAL CURRENT LIABILITIES	**23,808**	**32,650**	**(4,169)**	**52,289**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**61,113**	**37,037**	**(7,545)**	**90,605**

CONSOLIDATED FINANCIAL POSITION BY OPERATING SEGMENT – DECEMBER 31, 2014

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
ASSETS				
Non-current assets				
Property, plant and equipment and intangible assets	14,076	178	(10)	14,244
Investments in associates and joint ventures	16,670	50	-	16,720
Non-current financial assets – investments in non-controlled entities	4,353	11	(3,131)	1,233
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	514	-	(66)	448
Deferred tax assets and other non-current assets	1,663	238	(33)	1,868
TOTAL NON-CURRENT ASSETS	**37,276**	**477**	**(3,240)**	**34,513**
Current assets				
Inventories	3,361	39	(9)	3,391
Customer receivables	1,409	26,198	(632)	26,975
Current financial assets	1,143	1,136	(749)	1,530
Current tax assets and other current assets	1,805	3,033	(2,193)	2,645
Cash and cash equivalents	11,591	1,102	(196)	12,497
TOTAL CURRENTS ASSETS	**19,309**	**31,508**	**(3,779)**	**47,038**
TOTAL ASSETS	**56,585**	**31,985**	**(7,019)**	**81,551**

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	**24,811**	**3,136**	**(3,049)**	**24,898**
Non-current liabilities				
Long-term provisions	2,598	325	-	2,923
Non-current financial liabilities	7,272	265	-	7,537
Deferred tax liabilities and other non-current liabilities	779	566	-	1,345
TOTAL NON-CURRENT LIABILITIES	**10,649**	**1,156**	**-**	**11,805**
Current liabilities				
Short-term provisions	1,114	41	-	1,155
Current financial liabilities	3,872	-	(656)	3,216
Trade payables and sales financing debts	7,235	26,681	(994)	32,922
Current tax liabilities and other current liabilities	8,904	971	(2,320)	7,555
TOTAL CURRENT LIABILITIES	**21,125**	**27,693**	**(3,970)**	**44,848**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**56,585**	**31,985**	**(7,019)**	**81,551**

A3 Consolidated cash flow by operating segment

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2015				
Net income	**2,548**	**554**	**(142)**	**2,960**
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	2,689	39	-	2,728
Share in net (income) loss of associates and joint ventures	(1,367)	(4)	-	(1,371)
Other income and expenses with no impact on cash	(385)	6	4	(375)
Dividends received from unlisted associates and joint ventures	-	-	-	-
Cash flow(2)	**3,451**	**595**	**(138)**	**3,908**
Dividends received from listed companies(3)	**581**	**-**	**-**	**581**
Decrease (increase) in sales financing receivables	--	(3,357)	(12)	(3,369)
Net change in financial assets and sales financing debts	-	4,941	21	4,962
Change in capitalized leased assets	(352)	(170)	-	(522)
Decrease (increase) in working capital	663	(233)	27	457
CASH FLOWS FROM OPERATING ACTIVITIES	**4,343**	**1,776**	**(102)**	**6,017**
Purchases of intangible assets	(955)	(1)	-	(956)
Purchases of property, plant and equipment	(1,840)	(5)	-	(1,845)
Disposals of property, plant and equipment and intangibles	66	-	-	66
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/ transferred	-	(3)	-	(3)
Acquisitions and disposals of other investments and other assets	1	(13)	-	(12)
Net decrease (increase) in other securities and loans of the Automotive segment	(289)	-	(10)	(299)
CASH FLOWS FROM INVESTING ACTIVITIES	**(3,017)**	**(22)**	**(10)**	**(3,049)**
Cash flows with shareholders	(701)	(171)	150	(722)
Net change in financial liabilities of the Automotive segment	(328)	-	16	(312)
CASH FLOWS FROM FINANCING ACTIVITIES	**(1,029)**	**(171)**	**166**	**(1,034)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS(4)	**297**	**1,583**	**54**	**1,934**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends received from Daimler (€34 million) and Nissan (€547 million).
(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2015				
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**11,591**	**1,102**	**(196)**	**12,497**
Increase (decrease) in cash and cash equivalents	297	1,583	54	1,934
Effect of changes in exchange rate and other changes	(317)	(13)	32	(298)
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**11,571**	**2,672**	**(110)**	**14,133**

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2014				
Net income	**1,755**	**455**	**(212)**	**1,998**
Cancellation of dividends received from unconsolidated listed investments[1]	(31)	-	-	(31)
Cancellation of income and expenses with no impact on cash				
Depreciation, amortization and impairment	2,702	9	-	2,711
Share in net (income) loss of associates and joint ventures	(1,366)	4	-	(1,362)
Other income and expenses with no impact on cash	78	16	(2)	92
Dividends received from unlisted associates and joint ventures	-	-	-	-
Cash flow[2]	**3,138**	**484**	**(214)**	**3,408**
Dividends received from listed companies[3]	**463**	**-**	**-**	**463**
Decrease (increase) in sales financing receivables	-	(1,936)	116	(1,820)
Net change in financial assets and sales financing debts	-	1,429	12	1,441
Change in capitalized leased assets	(235)	(56)	-	(291)
Decrease (increase) in working capital	596	138	37	771
CASH FLOWS FROM OPERATING ACTIVITIES	**3,962**	**59**	**(49)**	**3,972**
Purchases of intangible assets	(964)	(3)	-	(967)
Purchases of property, plant and equipment	(1,541)	(3)	-	(1,544)
Disposals of property, plant and equipment and intangibles	89	1	-	90
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	(11)	-	-	(11)
Acquisitions and disposals of other investments and other assets	(400)	(15)	-	(415)
Net decrease (increase) in other securities and loans of the Automotive segment	69	-	(7)	62
CASH FLOWS FROM INVESTING ACTIVITIES	**(2,758)**	**(20)**	**(7)**	**(2,785)**
Cash flows with shareholders	(568)	(227)	210	(585)
Net change in financial liabilities of the Automotive segment	242	-	(127)	115
CASH FLOWS FROM FINANCING ACTIVITIES	**(326)**	**(227)**	**83**	**(470)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS[4]	**878**	**(188)**	**27**	**717**

(1) Dividends received from Daimler.
(2) Cash flow does not include dividends received from listed companies.
(3) Dividends received from Daimler (€31 million) and Nissan (€432 million).
(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	AUTOMOTIVE	SALES FINANCING	INTERSEGMENT TRANSACTIONS	CONSOLIDATED TOTAL
2014				
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**10,704**	**1,201**	**(244)**	**11,661**
Increase (decrease) in cash and cash equivalents	878	(188)	27	717
Effect of changes in exchange rate and other changes	9	89	21	119
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**11,591**	**1,102**	**(196)**	**12,497**

A4 Other information: net liquidity position (net financial indebtness) of the automotive segment

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Non-current financial liabilities	(5,693)	(7,272)
Current financial liabilities	(4,811)	(3,872)
Non-current financial assets – other securities, loans and derivatives on financing operations	119	514
Current financial assets	1,475	1,143
Cash and cash equivalents	11,571	11,591
NET LIQUIDITY POSITION OF THE AUTOMOTIVE SEGMENT	**2,661**	**2,104**

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*	AMERICAS	ASIA-PACIFIC	AFRICA MIDDLE EAST INDIA	EURASIA	CONSOLIDATED TOTAL
2015						
Revenues	28,976	4,173	4,351	3,782	4,045	45,327
Property, plant and equipment and intangibles	11,116	711	554	721	1,639	14,741
2014						
Revenues	25,711	4,827	2,685	3,391	4,441	41,055
Property, plant and equipment and intangibles	10,524	707	477	791	1,745	14,244

* *Including the following for France:*

(€ million)	2015	2014
Revenues	10,154	9,836
Property, plant and equipment and intangibles	9,108	8,799

4.2.6.2 ACCOUNTING POLICIES AND SCOPE OF CONSOLIDATION

NOTE 1
APPROVAL OF THE FINANCIAL STATEMENTS

The Renault group's consolidated financial statements for 2015 were finalized at the Board of Directors' meeting of February 11, 2016 and will be submitted for approval by the shareholders at the General Shareholders' Meeting.

NOTE 2
ACCOUNTING POLICIES

In application of European regulations, Renault's consolidated financial statements for 2015 are prepared under IFRS (International Financial Reporting Standards) as issued by the IASB (International Accounting Standards Board) at December 31, 2015 and adopted by the European Union at the year-end.

A - Changes in accounting policies

At December 31, 2015 the Group applies the new amendments to accounting standards shown below, which were published in the Official Journal of the European Union and mandatory.

NEW AMENDMENTS THAT BECAME MANDATORY ON JANUARY 1, 2015

IFRIC 21	Levies
Annual improvements – 2011–2013 cycle	Improvements to several standards

The only standard with an impact on the financial statements at December 31, 2015 is interpretation IFRIC 21 "Levies", which concerns the date of recognition of a liability related to payment of taxes other than income taxes. Such tax liabilities are now recognized immediately in full when the triggering event defined by tax legislation occurs. As a result of this change it is no longer possible to spread annual taxes for which the fiscal triggering event is a specified date (this mainly concerns property tax, the "C3S" social solidarity contribution due by companies, and taxes specific to the Sales financing activity in France), and the liability must now be recorded in the period when the fiscal triggering event arises rather than in the year the income that forms the basis for the tax is generated (as was the case for the C3S in France).

This interpretation is applied retrospectively. Its impact is not significant at Group level, as the following restated information for 2014 shows:

- Restated shareholders' equity at December 31, 2014 is increased by €39 million,
- Implementation of IFRIC 21 has no significant impact on the full-year net income.

The Group has not undertaken early application of the following interpretation, standards and amendments, which have been published in the Official Journal of the European Union and are mandatory as of January 1, 2016 or subsequently. The Group does not expect application to have any significant impact on the consolidated accounts.

NEW STANDARDS AND AMENDMENTS NOT APPLIED EARLY BY THE GROUP

Amendments to IAS 1	Disclosure initiative
Amendments to IAS 19	Defined-benefit plans – Employee contributions
Amendments to IAS 27	Equity method in separate financial statements
Amendments to IAS 16 and 38	Clarification of acceptable methods of depreciation and amortization
Amendments to IAS 16 and 41	Agriculture: bearer plants
Amendments to IFRS 11	Accounting for acquisitions of interests in joint operations
Annual improvements – 2010-2012 cycle	Improvements to several standards
Annual improvements – 2012-2014 cycle	Improvements to several standards

The IASB has also published major new standards that have not been adopted to date by the European Union. The Group is in the process of studying the impacts of these new standards on the financial statements.

NEW STANDARDS NOT ADOPTED BY THE EUROPEAN UNION		EFFECTIVE DATE SET BY IASB
IFRS 9	Financial Instruments	January 1, 2018
IFRS 15	Revenue from contracts with Customers	January 1, 2018

IFRS 9, Financial Instruments, will replace IAS 39. The new standard introduces a new classification of financial instruments and an impairment model for financial assets based on expected loss, replacing the current model which is based on incurred losses. The Group is currently examining the practical implementation of this new standard and its impact on the financial statements, which will essentially concern the Sales Financing segment.

IFRS 15, Revenue from contracts with customers, will replace IAS 11 and IAS 18. Analysis is currently in process, but at this stage the Group does not anticipate any significant changes.

The Group does not intend to apply these standards early.

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 consolidated financial statements could differ from the estimates established at the time the financial statements were finalized.

The main items in the consolidated financial statements that are sensitive to estimates and judgments at December 31, 2015 are the following:

- Capitalization of research and development expenses and their amortization period (notes 2-K and 10-A);
- Any impairment on fixed assets (notes 2-M and 11), and operating receivables (notes 16 and 17);
- The recoverable value of leased vehicles classified as property, plant and equipment or in inventories (notes 2-G, 10-B and 14);
- Investments in associates, notably Nissan and AVTOVAZ (notes 2-M, 12 and 13);
- Sales financing receivables (notes 2-G and 15);
- Recognition of 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 (notes 2-S and 19) and provisions for workforce adjustment measures (notes 2-T and 6-A);
- The value of assets in Iran, mainly comprising shares, a shareholder loan and commercial receivables (note 6-C) and in general the value of Group assets located in all areas concerned by country risks.

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 consolidated financial statements

Valuation basis

The consolidated financial statements are established under the historical cost convention, except for certain categories of assets and liabilities, in compliance with IFRS rules. The categories concerned are detailed in the following notes.

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 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 IFRS 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. None of the countries where Renault has significant business activity was on this list in 2015.

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 exchange rate;
- 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 generated by a business combination with a foreign company is treated as an asset or liability of the entity acquired, as appropriate. It is 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 assets and liabilities 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-X).

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-X.

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 (credit or finance lease). 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.

RECEIVABLES SHOWING EVIDENCE OF IMPAIRMENT

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)

The cost of net financial indebtedness comprises the cost of gross financial indebtedness less income associated with cash, cash equivalents and financial assets of the Automotive segment. The cost of gross financial indebtedness consists of income and expenses generated by the Automotive segment's financial indebtedness during the period, including the impact of the effective portion of the related interest rate hedges.

Other financial income and expenses mainly include changes in the fair value of Renault SA redeemable shares, the net interest on provisions for pensions, and dividends and impairment of companies that are neither controlled nor under significant influence by the Group.

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 position. 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 associates and joint ventures, 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 – 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.

K – Research and development expenses

Development expenses incurred between the decision to begin development and implement production facilities for a new vehicle or part (e.g. 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.

L – 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.

M –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 consist of 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. Net fixed assets related to cash-generating units notably include goodwill, specific assets and capacity assets, and components of working capital.

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 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 recoverable value, which is the higher of value in use and fair value, less selling costs. The value in use is equal to the share of the present value of future estimated cash flows expected by the associate. If the associate is listed, the fair value is its stock market value.

When the recoverable value is lower than the book value, impairment equivalent to the difference is recorded against the relevant investment in an associate.

N – 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.

O – 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.

P – 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.

Q – 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.

R – Stock option plans/ Performance share attribution plans

The Group awards stock option plans (purchase and subscription options) and performance 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 performance 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 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 shares is measured by reference to the fair value of those options or shares at their grant date, using a suitable binomial mathematical model that assumes exercise of the options is spread over the exercise period on a straight-line basis. Entitlements to attribution of performance 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 share price volatility factor applied is implicit volatility at the grant date. The expected dividend used is determined by reference to the dividend payout schedule announced at the time each plan is valued.

The total fair value calculated in this way 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.

S – 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.

T – Workforce adjustment measures

The estimated cost of workforce adjustment measures, which for accounting purposes is treated 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.

U – 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-X).

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 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.

V – 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.

Bank accounts subject to restrictions due to sector-specific regulations (for example, banking regulations) or bank accounts allocated to increasing credit on securitized receivables are included in Cash and Cash equivalents.

W – 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-X).

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-X), 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.

X – 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, 2014	**118**	**36**	**154**
Newly consolidated companies (acquisitions, formations, etc)	0	1	1
Deconsolidated companies (disposals, mergers, liquidations, etc)	4	0	4
Number of companies consolidated at December 31, 2015	**114**	**37**	**151**

Nissan Renault Financial Services India Private Limited, a company set up by the Alliance to provide sales financing for customers and dealers in India, was included in the scope of consolidation for the first time in 2015. The Group exercises significant influence over this entity, which is accounted for under the equity method.

4.2.6.3 INCOME STATEMENT AND COMPREHENSIVE INCOME

NOTE 4
REVENUES

(€ million)	2015	2014
Sales of goods - Automotive segment	**41,180**	**37,176**
Rental income on leased assets(1)	390	361
Sales of other services	1,538	1,337
Sales of services - Automotive segment	**1,928**	**1,698**
Sales of goods - Sales Financing segment	**31**	**31**
Rental income on leased assets(1)	64	25
Interest income on sales financing receivables	1,416	1,480
Sales of other services(2)	708	645
Sales of services - Sales Financing segment	**2,188**	**2,150**
TOTAL REVENUES	**45,327**	**41,055**

(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 – Personnel expenses

	2015	2014
Personnel expenses (€ million)	5,408	5,248
Workforce at December 31st	120,136	117,395

Details of pensions and other long-term employee benefit expenses are presented in note 19.

The income recorded in respect of the French "CICE" Tax Credit for Competitivity and Employment amounted to €51 million in 2015 and 2014.

Share-based payments concern stock options and performance shares granted to personnel, and amounted to a personnel expense of €42 million for 2015 (€32 million in 2014).

The plan valuation method is presented in note 18-H.

B – Rental expenses

Rents amount to €225 million in 2015 (€232 million in 2014).

C – Foreign exchange gains/losses

In 2015, the operating margin includes a net foreign exchange loss of €96 million, partly related to movements in the Argentinian peso and Russian rouble against the Euro (compared to a net foreign exchange loss of €144 million in 2014, essentially related to the same currencies).

NOTE 6

OTHER OPERATING INCOME AND EXPENSES

(€ million)	2015	2014
Restructuring and workforce adjustment costs	(157)	(305)
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)	23	7
Impairment of fixed assets	(53)	(153)
Reversal of impairment related to operations in Iran	14	14
Other unusual items	(13)	(67)
TOTAL	**(199)**	**(504)**

A – Restructuring and workforce adjustment costs

Restructuring and workforce adjustment costs for 2015 include €79 million (€223 million in 2014) related to a French career-end work exemption plan introduced in 2013. Employees can sign up to this plan until December 31, 2016. 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.

Other restructuring and workforce adjustment costs in 2015 and 2014 mainly concern the Americas, Eurasia and Europe regions.

B – Impairment of fixed assets

Impairment amounting to €53 million was recorded in 2015 (€153 million in 2014), comprising €21 million for intangible assets and €32 million for property, plant and equipment (€44 million and €92 million respectively in 2014). Most of this impairment was booked following impairment tests on vehicles and components (notes 10 and 11).

In 2014 impairment also included an amount of €15 million reflecting the effect of unwinding the discount on future cash flows concerning a provision for indemnities payable for failure to meet stipulated minimum purchase volumes.

C – Impairment related to operations in Iran

Operations with Iran remained limited during 2015 due to the economic sanctions governing business with Iran. The reduction in impairment in 2015 essentially relates to payments received during the period.

The Group's exposure to risks on business with Iran, materialized by securities, a shareholder loan and sales receivables, was fully written off in 2013. This situation changed little over 2015. The gross exposure in the assets at December 31, 2015 was €809 million, including €701 million of receivables (€828 million including €724 million of receivables at December 31, 2014).

D – Other unusual items

In 2014, other unusual items included an amount of €45 million to cover risks in Germany, essentially relating to reimbursement of administrative fees for the financing activity that a German Supreme court decision ruled were excessive.

NOTE 7

FINANCIAL INCOME (EXPENSES)

(€ million)	2015	2014 RESTATED*
Cost of gross financial indebtedness	(387)	(386)
Income on cash and financial assets	162	141
COST OF NET FINANCIAL INDEBTEDNESS	**(225)**	**(245)**
Change in fair value of redeemable shares	(80)	(37)
Foreign exchange gains and losses on financial operations	129	28
Net interest expenses on the net defined-benefit liability (asset) corresponding to pension and other long-term employee benefit obligations	(35)	(45)
Other	(10)	(34)
OTHER FINANCIAL INCOME AND EXPENSES	**4**	**(88)**
FINANCIAL INCOME (EXPENSES)	**(221)**	**(333)**

* *The Group now uses the subtotal "cost of net financial indebtedness" in the income statement instead of "net interest income (expenses)". The cost of net financial indebtedness comprises all financial income and expenses associated with cash and cash equivalents, financial assets, and liabilities of the Automotive segment (excluding the fair value of redeemable shares). This change has led to non-material reclassifications in the periods presented, for better coherence between financial income statement items and financial position items. Also, interest on financial derivatives has been grouped together and are now included at net value in the cost of gross financial indebtedness.*

Item "Other" of other financial income and expenses includes dividends received from Daimler at the gross value of €40 million in 2015 (€37 million in 2014).

Net liquidity position (net financial indebtedness) of the Automotive segment is presented in the information by operating segment (note 4.2.6.1 – A).

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 charge

(€ million)	2015	2014
Current tax charge	(472)	(396)
Deferred tax income (charge)	161	260
CURRENT AND DEFERRED TAXES	**(311)**	**(136)**

The current tax charge for entities included in the French tax consolidation group amounts to €61 million in 2015 (€53 million in 2014).

€411 million of the current tax charge comes from foreign entities in 2015 (€343 million in 2014).

Current income taxes paid by the Group during 2015 amount to €384 million (€268 million in 2014).

B – Breakdown of the tax charge

(€ million)	2015	2014
Income before taxes and share in net income of associates and joint ventures	**1,900**	**772**
Statutory income tax rate in France, including the additional contribution(1)	38.0%	38.0%
Theoretical tax income (charge)	**(722)**	**(293)**
Effect of differences between local rates and the French rate(2)	233	180
Tax credits	30	28
Distribution taxes	(55)	(84)
Change in unrecognized deferred tax assets	217	(51)
Other impacts(3)	(14)	84
Current and deferred tax income (charge)	**(311)**	**(136)**

(1) In France, the Group is liable for an exceptional 10.7% contribution applicable until the end of the 2015 financial year. The theoretical tax rate including this exceptional contribution stands at 38.0%.

(2) The main countries contributing to the tax rate differential in 2015 and 2014 are Korea, Morocco, Romania, 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 38% French income tax rate including the exceptional contribution, and the 34.43% tax rate used to calculate deferred taxes for the French tax consolidation group (unfavourable effect of €9 million for 2015 and €25 million for 2014).

Until the end of 2013, as there was no prospect of reporting taxable income in the foreseeable future, the Group wrote off all net deferred tax assets of the French tax consolidation group.

At the end of 2014 and in 2015, in view of forecast results, the Group recognized some of these net deferred tax assets, partly via profit and loss (€188 million in 2015 and €210 million in 2014) and partly via other components of comprehensive income (€51 million in 2015 and €52 million in 2014), due to the origins of the taxes concerned (4.2.2. and note 8 C(1)).

The effective tax rate across all foreign entities is 27% at December 31, 2015 (26% at December 31, 2014).

C – Breakdown of net deferred taxes

C1 Change in deferred tax assets and liabilities

(€ million)	2015	2014
Deferred tax assets	716	396
Deferred tax liabilities	(141)	(121)
Net deferred tax assets (liabilities) at January 1st	**575**	**275**
Deferred tax income (charge) for the period	161	260
Deferred tax income (charge) included in shareholders' equity	30	56
Translation adjustments	(7)	(16)
Change in scope of consolidation and other	-	-
Net deferred tax assets (liabilities) at December 31st	**759**	**575**
- deferred tax assets	*881*	*716*
- deferred tax liabilities	*(122)*	*(141)*

C2 Breakdown of net deferred tax assets by nature

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Deferred taxes on:		
Investments in associates and joint ventures(1)	(195)	(157)
Fixed assets	(1,615)	(1,623)
Provisions and other expenses or valuation allowances deductible upon utilization	1,003	937
Loss carryforwards(2)	4,402	4,457
Other	372	413
NET DEFERRED TAX ASSETS (LIABILITIES)	**3,967**	**4,027**
Unrecognized deferred tax assets related to tax losses (note 8-C3)	(3,208)	(3,452)
NET DEFERRED TAX ASSETS (LIABILITIES) REPORTED	**759**	**(575)**

(1) Including tax on future dividend distributions

(2) Including €3,837 million for the French tax consolidation entities and €565 million for other entities at December 31, 2015 (respectively €3,836 million and €621 million December 31, 2014).

The residual unrecognized net deferred tax assets of entities included in the French tax consolidation group amounted to €2,607 million at December 31, 2015 (€2,816 million at December 31, 2014). €684 million of these unrecognized assets were generated by items booked through shareholders' equity (mainly the effects of the partial hedge of the investment in Nissan, actuarial gains and losses, and revaluation of financial instruments), and €1,923 million were generated by items affecting the income statement (respectively €547 million and €2,269 million at December 31, 2014).

Excluding the French tax consolidation group, unrecognized deferred tax assets totalled €601 million (€636 million in 2014), and essentially related to tax loss carryforwards generated by the Group in Brazil, and to a lesser extent in India.

C3 Breakdown of unrecognized net deferred tax assets, by expiry date

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Net deferred tax assets that can be carried forward indefinitely*	2,912	3,262
Other net deferred tax assets expiring in more than 5 years	161	58
Other net deferred tax assets expiring between 1 and 5 years	129	103
Other net deferred tax assets expiring within 1 year	6	29
TOTAL UNRECOGNIZED NET DEFERRED TAX ASSETS	**3,208**	**3,452**

* *Including €2,607 million at December 31, 2015 (€2,816 million at December 31, 2014) 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)	2015	2014
Shares in circulation	295,722	295,722
Treasury shares	(3,633)	(3,289)
Shares held by Nissan x Renault's share in Nissan	(19,381)	(19,384)
Number of shares used to calculate basic earnings per share	**272,708**	**273,049**

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 treasury shares and of the portion of Renault shares held by Nissan.

(In thousands of shares)	2015	2014
Number of shares used to calculate basic earnings per share	272,708	273,049
Dilutive effect of stock options, performance share rights and other share-based payments	1,606	897
Number of shares used to calculate diluted earnings per share	**274,314**	**273,946**

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 performance shares awarded under the relevant plans, and rights to shares as part of the Chairman and CEO's performance-related remuneration, that have a dilutive effect and fulfil the performance conditions at the year-end when issuance is conditional (note 18-G).

4.2.6.4 OPERATING ASSETS AND LIABILITIES, SHAREHOLDERS'EQUITY

NOTE 10

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

A – Intangible assets and goodwill

A1 Changes in intangible assets

Changes during 2015 in intangible assets were as follows:

(€ million)	DECEMBER 31, 2014	ACQUISITIONS/ (AMORTIZATION AND IMPAIRMENT)	(DISPOSALS)/ REVERSALS	TRANSLATION ADJUSTMENT	CHANGE IN SCOPE OF TRANSLATION AND OTHER	DECEMBER 31, 2015
Capitalized development expenses	9,096	876	(1,389)	5	-	8,588
Goodwill	216	(4)	-	(2)	-	210
Other intangible assets	690	84	(38)	(9)	2	729
Intangible assets, gross	**10,002**	**956**	**(1,427)**	**(6)**	**2**	**9,527**
Capitalized development expenses	(6,080)	(726)	1,389	(5)	-	(5,422)
Other intangible assets	(479)	(86)	26	6	(2)	(535)
Amortization and impairment	**(6,559)**	**(812)**	**1,415**	**1**	**(2)**	**(5,957)**
Capitalized development expenses	3,016	150	-	-	-	3,166
Goodwill	216	(4)	-	(2)	-	210
Other intangible assets	211	(2)	(12)	(3)	-	194
INTANGIBLE ASSETS, NET	**3,443**	**144**	**(12)**	**(5)**	**-**	**3,570**

Most of the goodwill is located in Europe.

Acquisitions of intangible assets in 2015 comprise €876 million of self-produced assets and €84 million of purchased assets (respectively €845 million and €122 million in 2014).

In 2015, amortization and impairment of intangible assets include €21 million of impairment relating to vehicles and components (note 6-B), compared to €44 million of impairment in 2014.

Changes during 2014 in intangible assets were as follows:

(€ million)	GROSS VALUE	AMORTIZATION AND IMPAIRMENT	NET VALUE
Value at December 31, 2013	**9,475**	**(6,193)**	**3,282**
Acquisitions (note 26-C)/(amortization)	967	(797)	170
(Disposals)/reversals	(448)	444	(4)
Translation adjustment	5	(13)	(8)
Change in scope of consolidation and other	3	-	3
Value at December 31, 2014	**10,002**	**(6,559)**	**3,443**

A2 Research and development expenses included in income

(€ million)	2015	2014
Research and development expenses	(2,243)	(1,890)
Capitalized development expenses	874	842
Amortization of capitalized development expenses	(706)	(673)
TOTAL REPORTED INCLUDED IN INCOME	**(2,075)**	**(1,721)**

B – Property, plant and equipment

Changes during 2015 in property, plant and equipment were as follows:

(€ million)	DECEMBER 31, 2014	ACQUISITIONS/ (DEPRECIATION AND IMPAIRMENT)	(DISPOSALS)/ REVERSALS	TRANSLATION ADJUSTMENTS	CHANGE IN SCOPE OF CONSOLIDATION AND OTHER	DECEMBER 31, 2015
Land	568	4	(7)	(2)	-	563
Buildings	6,064	116	(35)	(84)	16	6,077
Specific tools	14,146	1,196	(360)	(180)	137	14,939
Machinery and other tools	10,394	583	(263)	(184)	96	10,626
Fixed assets leased to customers	2,032	915	(671)	10	18	2,304
Other tangibles	777	60	(37)	(9)	(2)	789
Construction in progress(1)	1,514	2	20	(31)	(251)	1,254
Gross values	**35,495**	**2,876**	**(1,353)**	**(480)**	**14**	**36,552**
Land	-	-	-	-	-	-
Buildings	(3,509)	(233)	31	33	(1)	(3,679)
Specific tools	(11,920)	(870)	326	117	2	(12,345)
Machinery and other tools	(7,914)	(537)	262	109	(9)	(8,089)
Fixed assets leased to customers(2)	(664)	(255)	279	(4)	37	(607)
Other tangibles	(687)	(21)	35	6	6	(661)
Construction in progress	-	-	-	-	-	-
Depreciation and impairment(3)	**(24,694)**	**(1,916)**	**933**	**261**	**35**	**(25,381)**
Land	568	4	(7)	(2)	-	563
Buildings	2,555	(117)	(4)	(51)	15	2,398
Specific tools	2,226	326	(34)	(63)	139	2,594
Machinery and other tools	2,480	46	(1)	(75)	87	2,537
Fixed assets leased to customers	1,368	660	(392)	6	55	1,697
Other tangibles	90	39	(2)	(3)	4	128
Construction in progress(1)	1,514	2	20	(31)	(251)	1,254
Net values	**10,801**	**960**	**(420)**	**(219)**	**49**	**11,171**

(1) Items classified as "construction in progress" are transferred to completed asset categories via the "acquisitions/ depreciation and impairment" column.
(2) Depreciation and impairment of assets leased to customers (vehicles and batteries) amounts to €245 million at December 31, 2015 (€232 million at December 31, 2014).
(3) Depreciation and impairment in 2015 include impairment of €32 million mainly on vehicles and components (note 6-B), compared to €92 million of impairment in 2014.

Changes during 2014 in property, plant and equipment were as follows:

(€ million)	GROSS VALUE	DEPRECIATION AND IMPAIRMENT	NET VALUE
Value at December 31, 2013	**34,630**	**(23,657)**	**10,973**
Acquisitions/(depreciation and impairment)	2,396	(1,918)	478
(Disposals)/reversals	(1,323)	914	(409)
Translation adjustments	(199)	1	(198)
Change in scope of consolidation and other	(9)	(34)	(43)
Value at December 31, 2014	**35,495**	**(24,694)**	**10,801**

NOTE 11

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 €51 million was booked during 2015 (€138 million at December 31, 2014), primarily against capitalized development expenses.

Apart from the 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 2015, no cash-generating unit representing an economic entity (plant or subsidiary) was subjected to an impairment test, as there were no indications of impairment in the various combined economic units that make up the Group.

An impairment test was carried out on the Automotive segment, as is the case every year.

The recoverable value used for the purpose of impairment tests for the Automotive segment is the value in use, determined under the discounted future cash flow method on the basis of the following assumptions:

	2015	2014
Business plan duration	3 years	3 years
Forecast sales volumes over the projected horizon (units)	3,703,000	3,520,000
Growth rate to infinity	1.8%	1.8%
After-tax discount rate	8.3%	8.8%

In 2015 as in 2014, no impairment was recognized on assets included in the Automotive segment as a result of the impairment test.

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 400,000 units (325,000 units in 2014);
- the after-tax discount rate must not exceed 18% (16.4% in 2014).

With a growth rate to infinity close to zero, the conclusions of the test are unaffected.

NOTE 12

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, 2015, Renault occupied two of the nine seats on Nissan's Board of Directors (unchanged since December 31, 2014);
- 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.

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 31st. 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 0.7% of its own treasury shares at December 31, 2015. Consequently, Renault's percentage interest in Nissan is 43.7% and Renault holds 43.4% of voting rights in Nissan (unchanged since December 31, 2014).

