Society and Environment Report (Articles L. 225-102-1 of the French Commercial Code – Grenelle II Law of July 12, 2010)

Pursuant to Article L. 225-102-1 of the French Commercial Code, this report was prepared for the purpose of describing Technip's commitment to Corporate Social Responsibility ("CSR").

1. Introduction

Technip's commitment to sustainable development is to act as a catalyst for responsible and long-term growth that benefits all the stakeholders of the Group, both internal and external, from its shareholders to the communities hosting Technip's operations, as well as the employees and their families, the local partners and the supply chain.

SUSTAINABLE DEVELOPMENT IN THE GROUP'S ORGANIZATIONAL STRUCTURE

In 2013, Technip continued the process of integrating sustainable development fully into its organizational structure. Building on foundations laid in 2012, Technip has adjusted and refined its Group-level structure, making it more fit for purpose and more centralized, with the aim of ensuring consistency of policy directions via a central coordination network and by making the implementation of these policies within its operations easier, to boost efficiency.

Technip has therefore continued to strengthen its central structure by creating new functions within the Group sustainable development team, and by interacting more frequently with key contributors, such as Legal, Human Resources, HSE, Operations and Finance. Two new committees have also been formed:

- the Sustainable Development Board, which sets strategic policy with regard to sustainable development and monitors progress. This board is chaired by the Chairman and Chief Executive Officer, and its members are the Group Head of Sustainable Development, the Chief Communication Officer, an Executive Director, an Executive Project Director and two members of the Executive Committee: the Group Head of Human Resources and the Chief Operating Officer Onshore/Offshore; and
- the Sustainable Development Committee, which implements the strategy defined by the Sustainable Development Board. This committee is chaired by the Group Head of Sustainable Development, and its members are key contributors from Quality, HSE, Human Resources, Operations, Legal and Communications.

Technip has also consolidated its regional network with the appointment of new regional coordinators, and each region has been tasked with setting up its own sustainable development committee as quickly as possible to ensure that the sustainable development Group strategy is implemented at local level in ways that are appropriate to local conditions.

As a result of these developments, Technip has introduced a circulating Top-down/Bottom-up approach that allows the Group to act on a global scale, but in a way that takes account of local realities: the Group sets the direction through a consistent global policy, which it then monitors, and the Technip regional coordinators apply the guidelines within their own regional contexts, and feed relevant data and best practices back to the Group. The imperatives of sustainable development have therefore strengthened Technip's status as a multi-local company.

In terms of the measures put in place within the Group in response to the imperatives of corporate social responsibility, the trend is therefore towards enhancement and streamlining. In terms of our attitude to the challenges posed by sustainable development, the trend is towards identifying best practices that can be expanded and implemented systematically.

1.1. STRENGTHENING THE BEST PRACTICE CULTURE

Technip has many best practices that must be promoted and introduced systematically.

Part of 2013 was devoted to identifying and bringing together some of the best practices developed in every part of the business. This involved identifying – in a very practical way – the positive contribution made to the countries in which Technip operates. Examples include: the high level of National Content in its projects (see Section 4.2.1 of Annex E of the Group's Reference Document for the year ended December 31, 2013), the initiatives implemented for the benefit of Technip's host communities, the exemplary environmental practices identified in some of Technip's subsea projects, the high-quality environmental practices in place in some of Technip's construction sites, the innovative approach taken by our Human Resources teams to talent development through the in-house HRWeb talent management system, the quest for excellence in HSE communication and leadership through the Pulse program, and the in-service training opportunities offered to employees via Technip University.

This process will continue in 2014 and 2015 with three specific goals: (i) to recognize, analyze and optimize all best practices identified in preparation for their systematic introduction, (ii) to extend the lifespan of short-term best practices so that they become long-term, and finally, (iii) to introduce them even more widely by making them visible and available to local coordinators, who are in the best position to adapt them and apply them to their local context. One important resource from this point of view is the Group's in-house newsletter, Technip in Motion, which every month presents best practices from around the Group, and disseminates them to all our entities. It is important to remember that Technip operates in nearly 50 countries and that every context is unique at local level, and differs even within the same country. Those people who live and work on the spot are therefore the best placed to guide initiatives that promote local development focused on long-term innovation and autonomy.

It is important to understand that although Technip operates in all these countries, it has a physical presence in only some of them. Practically speaking, the physical presence of the Group is sometimes temporary and directly related to a specific project. Nevertheless, even where Technip's presence in the country is momentary, the Group wishes to contribute to the long-term development of local communities and ensure that its projects provide them with genuine added-value over time. To make this possible, Technip works closely with its clients, who remain in the country to operate the turnkey infrastructure provided by the Group. Involving the clients is an important part of ensuring the continuity of Technip's sustainable development initiatives.

In those countries where Technip has a long-term presence, it is crucial that its operations deliver added-value to local communities. Building and maintaining an open dialog with the local stakeholders is clearly the number one priority. This dialog provides input for Technip's contribution to local socioeconomic development, which feeds a range of initiatives to promote education, healthcare, human rights and existing economic activities.

The aim of Technip's National Content commitment is to improve the employability of local people and contribute to the prosperity of local economies in such a way that the Group's presence and projects promote national human development in a natural and sustainable manner. As countries tighten their own requirements in terms of National Content, Technip has anticipated this fundamental trend, for example, almost all of the Group's personnel in Brazil, Malaysia, Ghana and Angola are nationals of those countries.

Contributing to the wellbeing and progress of the stakeholders also involves attentive protection of the natural environment: in this respect, Technip's strongest asset is its ability to drive technological innovation that reduces the impact of operations on the environment.

