

Paris, 24 October 2013

**PSA Peugeot Citroën: Signature of the New Social Contract**

Following a meeting of the Central Works Council which expressed a favourable opinion, the New Social Contract was signed today by PSA Peugeot Citroën, represented by Philippe Dorge, Executive Vice President, Human Resources, and four labour unions (CFE/CGC, CFTC, FO and GSEA). Philippe Varin, Chairman of the Managing Board of PSA Peugeot Citroën, attended the signing ceremony.

The Group has been involved in a process to negotiate and define a New Social Contract with all employee representatives since 29 May 2013. The agreement is designed to involve employees in the Group's recovery and to maintain PSA Peugeot Citroën's industrial and technological base in France, while preserving employees' basic interests.

Commenting on the signature, Philippe Varin declared: "I would like to salute the sense of commitment and responsibility demonstrated by employee representatives through this agreement, which has resulted in strengthened social cohesion to share the Company's vision, challenges and projects. The agreement's balanced efforts will help make us more competitive and contribute to improved profitability in Europe. It represents a powerful commitment from PSA Peugeot Citroën to preserve strong bases in France."

Philippe Dorge added: "We built this New Social Contract together. I would like to thank all of the labour unions who helped develop this contract through dialogue and negotiation. In particular, I would like to salute the four signatory labour unions for their commitment in the interest of PSA Peugeot Citroën's employees. The New Social Contract demonstrates our ability to address both business and labour challenges in a spirit of trust, including in a period of economic crisis and profound change."

The New Social Contract focuses on four main pathways:

- Greater involvement by employees and their representatives in the Group's strategic vision and in each department's and site's forward-looking projects.
- A new approach that secures jobs while carrying out collective transformations, particularly to improve the utilization rate of our plants.
- Deployment of a PSA intergenerational contract that provides for senior leave (potentially affecting 2,500 to 3,000 employees over three years) and the hiring, under work-study schemes, of more than 2,000 young people.
- Flexibility and wage moderation measures (with no decline in remuneration paid) representing €125 million.

The New Social Contract also gives employees a stake in the Company's recovery through an improved discretionary profit sharing agreement and an additional profit-sharing payment (discretionary or non-discretionary) in early 2015.

Those four chapters pave the way for a powerful Group's commitment to preserving industrial and R&D bases in France far beyond 2016.