C – Changes in the investment in Nissan as shown in Renault's statement of financial position

(€ million)	SHARE IN NET ASSETS – BEFORE NEUTRALIZATION	SHARE IN NET ASSETS – NEUTRALIZATION PROPORTIONAL TO NISSAN'S INVESTMENT IN RENAULT(1)	SHARE IN NET ASSETS – Net	GOODWILL	TOTAL
At December 31, 2014	**16,170**	**(974)**	**15,196**	**637**	**15,833**
2015 net income	1,976	-	1,976	-	1,976
Dividend distributed	(547)	-	(547)	-	(547)
Translation adjustment	1,313	-	1,313	70	1,383
Other changes(2)	(74)	-	(74)	-	(74)
At December 31, 2015	**18,838**	**(974)**	**17,864**	**707**	**18,571**

(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 and the change in Nissan treasury shares.

D – Changes in Nissan equity restated for the purposes of the Renault consolidation

(¥ billion)	DECEMBER 31, 2014	2014 NET INCOME	DIVIDENDS	TRANSLATION ADJUSTMENT	OTHER CHANGES(1)	DECEMBER 31, 2015
Shareholders' equity – Parent company shareholders' share under Japanese GAAP	**4,710**	**572**	**(157)**	**(160)**	**(30)**	**4,935**
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations	2	(26)	-	-	(4)	(28)
Capitalization of development expenses	603	24	-	-	1	628
Deferred taxes and other restatements	(139)	33	-	12	(9)	(103)
Net assets restated for compliance with IFRS	**5,176**	**603**	**(157)**	**(148)**	**(42)**	**5,432**
Restatements for Renault group requirements(2)	198	3	(11)	16	13	219
Net assets restated for Renault group requirements	**5,374**	**606**	**(168)**	**(132)**	**(29)**	**5,651**
(€ million)						
Net assets restated for Renault group requirements	**37,002**	**4,522**	**(1,251)**	**3,008**	**(164)**	**43,117**
Renault's percentage interest	43.7%	-	-	-	-	43.7%
Renault's share (before neutralization effect described below)	16,170	1,976	(547)	1,313	(74)	18,838
Neutralization of Nissan's investment in Renault(3)	(974)	-	-	-	-	(974)
RENAULT'S SHARE IN THE NET ASSETS OF NISSAN	**15,196**	**1,976**	**(547)**	**1,313**	**(74)**	**17,864**

(1) 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 and the change in Nissan treasury shares.

(2) 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 under the equity method.

(3) Nissan has held 44,358 thousand Renault shares in Renault since 2002, an ownership interest of about 15%.

E – Nissan net income under Japanese GAAP

Since Nissan's financial year ends at March 31st, the Nissan net income included in the 2015 Renault consolidation is the sum of Nissan's net income for the final quarter of its 2014 financial year and the first three quarters of its 2015 financial year.

	JANUARY TO MARCH 2015		APRIL TO JUNE 2015		JULY TO SEPTEMBER 2015		OCTOBER TO DECEMBER 2015		JANUARY TO DECEMBER 2015	
	FOURTH QUARTER OF NISSAN'S 2014 FINANCIAL YEAR		FIRST QUARTER OF NISSAN'S 2015 FINANCIAL YEAR		SECOND QUARTER OF NISSAN'S 2015 FINANCIAL YEAR		THIRD QUARTER OF NISSAN'S 2015 FINANCIAL YEAR		REFERENCE PERIOD FOR RENAULT'S 2015 CONSOLIDATED FINANCIAL STATEMENTS	
	(¥ billion)	(€ million)*	(¥ billion)	(€ million)*	(¥ billion)	(€ million)*	(¥ billion)	(€ million)*	(¥ billion)	(€ million)
Net income – Parent company shareholders' share	119	887	153	1,141	173	1,272	127	957	572	4,256

* Converted at the average exchange rate for each quarter.

F – Nissan financial information under IFRS

The table below presents Nissan financial information, restated under IFRS for the purposes of the Renault consolidation, for the period January 1st – December 31st of 2015 and 2014. 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 under the equity method.

	2015		2014	
	(¥ billion)	(€ million)(1)	(¥ billion)	(€ million)(2)
Revenues	12,066	89,808	11,189	79,705
Net income				
Parent company shareholders' share	603	4,488	502	3,569
Non-controlling interests' share	28	212	22	164
Other components of comprehensive income				
Parent company shareholders' share	(188)	(1,396)	238	1,703
Non-controlling interests' share	(7)	(54)	22	149
Comprehensive income				
Parent company shareholders' share	415	3,092	740	5,272
Non-controlling interests' share	21	158	44	313
Dividends received from Nissan	73	547	62	432

	DECEMBER 31, 2015		DECEMBER 31, 2014	
	(¥ billion)	(€ million)(1)	(¥ billion)	(€ million)(2)
Non-current assets	7,494	57,175	7,481	51,511
Current assets	10,928	83,375	9,863	67,913
TOTAL ASSETS	**18,422**	**140,550**	**17,344**	**119,424**
Shareholders' equity				
Parent company shareholders' share	5,432	41,455	5,176	35,626
Non-controlling interests' share	407	3,094	395	2,734
Non-current liabilities	5,303	40,462	5,783	39,819
Current liabilities	7,280	55,539	5,990	41,245
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**18,422**	**141,550**	**17,344**	**119,424**

(1) *Converted at the average exchange rate for 2015 i.e. 134.4 JPY = 1 EUR for income statement items, and at the December 31, 2015 rate i.e. 131.1 JPY = 1 EUR for financial position items.*
(2) *Converted at the average exchange rate for 2014, i.e. 140.4 JPY = 1 EUR for income statement items, and at the December 31, 2014 rate i.e. 145.2 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, 2015, the corresponding hedging operations totalled ¥146 billion (€1,114 million), comprising ¥21 billion (€160 million) of private placements on the EMTN market and ¥125 billion (€954 million) in bonds issued directly in yen on the Japanese Samurai bond market.

During 2015, these operations generated unfavourable foreign exchange differences of €103 million (favourable difference of €8 million in 2014). The net unfavourable effect of €18 million after deferred taxes is recorded in the Group's translation adjustment reserve (note 18-E).

H – Valuation of Renault's investment in Nissan at stock market prices

Based on the quoted price at December 31, 2015 of ¥1,279.5 per share, Renault's investment in Nissan is valued at €19,153 million (€14,280 million at December 31, 2014 based on the price of ¥1,057 per share).

I – Operations between the Renault group and the Nissan group

Renault and Nissan follow joint strategies for vehicle and component development, purchasing, production and distribution resources. On April 1, 2014 the two companies also launched a project to converge four key functions: Engineering, Manufacturing and Supply Chain Management, Purchasing and Human Resources. This cooperation is reflected in synergies that reduce costs, particularly in the support functions and sales to Nissan.

The Automotive segment is involved in operations with Nissan on two levels:

- industrial production: cross-over production of vehicles and components in the Alliance's manufacturing plants:
  - sales by the Renault group to the Nissan group in 2015 totalled approximately €3,650 million (€2,500 million in 2014), comprising around €2,100 million for vehicles (€800 million in 2014), €1,500 million for components (€1,500 million in 2014), and €50 million for services (€200 million in 2014). The increase is mainly driven by sales of vehicles made by Renault Samsung Motors for Nissan North America,
  - purchases by the Renault group from the Nissan group in 2015 totalled approximately €1,300 million (€1,900 million in 2014), comprising around €750 million of vehicles (€1,500 million in 2014), €450 million of components (€350 million in 2014), and €100 million of services (€50 million in 2014),
  - the balance of Renault group receivables on the Nissan group is €344 million at December 31, 2015 (€263 million at December 31, 2014) and the balance of Renault group liabilities to the Nissan group is €512 million at December 31, 2015 (€342 million at December 31, 2014);
- finance: In addition to its activity for Renault, Renault Finance acts as the Nissan group's counterparty in financial instruments trading to hedge foreign exchange, interest rate and commodity risks. Renault Finance undertook approximately €19.7 billion of forex transactions on the foreign exchange market for Nissan in 2015 (€20.4 billion in 2014). Operations undertaken with Nissan on foreign exchange, interest rate and commodity derivatives are recorded at market price and included in the positions managed by Renault Finance. In the balance sheet, the derivative assets on the Nissan group amount to €225 million at December 31, 2015 (€364 million at December 31, 2014) and derivative liabilities amount to €76 million at December 31, 2015 (€16 million at December 31, 2014).

Renault's Sales Financing segment helps to attract customers and build loyalty to Nissan brands through a range of financing products and services incorporated into the sales policy, principally in Europe. In 2015, RCI Banque recorded €147 million of service revenues in the form of commission and interest received from Nissan (€156 million at December 31, 2014). The balance of Sales financing receivables on the Nissan group is €69 million at December 31, 2015 (€37 million at December 31, 2014) and the balance of liabilities is €193 million at December 31, 2015 (€207 million at December 31, 2014).

The Alliance partners hold investments in associates and joint ventures that manage their cooperation. Details of these entities' activity and location, and the Renault group's influence over them, are given in note 13.

NOTE 13

INVESTMENTS IN OTHER ASSOCIATES AND JOINT VENTURES

Details of investments in other associates and joint ventures are as follows in the Group's financial statements:

- consolidated income statement

(€ million)	2015	2014
Share in net income (loss) of other associates and joint ventures	**(605)**	**(197)**
AVTOVAZ	(620)	(182)
Other associates accounted for under the equity method	9	(25)
Joint ventures accounted for under the equity method	6	10

- consolidated statement of financial position

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Investments in other associates and joint ventures	**785**	**887**
AVTOVAZ	91	249
Other associates accounted for under the equity method	373	340
Joint ventures accounted for under the equity method	321	298

A – AVTOVAZ consolidated financial statements included under the equity method in the Renault consolidation

The Russian automaker AVTOVAZ's financial year-end is December 31st. For the purposes of the Renault consolidation, given the existing time constraints for production of financial information, the accounts of AVTOVAZ were previously consolidated with a 3-month time-lag. This no longer applies as of December 31, 2015. In application of paragraph 34 of IAS 28, Investments in associates and joint ventures, this change is analyzed as a change in accounting policies that entails restatement of prior year results, in order to include the AVTOVAZ net income from January 1st to December 31st in each year. The impacts on the financial statements as published for 2014 are as follows:

(€ million)	FINANCIAL STATEMENTS AS PUBLISHED IN 2014	2014 FINANCIAL STATEMENTS MODIFIED FOLLOWING THE END OF 3-MONTH TIME LAG	CONSEQUENCES OF THE END OF THE 3-MONTH TIME LAG ON THE 2014 FINANCIAL STATEMENTS
Renault group consolidated income statement and comprehensive income			
Share in net income of associates - AVTOVAZ	(182)	(167)	15
Share of associates in other components of comprehensive income - AVTOVAZ			
Items that will be reclassified subsequently to profit or loss – translation adjustment	(187)	(185)	2
Comprehensive income - AVTOVAZ	(369)	(352)	17
Renault group consolidated statement of financial position			
Investment in associates – AVTOVAZ	249	239	(10)
Translation adjustments	(295)	(293)	2
Reserves	(307)	(334)	(27)
Net income – parent company shareholders' share	(182)	(167)	15
Equity – parent company shareholders' share	(784)	(794)	(10)

A1 Changes in the value of Renault's investment in AVTOVAZ as reported in the assets in Renault's statement of financial position

In accordance with the partnership agreement signed in December 2012, a joint venture named Alliance Rostec Auto B.V. was created to group all the interests in AVTOVAZ owned by Renault, Nissan and Russian Technologies. Alliance Rostec Auto B.V. has held 74.51% of the capital and voting rights at the Shareholders' Meetings of AVTOVAZ since March 2013.

Since June 2014, Renault has held 50%, less one share, of the capital and the voting rights at Shareholders' Meetings and Board of Directors' Meetings of Alliance Rostec Auto B.V.

Renault's percentage interest in AVTOVAZ, through the entity Alliance Rostec Auto B.V., is therefore 37.25% as of December 31, 2015, the same as at December 31, 2014.

AVTOVAZ's Board of Directors consists of 8 members nominated for appointment by Renault and Nissan (4 members nominated by Renault, 2 nominated by Nissan and 2 nominated jointly by Renault and Nissan) and 7 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, 2015, Renault occupies 4 seats on the Board (unchanged since December 31, 2014).

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. Strategic and operating decisions must be approved by a majority shareholder vote.

In 2015 and 2014, the Russian economy was confronted with a certain number of obstacles. Following the conflict in Ukraine, the economy was affected by international sanctions, declining oil and gas prices, a significant drop in exchange rates in the final quarters of 2014 and 2015, and rising interest rates. This situation had a negative impact on the automobile market, reflected in a marked downturn in demand and shrinkage of the Russian market by more than 35% in 2015 (42% in the final quarter of 2015 alone), despite the government support measures introduced in the fourth quarter of 2014, which have continued and were reinforced in early 2016.

The table below reports consolidated figures for Alliance Rostec Auto B.V. and the AVTOVAZ group.

(€ million)	SHARE IN NET ASSETS & OTHER LONG-TERM INTERESTS	GOODWILL	IMPAIRMENT	TOTAL
At December 31, 2014 restated[(1)]	**194**	**45**	**-**	**239**
Net loss 2015[(2)]	(395)	-	(225)	(620)
Translation adjustment	28	(5)	34	57
Loans and receivables included in the long-term net investment[(3)]	415	-	-	415
At December 31, 2015[(4)]	**242**	**40**	**(191)**	**91**

(1) The closing figures in roubles at December 31, 2014 were converted into euros using the exchange rate of December 31, 2014, i.e. 72.337 RUB = 1 EUR. As the AVTOVAZ accounts are now included in the Group's financial statements without any three-month time lag, the December 31, 2014 figures previously published for AVTOVAZ have been restated so that the 2015 financial year covers the dates January 1st – December 31st. The impacts of this change of accounting policies are presented in the introduction to this note.

(2) The share in net income of AVTOVAZ has been calculated by applying a 37.25% interest to the net income of 2015.

(3) The loans by Renault in 2012 and 2013, with book value of €100 million at December 31, 2015, do not benefit from any specific guarantee. Renault also has trade receivables amounting to €315 million at December 31, 2015 (€38 million of receivables in Euros, and €277 million in roubles, or 22,370 million roubles). In view of AVTOVAZ's financial position, Renault has decided to leave the corresponding funds at the disposal of AVTOVAZ for an indeterminate period, and intends to use them in a future capital restructuring of the AVTOVAZ Group. Settlement of these financial assets is therefore neither planned nor likely to occur, and as a result they are considered substantially as an extension of the net investment in the AVTOVAZ group, in compliance with IAS 28, Investments in associates and joint ventures, and thus reclassified as investments accounted for under the equity method.

(4) The closing figures in roubles at December 31, 2015 were converted using the exchange rate of December 31, 2015, i.e. 80.6736 RUB = 1 EUR. Negative accumulated translation adjustments amount to (€235) million. They would be transferred to net income notably in the event of a future takeover.

A2 Changes in AVOTVAZ and Alliance Rostec Auto B.V. shareholders' equity restated for the purposes of the Renault consolidation

(€ million)	JANUARY 1, 2015 RESTATED[(1)]	NET LOSS FOR 2015	TRANSLATION ADJUSTMENT AND OTHER CHANGES	DECEMBER 31, 2015[(2)]
Shareholders' equity of AVTOVAZ – parent company shareholders' share	477	(1,037)	74	(486)
Restatements for Renault group requirements[(3)]	44	(24)	1	21
Net assets of AVTOVAZ restated for Renault group requirements	**521**	**(1,061)**	**75**	**(465)**
Share in AVTOVAZ held by Alliance Auto Rostec B.V. (74.51%)	388	(791)	56	(347)
Restated net assets of Alliance Auto Rostec B.V.	388	(791)	56	(347)
Share in Alliance Rostec Auto B.V. held by Renault				
Renault's percentage interest	50% -1 share			50% -1 share
Renault's share	194	(395)	28	(173)
Goodwill on acquisitions of shares in AVTOVAZ and Alliance Rostec Auto B.V.	**45**	**-**	**(5)**	**40**
Impairment loss on AVTOVAZ shares	-	(225)	34	(191)
Reclassification of loans and receivables as investments accounted for under the equity method[(4)]	-	-	415	415
RENAULT'S SHARE IN THE NET ASSETS OF AVTOVAZ AND *GOODWILL*	**239**	**(620)**	**472**	**91**

(1) As the AVTOVAZ accounts are now included in the Group's financial statements without any three-month time lag, the January 1, 2015 figures previously published for AVTOVAZ have been restated so that the 2015 financial year covers the dates January 1st – December 31st. The impacts of this change of accounting policies are presented in the introduction to this note.

(2) The closing figures in roubles at December 31, 2015 were converted using the exchange rate of December 31, 2015, i.e. 80.6736 RUB = 1 EUR.

(3) Restatements for Renault group requirements mainly correspond to valuation of intangible assets (the Lada brand).

(4) The loans by Renault in 2012 and 2013, with book value of €100 million at December 31, 2015, do not benefit from any specific guarantee. Renault also has trade receivables amounting to €315 million at December 31, 2015 (€38 million of receivables in euros, and €277 million in roubles, or 22,370 million roubles). In view of AVTOVAZ's financial position, Renault has decided to leave the corresponding funds at the disposal of AVTOVAZ for an indeterminate period, and intends to use them in a future capital restructuring of the AVTOVAZ Group. Settlement of these financial assets is therefore neither planned nor likely to occur, and as a result they are considered substantially as an extension of the net investment in the AVTOVAZ group, in compliance with IAS 28, Investments in associates and joint ventures, and thus reclassified as investments accounted for under the equity method

A3 AVTOVAZ financial information under IFRS

AVTOVAZ's published financial information under IFRS for 2015 and 2014 (year ended December 31st), is summarized below:

	2015		2014	
	(in millions of roubles)	(€ million)(1)	(in millions of roubles)	(€ million)(2)
Revenues	176,482	2,595	191,728	3,759
Operating margin	**(24,828)**	**(365)**	**(10,040)**	**(197)**
Other operating income and expenses	(41,990)	(618)	(4,686)	(92)
Operating income (loss)	**(66,818)**	**(983)**	**(14,726)**	**(289)**
Net income	(73,851)	(1,086)	(25,050)	(491)
Parent company shareholders' share	(73,940)	(1,087)	(25,111)	(492)
Non-controlling interests' share	89	1	61	1
Other components of comprehensive income	203	3	211	4
Parent company shareholders' share	203	3	211	4
Non-controlling interests' share	-	-	-	-
Comprehensive income	(73,648)	(1,083)	(24,839)	(487)
Parent company shareholders' share	(73,754)	(1,085)	(24,900)	(488)
Non-controlling interests' share	106	2	61	1
Dividends received from AVTOVAZ	-	-	-	-

	DECEMBER 31, 2015		DECEMBER 31, 2014	
	(in millions of roubles)	(€ million)(1)	(in millions of roubles)	(€ million)(2)
Non-current assets	87,744	1,088	109,667	1,516
Cash & cash equivalents	4,987	62	8,798	122
Other current assets (including assets held for sale)	42,542	527	46,231	639
TOTAL ASSETS	**135,273**	**1,677**	**164,696**	**2,277**
Shareholders' equity				
Parent company shareholders' share	(39,202)	(486)	34,552	477
Non-controlling interests' share	475	6	369	5
Non-current financial liabilities	48,893	606	29,116	402
Other non-current liabilities	9,798	121	9,033	125
Current financial liabilities(3)	44,864	556	39,482	546
Other current liabilities (including liabilities related to assets held for sale)	70,445	874	52,144	722
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**135,273**	**1,677**	**164,696**	**2,277**

	DECEMBER 31, 2015		DECEMBER 31, 2014	
	(in millions of roubles)	(€ million)(1)	(in millions of roubles)	(€ million)(2)
Cash flows from operating activities	(1,846)	(27)	10,716	210
Cash flows from investing activities	(26,084)	(384)	(19,410)	(380)
Including: acquisitions/ disposals of property, plant and equipment, and intangibles	*(25,426)*	*(374)*	*(18,528)*	*(363)*
Cash flows from financing activities and translation adjustment	24,119	355	14,108	276
Increase (decrease) in cash and cash equivalents	**(3,811)**	**(56)**	**5,414**	**106**

(1) Converted at the average exchange rate for January to December 2015, i.e. 68.005 RUB = 1 EUR for income statement items and the exchange rate at December 31, 2015, i.e. 80.6736 RUB = 1 EUR for balance sheet items. The AVTOVAZ income statement used for equity method accounting of the AVTOVAZ group in the Renault group's financial statements is converted at the average exchange rate for each quarter, applied to the income statements for the corresponding quarters.

(2) Converted at the average exchange rate for 2014 i.e 51.0112 RUB = 1 EUR for income statement items and the exchange rate at December 31, 2014 i.e. 72.337 RUB = 1 EUR for balance sheet items.

(3) Including 24,394 million roubles at December 31, 2015 of long-term financial debts reclassified as short-term debts due to non-compliance with the associated covenants (22,347 million roubles at December 31, 2014).

A4 Impairment test of the investment in AVTOVAZ

Following the impairment test carried out on December 31, 2015, it was determined that the recoverable value at that date of the Group's investment in AVTOVAZ, a listed company held through the joint venture Alliance Rostec Auto B.V., corresponded to its fair value indicated by its stock market price. This is a level 1 fair value (unadjusted stock market value). In accordance with IAS 28, Investments in associates and joint ventures, and IAS 36, Impairment, the Group took the higher of the fair value net of selling costs, and value in use, which was substantially affected in the second half of 2015 by the lower forecasts of net income (loss) and cash flows in future years.

A5 Valuation of Renault's investment in AVTOVAZ at stock market prices

Based on AVTOVAZ's stock market share price at December 31, 2015, Renault's 37.25% investment in AVTOVAZ is valued at €91 million or 7,315 million roubles converted at the year-end rate of 80.6736 RUB = 1 EUR (€90 million for 37.25% of the capital at December 31, 2014).

At December 31, 2015, the stock market value is equal to AVTOVAZ's value in the assets of Renault's financial position (it was 64% lower at December 31, 2014).

A6 Operations between the Renault group and the AVTOVAZ group

The Renault group continued to provide technical assistance to AVTOVAZ for several vehicle, engine and gearbox projects implemented by the Renault-Nissan Alliance and AVTOVAZ, and for assembly of the B0 platform shared by AVTOVAZ, Renault and Nissan. Consulting services are also provided by Renault in areas such as purchasing, quality and IT. In 2015, the Renault group invoiced €45 million to AVTOVAZ for this technical assistance (€56 million in 2014).

Following the start of vehicle production on the B0 platform, Renault supplied AVTOVAZ with parts required for assembly for a total amount of €426 million in 2015 (€529 million in 2014).

Production of Renault vehicles began on this platform in March 2014. AVTOVAZ delivered vehicles worth a total of €356 million to Renault in 2015 (€360 million in 2014).

Renault's investment in the B0 platform is recorded in property, plant and equipment for an amount of €150 million in 2015 (12,086 million roubles), including €58 million for production of a new engine (€161 million or 11,616 million roubles at December 31, 2014).

The amount of Renault's trade receivables on AVTOVAZ at December 31, 2015 is €315 million. As stated in notes 13-A1 and 13-A2, these receivables are now considered as an extension of the net investment in AVTOVAZ, and this amount has therefore been reclassified as investments accounted for under the equity method at December 31, 2015.

The total amount of loans by the Group to AVTOVAZ is €100 million at December 31, 2015 (€111 million at December 31, 2014). These loans are now considered as an extension of the net investment in AVTOVAZ, and have therefore been reclassified as investments accounted for under the equity method at December 31, 2015.

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

NAME	COUNTRY OF LOCATION	MAIN ACTIVITY	PERCENTAGE OWNERSHIP AND VOTING RIGHTS HELD BY THE GROUP	
			DECEMBER 31, 2015	DECEMBER 31, 2014
Entities under significant influence				
Automotive				
Boone Comenor	France	Metal trading	33	33
Motorlu Araclar Imal ve Satis A.S (MAIS)	Turkey	Automotive sales	49	49
Renault-Nissan Automotive India Private Limited (RNAIPL)	India	Vehicle manufacturing	30	30
Renault South Africa	South Africa	Automotive import	40	40
Sales financing				
RN Bank	Russia	Automotive sales financing	30	30
BARN B.V.	Netherlands	Holding company	30	30
Nissan Renault Financial Services India Private Limited	India	Automotive sales financing	30*	-
Joint ventures				
Automotive				
Renault Algérie Production	Algeria	Vehicle manufacturing	49	49
Dongfeng Renault Automotive Company	China	Automaker	50	50
Indra Investissements	France	Dismantling of end-of-life vehicles	50	50
Sales financing				
Renault Credit Car	Belgium	Automotive sales financing	50	50
RN SF B.V.	Netherlands	Holding company	50	50
Orfin Finansman Anonim Sirketi	Turkey	Automotive sales financing	50	50

* *First consolidated in 2015.*

B2 Cumulative financial information on associates accounted for under the equity method

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Investments in associates	373	339
Share in income (loss) of associates	9	(25)
Share of associates in other components of comprehensive income	3	(14)
Share of associates in comprehensive income	12	(39)

B3 Cumulative financial information on joint ventures accounted for under the equity method

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Investments in joint ventures	321	298
Share in income (loss) of joint ventures	6	10
Share of joint ventures in other components of comprehensive income	17	23
Share of joint ventures in comprehensive income	23	33

NOTE 14
INVENTORIES

	DECEMBER 31, 2015			DECEMBER 31, 2014		
(€ million)	GROSS VALUE	IMPAIRMENT	NET VALUE	GROSS VALUE	IMPAIRMENT	NET VALUE
Raw materials and supplies	1,254	(227)	1,027	1,028	(207)	821
Work in progress	234	(1)	233	171	(1)	170
Used vehicles	1,090	(95)	995	912	(79)	833
Finished products and spare parts	2,026	(153)	1,873	1,696	(129)	1,567
TOTAL	**4,604**	**(476)**	**4,128**	**3,807**	**(416)**	**3,391**

NOTE 15
SALES FINANCING RECEIVABLES

A – Sales financing receivables by nature

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Dealership receivables	7,627	7,489
Financing for end-customers	16,723	14,478
Leasing and similar operations	4,915	4,458
Gross value	**29,265**	**26,425**
Impairment	(660)	(692)
Net value	**28,605**	**25,733**

Details of fair value are given in note 24-A.

B – Assignments and assets pledged as guarantees for management of the liquidity reserve

B1 Assignments of sales financing assets

	DECEMBER 31, 2015		DECEMBER 31, 2014	
(€ million)	BALANCE SHEET VALUE	FAIR VALUE	BALANCE SHEET VALUE	FAIR VALUE
Assigned receivables carried in the balance sheet	8,835	8,793	7,724	7,901
Associated liabilities	2,776	2,793	3,635	3,670

The Sales Financing segment has undertaken several public securitization operations and several conduit financing operations (in Germany, Brazil, France, Italy and the United Kingdom) involving loans to final customers and receivables on the dealership network. Both types of operation are conducted through special purpose vehicles. Some public operations were subscribed by RCI Banque, which makes it possible to have securities eligible as collateral for the European Central Bank.

The receivables assigned though such operations are not derecognized, 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.

B2 Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, Sales financing had provided guarantees to the Banque de France (under France's central collateral management system 3G (*Gestion Globale des Garanties*) in the form of assets with book value of €4,655 million at December 31, 2015 (€2,850 million at December 31, 2014). These guarantees comprise €4,028 million in the form of shares in securitization vehicles and €627 million in sales financing receivables (€2,452 million of shares in securitization vehicles and €398 million in sales financing receivables at December 31, 2014). The funding provided by the Banque de France against these guarantees amounts to €1,500 million at 31st December 2015 (€550 million at December 31, 2014). All the assets provided as guarantees to the Banque de France remain in the balance sheet.

C – Sales financing receivables by maturity

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
-1 year	15,710	15,058
1 to 5 years	12,678	10,546
+5 years	217	129
TOTAL SALES FINANCING RECEIVABLES, NET	**28,605**	**25,733**

D – Breakdown of overdue sales financing receivables (gross values)

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Receivables for which impairment has been recognized*: overdue by	**386**	**424**
0 to 90 days	*32*	*39*
90 to 180 days	*44*	*44*
More than 180 days	*310*	*341*
Receivables for which no impairment has been recognized: overdue by	**202**	**169**
0 to 90 days	*202*	*169*
More than 90 days	*-*	*-*

* *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 irrevocable 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 €523 million at December 31, 2015 (€469 million at December 31, 2014).

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, 2014	**(692)**
Impairment recorded during the year	(341)
Reversals for use of impairment	235
Reversals of unused residual amounts	126
Translation adjustment and other	12
Impairment at December 31, 2015	**(660)**

Net credit losses amounted to €90 million in 2015 (€99 million in 2014).

NOTE 16
AUTOMOTIVE RECEIVABLES

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Gross value	2,009	2,007
Impairment	(747)*	(765)*
AUTOMOTIVE RECEIVABLES, NET	**1,262**	**1,242**

* *Including (€701) million related to Iran at December 31, 2015 and (€724) million at December 31, 2014 (note 6-C).*

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, 2015.

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 Automotive sales revenues.

Details of fair value are given in note 24-A.

NOTE 17

OTHER CURRENT AND NON-CURRENT ASSETS

(€ million)	DECEMBER 31, 2015 NON-CURRENT	DECEMBER 31, 2015 CURRENT	DECEMBER 31, 2015 TOTAL	DECEMBER 31, 2014 NON-CURRENT	DECEMBER 31, 2014 CURRENT	DECEMBER 31, 2014 TOTAL
Prepaid expenses	143	263	406	134	266	400
Tax receivables (excluding current taxes due)	400	1,284	1,684	410	1,008	1,418
Current taxes due*	-	62	62	-	38	38
Other receivables	543	1,107	1,650	538	1,031	1,569
Investments in controlled unconsolidated entities	45	-	45	70	-	70
Derivatives on operating transactions of the Automotive segment	-	39	39	-	4	4
Derivatives on financing transactions of the Sales Financing segment	-	375	375	-	298	298
TOTAL	**1,131**	**3,130**	**4,261**	**1,152**	**2,645**	**3,797**
Gross value	*1,221*	*3,242*	*4,463*	*1,247*	*2,761*	*4,008*
Impairment	*(90)*	*(112)*	*(202)*	*(95)*	*(116)*	*(211)*

* *Current taxes due are reported separately in the consolidated financial position (4.2.3).*

Tax receivables (excluding current taxes due) do not include French tax receivables assigned outside the Group (the "CIR" Research Tax Credit and "CICE" Competitive employment tax credit), when substantially all the risks and benefits associated with ownership of the receivables are transferred. In the case of tax receivables, assignment only gives rise derecognition if the risk of dilution is deemed to be non-existent, notably when the assigned receivables have already been subject to a tax inspection or preliminary audit.

The total amount of tax receivables assigned and derecognized at December 31, 2015 is €148 million, comprising €99 million in CIR receivables and €49 million in CICE receivables (€239 million at December 31, 2014, comprising €203 million in CIR receivables and €36 million in CICE receivables). The total amount of tax receivables assigned that remain in the balance sheet at December 31, 2015 is €32 million (€75 million at December 31, 2014).

On December 18, 2015 the Renault group announced that it had acquired a majority investment in the British company Lotus F1 Team Limited from Gravity Motorsports S.a.r.l., a subsidiary of Genii Capital.

This investment, representing 90% of the capital and 100% of the voting rights, was purchased for 1 pound sterling, and the net worth at the acquisition date under UK GAAP was estimated at around £(13) million. The company is included in investments in controlled unconsolidated entities at December 31, 2015. Consolidation of Lotus F1 Team Limited would have had a non-material impact on the Renault group's consolidated income statement and financial position at December 31, 2015.

NOTE 18

SHAREHOLDERS' EQUITY

A – Share capital

The total number of ordinary shares issued and fully paid-up at December 31, 2015 is 295,722 thousand, with par value of €3.81 per share (unchanged compared to December 31, 2014).

Treasury shares do not bear dividends. They account for 1.21% of Renault's share capital at December 31, 2015 (0.86% at December 31, 2014).

The Nissan group holds 15% of Renault through its wholly-owned subsidiary Nissan Finance Co. Ltd (no voting rights are attached to these shares).

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. 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 amount of shareholders' equity. Net financial 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 Automotive segment presents a net liquidity position at December 31, 2015 and December 31, 2014 (note 4.2.6.1-A4).

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) is 15.64% at December 31, 2015 (14.90% at December 31, 2014).

The Group also partially hedges its investment in Nissan (note 12-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 and performance share plans awarded to Group managers and executives.

	DECEMBER 31, 2015	DECEMBER 31, 2014
Total value of treasury shares (€ million)	227	134
Total number of treasury shares	3,573,737	2,555,993

D – Distributions

At the General and Extraordinary Shareholders' Meeting of April 30, 2015, it was decided to distribute a dividend of €1.90 per share representing a total amount of €555 million (€1.72 per share or a total of €503 million in 2014). This dividend was paid during May.

E – Translation adjustment

The change in translation adjustment over the year is analysed as follows:

(€ million)	2015	2014
Change in translation adjustment on the value of the investment in Nissan	1,383	619
Impact, net of tax, of partial hedging of the investment in Nissan (note 12-G)	(18)	63
Total change in translation adjustment related to Nissan	**1,365**	**682**
Other changes in translation adjustment	(220)	(271)
TOTAL CHANGE IN TRANSLATION ADJUSTMENT	**1,145**	**411**

In 2015 and 2014, other changes in the translation adjustment mostly resulted from movements in the Russian rouble and the Korean won.

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, 2014(1)	**(59)**	**762(2)**	**703**
Changes in fair value recorded in shareholders' equity	14	177	191
Transfer from shareholders' equity to profit and loss(3)	8	(12)	(4)
At December 31, 2015(1)	**(37)**	**927(2)**	**890**

(1) For the schedule of amounts related to cash flow hedges transferred from shareholders' equity to profit and loss, see note F(3) below.
(2) The revaluation reserve partly relates to Daimler shares (note 22-A).
(3) For a breakdown of the amounts related to cash flow hedges transferred from shareholders' equity to profit and loss, see note F(2) below.

F2 Breakdown of the amounts related to cash flow hedges transferred from the financial instrument revaluation reserve to the income statement

(€ million)	2015	2014
Operating margin	16	3
Other operating income and expenses	-	-
Net financial income (expense)	-	-
Share in net income of associates and joint ventures	-	8
Current and deferred taxes	(8)	-
TOTAL TRANSFERRED TO THE INCOME STATEMENT FOR CASH FLOW HEDGES	**8**	**11**

F3 Schedule of amounts related to cash flow hedges transferred from the financial instruments revaluation reserve to the income statement

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Within one year	(9)	(1)
After one year	7	(32)
Revaluation reserve for cash flow hedges excluding associates and joint ventures	***(2)***	***(33)***
Revaluation reserve for cash flow hedges – associates and joint ventures	(35)	(26)
TOTAL REVALUATION RESERVE FOR CASH FLOW HEDGES	**(37)**	**(59)**

This schedule is based on the contractual maturities of hedged cash flows.

G – Stock option and performance share plans and other share-based payments

The Board of Directors periodically awards performance shares to Group executives and managers, with prices and exercise periods specific to each plan. Until 2012, it also periodically granted stock options, each with their own vesting and required holding periods. All plans include performance conditions which determine the number of options or performance shares granted to beneficiaries. Loss of the benefit of stock options or performance shares follows the applicable regulations: all options and rights are forfeited in the event of resignation or termination, and a decision is made for each individual case when an employee leaves at the company's instigation.

The Board of Directors also decided that some of the Chairman and CEO's variable remuneration for a given year would be converted into shares that will vest subject to conditions of performance and continued employment at Renault. The first application is for the variable remuneration based on 2013 results.

G1 Changes in the number of stock options and share rights held by personnel

	STOCK OPTIONS			
	QUANTITY	WEIGHTED AVERAGE EXERCISE PRICE (€)	WEIGHTED AVERAGE SHARE PRICE AT GRANT AND EXERCISE DATES (€)	SHARE RIGHTS
Options outstanding and rights not yet vested at January 1, 2015	**1,024,830**	**37**	**-**	**1,504,362**
Granted	-	-	-	1,450,625
Options exercised or vested rights	(308,038)[(1)]	-	49[(2)]	(115,095)[(3)]
Options and rights expired and other adjustments	-	-	N/A	(8,642)
Options outstanding and rights not yet vested at December 31, 2015	**716,792**	**37**	**-**	**2,831,250**

(1) Stock options exercised in 2015 were granted under plans 18 and 19 in 2011.
(2) Price at which the shares were acquired by the Group to cover future options.
(3) Performance shares vested were awarded under plans 18 bis and 19 bis in 2011.

G2 Stock options

For plans current in 2015, options attributed vest after a period of 4 years, and the exercise period then covers the 4 following years:

PLAN	TYPE OF PLAN	GRANT DATE	EXERCISE PRICE (€)	OUTSTANDING AT DECEMBER 31, 2015	EXERCISE PERIOD
Plan 18	Stock purchase options	April 29, 2011	38.80	183,574	April 30, 2015 – April 28, 2019
Plan 19	Stock purchase options	December 8, 2011	26.87	137,000	December 9, 2015 – December 7, 2019
Plan 20	Stock purchase options	December 13, 2012	37.43	396,218	December 13, 2016 – December 12, 2020
TOTAL				**716,792**	

G3 Performance share plans and other share-based payments agreements

Vesting and minimum holding periods are different depending on whether beneficiaries are French tax residents or tax residents of other countries, in order to take account of local tax constraints.

The vesting period for performance shares awarded to French tax residents is 3 years followed by a minimum holding period of 2 years.

For non-French tax residents, the vesting period is 4 years and there is no minimum holding period.

PLAN	TYPE OF PLAN	GRANT DATE	SHARE RIGHTS AWARDED AT DECEMBER 31, 2015	VESTING DATE	HOLDING PERIOD
Plan 18 bis	Performance shares	April 29, 2011	-	April 30, 2015[1]	None
Plan 19 bis	Performance shares	December 8, 2011	-	December 8, 2015[1]	None
Plan 20 bis	Performance shares	December 13, 2012	74,966	December 13, 2016	None
Plan 21[2]	Performance shares	February 12, 2014	976,485 332,559	February 12, 2017 February 12, 2018	February 12, 2017 – February 12, 2019 None
Plan 22[2]	Performance shares	February 11, 2015	1,050,265 396,975	February 11, 2018 February 11, 2019	February 11, 2018 – February 11, 2020 None
TOTAL			**2,831,250**		

(1) The performance shares concerned by these plans were issued to beneficiaries in 2015.
(2) These figures include shares awarded as part of the Chairman and CEO's performance-related remuneration.

H – Share-based payments

Share-based payments exclusively concern stock options and performance shares awarded to personnel and shares awarded as part of the Chairman and CEO's performance-related remuneration.

The plans have been valued by the methods described in the accounting policies (note 2-R). The main details are as follows:

PLAN	INITIAL VALUE (thousands of €)	UNIT FAIR VALUE	EXPENSE FOR 2015 (€ million)	EXPENSE FOR 2014 (€ million)	SHARE PRICE AT GRANT DATE (€)	VOLATILITY	INTEREST RATE	EXERCISE PRICE (€)	DURATION OF OPTION	DIVIDEND PER SHARE (€)
Plan 18	3,422	9.31	(1)	(1)	36.70	37.28%	2.28%	38.80	4-8 years	0.30 – 1.16
Plan 18 bis	28,711	31.04	-	(6)	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	-	(1)	34.18	N/A	1.68%	N/A	2-4 years	1.17 – 1.73
Plan 20	2,708	6.87	(1)	(1)	40.39	35%	0.71%	37.43	4-8 years	1.57 – 2.19
Plan 20 bis	21,767	36.38	(1)	(10)	43.15	N/A	0.87%	N/A	2-4 years	1.57 – 1.97
Plan 21*	38,702 13,653	53.63 55.03	(16) (4)	(10) (3)	65.76 65.61	N/A N/A	0.20% 0.19%	N/A N/A	3-5 years 4 years	1.72 – 1.97 1.72 – 1.97
Plan 22*	51,509 19,138	66.51 65.19	(15) (4)	- -	78.75 76.58	N/A N/A	-0.10% -0.03%	N/A N/A	3-5 years 4 years	1.90 – 2.22 1.90 – 2.22
TOTAL			**(42)**	**(32)**						

* *For these plans, free shares were awarded at different dates within the stated period. The figures also include shares awarded as part of the Chairman and CEO's performance-related remuneration. The information reported may correspond to weighted averages based on quantities awarded per grant date.*

4

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, 2015	DECEMBER 31, 2014	2015	2014	DECEMBER 31, 2015	DECEMBER 31, 2014	2015	2014
Automotive									
Renault Samsung Motors	Korea	20%	20%	41	35	179	149	(13)	-
Oyak Renault Otomobil Fabrikalari	Turkey	49%	49%	55	32	253	229	(32)	(32)
Other	N/A	N/A	N/A	6	5	37	30	(1)	(3)
TOTAL AUTOMOTIVE		**-**	**-**	**102**	**72**	**469**	**408**	**(46)**	**(35)**
Sales financing									
Companhia de Arrendamento Mercantil RCI do Brasil*	Brazil	40%	40%	10	11	-	-	-	-
Companhia de Credito, Financiamento e Investimento RCI do Brasil*	Brazil	40%	40%	12	15	-	-	(16)	(13)
Rombo Compania Financiera*	Argentina	40%	40%	10	8	-	-	-	-
Other	N/A	N/A	N/A	3	2	13	14	(3)	(4)
TOTAL – SALES FINANCING		**-**	**-**	**35**	**36**	**13**	**14**	**(19)**	**(17)**
TOTAL		**-**	**-**	**137**	**108**	**482**	**422**	**(65)**	**(52)**

* *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 €143 million for the two Brazilian subsidiaries and €29 million for the Argentinian subsidiary at December 31, 2015 (€175 million and €28 million respectively at December 31, 2014). 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, 2015	DECEMBER 31, 2014
Automotive				
Renault-Nissan Technology and Business Centre India Private Limited (RNTBCI)*	India	Shared service centre	67	67

* *The Group holds 50% of voting rights in the Indian company RNTBCI.*

NOTE 19

PROVISIONS FOR PENSIONS AND OTHER LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS

A – 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 €588 million in 2015 (€566 million in 2014).

Defined-benefit plans

The accounting treatment of defined-benefit plans is described in note 2-S, 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, Turkey…;
- supplementary pensions providing employees with contractual income; the countries applying this type of plan are in Europe (e.g. 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 it 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.

In Korea, due to a coming change in pension regulations, the defined-benefit retirement indemnity plan has been converted to a defined-contribution plan and outsourced for external management. This change and payment of the corresponding amounts took place in late 2015, and concerns approximately 4,070 people.

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 for France are entirely covered by provisions, and account for most of the Group's liabilities for retirement 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 1,850 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, a rise in inflation, 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 £32 million at April 5, 2015 (£18 million at September 30, 2014).

B – Main actuarial assumptions used to calculate provisions and other data for the most significant plans

	DECEMBER 31, 2015	
MAIN ACTUARIAL ASSUMPTIONS AND ACTUAL DATA FOR THE GROUP'S RETIREMENT INDEMNITIES IN FRANCE	RENAULT S.A.S.	OTHERS
Retirement age	60 to 65 years	52 to 67 years
Discount rate*	1.91%	1.15% to 2.24%
Salary increase rate	2.70%	1.00% to 3.00%
Duration of plan	13 years	9 to 20 years
Gross obligation	€1,044 million	€156 million

* *The rates used to value the Group's obligations in France vary 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.*

	DECEMBER 31, 2015	
MAIN ACTUARIAL ASSUMPTIONS AND ACTUAL DATA FOR THE GROUP'S SUPPLEMENTARY PENSIONS IN THE UK	AUTOMOTIVE	SALES FINANCING
Financial discount rate*	3.90%	3.95%
Salary increase rate	2.00%	3.05%
Duration of plan	20 years	24 years
Actual return on fund assets	1.00%	0.40%
Gross obligation	€298 million	€27 million
Fair value of assets invested via pension funds	€280 million	€25 million

* *The discount rate was determined on the basis of the Mercer Yield Curve.*

C – Net expense for the year

(€ million)	2015	2014
Current service cost	105	100
Past service cost and (gain)/loss on settlement	(12)	8
Net interest on the net liability (asset)	34	45
Effects of workforce adjustment measures	(1)	-
Net expense (income) for the year recorded in the income statement	**126**	**153**

D – Detail of balance sheet provision

D1 Breakdown of the balance sheet provision

	DECEMBER 31, 2015		
(€ million)	PRESENT VALUE OF THE OBLIGATION	FAIR VALUE OF FUND ASSETS	NET DEFINED-BENEFIT LIABILITY (ASSET)
Retirement and termination indemnities			
France	1,200	-	1,200
Europe (excluding France)	15	-	15
Americas	2	-	2
Eurasia[1]	51	-	51
Asia - Pacific	2	-	2
Africa - Middle East - India	1	-	1
TOTAL RETIREMENT AND TERMINATION INDEMNITIES	**1,271**	**-**	**1,271**
Supplementary pensions			
France	93	(45)	48
United Kingdom	326	(305)	21
Europe (excluding France and the UK)[2]	240	(160)	80
Asia - Pacific	2	-	2
Americas	5	-	5
TOTAL SUPPLEMENTARY PENSIONS	**666**	**(510)**	**156**
Other long-term benefits			
France[3]	167	-	167
Americas	4	-	4
Europe (excluding France)	2	-	2
TOTAL OTHER LONG-TERM BENEFITS	**173**	**-**	**173**
TOTAL[4]	**2,110**	**(510)**	**1,600**

(1) Essentially Romania and Turkey.
(2) Essentially Germany, the Netherlands and Switzerland.
(3) Flexible holiday entitlements, additional career-end leave and long-service awards.
(4) Total net liability due within one year: €50 million; total net liability due after one year: €1,550 million.

D2 Schedule of amounts related to net defined benefit liability

	DECEMBER 31, 2015				
(€ million)	-1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	+10 YEARS	TOTAL
Present value of obligation	60	344	463	1,243	2,110
Fair value of plan assets	(10)	(57)	(69)	(374)	(510)
Net defined benefit liability (asset)	50	287	394	869	1,600

The weighted average duration of plans is 14 years at December 31, 2015 (13 years at December 31, 2014).

E – Changes in obligations, fund assets and the provision

(€ million)	PRESENT VALUE OF THE OBLIGATION (A)	FAIR VALUE OF FUND ASSETS (B)	NET DEFINED-BENEFIT LIABILITY (ASSET) (A)+(B)
Balance at December 31, 2014	**2,268**	**(518)**	**1,750**
Current service cost	105	-	105
Past service cost and gain/ loss on liquidation	(12)	-	(12)
Net interest on the net liability (asset)	51	(17)	34
Effects of workforce adjustment measures	(1)	-	(1)
Net expense (income) for 2015 recorded in the income statement (note 19-C)	**143**	**(17)**	**126**
Actuarial gains and losses on the obligation resulting from changes in demographic assumptions	(17)	-	(17)
Actuarial gains and losses on the obligation resulting from changes in financial assumptions	(48)	-	(48)
Actuarial gains and losses on the obligation resulting from experience effects	8	-	8
Net return on fund assets (not included in net interest above)	-	7	7
Net expense (income) for 2015 recorded in other components of comprehensive income	**(57)**	**7**	**(50)**
Employers' contributions to funds	-	(11)	(11)
Employees' contributions to funds	-	(3)	(3)
Benefits paid under the plan	(152)	26	(126)
Benefits paid upon liquidation of a plan*	(112)	17	(95)
Effect of changes in exchange rates	31	(25)	6
Effect of changes in scope of consolidation	(11)	14	3
Balance at December 31, 2015	**2,110**	**(510)**	**1,600**

* *Due to a coming change in regulations, Korea has ended its defined-benefit retirement indemnity plan, which was essentially self-funded (note 19-A).*

Accumulated actuarial gains and losses, net of tax (excluding the associates' share) recorded in other components of comprehensive income amounted to an expense of €615 million at December 31, 2015 (an expense of €624 million at December 31, 2014).

A 50 base point decrease in discount rates used for each plan would result in a €155 million increase in the amount of obligations at December 31, 2015 (€155 million increase at December 31, 2014).

4

F – Fair value of fund assets

Details of the assets invested via pension funds and insurance companies are as follows:

	DECEMBER 31, 2015		
(€ million)	ASSETS LISTED ON ACTIVE MARKETS	UNLISTED ASSETS	TOTAL
Pension funds			
Cash and cash equivalents	1	-	1
Shares	80	-	80
Bonds	194	-	194
Shares in mutual funds and other	32	3	35
TOTAL - PENSION FUNDS	**307**	**3**	**310**
Insurance companies			
Cash and cash equivalents	16	1	17
Shares	5	-	5
Bonds	143	19	162
Real estate property	12	2	14
Shares in mutual funds and other	-	2	2
TOTAL – INSURANCE COMPANIES	**176**	**24**	**200**
TOTAL	**483**	**27**	**510**

Pension fund assets mainly relate to plans located in the United Kingdom (59.8%). Insurance contracts principally concern Germany (5.0%), France (8.9%), the Netherlands (18.6%) and Switzerland (6.6%). The actual returns on plan assets in the United Kingdom are shown in note 19-B.

The weighted average actual rate of return on the Group's main funds was 1.57% in 2015 (7.82% in 2014).

At the date of this report, the best estimate of contributions that will be payable to the funds in 2016 is approximately €13 million.

The Group's pension fund assets do not include Renault group financial instruments. Real estate investments do not include real estate properties occupied by the Group.

NOTE 20
CHANGE IN PROVISIONS

(€ million)	RESTRUCTURING PROVISIONS	WARRANTY PROVISIONS	TAX RISKS AND LITIGATION PROVISIONS	INSURANCE ACTIVITIES[(1)]	OTHER PROVISIONS	TOTAL
At December 31, 2014	**491**	**807**	**425**	**233**	**372**	**2,328**
Increases	117	446	86	95	78	822
Reversals of provisions for application	(205)	(446)	(76)	(22)	(65)	(814)
Reversals of unused balance of provisions	(17)	(31)	(43)	-	(32)	(123)
Changes in scope of consolidation	-	-	-	-	-	-
Translation adjustments and other changes	-	(8)	(37)	-	7	(38)
At December 31, 2015[(2)]	**386**	**768**	**355**	**306**	**360**	**2,175**

(1) Mainly technical reserves established by the sales financing activity's insurance companies.
(2) Short-term portion of provisions: €997 million; long-term portion provisions: €1,178 million.

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. The Group was not involved in any significant new litigation in 2015.

Increases to restructuring provisions essentially comprise the effect of workforce adjustment measures in Europe (note 6-A).

At December 31, 2015, the "other provisions" item includes €16 million of provisions established in application of environmental regulations (€15 million at December 31, 2014). 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 €5 million for depollution of a commercial land belonging to Renault Retail Group (€4 million at December 31, 2014).

NOTE 21
OTHER CURRENT AND NON-CURRENT LIABILITIES

	DECEMBER 31, 2015			DECEMBER 31, 2014		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Tax liabilities (excluding current taxes due)	56	954	1,010	109	1,015	1,124
Current taxes due	-	219	219	-	162	162
Social liabilities	21	1,313	1,334	19	1,358	1,377
Other liabilities	219	4,693	4,912	257	4,264	4,521
Deferred income	989	879	1,868	819	754	1,573
Derivatives on operating transactions of the Automotive segment	-	6	6	-	2	2
TOTAL	**1,285**	**8,064**	**9,349**	**1,204**	**7,555**	**8,759**

Other liabilities mainly correspond to deferred income recorded in connection with sales contracts including a buy-back commitment (€418 million at December 31, 2015 and €512 million at December 31, 2014).

The Group is subject to a greenhouse gas emission quota system in the European Union and Korea. In 2015, greenhouse gas emissions were higher than the quotas allocated in Europe and Korea, and the Group recorded a corresponding expense of €0.7 million in 2015.

4.2.6.5 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, 2015			DECEMBER 31, 2014		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Investments in non-controlled entities	1,372	-	1,372	1,233	-	1,233
Marketable securities and negotiable debt instruments	-	614	614	-	785	785
Loans	31	658	689	139	280	419
Derivatives on financing operations by the Automotive segment	75	488	563	309	465	774
TOTAL FINANCIAL ASSETS	**1,478**	**1,760**	**3,238**	**1,681**	**1,530**	**3,211**
Gross value	*1,479*	*1,762*	*3,241*	*1,682*	*1,535*	*3,217*
Impairment	*(1)*	*(2)*	*(3)*	*(1)*	*(5)*	*(6)*
Cash equivalents	-	5,153	5,153	-	4,385	4,385
Cash on hand and bank deposits	-	8,980	8,980	-	8,112	8,112
TOTAL CASH AND CASH EQUIVALENTS	**-**	**14,133**	**14,133**	**-**	**12,497**	**12,497**

Information on the counterparty risks associated with financial assets and cash and cash equivalents is provided in note 25-B6.

B – Investments in non-controlled entities

Investments in non-controlled entities include €1,276 million (€1,134 million at December 31, 2014) 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, 2015, the stock market price (€77.58 per share) was higher than the acquisition price (€35.52 per share). The corresponding increase in fair value over the year, amounting to €142 million, is recorded in other components of comprehensive income for 2015 (€99 million in 2014).

Investments in non-controlled entities also include €62 million at December 31, 2015 (€57 million at December 31, 2014) paid to the Fund for the Future of the Automobile (*Fonds Avenir Automobile* – FAA), previously named the Modernization Fund for Automotive Equipment Manufacturers (*Fonds de Modernisation des Equipementiers Automobiles* - FMEA). Under the support plan for these suppliers introduced by the French authorities and automakers, Renault has made a commitment to pay a total of €200 million as funds are called. The outstanding amount for Renault at December 31, 2015 is €71 million.

The fair value of these securities is determined by reference to the most recent net asset value reported by the FAA's management company, after adjustment for any relevant information that becomes known afterwards.

C – Cash not available to the Group's parent company

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.

Limited access to the US Dollar restricted the level of international payments by Group subsidiaries located in Argentina until mid-December 2015, when a partial lifting of exchange controls was promulgated. The cash held by these entities amounts to €167 million at December 31, 2015 (€292 million at December 31, 2014).

Some current bank accounts held by the Sales Financing Securitization Fund are used to increase credit on securitized receivables, and consequently act as guarantees in the event of default on payment of receivables (note 15-B1). These current bank accounts amount to €446 million at December 31, 2015 (€479 million at December 31, 2014).

NOTE 23

FINANCIAL LIABILITIES AND SALES FINANCING DEBTS

A – Current/non-current breakdown

	DECEMBER 31, 2015			DECEMBER 31, 2014		
(€ million)	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT	TOTAL
Renault SA redeemable shares	431	-	431	350	-	350
Bonds	4,038	1,617	5,655	4,870	1,417	6,287
Other debts represented by a certificate	-	567	567	-	223	223
Borrowings from credit institutions (at amortized cost)	753	1,459	2,212	1,344	1,052	2,396
Other interest-bearing borrowings	411	97	508	426	70	496
Financial liabilities of the Automotive segment (excluding derivatives)	**5,633**	**3,740**	**9,373**	**6,990**	**2,762**	**9,752**
Derivatives on financing operations of the Automotive segment	62	403	465	282	454	736
Total financial liabilities of the Automotive segment	**5,695**	**4,143**	**9,838**	**7,272**	**3,216**	**10,488**
Diac redeemable shares	12	-	12	11	-	11
Bonds	-	13,025	13,025	-	11,935	11,935
Other debts represented by a certificate	-	4,353	4,353	254	4,490	4,744
Borrowings from credit institutions	-	2,934	2,934	-	2,660	2,660
Other interest-bearing borrowings	-	10,360	10,360	-	6,654	6,654
Total financial liabilities and debts of the Sales Financing segment (excluding derivatives)	**12**	**30,672**	**30,684**	**265**	**25,739**	**26,004**
Derivatives on financing operations of the Sales Financing segment	-	68	68	-	89	89
Total financial liabilities of the Sales Financing segment including derivatives	**12**	**30,740**	**30,752**	**265**	**25,828**	**26,093**
TOTAL FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT	**5,707**	**34,883**	**40,590**	**7,537**	**29,044**	**36,581**

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 2015 (€17 million for 2014), is included in interest expenses. These shares are listed on the Paris Stock Exchange. They traded for €540 at December 31, 2015 and €439 million at December 31, 2014 for par value of €153, leading to a corresponding €80 million adjustment (€37 million in 2014) 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 of the Automotive segment

In 2015, Renault SA redeemed bonds for a total amount of €1,403 million, and undertook a private placement under its EMTN programme (7 billion yen and 4-year maturity), and a public bond issue as part of the "Shelf Registration" programme (70 billion yen and 3-year maturity).

Changes in debts of the Sales Financing segment

In 2015, RCI Banque group redeemed bonds for a total of €2,640 million, and issued new bonds totalling €3,814 million and maturing between 2016 and 2022.

New savings collected rose by €3,700 million in 2015 (including €1,470 million of term deposits) to reach €10,234 million classified as other interest-bearing borrowings. After France, Germany and Austria, in May 2015 RCI Banque launched savings products in the United Kingdom.

Credit lines

At December 31, 2015, Renault SA had confirmed credit lines opened with banks worth €3,305 million (€3,210 million at December 31, 2014). These credit lines were unused at December 31, 2015 (and at December 31, 2014).

Also, at December 31, 2015, the Sales Financing segment's confirmed credit lines opened in several currencies with banks amounted to €4,482 million (€4,803 at December 31, 2014). The short-term portion amounted to €439 million at December 31, 2015 (€1,005 million at December 31, 2014). These credit lines were unused at December 31, 2015 and 2014.

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 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, 2015.

No contractual flows are reported for Renault and Diac redeemable shares as they have no fixed redemption date.

B1 Financial liabilities of the Automotive segment

	DECEMBER 31, 2015							
(€ 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)								
2007	10	10	-	10	-	-	-	-
2010	500	500	-	500	-	-	-	-
2011	506	500	500	-	-	-	-	-
2012	1,101	1,098	249	849	-	-	-	-
2013	1,046	1,005	106	-	899	-	-	-
2014	1,739	1,732	541	691	-	-	-	500
2015	684	682	96	-	533	53	-	-
Accrued interest, expenses and premiums	69	60	60	-	-	-	-	-
TOTAL BONDS	**5,655**	**5,587**	**1,552**	**2,050**	**1,432**	**53**	**-**	**500**
Other debts represented by a certificate	567	567	567	-	-	-	-	-
Borrowings from credit institutions	2,212	2,195	1,441	255	257	130	112	-
Other interest-bearing borrowings	508	600	94	28	36	35	34	373
TOTAL OTHER FINANCIAL LIABILITIES	**3,287**	**3,362**	**2,102**	**283**	**293**	**165**	**146**	**373**
Future interest on bonds and other financial liabilities	**-**	**493**	**123**	**160**	**64**	**24**	**21**	**101**
Redeemable shares	**431**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives on financing operations	**465**	**465**	**403**	**22**	**19**	**14**	**7**	**-**
TOTAL FINANCIAL LIABILITIES OF THE AUTOMOTIVE SEGMENT	**9,838**	**9,907**	**4,180**	**2,515**	**1,808**	**256**	**174**	**974**

The portion of financial liabilities of the Automotive segment maturing within one year breaks down as follows:

	DECEMBER 31, 2015			
(€ million)	CONTRACTUAL FLOWS MATURING WITHIN 1 YEAR	-1 MONTH	1-3 MONTHS	3 MONTHS -1 YEAR
Bonds	1,552	1	3	1,548
Other financial liabilities	2,102	553	384	1,165
Future interest on bonds and other financial liabilities	123	3	52	68
Derivatives on financing operations	403	72	53	278
TOTAL FINANCIAL LIABILITIES MATURING WITHIN 1 YEAR	**4,180**	**629**	**492**	**3,059**

B2 Financial liabilities and debts of the Sales Financing segment

(€ million)	DECEMBER 31, 2015							
	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 RCI Banque (year of issue)								
2010	701	700	700	-	-	-	-	-
2011	1,226	1,109	1,109	-	-	-	-	-
2012	939	947	219	728	-	-	-	-
2013	2,788	2,701	994	116	1,591	-	-	-
2014	3,431	3,405	160	1,763	16	948	-	518
2015	3,772	3,766	235	752	994	31	1,000	754
Accrued interest, expenses and premiums	168	198	198	-	-	-	-	-
TOTAL BONDS	**13,025**	**12,826**	**3,615**	**3,359**	**2,601**	**979**	**1,000**	**1,272**
Other debts represented by a certificate	4,353	4,359	2,012	780	1,504	60	3	-
Borrowings from credit institutions	2,934	2,933	956	221	1,641	50	65	-
Other interest-bearing borrowings	10,360	10,360	8,596	979	475	223	87	-
TOTAL OTHER FINANCIAL LIABILITIES	**17,647**	**17,652**	**11,564**	**1,980**	**3,620**	**333**	**155**	**-**
Future interest on bonds and other financial liabilities	**-**	**944**	**235**	**316**	**175**	**66**	**38**	**114**
Redeemable shares	**12**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivative liabilities on financing operations	**68**	**33**	**25**	**7**	**(3)**	**1**	**3**	**-**
TOTAL FINANCIAL LIABILITIES AND DEBTS OF THE SALES FINANCING SEGMENT	**30,752**	**31,455**	**15,439**	**5,662**	**6,393**	**1,379**	**1,196**	**1,386**

The portion of financial liabilities and debts of the Sales Financing segment maturing within one year breaks down as follows:

(€ million)	DECEMBER 31, 2015			
	CONTRACTUAL FLOWS MATURING WITHIN 1 YEAR	-1 MONTH	1-3 MONTHS	3 MONTHS -1 YEAR
Bonds	3,615	785	902	1,928
Other financial liabilities	11,564	8,158	1,065	2,341
Future interest on bonds and other financial liabilities	235	18	24	193
Derivative liabilities on financing operations	25	-	-	25
TOTAL FINANCIAL LIABILITIES MATURING WITHIN 1 YEAR	**15,439**	**8,961**	**1,991**	**4,487**

NOTE 24
FINANCIAL INSTRUMENTS BY LEVEL, FAIR VALUE AND IMPACT ON NET INCOME

A – Financial instruments by category and fair value by level

IAS 39 standard defines 4 categories of financial instrument:

- Financial assets at fair value through profit or loss, comprising assets held for trading and assets designated from the outset as carried at fair value through profit or loss;
- Held-to-maturity investments;
- Loans and receivables carried at amortized cost;
- Available-for-sale financial assets, comprising all financial instruments not included in any of the above categories.

The following breakdown by level of fair value 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.

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.

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 2015, 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.

		DECEMBER 31, 2015								
		BALANCE SHEET VALUE						FAIR VALUE LEVEL OF FINANCIAL ASSETS AT FAIR VALUE		
FINANCIAL ASSETS AS DEFINED BY IAS 39 (€ million)	NOTES	HELD FOR TRADING	INITIALLY DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	HEDGING DERIVATIVES	AVAILABLE FOR SALE	LOANS AND RECEIVABLES	FAIR VALUE OF FINANCIAL ASSETS AT AMORTIZED COST	LEVEL 1	LEVEL 2	LEVEL 3
Loans	22	-	-	-	-	689	[1]			
Sales financing receivables	15	-	-	-	-	28,605	28,633[2]			
Automotive customer receivables	16	-	-	-	-	1,262	[1]			
Tax receivables (including current taxes due)	17	-	-	-	-	1,746	[1]			
Other receivables and prepaid expenses	17	-	-	-	-	2,056	[1]			
Cash equivalents	22	-	-	-	-	4,965	[1]			
Cash	22	-	-	-	-	8,980	[1]			
TOTAL FINANCIAL ASSETS RECORDED AT AMORTIZED COST		**-**	**-**	**-**	**-**	**48,303**				
Marketable securities and negotiable debt instruments	22	-	-	-	614	-		614	-	-
Investments in non-controlled entities	22	-	-	-	1,372	-		1,276	-	96
Investments in unconsolidated controlled entities	17	-	-	-	45	-		-	-	45
Derivatives on financing operations of the Automotive segment	22	-	-	-	-	-		-	-	-
Derivatives on operating transactions of the Automotive segment	17	-	-	38	-	-		-	38	-
Derivatives on financing operations of the Sales Financing segment	17	-	-	88	-	-		-	88	-
Financial assets at fair value through equity		**-**	**-**	**126**	**2,031**	**-**		**1,890**	**126**	**141**
Derivatives on financing operations of the Automotive segment	22	524	-	39	-	-		-	563	-
Derivatives on operating transactions of the Automotive segment	17	1	-	-	-	-		-	1	-
Derivatives on financing operations of the Sales Financing segment	17	45	-	242	-	-		-	287	-
Cash equivalents	22	18	-	-	170	-		188	-	-
Financial assets at fair value through profit and loss		**588**	**-**	**281**	**170**	**-**		**188**	**851**	**-**
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE		**588**	**-**	**407**	**2,201**	**-**		**2,078**	**977**	**141**

(1) The Group does not report the fair value of financial assets such as trade receivables of the Automotive segment, because their book value is a reasonable approximation of their fair value.

(2) The fair value of sales financing receivables 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.

		DECEMBER 31, 2014								
		BALANCE SHEET VALUE						FAIR VALUE LEVEL OF FINANCIAL ASSETS AT FAIR VALUE		
FINANCIAL ASSETS AS DEFINED BY IAS 39 (€ million)	NOTES	HELD FOR TRADING	INITIALLY DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	HEDGING DERIVATIVES	AVAILABLE FOR SALE	LOANS AND RECEIVABLES	FAIR VALUE OF FINANCIAL ASSETS AT AMORTIZED COST	LEVEL 1	LEVEL 2	LEVEL 3
Loans	22	-	-	-	-	419	[1]			
Sales financing receivables	15	-	-	-	-	25,733	25,864[2]			
Automotive customer receivables	16	-	-	-	-	1,242	[1]			
Tax receivables (including current taxes due)	17	-	-	-	-	1,456	[1]			
Other receivables and prepaid expenses	17	-	-	-	-	1,969	[1]			
Cash equivalents	22	-	-	-	-	4,256	[1]			
Cash	22	-	-	-	-	8,112	[1]			
TOTAL FINANCIAL ASSETS RECORDED AT AMORTIZED COST		**-**	**-**	**-**	**-**	**43,187**				
Marketable securities and negotiable debt instruments	22	-	-	-	785	-		785	-	-
Investments in non-controlled entities	22	-	-	-	1,233	-		1,134	-	99
Investments in unconsolidated controlled entities	17	-	-	-	70	-		-	-	70
Derivatives on financing operations of the Automotive segment	22	-	-	1	-	-		-	1	-
Derivatives on operating transactions of the Automotive segment	17	-	-	3	-	-		-	3	-
Derivatives on financing operations of the Sales Financing segment	17	-	-	74	-	-		-	74	-
Financial assets at fair value through equity		**-**	**-**	**78**	**2,088**	**-**		**1,919**	**78**	**169**
Derivatives on financing operations of the Automotive segment	22	701	-	72	-	-		-	773	-
Derivatives on operating transactions of the Automotive segment	17	-	-	1	-	-		-	1	-
Derivatives on financing operations of the Sales Financing segment	17	36	-	188	-	-		-	224	-
Cash equivalents	22	-	-	-	129	-		129	-	-
Financial assets at fair value through profit and loss		**737**	**-**	**261**	**129**	**-**		**129**	**998**	**-**
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE		**737**	**-**	**339**	**2,217**	**-**		**2,048**	**1,076**	**169**

(1) The Group does not report the fair value of financial assets such as trade receivables of the Automotive segment, because their book value is a reasonable approximation of their fair value.

(2) The fair value of sales financing receivables 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.

FINANCIAL LIABILITIES AS DEFINED BY IAS 39 (€ million)	NOTES	DECEMBER 31, 2015 – BALANCE SHEET VALUE: HELD FOR TRADING	INITIALLY DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	HEDGING DERIVATIVES	OTHER FINANCIAL LIABILITIES	FAIR VALUE OF FINANCIAL LIABILITIES AT AMORTIZED COST	FAIR VALUE LEVEL OF FINANCIAL LIABILITIES AT FAIR VALUE: LEVEL 1	LEVEL 2	LEVEL 3
Tax liabilities (including current taxes due)	21	-	-	-	1,229	(1)			
Social liabilities	21	-	-	-	1,334	(1)			
Other liabilities and deferred income	21	-	-	-	6,780	(1)			
Trade payables	21	-	-	-	8,296	(1)			
Bonds*	23	-	-	-	18,680	18,734(2)			
Other debts represented by a certificate*	23	-	-	-	4,920	4,936(2)			
Borrowings from credit institutions*	23	-	-	-	5,146	5,139(2)			
Other interest-bearing borrowings*	23	-	-	-	10,868	10,863(2)			
TOTAL FINANCIAL LIABILITIES RECORDED AT AMORTIZED COST		**-**	**-**	**-**	**57,253**	**39,672**			
** Financial liabilities and debts of the Automotive segment*					8,942	8,938			
Financial liabilities and debts of the Sales Financing segment					30,672	30,734			
Derivatives on financing operations of the Automotive segment	23	-	-	4	-		-	4	-
Derivatives on financing operations of the Sales Financing segment	23	-	-	20	-		-	20	-
Derivatives on operating transactions of the Automotive segment	21	-	-	6	-		-	6	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH EQUITY		**-**	**-**	**30**	**-**		**-**	**30**	**-**
Redeemable shares (Renault & Diac)	23	-	443	-	-		443	-	-
Derivatives on financing operations of the Automotive segment	23	461	-	-	-		-	461	-
Derivatives on financing operations of the Sales Financing segment	23	28	-	20	-		-	48	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		**489**	**443**	**20**	**-**		**443**	**509**	**-**
TOTAL FINANCIAL LIABILITIES RECORDED AT FAIR VALUE		**489**	**443**	**50**	**-**		**443**	**539**	**-**

(1) The Group does not report the fair value of financial liabilities such as trade payables, tax liabilities and social liabilities, because their book value is a reasonable approximation of their fair value

(2) The fair value of financial liabilities and sales financing debts measured at amortized cost is essentially determined by discounting future cash flows at rates offered to Renault at December 31, 2015 and 2014 for loans with similar conditions and maturities. The rates offered 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.

		DECEMBER 31, 2014							
		BALANCE SHEET VALUE					FAIR VALUE LEVEL OF FINANCIAL LIABILITIES AT FAIR VALUE		
FINANCIAL LIABILITIES AS DEFINED BY IAS 39 (€ million)	NOTES	HELD FOR TRADING	INITIALLY DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	HEDGING DERIVATIVES	OTHER FINANCIAL LIABILITIES	FAIR VALUE OF FINANCIAL LIABILITIES AT AMORTIZED COST	LEVEL 1	LEVEL 2	LEVEL 3
Tax liabilities (including current taxes due)	21	-	-	-	1,286	[1]			
Social liabilities	21	-	-	-	1,377	[1]			
Other liabilities and deferred income	21	-	-	-	6,094	[1]			
Trade payables	21	-	-	-	7,094	[1]			
Bonds*	23	-	-	-	18,222	18,877[2]			
Other debts represented by a certificate*	23	-	-	-	4,967	5,001[2]			
Borrowings from credit institutions*	23	-	-	-	5,056	5,108[2]			
Other interest-bearing borrowings*	23	-	-	-	7,150	7,169[2]			
TOTAL FINANCIAL LIABILITIES RECORDED AT AMORTIZED COST		**-**	**-**	**-**	**51,246**	**36,155**			
** Financial liabilities and debts of the Automotive segment*					9,402	9,838			
Financial liabilities and debts of the Sales Financing segment					25,993	26,317			
Derivatives on financing operations of the Automotive segment	23	-	-	4	-		-	4	-
Derivatives on financing operations of the Sales Financing segment	23	-	-	15	-		-	15	-
Derivatives on operating transactions of the Automotive segment	21	-	-	2	-		-	2	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH EQUITY		**-**	**-**	**21**	**-**		**-**	**21**	**-**
Redeemable shares (Renault & Diac)	23	-	361	-	-		361	-	-
Derivatives on financing operations of the Automotive segment	23	732	-	-	-		-	732	-
Derivatives on financing operations of the Sales Financing segment	23	39	-	35	-		-	74	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS		**771**	**361**	**35**	**-**		**361**	**806**	**-**
TOTAL FINANCIAL LIABILITIES RECORDED AT FAIR VALUE		**771**	**361**	**56**	**-**		**361**	**827**	**-**

(1) The Group does not report the fair value of financial liabilities such as trade payables, tax liabilities and social liabilities, because their book value is a reasonable approximation of their fair value

(2) The fair value of financial liabilities and sales financing debts measured at amortized cost is essentially determined by discounting future cash flows at rates offered to Renault at December 31, 2015 and 2014 for loans with similar conditions and maturities. The rates offered 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.

B – Changes in Level 3 financial instruments

Level 3 financial instruments amounted to €141 million at December 31, 2015 (€169 million at December 31, 2014). They decreased by €28 million over the year, principally due to the first consolidation under the equity method of Nissan Renault Financial Services India Ltd, the bank's holding company that carries the Alliance's sales financing business in India, and the sale of a minority shareholding.

C – Impact of financial instruments on net income

2015 (€ million)	FINANCIAL ASSETS OTHER THAN DERIVATIVES: INSTRUMENTS HELD FOR TRADING	FINANCIAL ASSETS OTHER THAN DERIVATIVES: AVAILABLE-FOR-SALE INSTRUMENTS	FINANCIAL ASSETS OTHER THAN DERIVATIVES: LOANS AND RECEIVABLES	FINANCIAL LIABILITIES OTHER THAN DERIVATIVES: INSTRUMENTS DESIGNATED AS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS	FINANCIAL LIABILITIES OTHER THAN DERIVATIVES: INSTRUMENTS MEASURED AT AMORTIZED COST*	DERIVATIVES	TOTAL IMPACT ON NET INCOME
Operating margin	2	1	88	(1)	(168)	(3)	(81)
Net financial income (expenses)	43	52	208	(99)	(472)	47	(221)
IMPACT ON NET INCOME - AUTOMOTIVE SEGMENT	**45**	**53**	**296**	**(100)**	**(640)**	**44**	**(302)**
Operating margin	-	8	1,300	(2)	(955)	182	533
IMPACT ON NET INCOME - SALES FINANCING SEGMENT	**-**	**8**	**1,300**	**(2)**	**(955)**	**182**	**533**
TOTAL GAINS (LOSSES) WITH IMPACT ON NET INCOME	**45**	**61**	**1,596**	**(102)**	**(1,595)**	**226**	**231**

* *Including financial liabilities subject to fair value hedges.*

For the Automotive segment, the impact of financial instruments on the operating margin mainly corresponds to foreign exchange gains and losses on operating transactions, and impairment of operating receivables.

D – Fair value hedges

(€ million)	2015	2014
Change in fair value of the hedging instrument	46	(109)
Change in fair value of the hedged item	(42)	100
Net impact on net income of fair value hedges	**4**	**(9)**

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-X.

NOTE 25
DERIVATIVES AND MANAGEMENT OF FINANCIAL RISKS

A – Derivatives and netting agreements

A1 Fair value of derivatives

The fair value of derivatives corresponds to their balance sheet value.

DECEMBER 31, 2015 (€ million)	FINANCIAL ASSETS		OTHER ASSETS	FINANCIAL LIABILITIES AND SALES FINANCING DEBTS		OTHER LIABILITIES
	NON-CURRENT	CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Cash flow hedges	-	-	38	-	-	-
Fair value hedges	-	-	191	-	19	-
Net investment hedge in Nissan	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	36	444	46	34	403	-
TOTAL FOREIGN EXCHANGE RISK	**36**	**444**	**275**	**34**	**422**	**-**
Cash flow hedges	-	-	88	4	20	-
Fair value hedges	7	32	51	-	1	-
Derivatives not classified as hedges and derivatives held for trading	32	12	-	24	28	-
TOTAL INTEREST RATE RISK	**39**	**44**	**139**	**28**	**49**	**-**
Cash flow hedges	-	-	-	-	-	6
Fair value hedges	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	-	-	-	-	-	-
TOTAL COMMODITY RISK	**-**	**-**	**-**	**-**	**-**	**6**
TOTAL	**75**	**488**	**414**	**62**	**471**	**6**

DECEMBER 31, 2014 (€ 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	-	-	93	-	34	-
Net investment hedge in Nissan	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	6	367	36	-	483	-
TOTAL FOREIGN EXCHANGE RISK	**6**	**367**	**129**	**-**	**517**	**-**
Cash flow hedges	1	-	74	4	15	-
Fair value hedges	57	15	96	-	1	-
Derivatives not classified as hedges and derivatives held for trading	245	83	-	278	10	-
TOTAL INTEREST RATE RISK	**303**	**98**	**170**	**282**	**26**	**-**
Cash flow hedges	-	-	3	-	-	2
Fair value hedges	-	-	-	-	-	-
Derivatives not classified as hedges and derivatives held for trading	-	-	-	-	-	-
TOTAL COMMODITY RISK	**-**	**-**	**3**	**-**	**-**	**2**
TOTAL	**309**	**465**	**302**	**282**	**543**	**2**

A2 Netting agreements and other similar commitments

FRAMEWORK AGREEMENTS FOR OPERATIONS ON FINANCIAL FUTURES 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.

NETTING OF FINANCIAL ASSETS AND LIABILITIES: SUMMARY

DECEMBER 31, 2015 (€ million)	AMOUNTS IN THE STATEMENT OF FINANCIAL POSITION ELIGIBLE FOR NETTING	AMOUNTS NOT NETTED IN THE STATEMENT OF FINANCIAL POSITION		NET AMOUNTS
		FINANCIAL INSTRUMENTS ASSETS/LIABILITIES	GUARANTEES INCLUDED IN LIABILITIES	
Assets				
Derivatives on financing operations of the Automotive segment	563	(175)	-	388
Derivatives on financing operations of the Sales Financing segment	375	(49)	-	326
Sales financing receivables on dealers*	904	-	(681)	223
TOTAL ASSETS	**1,842**	**(224)**	**(681)**	**937**
Liabilities				
Derivatives on financing operations of the Automotive segment	465	(175)	-	290
Derivatives on financing operations of the Sales Financing segment	68	(49)	-	19
TOTAL LIABILITIES	**533**	**(224)**	**-**	**309**

* *Sales financing receivables held by Companhia de Credito, Financiamento e Investimento RCI Brasil, whose exposure is covered by pledges of "letras de cambio" (bills of exchange) subscribed by dealers and reported under other debts represented by a certificate.*

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 risk.

B1 Liquidity risks

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 Sales Financing.

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 risks 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 public or semi-public bodies.

Medium-term refinancing for the Automotive segment in 2015 was mostly provided by bond issues totalling 7 billion yen in a private placement with 4-year maturity as part of Renault SA's EMTN programme, and an issue on the Japanese market as part of Renault SA's "Shelf registration" programme, amounting to 70 billion yen with 3-year maturity.

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 €3,305 million, maturing at various times up to 2020. None of these credit lines was used in 2015. These confirmed credit facilities 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.

Given its available cash reserves (€11.6 billion) and confirmed credit lines unused at year-end (€3.3 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 must have sufficient financial resources at all times to ensure long-term continuity for its business and development. 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. RCI Banque's liquidity risks monitoring uses several indicators or analyses which are updated monthly based on the latest forecasts of credit outstanding (concerning both customers and the dealership network) and refinancing operations undertaken. Prudent assumptions have been applied regarding the laws on deposit outflows.

In 2015 the Sales financing segment issued four public bonds: two for €500 million with 5-year maturity, one for €750 million with 7-year maturity, and one of €750 million with maturity of 3 years and 3 months. Many other private placements were undertaken, totalling €925 million with an average duration of 1.6 year.

On the structured financing segment, Sales financing undertook a £600 million private securitization operation backed by customer credit in the United Kingdom. This replaces an operation currently being terminated. Meanwhile, the Brazilian subsidiary launched its first securitization backed by automotive segment customer loans, for a total of 466 million Brazilian reals.

Outside Europe, the Sales financing entities in Argentina, Brazil, South Korea and Morocco made borrowings through their domestic bond markets.

After France, Germany and Austria, in 2015 RCI Banque launched a savings business in the United Kingdom. Savings collected increased by more than 50% over 12 months to reach €10.2 billion at December 31, 2015.

In addition to these resources, the Sales Financing segment has €4.5 billion in undrawn confirmed credit lines (€4.1 billion for RCI Banque), €2.4 billion of available liquid receivables that can be redeemed at the European Central Bank (this amount is after application of discounts and excludes receivables already redeemed at the year-end), and €2.2 billion of highly liquid assets. RCI Banque, which also has available cash of €0.2 billion, is thus able to fund ongoing commercial business for nearly 11 months assuming a total lack of external resources.

Confirmed credit lines open but unused are described in note 23-A.

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 Financing and Treasury 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 working capital is also sensitive to movements in exchange rates. Any hedges of such risks require formal authorization from the Finance department or General Management, and the result of these hedges are then reported to the General Management.

In contrast, the Automotive segment's general policy is to minimize the foreign exchange risks affecting financing and investment flows in foreign currencies, to avoid any exchange–related distortion of the financial result. All the Group's exposures to foreign exchange risks on financial result items are aggregated and monitored by the central Cash Management team, with monthly reporting to the Chief Financial Officer. Financing flows in foreign currency originating from Renault entities are hedged in the same currency. If a subsidiary needs external financing in a currency other than the local currency, the parent company monitors the operations closely. Cash surpluses in countries that are not part of the parent company's centralized cash management are generally invested in local currency, under the supervision of the Group's central Cash management department.

Equity investments (in currencies other than the euro) are not generally hedged. However, due to its importance, the investment in Nissan is subject to a partial foreign exchange hedge amounting to 146 billion yen at December 31, 2015 (note 12-G).

The subsidiary Renault Finance can undertake foreign exchange operations on its own behalf, within strictly defined risk limits. Its foreign exchange positions are monitored and valued in real time. This activity is chiefly intended to maintain the Group's expertise on the financial markets. It generates very short exposures and does not exceed some tens of millions of euros, and cannot therefore have a significant impact on Renault's consolidated results.

The **Sales Financing** segment has low exposure to foreign exchange risks due to the management principles applied. No position can be taken under the central management framework for refinancing; the trading room hedges all flows concerned. Residual, temporal positions in foreign currencies related to the time differences in cash flow inherent to multi-currency cash management may still remain. They are monitored daily and the same hedging policy applies. The sales financing subsidiaries are obliged to obtain refinancing in their own currency and as a result are not exposed. In exceptional circumstances, limits are assigned to subsidiaries where sales financing activities or refinancing take place in several different currencies, and to subsidiaries authorized to invest some of their cash surpluses in a currency other than their local currency.

At 31 December 2015, RCI Banque's consolidated foreign exchange position reached €17.5 million.

The Group made no major changes to its foreign exchange risks management policy in 2015.

ANALYSIS OF FINANCIAL INSTRUMENTS' SENSITIVITY 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 12-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 a favourable effect of €9 million at December 31, 2015, chiefly resulting from yen bond issues associated with the partial hedge of the investment in Nissan. The estimated impact on net income at December 31, 2015 is expected to be unfavourable and amounts to €5 million.

CURRENCY DERIVATIVES

	DECEMBER 31, 2015				DECEMBER 31, 2014			
(€ million)	NOMINAL	-1 YR	1-5 YRS	+5 YRS	NOMINAL	-1 YR	1-5 YRS	+5 YRS
Currency swaps – purchases	7,923	5,317	2,606	-	6,427	1,475	4,952	-
Currency swaps - sales	8,033	5,334	2,699	-	6,385	1,334	5,051	-
Forward purchases	23,509	23,063	446	-	234,138	234,135	3	-
Forward sales	23,520	23,074	446	-	233,265	233,262	3	-

B3 Interest rate risks

INTEREST RATE RISKS MANAGEMENT

The Renault group's exposure to interest rate risks mainly concerns the sales financing business of **Sales financing** and its subsidiaries. The overall interest rate risks represent the impact of fluctuating rates on the future gross financial margin. The Sales financing segment's aim is to limit these risks as far as possible in order to protect its margin on sales. To take account of the difficulty of precisely matching the structure of borrowings with the structure of loans, a limited amount of flexibility is allowed in each subsidiary's interest rate hedging. This flexibility is reflected in a sensitivity limit assigned to each subsidiary and validated by the finance committee, in an individual adaptation of part of the limit Renault assigns to the Sales Financing segment.

Sensitivity is calculated daily for each currency and each management entity (central refinancing office, French and foreign sales financing subsidiaries), for overall management of interest rate risks across the consolidated scope of the Sales Financing segment.

Each entity's position with regard to its limit is checked daily, and immediate hedging directives are issued to the subsidiaries if circumstances require. The result of the checks are reported monthly to the Sales Financing segment's finance committee, which checks that the positions comply with the Group's financial strategy and current procedural instructions.

Analysis of the Sales Financing segment's structural interest rate risk shows the following

- Virtually all loans to customers by sales financing subsidiaries bear interest at a fixed rate and have terms of one to seventy-two months. These loans are hedged by fixed-rate resources with the same structure. They are covered by macro-hedging and only generate a residual interest rate risk. In subsidiaries where the financing bears interest at a floating rate, the interest rate risk is hedged by macro-hedging using interest rate swaps.
- The main activity of the Sales Financing segment's central refinancing department is refinancing the Group's commercial subsidiaries. Macro-hedging transactions in the form of interest rate swaps keep the sensitivity of the refinancing holding company below the defined limit.

The **Automotive** segment's interest rate risk management policy applies two principles: long-term investments generally use fixed-rate financing, and investments for cash reserves generally use floating-rate financing. Fixed-rate borrowings are swapped to variable rates to maintain a balance between floating-rate liabilities and floating-rate assets when the yield curve is not close enough to zero. The financing in yen undertaken as part of the partial hedge of Nissan equity is fixed-rate.

The Automotive segment's available cash is managed centrally by Renault SA as far as possible, and invested in short-term bank deposits by Renault Finance.

Finally, Renault Finance carries out interest rate transactions on its own behalf, within strictly defined risk limits, and positions are monitored and valued in real time. The risk associated with this arbitrage activity is very limited, and has no significant impact on the Group's consolidated net income.

The Group made no major changes to its interest rate risk management policy in 2015.

ANALYSIS OF FINANCIAL INSTRUMENTS' SENSITIVITY 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 €87 million and €5 million respectively at December 31, 2015.

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 €40 million and a positive €65 million respectively at December 31, 2015. 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

(€ million)	DECEMBER 31, 2015
Financial liabilities before hedging: fixed rate (a)	23,242
Financial liabilities before hedging: floating rate (a')	16,372
Financial liabilities before hedging (without redeemable shares)	**39,614**
Hedges: floating rate/ fixed (b)	5,931
Hedges: fixed rate/ floating (b')	7,755
Hedgings	**13,686**
Financial liabilities after hedging: fixed rate (a+b-b')	21,418
Financial liabilities after hedging: floating rate (a'+b'-b)	18,196
Financial liabilities after hedging (without redeemable shares)	**39,614**

INTEREST RATE DERIVATIVES

	DECEMBER 31, 2015				DECEMBER 31, 2014			
(€ million)	NOMINAL	-1 YR	1-5 YRS	+5 YRS	NOMINAL	-1 YR	1-5 YRS	+5 YRS
Interest rate swaps	15,447	5,100	9,447	900	16,880	6,624	9,775	481
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 these risks.

The Group made no major changes to its equity risks management policy in 2015.

ANALYSIS OF FINANCIAL INSTRUMENTS' SENSITIVITY 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 €129 million on shareholders' equity. The impact on net income is not significant at December 31, 2015.

B5 Commodity risks

MANAGEMENT OF COMMODITY RISKS

Renault's Purchases department may hedge part of its commodity risks using financial instruments. These hedges are subject to volume, duration and price limits.

Commodity hedging transactions in progress at December 31, 2015 include forward purchases of aluminium, copper, palladium, platinum and lead. These transactions are classified for accounting purposes as cash flow hedges, and accordingly changes in their fair value are included in shareholders' equity.

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 these risks.

A 10% increase in commodity prices for derivatives classified as hedging derivatives would have a positive impact of €11 million on shareholders' equity at December 31, 2015.

COMMODITY DERIVATIVES

	DECEMBER 31, 2015				DECEMBER 31, 2014			
(€ million)	NOMINAL	-1 YR	1 TO 5 YRS	+5 YRS	NOMINAL	-1 YR	1 TO 5 YRS	+5 YRS
Purchases of *swaps*	111	111	-	-	99	99	-	-

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 Group produces a consolidated monthly report covering 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.

Most deposits are with large network banks, as this allows a good spread of the risk and lowers the systemic risk. None of these deposits are for terms longer than 90 days.

The Group is not subject to any significant risk concentration for its operations on the financial and banking markets.

No losses due to default by a banking counterparty were recorded in 2015.

4.2.6.6 CASH FLOWS AND OTHER INFORMATION

NOTE 26

CASH FLOWS

A – Other income and expenses with no impact on cash

(€ million)	2015	2014
Net allocation to provisions	(301)	355
Net effects of sales financing credit losses	(20)	(43)
Net (gain) loss on asset disposals	(10)	(22)
Change in fair value of redeemable shares	82	38
Change in fair value of other financial instruments	(18)	(5)
Deferred taxes	(161)	(260)
Other	53	29
OTHER INCOME AND EXPENSES WITH NO IMPACT ON CASH	**(375)**	**92**

B – Change in working capital

(€ million)	2015	2014
Decrease (increase) in net inventories	(813)	(272)
Decrease (increase) in Automotive net receivables	(348)	(275)
Decrease (increase) in other assets	(499)	(318)
Increase (decrease) in trade payables	1,219	886
Increase (decrease) in other liabilities	898	750
INCREASE (DECREASE) IN WORKING CAPITAL	**457**	**771**

C – Capital expenditure

(€ million)	2015	2014
Purchases of intangible assets	(956)	(967)
Purchases of property, plant and equipment (other than assets leased to customers)	(1,962)	(1,736)
TOTAL PURCHASES FOR THE PERIOD	**(2,918)**	**(2,703)**
Deferred payments	117	192
TOTAL CAPITAL EXPENDITURE	**(2,801)**	**(2,511)**

D – Interest received and paid by the Automotive segment

(€ million)	2015	2014
Interest received	233	283
Interest paid	(486)	(542)
INTEREST RECEIVED AND PAID	**(253)**	**(259)**

NOTE 27

RELATED PARTIES

A – Remuneration of Directors and Executives and Executive Committee members

The tables below report the remuneration included in expenses in 2015, paid pro rata to the periods in which the functions were occupied.

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.

(€ million)	2015	2014
Basic salary	1.2	1.2
Performance-related salary*	2.7	2.2
Employer's social security charges	1.7	2.1
Complementary pension	1.5	1.0
Other components of remuneration	0.3	0.2
TOTAL REMUNERATION EXCLUDING STOCK OPTIONS AND PERFORMANCE SHARES*	**7.4**	**6.7**
Stock options and performance shares	3.3	1.6
TOTAL STOCK OPTIONS AND PERFORMANCE SHARES	**3.3**	**1.6**
CHAIRMAN AND CHIEF EXECUTIVE OFFICER	**10.7**	**8.3**

* *The remuneration awarded comprises the portion paid in cash and the accounting value of the deferred salary to be paid in shares.*

Directors' fees amounted to €1,155,300 in 2015 (€1,074,699 in 2014), of which €48,000 were paid for the Chairman's functions (€48,000 in 2014).

A2 Remuneration of Executive Committee members (other than the Chairman and Chief Executive Officer)

(€ million)	2015	2014
Basic salary	4.3	3.8
Retirement indemnities	-	-
Performance-related salary	4.7	4.3
Employer's social security charges	5.1	3.9
Complementary pension	3.9	2.3
Other	1.1	0.7
TOTAL REMUNERATION EXCLUDING STOCK OPTIONS AND PERFORMANCE SHARES	**19.1**	**15.0**
Stock options and performance shares	5.4	3.2
TOTAL STOCK OPTIONS AND PERFORMANCE SHARES	5.4	3.2
EXECUTIVE COMMITTEE MEMBERS (OTHER THAN THE CHAIRMAN AND CEO)	**24.5**	**18.2**

B – Renault's investments in associates

Details of Renault's investments in Nissan and AVTOVAZ are provided in notes 12 and 13-A respectively.

C – Transactions with the French State and public companies

In the course of its business the Group undertakes transactions with the State and public companies such as UGAP, EDF, and La Poste. These transactions, which take place under normal market conditions, represent sales of €250 million in 2015 (€212 million in 2014) and a receivable of €70 million at December 31, 2015 (€44 million in 2014).

NOTE 28

OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

In the course of its business, Renault enters into a certain number of commitments, and is involved in litigations or subject to investigations by competition and automobile regulation authorities. Any liabilities resulting from these situations (e.g. pensions and other employee benefits, litigation costs, etc) are covered by provisions. Details of other commitments that constitute 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, 2015	DECEMBER 31, 2014
Sureties, endorsements and guarantees given	214	214
Financing commitments in favour of customers(1)	1,984	1,675
Firm investment orders	568	518
Lease commitments	247	310
Assets pledged, provided as guarantees or mortgaged, and other commitments(2)	70	127

(1) Commitments in favour of customers by the Sales Financing segment will lead to outflows of liquidities during the three months following the year-end in the maximum amount of €1,881 million at December 31, 2015.

(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 correspond to rent from non-cancellable leases. The breakdown is as follows:

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Less than 1 year	42	33
Between 1 and 5 years	149	172
More than 5 years	56	105
TOTAL	**247**	**310**

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, 2015, the Group 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 consolidated 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.

Group companies are periodically subject to investigations by the authorities in the countries in which they operate. When the resulting financial consequences are accepted, they are recognized in the financial statements via provisions. When they are contested, they are recognized on a case-by-case basis, based on estimates that take into account the risk that the proceedings or appeals undertaken may be unsuccessful.

The main investigations in progress at December 31, 2015 were the following: an investigation by the competition authorities in Korea, and inquiries in France and Germany concerning the level of vehicle emissions.

B – Off-balance sheet commitments received and contingent assets

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
Sureties, endorsements and guarantees received	2,039	2,102
Assets pledged or mortgaged[1]	2,672	2,631
Buy-back commitments[2]	1,656	1,371
Other commitments	4	5

(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 €2,397 million at December 31, 2015 (€2,505 million at December 31, 2014).

(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:

	EY NETWORK				KPMG NETWORK			
	AMOUNT		%		AMOUNT		%	
(€ million)	2015	2014	2015	2014	2015	2014	2015	2014
Audit								
Statutory audit, certification, review of individual and consolidated accounts	**5.93**	**5.93**	**92.5%**	**91.7%**	**5.21**	**5.99**	**84.0%**	**84.9%**
• Renault SA and Renault s.a.s.	3.13	3.01	48.8%	46.5%	2.22	2.15	35.8%	30.4%
• Fully consolidated subsidiaries	2.80	2.92	43.7%	45.2%	2.99	3.84	48.2%	54.5%
Other work and services directly linked to the statutory auditor's mission	**0.26**	**0.20**	**4.1%**	**3.0%**	**0.03**	**0.01**	**0.5%**	**0.2%**
• Renault SA and Renault s.a.s.	0.22	0.05	3.5%	0.7%	0.01	0.00	0.2%	0.0%
• Fully consolidated subsidiaries	0.04	0.15	0.6%	2.3%	0.02	0.01	0.3%	0.2%
AUDIT SUBTOTAL	**6.19**	**6.13**	**96.6%**	**94.7%**	**5.24**	**6.00**	**84.5%**	**85.1%**
Other services								
• Legal, tax, labour-related	0.17	0.29	2.6%	4.5%	0.88	0.89	14.2%	12.6%
• Other	0.05	0.05	0.8%	0.8%	0.08	0.17	1.3%	2.3%
OTHER SERVICES SUBTOTAL	**0.22**	**0.34**	**3.4%**	**5.3%**	**0.96**	**1.06**	**15.5%**	**14.9%**
TOTAL	**6.41**	**6.47**	**100%**	**100%**	**6.20**	**7.06**	**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, 2015	DECEMBER 31, 2014
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 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	France	100	100
Sofrastock International	France	100	100
Société de Transmissions Automatiques	France	100	100
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 Deutschland 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 GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2015	DECEMBER 31, 2014
Renault Ceska Republika	Czech Republic	100	100
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 Slovenija 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
Africa – Middle East – India			
Renault Algérie	Algeria	100	100
Renault India Private Ltd	India	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
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
Eurasia			
Renault-Nissan Bulgaria	Bulgaria	100	100
Dacia and subsidiaries	Romania	99	99
Renault Mécanique Romania	Romania	100	100
Renault Commercial Romania	Romania	100	100
Renault Technologie Romania	Romania	100	100
AFM Industrie*	Russia	-	100
CJSC Renault Russia	Russia	100	100
Remosprom*	Russia	-	100
Oyak-Renault Otomobil Fabrikalari	Turkey	52	52
Renault Ukraine	Ukraine	100	100
SALES FINANCING			
France			
Diac	France	100	100
Diac Location	France	100	100
RCI Banque and branches	France	100	100
Europe			
RCI Versicherungs Services GmbH	Germany	100	100
RCI Financial Services S.A.	Belgium	100	100
Renault AutoFin S.A.	Belgium	100	100
Overlease	Spain	100	100
RCI zrt Hongrie	Hungary	100	100
ES Mobility SRL	Italy	100	100
RCI Insurance Ltd	Malta	100	100
RCI Life Ltd	Malta	100	100
RCI Services Ltd	Malta	100	100

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2015	DECEMBER 31, 2014
RCI Financial Services B.V.	Netherlands	100	100
Renault Credit Polska Sp. Z.o.o.	Poland	100	100
RCI Gest Instituiçao Financiora de Credito	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.	Czech Republic	50	50
RCI Financial Services Ltd	United Kingdom	100	100
RCI Finance S.A.	Switzerland	100	100
Africa – Middle East – India			
RCI Finance Maroc	Morocco	100	100
RDFM	Morocco	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
Eurasie			
RCI Broker De Asigurare	Romania	100	100
RCI Finantare Romania	Romania	100	100
RCI Leasing Romania IFN	Romania	100	100
OOO RN FINANCE RUS	Russia	100	100

* *The subsidiaries AFM Industrie and Remosprom were absorbed in 2015 by a fully consolidated company.*

B – Companies consolidated based on the percentage interest in each balance sheet and income statement item (joint operations)

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2015	DECEMBER 31, 2014
AUTOMOTIVE			
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)

RENAULT GROUP'S INTEREST (%)	COUNTRY	DECEMBER 31, 2015	DECEMBER 31, 2014
AUTOMOTIVE			
Boone Comenor	France	33	33
Indra Investissements	France	50	50
Renault South Africa	South Africa	40	40
Renault Algérie Production	Algeria	49	49
Dongfeng Renault Automotive Company	China	50	50
Renault-Nissan Automotive India Private Limited	India	30	30
Nissan Group	Japan	43.7	43.7
Alliance Rostec Auto B.V.	Netherlands	50	50
AVTOVAZ Group	Russia	37.3	37.3
Motorlu Araclar Imal ve Satis A.S	Turkey	49	49
SALES FINANCING			
Renault Credit Car	Belgium	50	50
Nissan Renault Financial Services India Private Limited	India	30	-
RN SF B.V.	Netherlands	50	50
BARN B.V.	Netherlands	30	30
RN Bank	Russia	30	30
Orfin Finansman Anonim Sirketi	Turkey	50	50

4.3 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

4.3.1 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the 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 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 financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken of outside of the financial statements.

This report also includes information relating to the specific verification of information given in the Group's 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.

For the year ended December 31, 2015

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, 2015, 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 Group as at December 31, 2015 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 matter.

As disclosed in note 1.A to the financial statements and in accordance with the recommendation n°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 financial statements of the Group. Our assessment of this equity value is based on the result of the procedures performed to audit the consolidated financial statements of the Renault group for the 2015 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 VERIFICATIONS

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 crossholdings and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Paris La Défense, February 16, 2016

The statutory auditors

French original signed by

KPMG Audit
A department of KPMG S.A.

ERNST & YOUNG Audit

4.3.2 STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

General meeting of shareholders to approve the financial statements for the year ended December 31, 2015

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby report on related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms, conditions and the reasons for the company's interest 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 commercial code (*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 in article R. 225-31 of the French commercial code (*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 FOR APPROVAL BY THE GENERAL MEETING OF SHAREHOLDERS

AGREEMENTS AND COMMITMENTS AUTHORIZED DURING THE YEAR

In accordance with article L. 225-40 of the French commercial code (*Code de commerce*), we have been advised of certain related party agreements and commitments which received prior authorization from your board of directors.

1 With the French State

Persons concerned

Mr Pascal Faure and Mr Martin Vial, Board members of your company representing the French State.

Nature and purpose

In its meeting on December 11, 2015, your board of directors authorized the entry into a governance agreement between your company and the French State concerning the capping of the voting rights of the French State in the general meeting of shareholders.

Conditions

Pursuant to the authorization granted on February 4, 2016, your company signed an agreement with the French State whose purpose was to cap the voting rights of the French State at 17.9% in certain circumstances, with this figure authorized to rise to up to 20% in the event of an unusually large quorum. The written agreement also describes the conditions for implementing the cap with the registrar of your company's general meeting of shareholders.

The capping of the voting rights of the French State notably applies to all decisions which fall within the authority of the ordinary general meeting of shareholders, except for decisions concerning (i) dividend distributions, (ii) the appointment, renewal or removal from office of board members representing the French State, (iii) the disposal of significant company assets, (iv) related party agreements that are not approved by the representatives of the French State and (v) buybacks of shares from identified shareholders.

However, the State retains all of its voting rights for decisions which fall within the authority of the extraordinary general meeting of shareholders, except for the most day-to-day decision-making such as (i) the granting or renewal of ongoing delegations to the management bodies of Renault when their conditions comply with existing Renault practices, (ii) the granting of stock options, performance shares or shares that give access to capital to the advantage of salaried employees and corporate officer executives of Renault group, (iii) an amendment to the age limit for the exercise of duties or to the term of office of board members and corporate officer executives and (ii) a transfer of registered office (unless abroad).

The capping of voting rights would cease to apply in exceptional situations such as the amendment or termination of the "Restated Alliance Master Agreement" (RAMA), the exercise by Nissan Motor Co. Ltd of voting rights in your company, the announcement of a public offering of shares in your company, or a shareholder exceeding the threshold of 15% of capital or voting rights, including Nissan Motor Co. Ltd.

The governance agreement was entered into for a twenty-year term, renewed by tacit agreement by successive periods of ten years unless it is terminated at least two years before the end of the period.

This agreement is applicable as from its date of signature.

GROUNDS JUSTIFYING THE ADVANTAGE OF THE AGREEMENT FOR THE COMPANY

Your board gave the following grounds for this agreement:

This governance agreement is the result of discussions which took place between the two long-term shareholders of Renault, the shareholder French State and Nissan, in 2015. Its effect will be to ensure the durability of the Alliance and foster its development, in the pursuit of Renault's corporate interest.

2 With Nissan Motor Co. Ltd

Persons concerned

Mr Carlos Ghosn, chairman and CEO of your company, of Nissan Motor Co. Ltd and chairman of Renault-Nissan B.V.; Mr Hiroto Saikawa, member of your company's board and executive vice-president of Nissan Motor Co. Ltd; Ms Yuriko Koike, member of your company's board and representative of Nissan Motor Co. Ltd.

Nature and purpose

In its meeting on December 11, 2015, your board of directors authorized the signature of a governance agreement between your company and Nissan Motor Co. Ltd concerning the governance of Nissan Motor Co. Ltd, which constitutes a third amendment to the "Restated Alliance Master Agreement" signed on March 28, 2002, which was modified by an initial amendment signed on April 29, 2005 and by a second amendment signed on November 7, 2012.

Conditions

Pursuant to the authorization granted, an amendment to the "Restated Alliance Master Agreement" was signed on December 11, 2015. Its conditions concern Renault's undertaking to vote in favour of the resolutions proposed by the board of directors of Nissan to the general meeting of shareholders of Nissan to appoint, remove from office and remunerate the members of the board of directors of Nissan, and not to submit to the general meeting of shareholders of Nissan or vote in favour of a resolution that has not been approved by the members of the board of directors of Nissan. For these resolutions, your company will vote in accordance with the recommendations of the board of directors of Nissan, failing which Nissan would have the ability to acquire Renault shares without prior agreement.

The amendment modifies the "Restated Alliance Master Agreement" without altering its term, which remains indefinite. It has been applicable since it was entered into.

The other provisions of the "Restated Alliance Master Agreement" continued in the year ended and were not amended. As these provisions were subject to approval by the general meeting of shareholders in previous financial years, they are set out in detail in the second part of this report, which presents the related party agreements and commitments already approved by the general meeting of shareholders.

Grounds justifying the advantage of the agreement for the company

Your board gave the following grounds for this agreement:

This governance agreement is the result of discussions which took place between the two long-term shareholders of Renault, the shareholder French State and Nissan, in 2015. Its effect will be to ensure the durability of the Alliance and foster its development, in the pursuit of Renault's corporate interest.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING OF SHAREHOLDERS

AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR YEARS

A) WHOSE IMPLEMENTATION CONTINUED DURING THE YEAR

In accordance with article R. 225-30 of the French commercial code (*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.

1. With Mr Carlos Ghosn, chairman and CEO of your company

Nature and purpose

During its meetings held on October 28, 2004 and October 31, 2006, your board of directors authorized the agreement to set up an additional collective pension scheme in favour of the senior executives, including Mr Carlos Ghosn.

Conditions

On February 12, 2014, your board of directors confirmed the benefit of this pension scheme to the advantage of Mr Carlos Ghosn, under the same conditions as previously.

2. With Nissan Motor Co. Ltd

Persons concerned

Mr Carlos Ghosn, chairman and CEO of your company, of Nissan Motor Co. Ltd and chairman of Renault-Nissan B.V.; Mr Hiroto Saikawa, member of your company's board and executive vice-president of Nissan Motor Co. Ltd; Ms Yuriko Koike, member of your company's board and representative of Nissan Motor Co. Ltd.

a Nature and purpose

"Master Cooperation Agreement."

On April 6, 2010, Renault S.A., Nissan Motor Co. Ltd, Daimler AG and Renault-Nissan B.V. entered into the "Master Cooperation Agreement" which specifies the terms and conditions of cooperation between these companies.

In its meeting on December 13, 2013, 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 this cooperation.

b Nature and purpose

"Restated Alliance Master Agreement".

On March 28, 2002, your company and Nissan Motor Co. Ltd ("Nissan") entered into the "Restated Alliance Master Agreement", which governs the capital relationship between Renault and Nissan and structures the Alliance's current method of governance. The agreement notably specifies the operational terms and conditions of Renault-Nissan B.V. ("RNBV") as the Alliance's strategic management entity. An initial amendment to the "Restated Alliance Master Agreement" was signed on April 29, 2005 and submitted for the approval of the general meeting of shareholders of May 4, 2006.

In its meeting on October 3, 2012, your board of directors authorized the signature on November 7, 2012, of a second amendment to the "Restated Alliance Master Agreement", which modified the composition of the RNBV management board and as a result, the voting arrangements within the management board.

As stated here above, in its meeting on December 11, 2015, your board of directors authorized the signature of an agreement of non-interference between your company and Nissan Motor Co. Ltd concerning the governance of Nissan Motor Co. Ltd, constituting a third amendment to the "Restated Alliance Master Agreement".

3. With RCI Banque, 100% indirectly-held subsidiary

In its meeting on September 28, 2010, your board of directors authorized the signature of a credit facility agreement, within the framework of the regulation relating to the control of the "Major Risks" ratio as defined in article 1.1 of regulation n° 93-05 of the French Banking and Financial Regulation Committee (Comité de la réglementation bancaire et financière), with which the wholly-owned subsidiary RCI Banque must comply as a credit institution, with RCI Banque for an amount of € 550,000,000, in order 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 respect of financial year 2015, the amount of interest income relating to this credit facility agreement stood at € 1,710,010.

4. With Renault s.a.s., 100% directly-held subsidiary

Persons concerned

M. Carlos Ghosn, président-directeur général de Renault S.A. et président de Mr Carlos Ghosn, chairman and CEO of your company and chairman of Renault s.a.s., as well as all of the members of the board of directors of your company who also sit on the Board of Renault s.a.s.

a) Delegation agreements

Delegation agreements were entered into between your company and the wholly-owned subsidiary Renault s.a.s. within the scope of an operation to refinance loans granted by your company to Renault s.a.s. under the "1% construction" scheme (French social construction tax), particularly 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. The amount of finance interest income arising from lending totalled € 195,777.

b) Agreement for the provision of services

At October 23, 2002, with retroactive effect to April 1, 2002, your company entered into a service provision agreement with Renault s.a.s. whereby 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. The amount reinvoiced by Renault s.a.s. to your company in respect of financial year 2015 stood at € 3,268,000 excluding taxes.

Agreements and commitments approved during the year

In addition, we have been advised of the implementation during the year of the following agreements and commitments which were already approved by the general meeting of shareholders on April 30, 2015, based on the statutory auditor's report dated February 16, 2015.

With Mr Carlos Ghosn, chairman and CEO of your company

Nature and purpose

In its meeting held on February 11, 2015, your board of directors authorized the signature of a non-compete agreement between your company and Mr Carlos Ghosn whereby he undertakes, at the end of his term of corporate office as CEO, not to engage, directly or indirectly, in an activity that competes with that of the group, whether on his own behalf or on behalf of another company. An activity that competes with the group refers to any activity of automotive design, construction or marketing (mainly for private vehicles and commercial vehicles) carried out in the same geographical areas and sectors as the group at the time of the termination of his term of office.

The board of directors considered notably (i) the particularly competitive nature of the market on which the group operates, (ii) the significance of the duties and recognized competencies of Mr Carlos Ghosn, (iii) the resources at his disposal, (iv) the sensitive information to which Mr Carlos Ghosn has or could have access, and (v) the relationships developed by him in the course of his term, and concluded on the necessity to protect the legitimate interests of the group by introducing this non-compete agreement.

Conditions

In return for his non- compete obligation, Mr Carlos Ghosn will receive from your company, during the period of application of the agreement and on condition that there are no breaches thereof, a gross financial compensation equal to two years of gross total salary (including both fixed and variable salary) payable in twenty-four monthly instalments.

The board of directors will decide, upon the departure of Mr Carlos Ghosn, whether to apply this non-compete agreement, and may unilaterally waive the application of this clause.

Paris-La Défense, March 9, 2016

The statutory auditors
French original signed by

KPMG Audit	ERNST & YOUNG Audit
A division of KPMG S.A.	

4.4 RENAULT SA – ANNUAL FINANCIAL STATEMENTS

4.4.1 FINANCIAL STATEMENTS

INCOME STATEMENT

(€ million)	2015	2014
Operating expenses	(21)	(27)
Increases to provisions	(23)	(9)
NET OPERATING EXPENSE	**(44)**	**(36)**
Investment income	790	690
Increases to provisions related to investments	4	36
INVESTMENT INCOME AND EXPENSES (NOTE 2)	**794**	**726**
Foreign exchange gains	65	182
Foreign exchange losses	(24)	(29)
Reversals from provisions for exchange risks	(45)	3
FOREIGN EXCHANGE GAINS AND LOSSES (NOTE 3)	**(4)**	**156**
Interest and equivalent income	8	47
Interest and equivalent expenses	(253)	(311)
Reversals of provisions and transfers of charges	9	73
Expenses on sales of marketable securities	(4)	(61)
Depreciation and provisions	(3)	(5)
OTHER FINANCIAL INCOME AND EXPENSES (NOTE 4)	**(243)**	**(257)**
NET FINANCIAL INCOME	**547**	**625**
PRE-TAX INCOME BEFORE EXCEPTIONAL ITEMS	**503**	**589**
INCOME TAX (NOTE 5)	**160**	**95**
NET INCOME	**663**	**684**

BALANCE SHEET

ASSETS (€ million)	2015 GROSS	2015 DEPRECIATION, AMORTISATION & PROVISIONS	2015 NET	2014 NET
Investments stated at equity	7,349		7,349	6,715
Other investments (note 6)	7,500		7,500	7,498
Advances to subsidiaries and affiliates (note 7)	11,404	4	11,400	11,478
FINANCIAL ASSETS	**26,253**	**4**	**26,249**	**25,691**
TOTAL FIXED ASSETS	**26,253**	**4**	**26,249**	**25,691**
RECEIVABLES (NOTE 9)	**516**	**5**	**511**	**421**
MARKETABLE SECURITIES (NOTE 8)	**209**	**1**	**208**	**109**
CASH AND CASH EQUIVALENTS	**163**		**163**	**38**
OTHER ASSETS (NOTE 9)	**126**		**126**	**67**
TOTAL ASSETS	**27,267**	**10**	**27,257**	**26,326**

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	2015	2014
Share capital	1,127	1,127
Share premium	4,782	4,782
Equity valuation difference	1,533	899
Legal and tax basis reserves	113	113
Retained earnings	7,729	7,599
Net income	663	684
SHAREHOLDERS' EQUITY (NOTE 10)	**15,947**	**15,204**
REDEEMABLE SHARES (NOTE 11)	**129**	**129**
PROVISIONS FOR RISKS AND LIABILITIES (NOTE 12)	**233**	**80**
Bonds	5,596	6,259
Borrowings from credit institutions	991	1,109
Other loans and financial debts	3,632	2,678
FINANCIAL LOANS AND BORROWINGS (NOTE 13)	**10,219**	**10,046**
OTHER LIABILITIES (NOTE 14)	**664**	**703**
DEFERRED INCOME (NOTE 15)	**65**	**164**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**27,257**	**26,326**

STATEMENT OF CHANGES IN CASH

(€ million)	2015	2014
Cash flow (note 19)	823	642
Change in working capital requirements	(137)	165
CASH FLOW FROM OPERATING ACTIVITIES	**686**	**807**
Net decrease/ (increase) in other investments	0	(245)
Net decrease/ (increase) in loans	78	(195)
Net decrease/ (increase) in marketable securities	(99)	36
CASH FLOW FROM INVESTING ACTIVITIES	**(21)**	**(404)**
Bond issues	584	1,689
Bond redemptions	(1,404)	(1,676)
Net increase/ (decrease) in other interest-bearing borrowings	829	123
Dividends paid to shareholders	(554)	(504)
Bond issuance expenses and redemption premiums	(1)	(7)
CASH FLOW FROM FINANCING ACTIVITIES	**(546)**	**(375)**
CASH AND CASH EQUIVALENTS: OPENING BALANCE	**33**	**5**
Increase/ (decrease) in cash and cash equivalents	119	28
CASH AND CASH EQUIVALENTS: CLOSING BALANCE	**152**	**33**

4.4.2 NOTES TO THE FINANCIAL STATEMENTS

4.4.2.1 ACCOUNTING POLICIES

Renault SA has drawn up its annual financial statements in accordance with the provisions of regulations 2014-03 of the ANC *(Autorité des Normes Comptables)*, approved by the ministerial decision of September 8, 2014 concerning the French chart of accounts.

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 31st 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)	2015	2014
Dividends received from Nissan Motor Co. Ltd.	547	432
Dividends received from Daimler	40	37
Other dividends received	75	80
Interest on loans	128	141
Increases to provisions related to subsidiaries and affiliates	4	36
TOTAL	**794**	**726**

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 2015 to €41 million comprise the following:

- a foreign exchange gains of €29 million on redemption of the bond issued on June 29, 2012 (nominal value 10 billion yen);
- a foreign exchange gains of €18 million on redemption of the bond issued on June 12, 2013 (nominal value 38 billion yen);
- a foreign exchange gains of €8 million on redemption of swap related to the bond issued on April 11, 2013 (nominal value 750 billion Renminbi Yuan);
- a foreign exchange loss of €17 million on redemption of the bond issued on November 28, 2013 (nominal value 49.6 billion yen);
- a foreign exchange gains of €3 million on the loan of 500 billion Renminbi Yuan from Renault Finance.

Foreign exchange gains and losses in 2014 included a net gain of €153 million.

4.4.2.4 OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses generated a net loss of €243 million in 2015 (compared to a loss of €257 million in 2014) and mainly comprise net interest payments of €253 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)	2015	2014
Net accrued interest after *swaps* on bonds*	(186)	(236)
Net accrued interest after *swaps* on borrowings from credit institutions	(22)	(24)
Accrued interest on termination of borrowings from subsidiaries	0	(2)
Accrued interest on redeemable shares	(17)	(17)
Other financial expenses	(2)	(2)
Other (treasury notes and brokers commissions)	(26)	(30)
TOTAL	**(253)**	**(311)**

* *The net interest on bonds comprises accrued and paid interest amounting to €246 million (€368 million in 2014), and accrued and received interest on swaps amounting to €60 million (€132 million in 2014).*

In 2015, the €186 million of interest received and paid mainly comprise:

- €32 million on the bond issued on September 19, 2013;
- €28 million on the bond issued on March 22, 2010;
- €28 million on the bond issued on September 18, 2012;
- €23 million on the bond issued on May 25, 2011;
- €16 million on the bond issued on March 05, 2014;
- €12 million on the bond issued on December 05, 2012;
- € 8 million on the bond issued on June 30, 2010;
- € 7 million on the bond issued on September 20, 2010.

The net interest receivable on the swapped portion of bonds and borrowings from credit institutions amounted to €19 million: €80 million on the paying leg and €61 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.

These rules on tax loss carryforwards apply to all losses existing, whatever their origin.

In practice, although these 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 €116 million (€372 million decrease than in 2014).

Article 15 of the rectified French Finance Law for 2014 postponed the cancellation of the 10.7% exceptional contribution on the corporate income tax payable. This measure is applicable for financial years ending until December 30, 2016. 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 2015 was €150 million corresponding to the income tax proceeds paid by the subsidiaries of Renault SA as if they were imposed separately.

Details of the tax charge related to the year are 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	503						503	503
Tax consolidation						150		150
Impairment						(2)		(2)
Other						12		12
TOTAL	**503**					**160**	**503**	**663**

The deferred taxes Renault SA are as follows:

(€ million)	2015		2014		VARIATIONS	
	ASSETS(1)	LIABILITIES(2)	ASSETS(1)	LIABILITIES(2)	ASSETS	LIABILITIES
Temporarily non-deductible expenses						
Provisions for risks and liabilities	62		50		12	
Expenses deducted (or taxed income)		44		43		1
not yet recognised for accounting purposes	20	36	51	18	-31	18
TOTAL	**82**	**80**	**101**	**61**	**-19**	**19**

(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	283		283
TOTAL BEFORE PROVISIONS	**7,500**	**0**	**7,500**
Impairment	(2)	2	0
TOTAL, NET	**7,498**	**2**	**7,500**

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
Dividends receivable	2			2
Loans	11,480	1,773	(1,851)	11,402
TOTAL BEFORE PROVISIONS(1)	**11,482**	**1,773**	**(1,851)**	**11,404**
Impairment	(4)			(4)
TOTAL, NET	**11,478**	**1,773**	**(1,851)**	**11,400**
(1) Current portion (less than one year)	11,438			11,375
Long-term portion (over 1 year)	44			29

Loans include:

- €6,845 million in short-term investments with Renault Finance (€6,732 million in 2014);
- €25 million in long-term loans to Renault s.a.s. (identical to 2014);
- €4,532 million in current accounts resulting from centralised cash management agreements with Group subsidiaries (€4,725 million in 2014).

All loans relate to Group subsidiaries.

4.4.2.8 MARKETABLE SECURITIES

Marketable securities primarily include €208 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	2,555,983	423,841	1,441,595			3,573,737
Shares allocated	108	(15)	114			207
Shares not allocated	1					1
GROSS VALUE (€ million)	**109**	**(15)**	**114**			**208**
IMPAIRMENT (€ million)						
TOTAL	**109**	**(15)**	**114**			**208**

4.4.2.9 RECEIVABLES AND OTHER ASSETS

Receivables mainly comprise:

- an unbilled receivable of €152 million for performance share (€55 million in 2014), 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	0	7		7
CIR: Research tax credit	296	138	(150)	284
CICE: Competitive employment tax credit	50	49	(48)	51
Other receivables tax	25	4	(7)	22
TOTAL BEFORE PROVISIONS	**371**	**198**	**(205)**	**364**
IMPAIRMENT				
CIR: Research tax credit	(4)	(3)	3	(4)
CICE: Competitive employment tax credit	(1)	(1)	1	(1)
TOTAL	**(5)**	**(4)**	**4**	**(5)**
TOTAL NET	**366**	**194**	**(201)**	**359**

The increases are principally receivables Research Tax Credit for the year of €133 million and the Competitive Employment Tax Credit of €49 million.

The decreases are principally constituted of the assignment of the debt CIR for the year 2013 for €148 million (Research Tax Credit) and the assignment of the debt CICE for the year 2014 for €49 million.

The major components of Other Assets are:

(€ million)	AT START OF YEAR	INCREASES	DECREASES	AT YEAR-END
OTHER ASSETS				
Deferred charges	22		(6)	16
Redemption premiums amounting	5		(2)	3
Unrealized losses	40	107	(40)	107
TOTAL	**67**	**107**	**(48)**	**126**

- 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 2014 NET INCOME	DIVIDENDS	2015 NET INCOME	OTHER	BALANCE AT YEAR-END
Share capital	1,127					1,127
Share premium	4,782					4,782
Equity valuation difference	899				634	1,533
Legal and tax basis reserves	113					113
Retained earnings	7,599	684	(554)			7,729
Net income	684	(684)		663		663
TOTAL	**15,204**	**0**	**(554)**	**663**	**634**	**15,947**

Non-distributable reserves amounted to €1,646 million at December 31, 2015.

Renault SA's shareholding structure was as follows at December 31, 2015:

	OWNERSHIP STRUCTURE		VOTING RIGHTS	
	NUMBER OF SHARES HELD	% OF CAPITAL	NUMBER	%
French state	58,387,915	19.74%	58,387,915	23.56%
Employees	8,945,130	3.03%	8,945,130	3.61%
Treasury shares	3,573,737	1.21%		
Nissan	44,358,343	15.00%		
Daimler	9,167,391	3.10%	9,167,391	3.70%
Other	171,289,768	57.92%	171,289,768	69.13%
TOTAL	**295,722,284**	**100%**	**247,790,204**	**100%**

The par value of the Renault SA share is €3.81.

STOCK OPTION AND PERFORMANCE SHARE ATTRIBUTION PLANS

The Board of Directors periodically grants stock options to Group executives and managers, with prices and exercise periods specific to each plan. Performance share plans are also awarded, each with its own vesting and required holding periods.

During 2015, a new performance share plan was introduced. All plans include performance conditions which determine the number of options or performance shares granted to beneficiaries.

A – CHANGES IN THE NUMBER OF STOCK OPTIONS AND PERFORMANCE SHARE RIGHTS HELD BY PERSONNEL

	STOCK OPTIONS			
	QUANTITY	WEIGHTED AVERAGE EXERCICE PRICE (€)	WEIGHTED AVARAGE SHARE PRICE AT GRANT AND EXERCICE DATES (€)	PERFORMANCE SHARE RIGHTS
OPTIONS OUTSTANDING AND RIGHTS NOT YET VESTED AT JANUARY 1, 2015	**1,024,830**	**37**	**-**	**1,504,362**
Granted	-	-	-	1,450,625
Options exercised and vested rights	(308,038)(1)	-	49(2)	(115,095)(3)
Options and rights expired and other adjustments	-	-	N/A	(8,642)
OPTIONS OUTSTANDING AND RIGHTS NOT YET VESTED AT DECEMBER 31, 2015	**716,792**	**37**	**-**	**2,831,250**

(1) Stock options exercised in 2015 were granted under plans 18 and 19 in 2011.
(2) Price at which the shares were acquired by the Group to cover future options.
(3) Performance shares vested were awarded under plans 18 bis and 19 bis in 2011.

B – STOCK PURCHASE OPTIONS

For plans current in 2015, options attributed vest after a period of 4 years, and the exercise period then covers the 4 following years:

PLAN	TYPE OF PLAN	GRANT DATE	EXERCISE PRICE (€)	OUTSTANDING AT DECEMBER 31, 2015	EXERCISE PERIOD
Plan 18	Stock purchase options	April 29, 2011	38.80	183,574	April 30, 2015 – April 28, 2019
Plan 19	Stock purchase options	December 8, 2011	26.87	137,000	December 9, 2015 – December 7, 2019
Plan 20	Stock purchase options	December 13, 2012	37.43	396,218	December 13, 2016 – December 12, 2020
TOTAL				**716,792**	

C – PERFORMANCE SHARES PLANS IN PROGRESS IN 2015

Vesting and minimum holding periods are different depending on whether beneficiaries are French tax residents or tax residents of other countries, in order to take account of local tax constraints.

The vesting period for performance shares awarded to French tax residents is 3 years, followed by a minimum holding period of 2 years.

For non-French tax residents, the vesting period is 4 years and there is no minimum holding period.

PLAN	TYPE OF PLAN	GRANT DATE	SHARE RIGHTS AWARDED AT DECEMBER 31, 2015	VESTING DATE	HOLDING PERIOD
Pan 18 bis	Performance shares	April 29, 2011	-	April 30, 2015(1)	None
Plan 19 bis	Performance shares	December 8, 2011	-	December 8, 2015(1)	None
Plan 20 bis	Performance shares	December 13, 2012	74,966	December 13, 2016	None
Plan 21(2)	Performance shares	February 12, 2014	976,485 332,559	February 12, 2017 February 12, 2018	February 12, 2017 – February 12, 2019 None
Plan 22(2)	Performance shares	February 11, 2015	1,050,265 396,975	February 11, 2018 February 11, 2019	February 11, 2018 – February 11, 2020 None
TOTAL			**2,831,250**		

(1) The performance shares concerned by these plans were issued to beneficiaries in 2015.
(2) Included the variable part of the CEO converded in performance share.

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, 2015, 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 €539.95 at December 31, 2015 (€438.90 at December 31, 2014).

The 2015 return on redeemable shares, amounting to €17 million (€17 million in 2014) 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)	2014	INCREASES	REVERSALS	2015
Foreign exchange losses	0	45		45
Provisions for expenses[1]	72	115	(5)	182
Other provisions for risks[2]	8		(2)	6
TOTAL	**80**	**160**	**(7)**	**233**
Current (less than 1 year)	*0*			*45*
Long-term (over 1 year)	*80*			*188*

(1) A provision of €182 million was booked at December 31, 2015 (€72 million at December 31, 2014) after it was decided to allocate free shares. Under a reinvoicing agreement introduced between Renault SA and Renault s.a.s., a €152 million share of this provision is considered as an unbilled receivable on the subsidiary Renault s.a.s (€55 million in 2014).

(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 €5,596 million at December 31, 2015 (€6,259 million at December 31, 2014).

The principal changes in bonds over 2015 were as follows:

- issuance on July 02, 2015 of a 4-year bond with total nominal value of 7 billion yen, at the fixed rate of 0.90%;
- issuance on November 26, 2015 of a 3-year bond with total nominal value of 50 billion yen, at the fixed rate of 0.75%;
- issuance on November 26, 2015 of a 3-year bond with total nominal value of 13 billion yen, at the fixed rate of 0.75% (swapped to Euros at the fixed rate of 1.115%);
- issuance on November 26, 2015 of a 3-year bond with total nominal value of 7 billion yen, at the fixed rate of 0.75%;
- redemption on June 12, 2013 of a 2-year bond with total nominal value of 38 billion yen at the fixed rate of 1.92%;
- redemption on June 29, 2012 of a 3-year bond with total nominal value of 10 billion yen at the fixed rate of 3.3%;
- redemption on June 30, 2010 of a 5-year bond with total nominal value of €400 million at the fixed rate of 5.625%, swapped at a floating rate of 3-month Euribor +3.875%;
- redemption on September 20, 2010 of a 4-year and 9-month bond with total nominal value of €250 million at the fixed rate of 5.625%;
- redemption 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%.

BREAKDOWN BY MATURITY

	DECEMBER 31, 2015						
(€ million)	TOTAL	-1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	5,536	1,496	2,053	1,434	53	0	500
Accrued interest	60	60					
TOTAL	**5,596**	**1,556**	**2,053**	**1,434**	**53**	**0**	**500**

	DECEMBER 31, 2014						
(€ million)	TOTAL	-1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	6,191	1,310	1,489	1,992	900	0	500
Accrued interest	68	68					
TOTAL	**6,259**	**1,378**	**1,489**	**1,992**	**900**	**0**	**500**

BREAKDOWN BY CURRENCY

	DECEMBER 31, 2015		DECEMBER 31, 2014	
(€ million)	BEFORE DERIVATIVES	AFTER DERIVATIVES	BEFORE DERIVATIVES	AFTER DERIVATIVES
Euro	3,567	4,356	4,225	4,907
Yen	1,861	1,169	1,879	1,286
CNY	168	71	155	66
TOTAL	**5,596**	**5,596**	**6,259**	**6,259**

BREAKDOWN BY INTEREST RATE TYPE

	DECEMBER 31, 2015	DECEMBER 31, 2014
(€ million)	AFTER DERIVATIVES	AFTER DERIVATIVES
Fixed rate	4,713	4,662
Floating rate	883	1,597
TOTAL	**5,596**	**6,259**

B - BORROWINGS FROM CREDIT INSTITUTIONS

Borrowings from credit institutions stood at €991 million at December 31, 2015 (€1,109 million at December 31, 2014) and are mainly contracted on the market.

The principal changes in bonds over 2015 were as follows:

- redemption on June 19, 2015 of a 7-year bond with total nominal value of €42 million at the floating rate of 3-month Euribor +120 bp;
- redemption on August 10, 2015 of a 3-year bond with total nominal value of €50 million, at the floating rate of 3-month Euribor +285 bp;
- redemption on November 23, 2015 of a 3-year bond with total nominal value of €25 million, at the fixed rate of 3.15%, swapped at the Eonia rate +300.3 bp.

BREAKDOWN BY MATURITY

	DECEMBER 31, 2015						
(€ million)	TOTAL	-1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	981	375	211	217	83	95	0
Accrued interest	10	10					
TOTAL	**991**	**385**	**211**	**217**	**83**	**95**	**0**

	DECEMBER 31, 2014						
(€ million)	TOTAL	-1 YR	1 TO 2 YRS	2 TO 3 YRS	3 TO 4 YRS	4 TO 5 YRS	+5 YRS
Nominal value	1,098	127	292	137	141	306	95
Accrued interest	11	11					
TOTAL	**1,109**	**138**	**292**	**137**	**141**	**306**	**95**

BREAKDOWN BY CURRENCY

(€ million)	DECEMBER 31, 2015		DECEMBER 31, 2014	
	BEFORE DERIVATIVES	AFTER DERIVATIVES	BEFORE DERIVATIVES	AFTER DERIVATIVES
Euro	991	991	1,109	1,109
Other currencies				
TOTAL	**991**	**991**	**1,109**	**1,109**

BREAKDOWN BY INTEREST RATE TYPE

(€ million)	DECEMBER 31, 2015	DECEMBER 31, 2014
	AFTER DERIVATIVES	AFTER DERIVATIVES
Fixed rate	126	99
Floating rate	865	1,010
TOTAL	**991**	**1,109**

Borrowings from credit institutions maturing within one year include €10 million in bank credit balances.

C - OTHER LOANS AND FINANCIAL DEBTS

Other loans and financial debts amounted to €3,632 million at December 31, 2015 (€2,678 million in 2014), and principally comprise:

- borrowings from Group subsidiaries with surplus cash;
- treasury notes amounting to €567 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)	2015	2014	VARIATION 2015/ 2014
Tax liabilities	657	696	-39
Liabilities related to other assets	5	5	0
Other liabilities	2	2	0
TOTAL	**664**	**703**	**-39**

The variation of €39 million in tax liabilities was due in an increase in tax liability subsidiaries: €47 million due under the CICE; €2 million due under the CIR and a decrease of €88 million under the tax 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 €57 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. Transactions with related companies are conclude in normal conditions of market.

INCOME STATEMENT

	2015		2014	
(€ million)	TOTAL	RELATED COMPANIES	TOTAL	RELATED COMPANIES
Interest on loans	128	126	141	139
Interest and equivalent expenses	(253)	19	(311)	29
Reversals of provisions and transfers of charges	13		116	

BALANCE SHEET

	2015		2014	
(€ million)	TOTAL	RELATED COMPANIES	TOTAL	RELATED COMPANIES
Loans	11,402	9,020	11,480	11,401
Receivables	516	152	426	55
Cash and cash equivalents	163		38	
Borrowings from credit institutions	991		1,109	
Loans and financial debts	3,632	3,039	2,678	2,429
Other liabilities	664	662	703	700

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)	2015	2014
FOREIGN EXCHANGE RISKS		
***Currency* swaps**		
Purchases	788	681
with Renault Finance	*788*	*681*
Sales	831	664
with Renault Finance	*831*	*664*
Other forward exchange contracts and options		
Purchases	279	504
with Renault Finance	*279*	*504*
Sales	276	516
with Renault Finance	*276*	*516*
INTEREST RATE RISKS		
***Interest* rate swaps**	**1,587**	**2,013**
with Renault Finance	*1,587*	*2,013*

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:

	2015		2014	
AT DECEMBER 31 (€ million)	**BALANCE SHEET VALUE**	**FAIR VALUE**	**BALANCE SHEET VALUE**	**FAIR VALUE**
ASSETS				
Marketable securities, gross(1)	209	331	110	155
Loans	11,402	11,426	11,480	11,503
Cash and cash equivalents	163	163	38	38
LIABILITIES				
Redeemable shares	129	431	129	350
Bonds	5,596	5,865	6,259	6,583
Other interest-bearing borrowings(2)	4,623	4,665	3,787	3,882

(1) Including treasury shares.
(2) Excluding redeemable shares.

C - ESTIMATED FAIR VALUE OF OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

	2015		2014	
AT DECEMBER 31 (€ million)	**ASSETS**	**LIABILITIES**	**ASSETS**	**LIABILITIES**
Forward exchange contracts	3	(1)	18	(6)
with Renault Finance	*3*	*(1)*	*18*	*(6)*
Currency swaps	43	0	11	(35)
with Renault Finance	*43*	*0*	*11*	*(35)*
Interest rate swaps	36	(4)	63	(6)
with Renault Finance	*36*	*(4)*	*63*	*(6)*

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, 2015 and December 31, 2014 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, 2015 and December 31, 2014 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, 2015 and December 31, 2014 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, 2015 and December 31, 2014.

4.4.2.18 OTHER COMMITMENTS AND CONTINGENCIES

Off-balance-sheet commitments are as follows:

	2015		2014	
(€ million)	TOTAL	CONCERNING RELATED COMPANIES	TOTAL	CONCERNING RELATED COMPANIES
COMMITMENTS RECEIVED				
Unused credit lines	3,305		3,185	
TOTAL	**3,305**		**3,185**	
COMMITMENTS GIVEN				
Guarantees and deposits	646	631	727	712
Unused credit lines	540	540	496	496
TOTAL	**1,186**	**1,171**	**1,223**	**1,208**

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).

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)	2015	2014
Net income	663	684
Increases to provisions and deferred charges	8	10
Net increase to provisions for risks and liabilities	154	49
Net increases to impairment	(2)	(101)
TOTAL	**823**	**642**

4.4.2.20 WORKFORCE

Renault SA has no employees.

4.4.2.21 DIRECTORS' FEES

Directors' fees amounted to €1,155,300 in 2015 (€1,074,699 paid for 2014), of which €48,000 were for the function of Chairman (€48,000 in 2014).

4.4.2.22 SUBSEQUENT EVENTS

No significant events have occurred since the year-end.

INFORMATION OF SUBSIDIARIES AND AFFILIATES (€ million)

COMPANIES	SHARE CAPITAL	RESERVES AND RETAINED EARNINGS	% OF CAPITAL HELD	BOOK VALUE OF SHARES OWNED
INVESTMENTS				
Renault s.a.s.	534	2,390	100%	6,531
Dacia(1)	562	180	99.43%	795
Dongfeng Renault Automotive Company(2)	667	(68)	50.00%	282
Nissan(3)	10,761	25,501	43.40%	6,622
Sofasa(4)	1	43	27.66%	23
TOTAL INVESTMENTS				**14,253**

(1) The exchange rate used for Dacia is 4.5240 Romanian lei = 1 euro.
(2) The exchange rate used for DRAC is 7.0608 Renminbi Yuan = 1 euro.
(3) The exchange rate used for Nissan is 131.07 Yen = 1 euro.
(4) The exchange rate used for Sofasa is 3,452 Colombian pesos = 1 euro.

COMPANIES	OUTSTANDING LOANS AND ADVANCES FROM RENAULT SA	SALES REVENUES EXCLUDING TAXES 2015	NET INCOME (LOSS), PRIOR YEAR	DIVIDENDS RECEIVED BY RENAULT SA IN 2015
INVESTMENTS				
Renault s.a.s.	1,291	39,426	(36)	
Dacia(1)		4,311	99	75
Dongfeng Renault Automotive Company(2)			15	
Nissan(3)		91,076	3,491	547
Sofasa(4)		844	24	

(1) The exchange rate used for Dacia is 4.4452 Romanian lei = 1 euro.
(2) The exchange rate used for DRAC is 6.97 Renminbi Yuan = 1 euro.
(3) The exchange rate used for Nissan is 134.28 Yen = 1 euro.
(4) The exchange rate used for Sofasa is 3,044.41 Colombian pesos = 1 euro.

PARTICIPATIONS BY EQUIVALENCE

The value of RENAULT s.a.s shares estimated by equivalence was impacted during exercice 2015 of €733 million in provisions for depreciation booked in 2015 on its participation in the JV Alliance Rostec Auto B.V. (main shareholder of the Group AVTOVAZ) and on its loans and receivables on the Group AVTOVAZ.

These provisions were booked to take the financial deterioration of this Group, which announces a consolidated loss on 74 billion Russian rouble in 2015 (€1,087 million converted at the exchange of the Russian rouble for 2015) and a negative consolidated stockholders' equities in December 31, 2015 for 39 billion Russian roubles (€486 million converted at the exchange rate at Decembre 31, 2015 of the Russian rouble).

ACQUISITION OF INVESTMENTS

See note 6.

FIVE-YEAR FINANCIAL HIGHLIGHTS

(€ million)	2011	2012	2013	2014	2015
YEAR-END FINANCIAL POSITION					
Share capital	1,127	1,127	1,127	1,127	1,127
Number of shares and investment certificates outstanding	295,722,284	295,722,284	295,722,284	295,722,284	295,722,284
OVERALL INCOME FROM OPERATIONS					
Income before tax, amortisation, depreciation and provisions(1)	(51)	288	1,429	498	564
Income tax	164	135	189	95	160
Income after tax, amortisation, depreciation and provisions	277	574	1,664	684	663
Dividends paid	339	502	504	554	
EARNINGS PER SHARE IN EUROS					
Earnings before tax, amortisation, depreciation and provisions(1)	(0.17)	0.97	4.83	1.68	1.91
Earnings after tax, amortisation, depreciation and provisions	0.94	1.94	5.63	2.31	2.24
Net dividend per share	1.16	1.72	1.72	1.90	
EMPLOYEES(2)					

(1) Provisions are those recorded during the year, less reversals and applications.
(2) No employees.

4

CHANGE IN RENAULT SHARE PRICE
IN THE PAST FIVE YEARS

+110%

RENAULT
AND ITS SHAREHOLDERS

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

5.1 GENERAL INFORMATION

5.1.1 OVERVIEW

5.1.1.1 BUSINESS NAME AND HEAD OFFICE

Business name: Renault

Head 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 INCORPORATION AND TERM OF THE COMPANY

The Company was created on January 16, 1945 and will expire on December 31, 2088, except in the case of early termination or renewal.

5.1.1.4 SUMMARY OF CORPORATE PURPOSE

Renault's corporate purpose is principally the 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 manufacturing and operation of vehicles. In addition, it includes 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).

Full details of the Company's corporate purpose are provided in Article 3 of the articles of incorporation, available at www.groupe.renault.com.

5.1.1.5 COMPANY'S REGISTRATION NUMBER

Renault is registered with the Registrar of Companies in Nanterre under No. 441 639 465 RCS Nanterre (APE code 6420Z).

Siret code for the registered office: 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

General Meetings are convened in accordance with legal and regulatory provisions. Starting from January 1, 2015, the right to attend General Meetings is evidenced by an entry in the share records 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) Paris time on the second working day before the General Meeting, either in the registered share account held by the Company or the bearer share accounts held by an authorized intermediary in accordance with Article L. 211-3 of the French Commercial Code. The entry of bearer shares in the share records 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 French 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.

5.2 GENERAL INFORMATION ABOUT RENAULT'S SHARE CAPITAL

5.2.1 CAPITAL AND VOTING RIGHTS

At December 31, 2015, the share capital amounted to €1,126,701,902.04, consisting of 295,722,284 shares with a par value of €3.81. The shares are fully subscribed and paid in up. At that date, there were no double voting rights attached to these shares. From April 3, 2016, double voting rights are automatically attached to all fully paid-up shares which have been held in registered form in the name of the same shareholder for at least two years. (For further information, see section 5.2.6.2 below.).

The theoretical number of voting rights is 295,722,284.

In view of the 3,573,737 shares of treasury stock and the 44,358,343 shares held by Nissan Finance Co., Ltd., all of which are without voting rights, the total number of exercisable voting rights at that date was 247,790,204.

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	TRANSACTIONS	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: issue of 2,397,983 shares at a par value of €3.81	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, 2013, 2014 and 2015.
** Shares at €3.81.*

5.2.4 UNISSUED AUTHORIZED CAPITAL

5.2.4.1 OVERALL AUTHORIZATIONS

The General Meeting of Shareholders of April 30, 2014, gave the Board of Directors authorizations to proceed with miscellaneous financial transactions to increase the Company's share capital, with or without subscription rights.

To date, these authorizations have not been used.

These authorizations are detailed hereafter.

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 THE AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS	USE MADE
18th resolution GM 2014	Issues of shares or financial securities giving access to capital with preferential subscription right. Valid for 26 months until the GM called to approve the 2015 financial statements. Capital increase capped at €350 million (around 30% of the share capital).	None
19th resolution GM 2014	Issues of shares or financial securities giving access to capital excluding the preferential subscription right. Period of 26 months, until the GM deciding on the accounts for FY 2015. Capital increase capped at €120 million (around 10% of the share capital).	None
20th resolution GM 2014	Issues of shares or financial securities giving access to capital through private placement. Valid for 26 months until the GM called to approve the 2015 financial statements. Capital increase capped at €60 million (around 5% of the share capital).	None
21st resolution GM 2014	Issues of shares or financial securities giving access to capital through a public exchange offer. Period of 26 months, until the GM deciding on the accounts for FY 2015. Capital increase capped at €120 million (around 10% of the share capital).	None
22nd resolution GM 2014	Capital increase through issuance of shares by contribution in kind. Period of 26 months, until the GM deciding on the accounts for FY 2015. Capital increase capped at €120 million (around 10% of the share capital).	None
23rd resolution GM 2014	Increase of the share capital by the capitalization of reserves, profits or premiums, etc. Period of 26 months, until the GM deciding on the accounts for FY 2015. Capital increase limited to €1 billion.	None
24th resolution GM 2014	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.	None

The total nominal amount of any capital increases that may be carried out by virtue of the eighteenth, nineteenth, twentieth, twenty-first, twenty-second, twenty-third and twenty-fourth resolutions submitted to the General Meeting on April 30, 2014, 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 Combined General Meeting of April 29, 2011 for a period of 38 months. There are no plans to request a new authorization from the General Meeting. For details of current grants and options, see table 8 in chapter 3.3.3.3 of this Registration document.

5.2.5.2 PERFORMANCE-BASED SHARES

Pursuant to Article L. 225-197-1 of the French Commercial Code, the Combined General Meeting of April 30, 2013, authorized, for a period of 38 months, the Board of Directors to grant performance-based shares, either existing or to be issued, to salaried employees of the Company or to certain categories of such employees and employees of the companies and groupings related to it, as provided for in Article L. 225-197-2 of the French Commercial Code. For details of grants and shares in circulation, refer to table 9, chapter 3.3.3.3 of this Registration document.

5.2.5.3 SHARE BUYBACKS(1)

1. TRADING BY RENAULT IN ITS OWN SHARES IN 2015 AND ALLOCATION OF TREASURY STOCK

At December 31, 2015, Renault SA held 3,573,737 shares with a par value of €3.81, and a net carrying amount of €207,938,437.

Pursuant to the provisions of Article L. 225-209 of the French Commercial Code, the 10th resolution of the Combined General Meeting of April 30, 2015, authorized the Company to deal in its own stock in order to make use of the possibilities allowed by law for trading in its own shares. The authorization is valid until October 30, 2016, unless the General Meeting of April 29, 2016 authorizes a new programme as described in paragraph 2 below.

In February 2015, Renault acquired 1,441,595 of its own shares as part of the share buyback programme approved by the General Meeting of April 30, 2014. At December 31, 2015, the Company had not acquired any more of its own shares as part of the buyback programme approved by the General Meeting on April 30, 2015. The 3,573,737 shares held directly or indirectly by Renault at December 31, 2015, are allocated as follows:

- implementation of free performance share allocations or any other form of allocation, allotment or transfer granted to employees or senior executives of the Company, to avoid any dilutive effect as a result of the allocation of such shares. The shares acquired by the beneficiaries of Long-Term Incentives must not result in the share capital being changed. Therefore, it is planned that (i) shares acquired under a free performance share award are from the share buyback program; (ii) shares created following the exercise of share options are immediately offset by the cancellation of the same amount of treasury stock, previously acquired under the share buyback program. The aim is to leave the Company's share capital unchanged. The number of shares allocated to this end is 3,573,737 shares;
- zero shares remitted for the exercise of rights attached to financial securities giving 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 in exchange or as consideration for possible acquisitions;
- zero shares canceled.

Percentage of treasury stock held directly or indirectly at December 31, 2015: 1.21%.

Number of shares canceled over the 24 months preceding December 31, 2015: zero shares.

Number of shares held in the portfolio at December 31, 2015: 3,573,737 shares.

Net carrying amount of the portfolio at December 31, 2015: €207,938,437.

Portfolio value at December 31, 2015(2): €331,035, 258.

TRADING BY RENAULT IN ITS OWN SHARES IN 2015 AS PART OF THE PROGRAMMES AUTHORIZED BY THE COMBINED GENERAL MEETINGS OF APRIL 30, 2014 AND APRIL 30, 2015

	TOTAL GROSS FLOWS AT DECEMBER 31, 2015		OPEN INTEREST AT DECEMBER 31, 2015	
	BOUGHT	SOLD	LONG POSITIONS	SHORT POSITIONS
Number of shares	1,441,595	None	None	None
Average sell, buy or strike price	€79.27	None	None	None
Total	€114,281,708.75	None	None	None

2. DESCRIPTION OF THE SHARE BUYBACK PROGRAMME SUBMITTED FOR AUTHORIZATION TO THE GENERAL MEETING OF APRIL 29, 2016:

Pursuant to Articles 241-1 to 242-7 of the AMF General Regulations and Article L. 451-3 of the French 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 29, 2016.

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 the conditions set by the law;
- cancel such shares, in particular to offset any dilution linked to the exercise of share options or the acquisition of bonus shares, subject to the adoption of the 12th resolution by the Combined General Meeting of April 29, 2016;

(1) This paragraph contains the information required in the programme description, pursuant to Article 241-2 of the AMF General Regulations, and the information required pursuant to the measures stipulated in Article L. 225-211 of the French Commercial Code.
(2) Based on a share price of €92.63 at December 31, 2015.

- remit some or all of the shares acquired by exercising the rights attached to securities giving 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 in exchange or as consideration for possible acquisitions, in accordance with recognized market practices and applicable regulations; and
- in general, carry out any transactions that are authorized, now or in future, by law, prevailing regulations 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 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 Regulations, 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 share capital corresponded to 29,572,228 shares at December 31, 2015. The total amount the Company could spend on the buyback of its own shares could not exceed €3,548.7 million.

These operations may be carried out at any time, except during a public tender offer concerning the Company, during the share buyback program.

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 29, 2016, this programme shall be valid for a period that expires at the next Annual General Meeting called to approve the 2016 financial statements and shall be no longer than 18 months, *i.e.* until October 29, 2017.

5.2.6 RENAULT SHARE OWNERSHIP

5.2.6.1 RENAULT SHAREHOLDERS AT DECEMBER 31, 2015

OWNERSHIP OF SHARES AND VOTING RIGHTS FOR THE LAST THREE FISCAL YEARS

	31/12/2015			31/12/2014			31/12/2013		
	NUMBER OF SHARES HELD	% OF CAPITAL	% OF VOTING RIGHTS	NUMBER OF SHARES HELD	% OF CAPITAL	% OF VOTING RIGHTS	NUMBER OF SHARES HELD	% OF CAPITAL	% OF VOTING RIGHTS
French State(1)	58,387,915	19.74%	23.56%	44,387,915	15.01%	17.84%	44,387,915	15.01%	17.93%
Nissan Finance. Co, Ltd	44,358,343	15.00%	-	44,358,343	15.00%	-	44,358,343	15.00%	-
Daimler AG	9,167,391	3.10%	3.70%(2)	9,167,391	3.10%	3.68%	9,167,391	3.10%	3.70%
Employees(3)	6,157,300	2.08%	2.48%	7,384,900	2.50%	2.97%	7,720,720	2.61%	3.12%
Treasury stock	3,573,737	1.21%	-	2,555,983	0.86%	-	3,784,305	1.28%	-
Public	174,077,598	58.87%	70.26%	187,867,752	63.53%	75.51%	186,303,610	63.00%	75.25%
TOTAL	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**	**295,722,284**	**100.00%**	**100.00%**

(1) For information on the change in the number of shares and voting rights held by the French State, see the following paragraphs.

(2) The number of shares held by Daimler AG remains unchanged from the 2014 Registration document. The change in the percentage of voting rights is solely the result of the change in the total number of exercisable voting rights (see section 5.2.1 of this Registration document).

(3) The proportion of shares held by employees and former employees counted in this category corresponds to shares held in Company savings schemes.

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 amounts to €1,126,701,902.04, divided into 295,722,284 shares. This is distributed as follows:

- the French government increased its stake from 15.01% to 19.74% following the acquisition of 14 million shares in April 2015;
- the Nissan group, through its wholly-owned subsidiary Nissan Finance Co., Ltd., holds 15% of Renault's capital (unchanged since December 31, 2014). However, Nissan Finance Co., Ltd. is not entitled to exercise the voting rights attached to these shares owing to Renault's ownership interest in Nissan Motor Co., Ltd., parent company of Nissan Finance Co., Ltd.;
- the Daimler group holds 3.10% (9,167,391 shares);
- current and former Renault employees hold 2.08% of the capital in the form of shares managed through collective investment schemes;
- treasury shares represent 1.21% of the capital. Under French law, these shares do not carry voting rights;
- the free float is now 58.87% of the capital (compared with 63.53% at December 31, 2014).

A survey of the holders of Renault bearer shares was conducted on December 31, 2015. This gave an estimated breakdown of the public ownership's interest by category of major shareholder.

At that date, institutional shareholders owned 50.19% of the capital, with French institutions holding 8.51% and foreign institutions 41.68%. The 10 largest French and foreign institutional investors held approximately 16.40% of the capital. The remaining capital – 8.68% – is held primarily by individual shareholders.

5.2.6.2 DOUBLE VOTING RIGHTS

Starting April 3, 2016, pursuant to Article L. 225-123 of the French Commercial Code, as amended by Law No. 2014-384 of March 29, 2014 (the so-called Florange Law), in the absence of a provision to the contrary in the Renault by-laws adopted subsequent to the promulgation of the Florange Law, voting rights double those conferred on other shares are automatically attributed to all fully paid-up shares for which proof is provided of registration for at least two years in the name of the same shareholder.

5.2.6.3 SHAREHOLDER AGREEMENTS ON SHARES AND VOTING RIGHTS OF THE COMPANY

RESTRICTIONS ON THE TRANSFER OF SHARES

As part of the long-term strategic Master Cooperation Agreement 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 the 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 the beneficiary is not a competitor of Renault, this lock-up commitment does not apply in the following cases: (i) transfer to a subsidiary, (ii) a public offer for Renault shares recommended by Renault's Board of Directors, and (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 wishes 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.

RESTRICTIONS ON THE FREE EXERCISE OF VOTING RIGHTS ATTACHED TO SHARES HELD BY THE FRENCH GOVERNMENT

In the context of the discussions conducted between Renault and Nissan and between Renault and the French government to restore the balance between the investments of the two shareholders in Renault and, on this occasion, to ensure the continuity and development of the Renault-Nissan Alliance, on February 4, 2016, Renault SA and the French government entered into a governance agreement aimed at capping the French government's voting rights in respect of certain decisions to be approved by the Renault Shareholders' Annual General Meeting.

This limitation varies depending on the quorum achieved at the Shareholders' Annual General Meeting:

- if the shareholders present or represented at the General Meeting in question own 70% or fewer of the shares with voting rights (either single or double voting rights), the French government's voting rights are capped at 17.9% of the voting rights exercisable by Renault; and
- if the shareholders present or represented at the General Meeting in question own more than 70% of the shares with voting rights (either single or double voting rights), the French government's voting rights are capped at 20% of the voting rights exercisable by Renault.

The capping of the French government's voting rights affects all decisions within the jurisdiction of the Ordinary General Meeting, with the exception of the following decisions, for which the State may exercise all of its double voting rights:

- allocation of earnings, the fixing of the dividend and its payout date;
- the option of receiving all or part of the dividend payout in cash or in shares;
- appointment of directors representing the French government, renewal of their terms of office or ratification of their appointments by the Board of Directors;
- removal of directors representing the French government;
- approval of the sale of significant assets;
- regulated agreements against which the representatives of the French government voted on the Board of Directors; and

- authorization of the Board of Directors to trade in Renault's shares, in the event of a program to the buy back one or more blocks of shares from one or more identified shareholders.

For Extraordinary General Meetings, the French government may exercise all of its voting rights, with the exception of the following decisions for which the French government's voting rights are capped, namely:

- the granting or renewal of delegations of authority or powers to the executive bodies of Renault whose terms are consistent with the existing practices of Renault as demonstrated over the five years preceding the decision;
- decision or delegation granted to the Board of Directors to grant stock options, allocate bonus shares or issue shares or securities giving access to capital to the employees and corporate officers of the Group;
- modification of the age limit for the exercise of functions or the term of office of directors and senior executive officers; and
- transfer of the head office (except outside of France).

Resolutions submitted by a shareholder other than the French government are not capped if the French government votes according to the recommendations of the Board of Directors of Renault.

The capping of voting rights shall cease to apply if:

- Nissan exercises the voting rights attached to its shares at any Renault General Meeting; and
- the Restated Alliance Master Agreement entered into between Renault and Nissan on March 28, 2002 (as amended on April 29, 2005, November 7, 2012 and December 11, 2015) is amended and the representatives of the French government did not vote in favor thereof on the Board of Directors, or if the said Restated Alliance Master Agreement is terminated.

In addition, capping is suspended:

- in the event of a public offer on the financial securities of Renault initiated by any person, from the announcement thereof until the expiration of the offer period; and
- whenever a person (with the exception of the French government, but including Nissan), acting alone or in concert, owns, directly or indirectly, immediately or over time, an investment or an economic exposure representing more than 15% of the capital or voting rights of the Company.

In the event of violation by the French government of its commitments under the corporate governance agreement, Renault may seek conversion into bearer shares of all Renault shares owned by the French government, thus depriving them of the double voting rights attached to them for a period of two years.

BNP Paribas Securities Services is the registrar for Renault and assists in the implementation of the capping mechanism through the management of the registered shareholder accounts in which the Renault shares owned by the French government are kept. The terms of its involvement are set out in an agreement for the implementation of the corporate governance agreement, which was signed on February 4, 2016 between Renault, the French government and BNP Paribas Securities Services.

ABSENCE OF CONCERTED ACTION BETWEEN RENAULT AND DAIMLER

Renault and Daimler have declared that they are not acting in concert, directly or indirectly, as defined in Article L. 233-10 of the French 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 (*Service de règlement différé*, 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, environmental protection, and societal practices, and it is included in a number of indexes (see chapter 2.9.6.).

5.3.1.2 RENAULT SHARE PRICE PERFORMANCE OVER THE LAST FIVE YEARS

RENAULT SHARE PRICE AND MARKETS PERFORMANCE

	2015	2014	2013	2012	2011
Year high (€)	98.81	75.43	68.39	43.02	49.45
Year low (€)	57.38	51.95	39.67	26.60	22.34
Closing price (€)	92.63	60.53	58.45	40.685	26.80
Change during the year (%)	+54.64	+4.04	+44.09	+47.4	-39.4
CAC change during the year (%)	+9.05	+1.08	+18.0	+15.2	-17.0
DJES Auto change during the year (%)	+13.8	+5.70	+34.09	+35.25	-26.88
Number of shares exchanged during the year	332,181,829	325,351,180	283,176,634	440,033,635	544,887,488
Market capitalization (€ million)	27,393	17,900	17,285	12,031	7,925

The average share price in the last 30 trading days of 2015 was €92.36 (source: Reuters).

5.3.2 RENAULT AND DIAC REDEEMABLE SHARES

5.3.2.1 RENAULT REDEEMABLE SHARES

CHARACTERISTICS OF THE MAIN RENAULT REDEEMABLE SHARES

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 each 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.

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, 2015.

COMPENSATION

The gross remuneration on redeemable shares paid on October 26, 2015 in respect of 2014 was €21.33 (€10.29 for the fixed portion and €11.04 for the variable portion).

The remuneration on redeemable shares for fiscal year 2015, payable on October 24, 2016, is €22.48, comprising €10.29 for the fixed portion and €12.19 for the variable portion (based on consolidated revenues of €45,327 million for 2015 and €41,055 million for 2014).

TRADING VOLUMES AND PRICES OF RENAULT REDEEMABLE SHARES OVER THE PAST THREE YEARS

	2015	2014	2013
Year high (€)	575.00	444.95	420.00
Year low (€)	435.65	400.00	306.55
Closing price (€)	539.95	438.90	392.00
Number of shares exchanged during the year	81,243	119,268	149,827

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, 2015, the number of redeemable shares still outstanding was 60,269. At the closing price of €201.01, Diac's redeemable shares represented a total of €12,114,672 (€9,188,009 at the issue par value of €152.45).

In the course of 2015, the share price fluctuated between €175 at its lowest and €201.99 at its highest.

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 has put 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 11, 2016 the Board of Directors proposed the payment of a dividend of €2.40 per share for FY2015. This proposal will be submitted to voting at the General Meeting on April 29, 2016. The dividend will be paid on May 17, 2016.

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.

FISCAL YEAR	NO. OF SHARES COMPRISING THE SHARE CAPITAL AT DECEMBER 31	DIVIDEND PER SHARE (in euro)	PAYABLE DATE
2011	295,722,284	1.16	May 15, 2012
2012	295,722,284	1.72	May 15, 2013
2013	295,722,284	1.72	May 15, 2014
2014	295,722,284	1.90	May 15, 2015
2015*	295,722,284	2.40	May 17, 2016

* *In accordance with the proposal of the Board of Directors and subject to the decision of the Combined General Meeting of April 29, 2016.*

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

(See chapter: 2.1.6.)

5.4.2 INSTITUTIONAL INVESTORS/SOCIALLY RESPONSIBLE INVESTORS

(See chapter: 2.1.6.)

5.4.3 2016 FINANCIAL CALENDAR

February 12 (before opening)	2015 annual results
April 21 (after opening)	2016 Q1 revenues
April 29 (afternoon)	Shareholders' Annual General Meeting 2016
July 28 (before opening)	2016 half-year results
October 25 (after close)	2016 9-month revenues

5.4.4 CONTACTS

INVESTOR RELATIONS DEPARTMENT

E-mail: communication.actionnaires@renault.com

Shareholder hotline within France
(Toll-free number and service): 0 800 650 650

Shareholder international hotline: +33 (0)1 76 84 59 99

Phone information for employee shareholders: +33 (0) 1 76 84 33 38

Web site: www.groupe.renault.com/Finance

Contact:

Thierry Huon

Renault Investor Relations Director

Telephone: +33 (0)1 76 84 53 09

Renault shares can be registered with:
BNP Paribas Securities Service
Renault Shareholder Relations
9 rue du Débarcadère
93761 Pantin Cedex – France
Tel: 0 892 23 00 00 in France
+33 (0)1 40 14 11 16 from other countries

5.4.5 PUBLIC DOCUMENTS

The following documents are available in the Finance section of the web-site www.groupe.renault.com:

- the Company's articles of incorporation;
- financial press releases;
- the regulatory information that is published in full by electronic means (including on the web-site 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 2014, 2013, 2012, 2011 and 2010, all filed with the AMF.

Vote online for the AGM with VOTACCESS.

GENERAL MEETING
APRIL 29, 2016

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

DRAFT RESOLUTIONS

Ladies and Gentlemen,

We have called a General Meeting in order to submit twenty-one resolutions to you:

- twelve resolutions shall be submitted to the Ordinary General Meeting; and
- nine resolutions, the implementation of which may cause a change in the Company's share capital shall be submitted to the Extraordinary General Meeting.

In this report, we will explain the rationale behind each of the resolutions being submitted to the vote of the General Meeting.

The course of business and financial state of the Company during the financial year ending 31 December 2015 are set out 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 profits

The **first two resolutions** deal with the approval of Renault's financial statements and consolidated financial statements for the 2015 financial year.

The accounts presented have been produced in accordance with the regulations in force, using IFRS (International Financial Reporting Standards) for the consolidated financial statements and in accordance with French statutory and regulatory provisions for the Company's own annual financial statements.

The financial statements show a net profit of EUR 663,056,110.81. The consolidated financial statements show a net profit of EUR 2,959,920,484.13.

The **third resolution** deals with the allocation of profit for the 2015 financial year and the payment of dividends. The Board of Directors proposes the payment, as a dividend, of an amount of EUR 709,733,481.60, equal to EUR 2.40 per share.

The ex-date for dividend payment would be 13 May 2016 and this dividend would be payable as from 17 May 2016.

As a result of this payment, retained earnings would be reduced from EUR 7,728,868,267.40 to EUR 7,682,190,896.61.

Pursuant to the provisions of Article 243 bis of the French General Tax Code, the table below sets out the amounts of each dividend per share, payments eligible for 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-resident, and distributions not eligible for the 40% tax allowance, which have been granted for the previous three financial years.

FINANCIAL YEAR	DIVIDEND	AMOUNT OF INCOME DISTRIBUTED ELIGIBLE FOR THE 40% ALLOWANCE	AMOUNT OF INCOME DISTRIBUTED NOT ELIGIBLE FOR THE 40% ALLOWANCE
2012	€1.72	€1.72	None
2013	€1.72	€1.72	None
2014	€1.90	€1.90	None

Regulated agreements

The **fourth resolution** relates to the so-called "regulated" agreements entered into and approved during the previous financial years and the execution of which has continued throughout the last financial year.

These agreements have been re-examined by the Board of Directors during its meeting on 11 February 2016 in accordance with Article L. 225-40-1 of the French Commercial Code and are mentioned in the Statutory Auditor's special report.

This special report is set out in section 4 of the Company's 2015 Registration Document.

It is noted that, in accordance with applicable laws, the regulated 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.

Deciding on the above-mentioned report, the General Meeting is asked to take note of information relating to the regulated agreements.

Approval of the Alliance Stabilisation Agreement

The **fifth and sixth resolutions** propose that the General Meeting, after having acknowledged the Statutory Auditor's special report, approves the agreements between Renault and the French State and Renault and Nissan.

- Agreement with the French State

During its meeting on 11 December 2015, the Board of Directors unanimously approved the execution of a Governance Agreement between Renault and the French State in relation to capping the voting rights of the State during General Meetings. Mr Pascal Faure and Mr Martin Vial did not take part in the vote.

In implementing the conferred authorization, the Company entered into a contract with the French State on 4 February 2016, capping the State's voting rights at 17.9% in certain circumstances, this figure being capable of being increased to 20% in the event of an unusually high quorum. The agreement also describes the terms and conditions on which the cap is implemented with Renault's Registrar.

The cap on the French State's voting rights applies to decisions within the remit of the Ordinary General Meeting with the exception of decisions relating to (i) payment of dividends, (ii) the appointment, renewal and the removal of directors representing the French State, (iii) the transfer of Renault's material assets, (iv) regulated agreements not approved by the representatives of the French State and (v) the repurchase of shares from certain shareholders.

However, the French State shall retain all of its voting rights for decisions within the remit of the Extraordinary General Meeting, with the exception of the most common decisions such as (i) the approval or renewal of common delegations to Renault's management bodies, the terms of which shall be in accordance with Renault's existing practice, (ii) the issuance of stock-options, performance-based shares or securities that provide access to the Company's capital for the benefit of paid employees and officers of the Renault group, (iii) an amendment to the age limit for the exercise of duties or the term of office of directors and executive directors and (iv) a change of registered office (except a change abroad).

The cap of voting rights would cease to apply in exceptional circumstances such as the amendment or termination of the Restated Alliance Master Agreement, the use of voting rights in Renault by Nissan, the announcement of a public takeover bid on Renault's shares and crossing the threshold of 15% either in capital or voting rights by a shareholder, including Nissan.

The Governance Agreement has been entered into for a term of twenty years, automatically renewable for periods of ten years thereafter unless terminated at least two years prior to the end of each term. This agreement is effective from the signing date.

The Board of Directors of Renault considered that the agreement is the result of discussions which took place in 2015 between the two long-term shareholders of Renault, the French State and Nissan. The agreement will ensure the continuance of the Alliance and foster its development in the pursuit of Renault's interests.

It is noted that the French State will not take part in the vote on the fifth resolution submitted to the General Meeting.

- Agreement with Nissan Motor Co., Ltd.

During its meeting on 11 December 2015, the Board of Directors unanimously approved the execution of an agreement between Renault and Nissan in relation to Nissan's Governance, constituting a third amendment to the Restated Alliance Master Agreement signed on 28 March 2002, first amended by an amendment signed on 29 April 2005 and by a second amendment signed on 7 November 2012. Mr Carlos Ghosn, Chief Executive Officer (CEO) of Renault and Nissan Motor Co., Ltd. and President of Renault-Nissan B.V., Mr Hiroto Saikawa, Director of Renault and Executive Vice President of Nissan Motor Co., Ltd. and Miss Yuriko Koike, Director of Renault and representative of Nissan Motor Co., Ltd. did not take part in the vote.

In implementing the conferred authorisation, an amendment to the Restated Alliance Master Agreement was signed on 11 December 2015, the terms and conditions of which include the commitment by Renault to approve the resolutions proposed by the Nissan Board of directors for the approval of the Shareholders' Meeting regarding the appointment, the removal and the compensation of the Board members. For such resolutions Renault will vote in accordance with the recommendations of the Board of directors of Nissan and, on default, Nissan shall have the power to acquire shares in Renault without prior agreement.

The amendment amends the Restated Alliance Master Agreement without changing the term, which shall remain indefinite. It is effective as of its execution.

The other provisions of the Restated Alliance Master Agreement have continued to be in effect during the preceding financial year and have not been amended.

The Board of Directors of Renault considered that the agreement is the result of discussions which took place in 2015 between the two long-term shareholders of Renault, the French State and Nissan. It will ensure the continuance of the Alliance and foster its development in the pursuit of Renault's interests.

It is noted that Mr Carlos Ghosn, Mr Hiroto Saikawa and Miss Yuriko Koike will not take part in the vote on the sixth resolution proposed to the General Meeting.

The details of these agreements are set out in the Statutory Auditors' special report (reproduced in section 4 of the Company's 2015 Registration Document and section 5 of the convening notice).

Statutory auditors' report on the redeemable shares

The **seventh resolution** proposes that the General Meeting takes note of the Statutory Auditors' report on the remuneration of redeemable shares, in particular the variable amount which is linked to the development of Renault's consolidated turnover in 2015 as determined by constant methods with reference to a constant structure.

Advisory opinion on the remuneration due or granted to Mr Carlos Ghosn in respect of financial year 2015

Pursuant to the terms of the **eighth resolution** proposed to the General Meeting and 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 compensation, either due or granted in respect of the financial year ending 31 December 2015, are submitted to the shareholders for their advisory opinion.

The relevant elements of compensation relate to: (i) the fixed amount, (ii) the annual variable amount including the deferred variable amount and, where applicable, the multiannual variable amount with the objectives contributing to the setting of this variable amount, (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 scheme, (vii) benefits in kind and (viii) the non-compete indemnity.

Components of Mr Carlos Ghosn's, chairman and CEO, compensation due or granted in respect of financial year 2015

COMPONENTS OF COMPENSATION DUE OR GRANTED IN RESPECT OF THE FINANCIAL YEAR 2015	AMOUNTS OR ACCOUNTING VALUATION SUBMITTED TO THE VOTE	COMMENTS
Fixed compensation	EUR 1,230,000 (amount paid)	The fixed amount was set by the Board of Directors on 12 December 2014 upon recommendation of the Remunerations Committee. This amount has remained unchanged since 2011.
Annual variable compensation	EUR 1,783,500 (145 % of the fixed amount) of which: • EUR 445,875 is paid in cash, and • EUR 1,337,625 is paid in deferred shares as defined in "Deferred variable compensation" below	The following performance criteria was set by the Board of Directors on 12 December 2014 in respect of the financial year 2015: • Return on equity rate (10% maximum); • Operating margin (40% maximum); • Free cash flow (40% maximum); • A qualitative criteria relating to managerial skills (60% maximum), which is based on the following: ▪ monitoring of agreement on competitiveness in France, assignment of vehicle and mechanical projects (Renault and its partners), assessment of production volumes allocated for 2016, ▪ the quality of environmental responsibility, placement of electric vehicles in Europe, CO_2 emissions of vehicles in Europe, ▪ development of a multi-year R&D strategy, level of investment in R&D and monitoring of Capex, roll-out of a standardisation policy (CMF approach – Common big Modules Families) and roll-out of a deployment modules policy, Regional product coverage, ▪ CSR: auditing of non-financial data, visibility, social impact in respect of diversity, health & safety, ▪ partnerships: growth in the number of projects with partners, development of synergies and cost reduction thanks to partnerships, ▪ alliance synergies: increase in the number of synergies, growth of main synergies. Each of the six items set out above accounts for 10% in achieving the qualitative criteria. The Board of Directors ensures that the criteria chosen for the variable amount of the Executive Director bring his interests in line with those of the Company and the shareholders. For confidentiality reasons, Renault does not communicate on the quantified target for each of the above criteria. It does, however, communicate the level of achievement of each of the criteria afterwards. On 11 February 2016, upon the proposal of the Remunerations Committee, the Board of Directors announced that the achievement level for financial criteria would be 90% and the achievement level for qualitative criteria would be 55%, broken down as follows: • Return on equity rate: 10% out of the 10% maximum; • Operational margin: 40% out of the 40% maximum; • Free Cash Flow: 40% out of the 40% maximum; • A qualitative criteria: 55% out of the 60% maximum, broken down as follows: ▪ monitoring of the agreement on competitiveness in France : 10% out of the 10% maximum, ▪ quality of environmental responsibility: 7.5% out of the 10% maximum, ▪ development of a multi-year R&D strategy: 7.5% out of the 10% maximum, ▪ CSR : 10% out of the 10% maximum, ▪ partnerships: 10% out of the 10% maximum, ▪ alliance synergies: 10% out of the 10% maximum. As a result, the Variable Compensation in respect of the financial year 2015 amounts to 145% of the fixed amount, i.e. EUR 1,783,500 (compared to 147.5% of the fixed amount, i. e. EUR 1,814,250, in respect of the financial year 2014). On 11 February 2016, the Board of Directors, upon proposal from the Remunerations Committee, also approved the terms of payment of the variable amount as follows, which is identical to that in 2014 : • 25% paid in cash in 2016, i.e. EUR 445,875; • The balance, i.e. EUR 1,337,625, paid in shares on a deferred basis in accordance with the conditions set out below (the "Deferred Variable Compensation").
Deferred Variable Compensation	EUR 1,337,625 (accounting valuation)	The vesting of the shares received under the Deferred Variable Compensation for financial year 2015 may not occur before 2020, subject to the following conditions: i. a condition of presence within Renault in 2020, ii. performance conditions based on the financial criteria regarding the CEO's Variable Compensation assessed for 2016, 2017 and 2018. The number of shares acquired by Mr Carlos Ghosn will therefore be determined depending on the amount of the Deferred Variable Amount; the risk of non-payment of this Deferred Variable Amount and the Group's performance over the 2016-2018 period.
Multi-annual variable compensation	NA	No multi-annual variable compensation.
Exceptional compensation	NA	No exceptional compensation.
Long-term compensation	Stock-options	No exceptional compensation.

COMPONENTS OF COMPENSATION DUE OR GRANTED IN RESPECT OF THE FINANCIAL YEAR 2015	AMOUNTS OR ACCOUNTING VALUATION SUBMITTED TO THE VOTE	COMMENTS
	Performance-based shares EUR 4,184,850 (accounting valuation)	Under the authorisation granted by the General Meeting on 30 April 2013 (15th resolution), the Board Meeting on 11 February 2015, upon recommendation from the Remunerations Committee, decided on the issue to the Chairman and CEO of: 100.000 performance-based shares, subject to the achievement of the following performance criteria, assessed over the 2015, 2016 , 2017 period: • *Free cash flow*, for a third of the shares; • the change in percentage point of the automobile operational margin in comparison to a panel of other automobile manufacturers with the same geographic and sector drivers (PSA auto, Fiat auto EMEA, VW Brand and Skoda Brand), for a third of the shares; and • an external criteria based on the *total share return* (TSR), in line with the practices of the CAC 40, for a third of the shares. The objective targets corresponding to these criteria are not communicated for confidentiality reasons. The authorisation given by the General Meeting on 30 April 2013 applies to all performance-based share allotments as follows: • the total number of performance-based shares allotted shall not exceed 1.5% of the share capital in three years, on average 0.5% of the share capital per year, • the number of performance-based shares allotted to the Chairman and CEO shall not exceed 15% of the total number of shares allotted. The above-mentioned allotment will not result in any dilution for shareholders, the shares issues being shares held in treasury by the Company. The Chairman and CEO is obliged to retain 25% of the performance-based shares actually acquired from the acquisition period until the end of his term. The Chairman and CEO has formally committed to engage in hedging transactions with the performance-based shares until the end of the retention period.
	Other – NA	No allotment
Attendance fees	EUR 48,000 (amount paid)	This gross amount is paid in consideration for his duties as director of Renault. The method of calculation applicable to the fees paid for the Board of Directors is as follows: • a fixed amount of EUR 18,000 per year, linked to the membership of the Board; and • a variable amount of EUR 6,000 per meeting, linked to the attendance of members at meetings of the Board. The fixed and variable amounts are capped at a total amount of EUR 48,000 per director per year. Mr Ghosn will not receive attendance fees for his taking part in a possible Board Committee. Mr Carlos Ghosn did not receive compensation in his capacity as Chairman and member of the Board of Directors of Avtovaz in respect of the year 2015.
Valuation of benefits in kind	EUR 5,440 (accounting valuation)	This valuation of benefits in kind corresponds to the provision of a company car.
Severance payment	NA	There is no clause relating to severance payment for the Chairman and CEO
Non-compete payment	NA	During its meeting on 11 February 2015, the Board of Directors authorised the execution of a non-compete agreement between the Company and Mr Carlos Ghosn by which the latter undertakes, as of the termination or non-renewal of his position as CEO, to not exercise, either directly or indirectly, a competing business with that of the Group, either on his own behalf or on behalf of another company. A competing business means design, construction or automotive marketing business (mainly passenger cars and commercial vehicles) carried on in the same geographical and sector fields as the Group at the time of termination of the term. The Board of Directors considered (i) the particular competitive nature of market on which the Group operates, (ii) the importance of the functions and recognised expertise of Mr Carlos Ghosn in this market, (iii) the methods which are at his disposal, (iv) the sensitive information which Mr Carlos Ghosn holds or to which he has access to, and (v) the relationships which are developed by Mr Ghosn during his term in office, and concluded that it was necessary to protect the legitimate interests of the Group through the introduction of this non-compete clause. In consideration for his non-compete obligation, Mr Carlos Ghosn will receive from the Company, during the term of the agreement (two years) and subject to the performance thereof, a gross financial consideration equal to two years total gross compensation (fixed and variable), payable in twenty-four monthly payments. Upon Mr Carlos Ghosn's departure, the Board of Directors of the Company will decide whether or not to apply the non-compete clause and may unilaterally waive its application. The General Meeting on 30 April 2015 approved this non-compete clause.

COMPONENTS OF COMPENSATION DUE OR GRANTED IN RESPECT OF THE FINANCIAL YEAR 2015	AMOUNTS OR ACCOUNTING VALUATION SUBMITTED TO THE VOTE	COMMENTS
Supplementary pension scheme	No amount due in respect of the last financial year	Mr Carlos Ghosn benefits from the collective supplementary pension scheme set up for members of the Group Executive Committee. This scheme is open to new beneficiaries. This plan was approved by the Board meetings held on 28 October 2004 and 31 October 2006 and by the General Meeting of 30 April 2010 (10th resolution). This scheme has been confirmed by the Board meeting of 12 February 2014 and was approved by the General Meeting of 30 April 2014 (7th resolution). The supplementary pension scheme includes: • a defined contribution scheme equivalent to 8% (5% paid by the Company, 3% by the beneficiary) of the 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 plan 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 limit. In any event, the total amount of the CEO's pension shall be no more than 45% of his reference compensation. Furthermore, the benefit of the supplementary pension scheme is subject to the condition that Mr Carlos Ghosn is an officer of the company in order to exercise his retirement rights.

In the event that a negative opinion is delivered, the Board of Directors shall meet as soon as possible to deliberate on the actions to be taken to address the shareholders' concerns and shall release the result of its deliberations on the Company's website.

Renewal of the appointment of Mr Thierry Desmarest

The **ninth resolution** proposes that the General Meeting approves the renewal of Mr Thierry Desmarest's appointment for a new term of four years. This appointment will end at the close of the General Meeting approving the financial statements for the financial year ending 31 December 2019.

Mr Thierry Desmarest was born on 18 December 1945 and is of French nationality.

A biographic notice of Mr Thierry Desmarest (including details of appointments and functions performed) is contained in the notice convening the General Meeting and in Section 3 of the Company's 2015 Registration Document.

It is recalled that Mr Thierry Desmarest meets the criteria of independent director as set out in recommendation 9 of the AFEP/MEDEF Code revised in November 2015 and respects the regulations and recommendations thereof on the limit of multiple directorships.

Appointment of a new Director – Mrs Olivia Qiu

The **tenth resolution** proposes that the General Meeting appoints Mrs Olivia Qiu as Director. This appointment will contribute to the progressive feminisation of the Board of Directors while reinforcing its internationalisation. For these reasons, the Board of Directors did not proposed the renewal of Mr Garnier's term of office.

Mrs Olivia Qiu will be appointed for a term of four years i.e. until the close of the General Meeting approving the financial statements for the financial year ending 31 December 2019.

Mrs Olivia Qiu was born on 19 August 1966 and is of Chinese and French nationality.

A biographic notice (including details of appointments and functions performed) of this candidate is contained in the notice convening the General Meeting and in Section 3 of the Company's 2015 Registration Document.

It is recalled that Mrs Olivia Qiu meets the criteria of independent director as set out in recommendation 9 of the AFEP/MEDEF Code revised in November 2015 and respects the regulations and recommendations thereof on the limit of multiple directorships.

Authorisation for the Board of Directors to purchase the Company's own shares

During 2015, the Company acquired 1,411,595 shares pursuant to the authorisation granted by the General Meeting on 30 April 2014. The Company did not acquire any of its own shares pursuant to the authorisation granted by the General Meeting on 30 April 2015. It used 1,446,347 shares held in treasury to allot performance-based shares, or any other allotment, issue or transfer of shares to its employees or directors, in accordance with the authorisation granted to the Board of Directors during the General Meeting on 30 April 2015.

As at 31 December 2015, the Company held 3,573,737 shares, representing 1.21% of the Company's share capital. Shares held as treasury stocks are not entitled to dividends or voting rights.

The **eleventh resolution** proposes that the General Meeting renews the authorisation granted to the Board of Directors to trade in the Company's shares for a maximum period of eighteen months. This authorisation will replace that which was granted during that last General Meeting.

This authorisation will allow for the implementation of a share buyback program of up to 10% of the Company's share capital, equating to 29,572,228 shares as at 31 December 2015, as follows:

- Maximum share purchase price: EUR 120 per share (excluding acquisition costs);
- Maximum total amount: 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 accordingly;
- Implementation at any time and by any means of the share buyback program (within the limits set forth by the applicable laws or regulatory provisions in effect during the term). It is noted that from the filing date by a third party of a draft tender offer on the Company's shares until the end of the offer period, the Board of Directors may not exercise this authorisation, and the Company may not implement a buyback program without prior authorisation from the General Meeting.

The objectives of the share buyback program are described in the resolution submitted for approval by the General Meeting.

An overview of the transactions carried out in accordance with the authorisation granted will be presented to the General Meeting called to approve the financial statements for the 2016 financial year.

EXTRAORDINARY RESOLUTIONS

Reduction in share capital through the cancellation of shares

The **twelfth resolution** proposes that the General Meeting authorises the Board to cancel, through a reduction in share capital, the shares acquired as part of the share buyback program, the terms of which are specified in the eleventh resolution. The cancellation of shares results in a change in the amount of the share capital and consequently a change in the Company's Articles of Association, which may only be authorised by a decision of the Extraordinary General Meeting. The purpose of this resolution is therefore to grant such powers to the Board of Directors.

This authorisation will be granted for a period of eighteen months and will replace that which was given by the Extraordinary General Meeting on 30 April 2015.

Furthermore, you are informed that the Board of Directors did not cancel any of the Company's shares during the financial year ended 31 December 2015.

Allotment of performance-based shares

The **thirteenth resolution** deals with the authorisation granted to the Board of Directors to freely allot performance-based shares to employees and officers of the Company and French or affiliated foreign companies.

It is recalled that the Company decided that it would no longer implement stock-option plans from 2012.

It is proposed by this thirteenth resolution to authorise the Board of Directors of the Company to implement one or multiple free allotments of performance-based shares in accordance with the conditions of Article L. 225-197-1 of the French Commercial Code, as amended by law n° 2015-990 of the 6 August 2015 for growth, activity and equality of economic opportunities, notably on the minimal periods of acquisition and retention (Loi Macron).

This thirteenth resolution shall terminate the authorisation granted by the General Meeting on 30 April 2013 for a period of thirty-eight months (fifteenth resolution). The proposed terms remain the same.

The number of shares to be allotted pursuant to this resolution shall not exceed 1.5% of the Company's share capital, assessed on the day of the decision to allot by the Board of Directors. This limit will include performance-based shares allotted, where applicable, to officers of the Company, with a lower threshold for the latter fixed at 15% of allotments made pursuant to this authorisation or a maximum of 0.1% of the Company's share capital.

In any event, the number of shares to be allotted pursuant to the aggregate number of current or future allotments shall not exceed 10% of the Company's share capital.

Finally, the allotments shall not result in any dilution for shareholders. The number of shares held in treasury by the Company and issued for performance-based shares having been calibrated in order to cover all potential acquisitions pursuant to current allotments.

It is noted that the allotment of performance-based shares to their beneficiaries shall be final after a minimum vesting period of three years. The total period of acquisition and retention shall not be less than four years.

1. COMPENSATION POLICY

The allotment of performance-based shares first and foremost aims to personally connect the global leadership of the Renault Group, in particular members of its management bodies, to the Group's development by making it take part in the company's property.

It also helps to distinguish those directors contributing to the Group's results through their positive actions.

Finally, it helps retain directors which the company supports, in particular young directors with great potential for professional development. The allotment of shares helps foster their commitment and motivation to bring about progress and growth of the company.

It has proven to be an element which reinforces the role of centres of responsibility in the entire Group, both in Europe and worldwide, and more specifically with respect to the automobile and commercial subsidiaries, vehicle and mechanical engineers, factory managers, car body managers and mechanical managers, industrial subsidiaries and all heads of vehicle programs and projects. It also applies to sales financing as well as to leaders of the Group's major support functions.

2. THE BENEFICIARIES

Allotment is differentiated according to the level of responsibility and contribution from the beneficiaries, their performance assessment and results and, for the youngest beneficiaries, the evaluation of their potential for development.

Beneficiaries are divided into three categories.

a. Directors

The Directors are made up of members of the Renault Management Committee (RMC), including members of the Group Executive Committee (GEC).

In relation to the President, the number of performance-based shares allotted is fixed by the Board of Directors, upon recommendation from the Remunerations Committee. The work of the Remunerations committee is carried out with the help of a firm of specialised consultants, on the basis of analysis of compensation paid in global automobile makers: VW, Toyota, Daimler, General Motors, Ford Motors, Honda, Fiat, BMW, PSA…

The share of performance-based shares allotted to the CEO and to member of the Group Executive Committee shall not exceed 15% and 30% respectively of the total number of performance-based shares allotted.

b. Managing executives

The managing executives are also beneficiaries and benefit, in principle, from variable annual donations according to the same criteria as directors, according to their level of responsibility, performance and results. The number of shares allotted may vary according to the assessment made. Certain managing executives may not become beneficiaries.

c. Other managers

The remaining beneficiaries are most often senior managers and executives with a strong potential for professional or managerial development or development of expertise. There are numerous methods of assessment and selection of these beneficiaries (annual appraisal, career committees, specific monitoring for potential managers, variable compensation according to position held…); these methods form a comprehensive platform from which the most deserving among them can be distinguished.

The total number of beneficiaries from these three categories totals at around 900 managers each year.

3. PERFORMANCE CRITERIA

a. Requirements

In accordance with best practice, allotments are subject to one condition, regardless of the beneficiary concerned. Allotments are subject to a minimum attendance of three years from the allotment date of the performance-based shares as well as performance conditions which are assessed over the course of least three consecutive financial years.

Since 2006, performance criteria have been put in place for all employees. The criteria are rigorous, steady, verifiable and quantifiable.

The achievement levels of plans of which the performance assessment period matured are:

- Plan n° 17 for 2011: no criteria met;
- Multiannual plan n° 18 for 2011-2013: 100% of criteria met;
- Plan n° 19 for 2012: 50% of criteria met;
- Plan n° 20 for 2013: 88.48% of criteria met.

Where the criteria has not been met, the shares allotted become non exercisable or are not deemed acquired upon the expiry of the acquisition period.

b. Nature of criteria

The performance criteria are set for each allotment plan by the Board of Directors at the recommendation of the Remunerations committee.

In the event that the resolution proposed is approved by the General Meeting, the criteria for the 2016 allotment plan will be as follows:

- For all beneficiaries

Two criteria will be applicable:

FREE CASH FLOW	PERCENTAGE	ACQUISITIONS
Cap*	Budget +10%	50%
Target*	Budget	40%
Lower limit*	Budget -15%	0%

CHANGE IN PERCENTAGE POINTS OF THE AUTOMOBILE OPERATIONAL MARGIN (AOM) IN COMPARISON TO A PANEL**	PERCENTAGE	ACQUISITIONS
Cap*	Average +10%	50%
Target*	Average	40%
Lower limit*	Average -15%	0%

* *linear interpolation between values.*

** *Fiat, PSA, VW, Skoda and Renault.*

- For the Chief Executive Officer

The allotment to the Chief Executive Officer will be subject to the two criteria below and to an additional criterion, in order to reinforce the requirements for the relevant allotment:

FREE CASH FLOW	PERCENTAGE	ACQUISITIONS
Cap*	Budget +10%	33.33%
Target*	Budget	26.7%
Lower limit*	Budget -15%	0%

CHANGE IN PERCENTAGE POINTS OF THE AUTOMOBILE OPERATIONAL MARGIN (AOM) IN COMPARISON TO A PANEL**	PERCENTAGE	ACQUISITIONS
Cap*	Average +10%	33.33%
Target*	Average	26.7%
Lower limit*	Average -15%	0%

TOTAL SHAREHOLDER RETURN (TSR)	PERCENTAGE	ACQUISITIONS(1)
Cap*	TSR +10%	33.33%
Target*	TSR	26.7%
Lower limit*	TSR -15%	0%

(1) The final percentage allotted is the sum of the TSR Euro Stoxx Auto & Parts index results (50%) and the TSR Euro Stoxx ex Financials index results (50%).

* *linear interpolation between values.*

** *Fiat, PSA, VW, Skoda and Renault.*

This resolution is granted for a period of thirty-eight months and may be used for allotments throughout 2016, 2017 and 2018.

Authorisation given to the Board of Directors to proceed with the issue of shares or securities giving access to the share capital with or without preferential subscription rights

The purpose of the **fourteenth**, **fifteenth**, **sixteenth**, **seventeenth** and **eighteenth resolutions** is to grant authorisation to the Board of Directors for a period of twenty-six months which will enable it to conduct, at its sole initiative, various financial transactions through the issuance of ordinary shares or securities giving access to the share capital and/or the right to allot debt securities 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 Meeting dated 30 April 2014 granted the Board of Directors the authorisations listed in the table set out below, it being understood that the table specifies the circumstances and the conditions in which the Board of Directors has used these authorisations until the date of this report. As these delegations and authorisations are nearing expiration, it is proposed that the shareholders renew them.

These authorisations are subject to a total cap of **EUR 350 million** in respect of capital increases (which shall also apply to the capital increases made pursuant to the twentieth resolution as described below) (**the Overall EUR 350 million Cap**), and **EUR 1 billion** in respect of the debt portion of the issuance of securities giving access to the capital (such as convertible or exchangeable bonds) (same cap for the fourteenth, fifteenth, sixteenth and seventeenth resolutions).

In addition to these total caps, individual caps in line with best market practices apply depending on the type of transaction contemplated.

- The **fourteenth resolution** proposes that the shareholders grant the Board of Directors the necessary authorisation to implement issuances with preferential subscription rights for the benefit of shareholders of the Company. These transactions would cover the issue, both in France and abroad, of ordinary Company shares and/or securities giving access, immediately or in the future, to ordinary shares of the Company or any companies in which it holds, either directly or indirectly, more than half of the share capital or giving right to the allotment of 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, reimbursement or exchange of a security or by the presentation of a warrant (bon). The maximum par value of share capital 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 representing a maximum of 30% of the share capital existing as at 31 December 2015. 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 or securities. 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 **fifteenth resolution** proposes that the General Meeting grants the Board of Directors the authorisation necessary to carry out transactions, either in France or aboard, through a public offering. These transactions will cover the issuance of ordinary shares of the Company and/or securities giving access, immediately or in the future, to the share capital of the Company or any companies in which it holds, either directly or indirectly, more than half of the share capital, 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, the reimbursement 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 representing approximately 10% of the share capital. 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 in accordance with the applicable legal and regulatory provisions, upon decision of the Board of Directors (it being stated that this priority right shall not create trading rights).

  This resolution provides that the new shares issuance price will 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 **New Shares Issue Price**). The issue price of securities giving access to the Company's share capital will be such that the amount immediately received by the Company plus any amount subsequently received, where applicable, or, for each share issued as a result of the issuance of these securities, at least equal to the New Shares Issue Price.

  Public offers decided upon pursuant to this resolution may be linked within the same issuance or multiple issuances carried out simultaneously for private offers as set out in Article L. 411-2 II of the French Financial and Monetary Code, decided upon in accordance with the sixteenth resolution described below.
- The **sixteenth resolution** proposes that the General Meeting grants to the Board of Directors the authorisation necessary to implement transactions by way of private placements 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 by any means, immediately or in the future, to the share capital of the Company or any companies in which it holds, either directly or indirectly, more than half of the share capital, 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, the reimbursement 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, amounts to **EUR 60 million**, i.e. one or several issuances representing a maximum of 5% of the share capital existing as at 31 December 2015. 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 for in the the fifteenth resolution for issuances without preferential subscription rights. The amount of debt securities would be limited to EUR 1 billion.

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 **seventeenth resolution** proposes that the shareholders grant the Board of Directors the authorisation necessary to issue shares in exchange for contributions made in the context of a public exchange offer initiated by the Company on the securities of another company listed on a regulated market of a state which is part of the European Economic Area or which is a member of the Organisation for Economic Cooperation and Development. The issue of ordinary shares, immediately and/or in the future without preferential subscription right, that can be made in the event of a public exchange offer made by the Company is limited to a nominal maximum amount of **EUR 120 million**. This amount shall be included in the above mentioned Overall Cap of **EUR 350 million**, and the specific overall cap of **EUR 120 million** provided for in the fifteenth resolution for issuances of shares without preferential subscription rights. The amount for debt securities would be limited to EUR 1 million. 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 **eighteenth resolution** proposes that the shareholders grant to the Board of Directors the authorisation necessary to issues ordinary shares in the Company or debt securities giving access, immediately or in the future, to ordinary shares of the Company or any companies in which it holds, either directly or indirectly, more than half of the share capital, or to debt securities in consideration for contributions in kind made to Renault and consisting of equity securities or securities giving access to the share capital of an other company, except in the event of a public offering as provided for in the seventeenth resolution. Issuances 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 and specifically 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 for in the fifteenth resolution. The Board of Directors will have the necessary power to decide on 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 enable the Company to finance itself in the best conditions as possible, in the best of the Company's interests in compliance with the Group's needs and to face the market developments, while taking into account the expectations and concerns of the shareholders.

The Board of Directors may not, without prior approval of the General Meeting, make use of these authorisations in the event of a third party filing a public offer for the shares of the Company until the end of the offer period.

As with every year, the shareholders shall be informed of any use of these authorisations in the summary table of authorisations set out in chapter 5.2.4 of the Company's 2015 Registration Document.

Authorisation granted to the Board of Directors to increase the share capital through the use of reserves, profits or premiums

Pursuant to the **nineteenth resolution,** share capital increases which result in the use of reserves, profits, premiums or any other element which may be incorporated into the share capital shall be capped at **EUR 1 billion** (this amount being the same as previous authorisations). The existence of a cap is justified by the different nature of the use 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 will have the power to determine the amount and nature of the amounts to be used, shall 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.

Authorisation granted to the Board of Directors to proceed with the issue of shares reserved for employees

The **twentieth resolution** proposes that General Meeting, in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code, approves an increase in share capital reserved for employees of the Company or of companies affiliated with the Group in accordance with the conditions in 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 allows the Board powers to carry out, in one or more installments, without preferential subscription rights, an increase in share capital reserved for employees who are members of company savings schemes, through the issuance of new shares and, where applicable, the award of performance-based shares, within a limit of 1 % of the amount of the shares making up the share capital as at the time of the Board's decision.

This limit is in line with market practice, which adjusts the cap according to the level of employees' shareholdings. This amount shall be comprised in the above mentioned overall cap of **EUR 350 million** as set out in the fourteenth resolution, and the specific overall cap of **EUR 120 million** provided for in the fifteenth resolution on the issuance of shares without preferential subscription rights.

This resolution provides that:

- the issue 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, in accordance with Article L. 3332-19 of the French Employment Code;
- the Board of Directors may decide in accordance with Article L.3332-21 of the French Employment Code to allocate shares freely to subscribers of new shares, in lieu of the discount, or as a contribution to a company savings plan; and
- the characteristics of the issuances of other securities giving access to the Company's share capital shall be set by the Board of Directors in accordance with the conditions set forth by the relevant regulation.

This authorisation is granted to the Board of Directors for a maximum of 26 months from the General Meeting on 29 April 2016 and replaces the authorisation granted by the previous General Meeting.

Power for formalities

The **twenty-first resolution** is a standard resolution granting the necessary powers to proceed with publicity requirements and legal formalities.

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The Renault language explained!

ADDITIONAL **INFORMATION**

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

7.1 CERTIFICATION BY THE PERSON RESPONSIBLE FOR THE DOCUMENT

Contact:

Carlos Ghosn, Chairman and CEO.

I hereby certify, having taken all reasonable care to ensure that such is the case, that the information contained in this Registration document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby certify, to the best of my knowledge, that the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profit and loss of the Company and of all the undertakings included in the consolidation taken as a whole, and that the management report appearing in the Registration document presents a true and fair picture of the business performance, profit and loss and financial position of the Company and of all the undertakings included in the consolidation taken as a whole, as well as a description of the main risks and uncertainties to which they are exposed.

I have obtained a letter from the statutory auditors stating that they have completed their assignment which included checking information relating to the financial position and financial statements given in this document as well as reading the document in its entirety.

Signed in Paris, on March 24, 2016

The Chairman and CEO

Carlos Ghosn

7.2 HISTORICAL FINANCIAL INFORMATION FOR 2013 AND 2014

Pursuant to Article 28 of Commission regulation (EC) No. 809/2004, the following information is incorporated by reference in this 2014 Registration document:

7.2.1 FOR 2013

The 2013 Registration document was filed with the French Financial Markets Authority (Autorité des marchés financiers - AMF) on March 13, 2014, under number D. 14-0140.

The consolidated financial statements appear in chapter 4, on pages 230 to 297, and the statutory auditors' report on the consolidated financial statements appears in chapter 4, on page 228, of the same document.

The financial information appears in chapter 1.3.2, on pages 52 to 55, of the same document.

The other parts of this document are either irrelevant to the investor or covered elsewhere in the Registration document.

7.2.2 FOR 2014

The 2014 Registration document was filed with French Financial Markets Authority on March 18, 2015, under number D. 15-0166.

The consolidated financial statements appear in chapter 4, on pages 252 to 315, and the statutory auditors' report on the consolidated financial statements appears in chapter 4, on page 250, of the same document.

The financial information appears in chapter 1.3.2, on pages 66 to 69, of the same document.

The other parts of this document are either irrelevant to the investor or covered elsewhere in the Registration document.

7.3 STATUTORY AUDITORS

7.3.1 REGULAR STATUTORY AUDITORS

KPMG S.A.

represented by Jean-Paul Vellutini and Laurent des Places
Immeuble Le Palatin
3, cours du Triangle
92939 Paris La Défense

KPMG was appointed by the Combined General Meeting of April 30, 2014, for a period of six years. Its mandate will expire after the General Meeting called to approve the 2019 financial statements.

EY Audit

represented by Aymeric de La Morandière and Bernard Heller
Tour First
1-2, place des Saisons
92400 Courbevoie – Paris La Défense 1

Ernst & Young Audit was appointed for the first time by order of the Ministry of Economy and Finance on March 27, 1979. Its mandate was then renewed by the Combined General Meeting of June 7, 1996, April 26, 2002, April 29, 2008 and April 30, 2014, for a six-year period. Its mandate will expire after the Annual General Meeting called to approve the 2019 financial statements.

7.3.2 ALTERNATE STATUTORY AUDITORS

KPMG Audit ID S.A.S.

Alternate for KPMG S.A
Immeuble Le Palatin
3, cours du Triangle
92939 Paris La Défense

KPMG Audit ID S.A.S. was appointed by the Combined General Meeting of Alternate for KPMG S.A. April 30, 2014, for a period of six years. Its mandate will expire after the Annual General Meeting called to approve the 2019 financial statements.

Auditex

Alternate for EY Audit
Tour First
1-2, place des Saisons
92400 Courbevoie – Paris La Défense 1

Auditex was appointed for the first time by the Combined General Meeting Alternate for EY Audit of June 7, 1996 for a period of six years. Its mandate was renewed by the Combined General Meeting of April 26, 2002, April 29, 2008 and April 30, 2014 for a six-year period. Its mandate will expire after the Annual General Meeting called to approve the 2019 financial statements.

7.3.3 STATUTORY AUDITORS' FEES

The fees charged by the statutory auditors and their network are shown in note 29 to the consolidated financial statements.

7.4 CROSS-REFERENCE TABLES

The following cross-reference table facilitates the identification within this Registration document of the December 31, 2014 management report information required by the applicable legal and regulatory provisions.

7.4.1 HEADINGS REQUIRED BY ANNEX 1 OF EUROPEAN COMMISSION REGULATION (EC) NO. 809/2004

		PAGE
1	**Persons responsible**	**400**
2	**Statutory Auditors**	**402**
3	**Selected financial information**	
	3.1 Historical information	10 ; 278-290 ; 401
	3.2 Interim information	
4	**Risk factors**	**82-99 ; 333-337**
5	**Information about the issuer**	
	5.1 History and development of the company	10 ; 40-45 ; 372
	5.2 Investments	69 ; 288-289 ; 291 ; 339-340
6	**Business overview**	
	6.1 Principal activities	17-21; 32-39 ; 58-66
	6.2 Principal markets	11
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	6.4 Potential dependency on patents, licenses, industrial, commercial or financial contracts or on new manufacturing processes	73 ; 85
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7	**Organizational structure**	
	7.1 Brief description	17 ; 42-43
	7.2 List of significant subsidiaries	40-41 ; 342-345
8	**Property, plant and equipment**	
	8.1 Significant existing or planned property, plant and equipment	35-36 ; 295-296 ; 303-305
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9	**Operating and financial review**	
	9.1 Financial position	67-70; 280-281 ; 286-287 ; 301-302 ; 325-328
	9.2 Operating results	67 ; 299-302
10	**Cash and capital resources**	
	10.1 Issuer's capital resources	281-282 ; 288 ; 316-320 ; 372-377
	10.2 Source and amount of cash flows	33 ; 90-93 ; 96-98 ; 283 ; 288-289 ; 297 ; 325-328 ; 339
	10.3 Borrowing requirements and funding structure	69-70 ; 296-298 ; 325-328 ; 379-380
	10.4 Information on any restrictions on the use of capital resources that have materially affected, or could materially affect, the issuer's operations	
	10.5 Anticipated sources of funds necessary to fulfill the commitments mentioned in points 5.2.3 and 8.1	
11	**Research and Development, patents and licenses**	73-81 ; 50-51 ; 69
12	**Trend information**	58
13	**Profit forecasts or estimates**	

n/a: not applicable

n/a: not applicable

7.4.2 CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT

The following cross-reference table facilitates the identification within this Registration document of the December 31, 2014 management report information required by the applicable legal and regulatory provisions.

TOPIC	REFERENCE TEXT	PAGE
I-Activity		
Objective and exhaustive analysis of developments in the Company's and the Group's business, results and financial position, particularly its debt position	L. 225-100 and L. 225-100-2 of the French Commercial Code	57-66 ; 67-70 ; 71
Company and Group status during the previous fiscal year	L. 232-1 and L. 233-26 of the French Commercial Code	57-58
Foreseeable developments	L. 232-1 and L. 233-26 of the French Commercial Code	58
Significant events that occurred between the fiscal year reporting date and the date the management report was prepared	L. 232-1 and L. 233-26 of the French Commercial Code	-
Research and development activities	L. 232-1 and L. 233-26 of the French Commercial Code	73-81
Non-financial key performance indicators	L. 225-100 of the French Commercial Code	200-217
Business activity of the Company and its subsidiaries during the previous fiscal year, the results of this activity, the progress achieved or difficulties encountered, and the outlook for the future	R. 225-102 of the French Commercial Code	57-58
Stakes acquired during the fiscal year in any company headquartered within France	L. 233-6 of the French Commercial Code	
Activity and results of the entire Company, Company subsidiaries and controlled companies by business sector	L. 233-6 of the French Commercial Code	305-313
II- Risk factors		
Description of the main risks and uncertainties faced by the Company and the Group	L. 225-100 and L. 225-100-2 of the French Commercial Code	82-99
Objectives and policies related to financial risk management, including the hedging policy	L. 225-100 and L. 225-100-2 of the French Commercial Code	82
Exposure to price, credit, liquidity and cash flow risks	L. 225-100 and L. 225-100-2 of the French Commercial Code	88 ; 90 ; 95 ; 96
III- Legal and share ownership information		
Name of the natural or legal persons holding, directly or indirectly, more than 5% of the share capital or voting rights	L. 233-13 of the French Commercial Code	33-34 ; 56 ; 375-376
Names of the controlled companies and share of the Company's capital they own (treasury shares)	L. 233-13 of the French Commercial Code	341-345
Detail of purchases and sales of Company treasury shares during the fiscal year	L. 225-211 of the French Commercial Code	374
Factors likely to have an effect in the event of a public offer	L. 225-100-3 of the French Commercial Code	371-377
Statement of employee shareholdings in share capital as of the last day of the fiscal year and portion of capital represented by the shares owned by Company employees and by the employees of companies associated to the Company under the employee share ownership plan, and by employees and former employees under employee mutual investment funds	L. 225-102 of the French Commercial Code	375-376
Shares acquired by the employees through an employee buyout transaction	L. 225-102 of the French Commercial Code	-
Table summarising the outstanding delegations granted by the General Meeting of Shareholders to the Board of Directors for capital increases, and the use made of these delegations during the fiscal year	L. 225-100 of the French Commercial Code	373
Potential adjustments for share equivalents in the event of share buybacks or financial transactions	R. 228-90 and R. 228-91 of the French Commercial Code	373
Injunctions or monetary fines for anti-competitive practices	L. 464-2 of the French Commercial Code	-
IV- Financial data		
Table showing the Company's results over the last five fiscal years	R. 225-102 of the French Commercial Code	367
Changes in the presentation of the financial statements or in the valuation methods used	L. 232-6 of the French Commercial Code	-

TOPIC	REFERENCE TEXT	PAGE
Data on supplier payment terms	L. 441-6-1 of the French Commercial Code	-
Total dividends distributed over the last three fiscal years	Article 243 bis of the French General Tax Code	380
V- Corporate governance and remuneration of senior executives		
Total remuneration and benefits of any kind paid to each corporate officer by the Company, the controlled companies or the controlling Company during the fiscal year	L. 225-102-1 of the French Commercial Code	339 ; 265-266
Commitments of any nature made by the Company for the benefit of its corporate officers, such as items of remuneration, indemnities or benefits owed, or likely to be owed, due to the assumption of a position or a termination or change in position, or subsequently to these events	L. 225-102-1 of the French Commercial Code	262-267
List of all offices and positions held in any company by each of the corporate officers during the fiscal year	L. 225-102-1 of the French Commercial Code	225
Conditions for the exercise and retention of options awarded to the corporate officers	L. 225-185 of the French Commercial Code	266
Conditions for the retention of bonus shares awarded to the Chief Executive	L. 225-197-1 of the French Commercial Code	270
Summary of transactions involving Company shares performed by the senior executives	L. 621-18-2 of the French Monetary and Financial Code Article 223-26 of the AMF General Regulations	270
VI- Corporate social data and environmental data		
Corporate social data	L. 225-102-1 of the French Commercial Code	127-154
Environmental data	L. 225-102-1 of the French Commercial Code	155-188
Information on societal commitments promoting sustainable development	L. 225-102-1 of the French Commercial Code	215
Information for companies operating at least one plant appearing on the list provided in Article L. 515-36 of the French Environmental Code	L. 225-102-2 of the French Commercial Code	

7.4.3 CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT MENTIONED IN L. 451-1-2 OF THE FRENCH MONETARY AND FINANCIAL CODE AND IN ARTICLE 222-3 OF THE AMF GENERAL REGULATIONS

The following cross-reference table facilitates the identification within this Registration document of the December 31, 2014 annual financial report.

TOPIC	PAGE
Financial statements	351-367
Consolidated financial statements	278-345
Management report incorporating, at minimum, the information mentioned in Articles L. 225-100, L. 225-100-3, L. 225-211 paragraph 2 and L. 225-100-2 of the French Commercial Code	voir 7.4.2
Statement of the persons assuming responsibility for the annual financial report	400
Statutory Auditors' reports on the financial and consolidated statements	276-277 ; 346-347
Communiqué regarding the Statutory Auditors' fees	341
Report of the Chairman of the Board of Directors, prepared in accordance with Article L. 225-37 of the French Commercial Code, regarding the content, the preparation and organization of the Board's work, and the internal control and risk management procedures implemented by the Company	222-248 ; 252-258
Statutory Auditors' report, prepared in accordance with Article L. 225-235 of the French Commercial Code, on the report prepared by the Chairman of the Board of Directors in accordance with Article L. 225-37 of the French Commercial Code	261

7.4.4 GRI INDICATORS AND GLOBAL COMPACT PRINCIPLES

	GRI-G4 INDICATORS	GLOBAL COMPACT PRINCIPLES	CHAP.
	GENERAL ITEMS		
	STRATEGY AND ANALYSIS		
1	Statement from the most senior decision-maker in the organization regarding the relevance of sustainable development to the organization and its strategy for addressing the issue		2.1.2
2	Description of key impacts, risks and opportunities		1.5 ; 2.1.1 ; 2.1.2
	ORGANISATION PROFILE		
3	Organization name		1.1
4	Primary brands, products and services		1.1.3.1 ; 1.1.5.1
5	Location of organization headquarters		5.1.1.1
6	Number of countries where the organization operates and names of countries with either major operations, or that are specifically relevant to the sustainability issues covered in the report.		1 ; 1.1.5.4 ; 2.8
7	Nature of ownership and legal form		5.1.1.2 ; 5.2.6
8	Markets served		1.1.3.2 ; 1.1.5.2 ; 1.3.1
9	Organization size (total number of employees and sites, net revenues or sales, total capital, quantity of products or services provided)		1.1.3 ; 1.3 ; 2.4.1
10	Total number of employees by type of employment contract and by gender; Total number of permanent employees by type of employment contract and by gender; Total workforce broken down by employees, temporary workers and by gender; Breakdown of the total workforce by region and by gender Portion of the organization's work performed by persons legally recognized as self-employed workers or by persons other than employees or temporary workers, including employees and temporary workers employed by suppliers; Significant change in the number of persons employed (such as the seasonal employment fluctuations in the tourism or agricultural industries).		2.4.1.1
11	Percentage of total employees covered by collective bargaining agreements		
12	Organization supply chain		2.3.2
13	Significant changes in the organization's size, structure, capital or supply chain having occurred during the reporting period		1.1.4
14	Process or precautionary principle taken into account by the organization		1.5
15	Externally developed economic, environmental and social charters, principles or other initiatives adhered to which the organization subscribes or endorses		2.1.5
16	Membership in associations (such as industry associations) or in national or international advocacy organizations		2.1.6
	MATERIAL ASPECTS AND BOUNDARIES IDENTIFIED		
17	Entities included in the organization's consolidated financial statements or equivalent documents, but that are not taken into account in the report		2.1.7.1 ; 2.9.2 ; 4.2
18	Process for defining the report content and the Aspect Boundaries; Manner in which the organization has applied the Reporting Principles for Defining Report Content		2.1.6 ; 2.1.7
19	Material Aspects identified in the process for defining report content		
20	For each of the Material Aspects, Aspect Boundary within the organization and boundary limitations		2.4 ; 2.9.1 ; 2.9.2 ; 2.9.3
21	For each of the Material Aspects, Aspect Boundary outside the organization and boundary limitations		2.4 ; 2.9.1 ; 2.9.2 ; 2.9.3
22	Reasons and effects of any re-statement of information provided in earlier reports		
23	Significant changes from the previous reporting periods in Scope and Aspect Boundaries		2.9.1 ; 2.9.2 ; 2.9.3
	STAKEHOLDER ENGAGEMENT		
24	List of stakeholder groups engaged by the organization		2.1.6
25	Criteria used for identifying and selecting stakeholders with whom to engage		2.1.6
26	The organization's approach to stakeholder engagement, including the frequency of contact by type and by stakeholder group; Specific engagement during the report preparation process		2.1.6
27	Key topics and concerns raised through stakeholder engagement and how the organization has responded to these, particularly through its reporting. List of stakeholder groups that have raised each of the key topics and questions		2.1.6
	REPORT PROFILE		
28	Reporting period for the information provided		5.1.1.7
29	Date of most recent previous report, if applicable		5.4.5 ; 7.2.1 ; 7.2.2
30	Reporting cycle		5.4.5
31	Point of contact for any questions regarding the report or its contents		
32	Report the "in accordance" option chosen by the organization; GRI content index for chosen option; Reference to the External Assurance Report, if the report was assured externally		2.9.7
33	The organization's policy and current practice for seeking external assurance for the report; Scope and basis of any external assurance provided; Relationship between the organization and the assurance providers		2.9.7

	GRI-G4 INDICATORS	GLOBAL COMPACT PRINCIPLES	CHAP.
	GOVERNANCE		
34	Organization's governance structure, including the committees of the highest governance body; Committees responsible for decision-making relating to the economic, environmental and social impacts		2.1.4 ; 3.1.1 ; 3.1.2 ; 3.1.3
35	Process for delegating the authority for economic, environmental and social issues from the highest governance body to senior executives and other employees		3.1 ; 2.1.4
36	Appointment of one or several executives responsible for economic, environmental and social issues, and whether these positions report to the highest governance body		3.1 ; 2.1.4
37	Consultation process between stakeholders and the highest governance body on economic, environmental and social issues		2.1.6
38	Composition of the highest governance body and its committees		3.1.1 ; 3.1.3 ; 2.1.4
39	Membership or lack thereof of the Chairman of the highest governance body in management		3.1 ; 2.1.4
40	Nomination and selection process for the highest governance body and its committees, with criteria used for the nomination and selection of members of the highest governance body (diversity, independence, expertise and experience in economic, environmental and social issues, participation of stakeholders)		2.1.4
41	Processes implemented so that the highest governance body can ensure that conflicts of interest are avoided and managed		
42	Roles of the highest governance body and senior executives in the development, approval and updating of the organization's purpose, values or mission statements, strategies, policies and objectives relating to the economic, environmental and social impacts		
43	Actions taken to develop and improve the collective knowledge of the highest governance body regarding economic, environmental and social issues		
44	Evaluation process for the performance of the highest governance body in relation to economic, environmental and social issues; Actions taken in response to the evaluation of the performance of the highest governance body in relation to economic, environmental and social issues, including, as a minimum, any changes in composition and organization		
45	Role of the highest governance body in the identification and management of economic, environmental and social impacts, risks and opportunities and in the implementation of due diligence processes		2.1.4
46	Role of the highest governance body in reviewing the efficiency of the organization's risk management processes for economic, environmental and social issues		2.1.4
47	Frequency of the review of the economic, environmental and social impacts, risks and opportunities by the highest governance body		
48	Highest level committee or position that formally reviews and approves the organization's sustainable development report and ensures that all Material Aspects are covered		
49	Process for informing the highest governance body of critical concerns		
50	Nature and total number of critical concerns communicated to the highest governance body and mechanism(s) used to address and resolve them.		
51	Remuneration policy in effect for the highest governance body and senior executives; Relationship between the performance criteria for the remuneration policy and the economic, environmental and social objectives of the highest governance body and senior executives		3.3
52	Process for determining remuneration; Participation of remuneration consultants in determining remuneration		3.3
53	Method for soliciting and taking into account stakeholders' opinions in terms of remuneration, including the results of votes on remuneration policies and proposals, if applicable		
54	Ratio of the annual total remuneration for the highest paid individual in the organization in each country hosting significant operations, in relation to the annual total median remuneration for all employees (excluding the highest paid individual) in the same country		
55	Ratio of the percentage increase in the annual total remuneration for the highest paid individual in the organization in each country hosting significant operations, in relation to the percentage increase in the annual total median remuneration for all employees (excluding the highest paid individual) in the same country		
56	Values, principles, standards and norms of behavior, such as codes of conduct and codes of ethics	1 & 2	2.1.5 ; 2.3 ; 3.1.4 ; 3.1.5
57	Internal and external mechanisms for obtaining advice on ethical and lawful behavior and questions of organizational integrity, such as helplines or advice lines	1 & 2	3.1.4 ; 3.1.5
58	Internal and external mechanisms used to report concerns regarding unethical or unlawful behavior and matters of organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	1 & 2	3.1.4 ; 3.1.5
	SPECIFIC ITEMS		
	ECONOMIC PERFORMANCE INDICATORS		
EC1	Direct economic value created and distributed		
EC2	Financial implications and other risks and opportunities for the organization's operations due to climate change		1.5.1.2
EC3	Scope of the coverage of the defined-benefit pension plans		2.4.3.2
EC4	Financial assistance received from the government		
EC5	Ratio of standard entry-level salary by gender compared to local minimum wage for significant operational sites		
EC6	Proportion of senior management hired locally for significant operational sites		
EC7	Development and impact of investments in infrastructure and services provided		1.4.1.2
EC8	Significant indirect economic impacts, including the significance of these impacts		2.8
EC9	Portion of spending on local suppliers for significant operational sites		

	GRI-G4 INDICATORS	GLOBAL COMPACT PRINCIPLES	CHAP.
	ENVIRONMENTAL PERFORMANCE INDICATORS		
EN1	Consumption of materials by weight or volume	7, 8 & 9	2.6.3.2
EN2	Percentage of materials used sourced from recycled materials	7, 8 & 9	2.6.3.2
EN3	Energy consumption within the organization	7, 8 & 9	2.6.3.1
EN4	Energy consumption outside the organization		
EN5	Energy intensity	7, 8 & 9	2.6.3.1
EN6	Reduction in energy consumption	7, 8 & 9	2.6.2.4 ; 2.6.3.1
EN7	Reduction in the energy requirements of products and services	7, 8 & 9	2.6.2.2 ; 2.6.3.1
EN8	Total water volume withdrawn by source	7 & 8	2.6.3.4
EN9	Water supply sources significantly affected by the withdrawal	7 & 8	2.6.3.4
EN10	Percentage and total volume of recycled and reused water	7 & 8	2.6.3.4
EN11	Operational sites owned, leased or managed in, or adjacent to, protected areas, as well as in areas of high biodiversity value outside these protected areas	7 & 8	2.6.3.8
EN12	Description of the significant impacts of activities, products and services on biodiversity in protected areas or areas of high biodiversity value outside these protected areas	7 & 8	2.6.3.8
EN13	Protected or restored habitats	7 & 8	
EN14	Total number of endangered species on the worldwide IUCN red list and the national equivalent conservation lists with habitats located in areas affected by operations, by level of extinction risk	7 & 8	
EN15	Direct greenhouse gas emissions (Scope 1)	7, 8 & 9	2.6.3.1
EN16	Indirect greenhouse gas emissions related to energy (Scope 2)	7, 8 & 9	2.6.3.1
EN17	Other indirect greenhouse gas emissions (Scope 3)	7, 8 & 9	2.6.3.1
EN18	Intensity of greenhouse gas emissions	7, 8 & 9	2.6.3.1
EN19	Reduction of greenhouse gas emissions	7, 8 & 9	2.6.3.1
EN20	Emissions of ozone-depleting substances (SDO)	7	2.6.3.5
EN21	NOx, SOx and other significant air emissions	7	2.6.3.5
EN22	Total water discharge by type and by destination	7	2.6.3.4
EN23	Total weight of waste, by type and by disposal method	7	2.6.3.3
EN24	Total number and volume of significant spills	7	
EN25	Weight of waste transported, imported, exported or treated and deemed hazardous under the terms of annexes I, II, III and VIII of the Basel Convention, and percentage of waste exported	7	2.6.3.3
EN26	Identification, size, protection status and biodiversity value of the bodies of water and their ecosystems significantly affected by the organization's water discharges and runoff	7	
EN27	Extent of mitigation of the environmental impacts of products and services	8 & 9	2.6.2.1 ; 2.6.2.2
EN28	Percentage of products sold and their recycled or reused packaging, by category	8 & 9	2.6.2.2 ; 2.6.3.2
EN29	Monetary amount of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		
EN30	Significant environmental impacts from transporting products and other goods and materials used for the organization's operations, and from travel by members of its workforce	7 & 8	2.6.3.1
EN31	Total expenses and investments allocated to environmental protection, by type	7, 8 & 9	2.6.2.3
EN32	Percentage of new suppliers screened according to environmental criteria	7 & 8	2.3.2
EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	7 & 8	2.3.2
EN34	Number of grievances involving environmental impacts filed, addressed and resolved through formal grievance mechanisms		2.1.6
	WORKPLACE PRACTICES AND DECENT WORK INDICATORS		
LA1	Total number and percentage of new hires and employee turnover by age group, gender and geographical region		2.4.1.1
LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant operational sites		4.2.6.4
LA3	Return to work and retention rate following parental leave, by gender		
LA4	Minimum notice period regarding operational changes, including whether it is specified in collective bargaining agreements		
LA5	Percentage of total workforce represented in joint management-worker health and safety committees intended to monitor and advise on occupational health and safety programs		
LA6	Rate of workplace accidents, occupational illnesses, absenteeism, percentage of lost workdays and total number of work-related fatalities, by geographical region and by gender		2.4.3.1
LA7	Employees directly and frequently exposed to illnesses related to their occupations		
LA8	Health and safety issues covered by formal agreements with labor unions		2.4.4.2
LA9	Average number of training hours per year and per employee, by gender and by employee category		2.4.1.4 ; 2.4.2.1
LA10	Programs for skills management and lifelong learning intended to ensure the employability of employees and to help them manage career endings		2.4.1.4 ; 2.4.2.1
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category		
LA12	Composition of governance bodies and breakdown of employees by employee category, according to gender, age group, minority group and other diversity indicators	6	2.4.1.1 ; 3.1.1 ; 3.1.3
LA13	Ratio of base salary and remuneration of women in relation to men, by employee category and significant operational sites	6	
LA14	Percentage of new suppliers screened according to labor practices criteria		2.3.2
LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken		2.3.2
LA16	Number of grievances about labor practices filed, addressed and resolved through formal grievance mechanisms		2.1.6

	GRI-G4 INDICATORS	GLOBAL COMPACT PRINCIPLES	CHAP.
	PERFORMANCE INDICATORS ON HUMAN RIGHTS		
HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	1 & 2	2.3.2
HR2	Total employee training hours on human rights policies or procedures concerning aspects that are relevant to operations, including the percentage of employees trained	1 & 2	
HR3	Total number of incidents of discrimination and corrective actions taken	6	
HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	3	
HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	5	
HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor	4	
HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	1 & 2	
HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	1 & 2	
HR9	Total number and percentage of sites that have been subject to human rights reviews or impact assessments	1 & 2	
HR10	Percentage of new suppliers screened using human rights criteria	1 & 2	2.3.2
HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	1 & 2	2.3.2
HR12	Number of grievances about human rights filed, addressed and resolved through formal grievance mechanisms	1 & 2	2.1.6
	SOCIETAL PERFORMANCE INDICATORS		
S01	Percentage of sites with implemented local community engagement, impact assessments and development programs		2.1.6
S02	Operations with significant actual and potential harmful consequences for the local communities		2.1.6
S03	Total number and percentage of sites assessed for risks related to corruption and significant risks identified	10	
S04	Communication and training on anti-corruption policies and procedures	10	3.1.4.3
S05	Confirmed incidents of corruption and actions taken	10	3.1.4.3
S06	Total value of political contributions by country and by beneficiary		
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes		
S08	Monetary amount of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		
S09	Percentage of new suppliers screened using criteria for impacts on society		2.3.2
S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	1	2.3.2
S011	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms		2.1.6
	KEY PERFORMANCE INDICATORS FOR CONSUMER HEALTH AND SAFETY		
PR1	Percentage of significant product and services categories for which health and safety impacts are assessed for improvement		2.7.2
PR2	Total number of incidents of non-compliance with regulations involving health and safety impacts of products		
PR3	Procedures for providing product and service information and percentage of products and services covered by such procedures		2.3.3
PR4	Incidents of non-compliance involving product and service information		
PR5	Procedures for achieving customer satisfaction		1.4.4.3 ; 2.3.3.2
PR6	Sale of banned or disputed products		
PR7	Incidents of non-compliance with marketing regulations		
PR8	Total number of complaints regarding the use of products and services		
PR9	Monetary amount of fines and sanctions for non-compliance with regulations		

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 in engine capacity. Optimizing internal combustion engines remains one of the most effective ways of limiting fuel consumption, and therefore greenhouse gas emissions. Downsizing involves reducing the capacity of the engines -and thus fuel consumption and CO_2 emissions - while maintaining performance.

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.

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 entered into force in September 2009 for new car certifications and applies to all new cars from January 2011. In 2014, Euro 5 will be superseded by Euro 6, which focuses on nitrogen oxide (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 used to:

- reduce the Net Financial Debt of Automotive;
- pay dividends;
- buy back the company's own shares and minority interests;
- conduct external growth operations: acquire companies, or take stakes in associated companies.

Fuel cell. Consisting of a nucleus and a single electron, hydrogen is the simplest and lightest of the elements. It is 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.

Functional Task Teams (FTTs): 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.

G

GEC: Group Executive Committee, which is in charge of the Company's strategic directions and 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 put on a roller test bench and put through the same urban cycle three times (cycle ECE-15), followed by one non-urban 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, which represents most of the Company's central business functions, meets monthly and contributes to growing the Company's presence, in both volume and market share, on the markets of the region in question.

T

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.

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). In 2012, the automotive TAM accounted for over 79 million new registrations and the Group's MS was 3.2% of this TAM.

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

BPU: Single Personnel Database

C

CAC: Statutory Auditors

CAE: Computer-Aided Engineering

CAFE: Corporate Average Fuel Economy (indicator)

CASA: ceasing of activity by older employees

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

CMF: Board of financial markets

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

EFNA: Automotive division net financial debt

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

GEC: Group Executive Committee

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

L

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

OPA: takeover bid.

OPE: public exchange offer

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

REACH: Registration, Evaluation and Authorization of Chemicals

RCS: French business register *(Registre du commerce et des societés)*

RGC: Renault Group Committee

RIA: Recyclability Index for Automobiles

RMC: Regional Management Committee

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

TACE: activity rate excluding holidays

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

VPC: mail-order selling

W

WEF: World Economic Forum

WTO: World Trade Organization

Z

ZE: Zero Emission


TWINGO
RENAULT

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SHAREHOLDERS RELATIONS DEPARTMENT

E-mail: communication.actionnaires@renault.com

Shareholder hotline within France
(Toll-free number and service): 0 800 650 650

Shareholder international 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

Web site: www.groupe.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

INVESTOR RELATIONS DEPARTMENT

E-mail: communication.actionnaires@renault.com

Investors hotline within France
(Toll-free number and service): 0 800 650 650

Investors international hotline: +33 (0)1 76 84 59 99

Fax: +33 (0) 1 76 89 13 30

Web site: www.groupe.renault.com/Finance

Contact:

Thierry Huon
Renault Investor Relations Director
Telephone: +33 (0)1 76 84 53 09

LABRADOR +33 (0)1 53 06 30 80

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and on: **www.groupe.renault.com**

Renault 13/15, quai Le Gallo - 92513 Boulogne-Billancourt Cedex France / Tel.: 33 (0) 1 76 84 04 04
Financial Relations Department - Groupe Renault Corporate Communications