1.2. INNOVATION: A KEY DRIVER OF TECHNIP'S INITIATIVES

Technip's environmental policy is composed of two parts: firstly, constantly assessing the Group's own environmental footprint in order to reduce it as much as possible, and secondly, bringing forward a continual stream of innovations to help its clients manage their environmental footprints.

By monitoring its own CO_2 emissions, Technip examines the impact of its operations on climate change. The Group's determination to reduce its own carbon gas emissions lies behind the decision to conduct a Group-wide assessment in 2014 (both for its direct and indirect operations), to gain a clearer understanding of its emissions and their impact, as the basis for making more informed, and therefore more effective, decisions. However, Technip has not waited for the outcome of this global assessment before addressing this issue, and is already exploring the possibility of using clean energy on its construction sites.

In this context, in 2013, Technip has set up a new department named "Sustainability & Innovation", responsible for highlighting the innovative and practical solutions offered by the Group to its clients, to help them show greater respect to the environment while operating the infrastructure delivered by the Group, but at the same time optimizing the costs and supporting initiatives that benefit local communities. This department has already begun to catalog the existing innovative solutions to promote them and to facilitate their adoption more widely. It is also continuing with its anticipatory role in Research & Development by applying the life cycle assessment technique to its products and processes which provides the Group and its clients with a better understanding of the impact of their operations on health and the environment. The results can also impact the decision making process for the benefit of all stakeholders.

1.3. OUR COMPASS

The priorities referred to above are just some of the guidelines that govern the Group's business, attitudes and actions. They are examined in great detail by ratings agencies and other organizations that assess how companies perform on the basis of Corporate Social Responsibility (CSR) criteria. Technip willingly discloses its actions and initiatives to these organizations and to the general public as part of the Group's commitment to generating the constructive feedback necessary for a continuous improvement process.

Continuous Improvement of CSR Processes Through Independent Consultants

Article L. 225-102-1 of the French Commercial Code

On April 24, 2012, Article L. 225-102-1 of the French Commercial Code came into force with application from financial year ended December 31, 2012. This provision, as part of the implementation of the Grenelle II Law, requires that certain French companies, including Technip, address a range of topics in their Management Report. The Grenelle II law is probably one of the strictest pieces of corporate social responsibility legislation anywhere in the world, and is designed to gradually and continually improve the CSR processes operated by French companies with the aim of drastically increasing their level of responsibility and transparency to the point where they truly become drivers of sustainable development.

Technip has appointed its external auditors in the process of verifying the comprehensiveness and truthfulness of the information published in this report in compliance with the regulatory requirements of French law.

The set of data published in respect of 2013 is the second to be reported by the Group covering all legally-required CSR information, and therefore represents a very significant increase in terms of indicators and volume compared with the data historically published by the Group.

Some of the tests applied to quantitative data have been conducted on a sample of jobsites selected on the basis of their business profile, their contribution to the consolidated indicators, their location and a risk analysis. More specifically, this selection process has resulted in the inclusion of construction sites. The auditors have visited the selected sites in person to perform their checks.

The full scope of the verifications performed by the independent auditors is presented in the Report by the Statutory Auditor, on the consolidated environmental, labor and social information, appended to this Annex (see Annex F of the Group's Reference Document for the year ended December 31, 2013). The conclusions and recommendations of these auditors provide a true guide to improving CSR performance, and Technip has implemented those recommendations as thoroughly as possible in the time available. Naturally, Technip intends to follow the advice of these experts and explore the opportunities for improvement they have identified.

CSR Rating Agencies

On January 2014, Technip received the Silver Medal (in 2013, the Group received the Bronze Medal) given by the "Sustainability Yearbook" of RobecoSAM, confirming the Group's status as sustainability leader in its industry, which is also reflected by the inclusion of the Group in the Dow Jones Sustainability Indices (DJSI) since 2001. Moreover, Technip is positioned along with few other companies in the highest ranks of Euronext_Vigeo_Eurozone. As Technip wishes to retain its status as leader, in 2014, the Group plans to introduce a process that will incorporate extra-financial data more effectively into its annual reports, as part of achieving even greater transparency and clarity.

Top Employer Europe Certification

In addition, the Group has been awarded Top Employer Europe certification by the CRF Institute in 2013, underlining the high quality of its human resources policies. To achieve Top Employer Europe status, companies must comply with a set of criteria in at least five European countries. Technip does so in nine countries. The care the Group takes of its people is clearly recognized on the other side of the Atlantic as well, since Technip was named Top Employer of 2013 in Brazil. Canada lists the Group as one of the Top 100 employers in the country.

The Performance Indicators that Characterize our Business

The two Human Resources priorities of the Group are summed up in the following quotes from two members of the Technip Executive Committee.

"The health and safety of our people is a core value and an absolute commitment." Thierry Pilenko, Chairman and Chief Executive Officer of Technip.

"Our priority is to develop talent pools worldwide to offer all our most talented people the same opportunities, regardless of their country or background." Thierry Parmentier, Group HR Director.

In 2014, the Group will be concentrating specifically on:

human resources:

- introduction of a Group-level Human Rights Charter,
- recruitment, by optimizing the sources of recruitment and improving labor force resource planning (forecasting requirements more accurately and training a suitable number of individuals),
- the quality of data and processes prior to the launch of a new three-year program in 2015,
- gender diversity;

health: preparation of an occupational health risk assessment (HRA) plan;

safety:

- full implementation of safety programs,
- intensified prevention and safety awareness programs,
- management of subcontractors in relation to occupational safety issues;

national content of its projects and its international subsidiary companies to continue to:

- improve local and national employability,
- contribute to the economic benefits of the project with national stakeholders involvement;

local communities: the relationship with the local communities will continue to be reinforced with an emphasis on social and economic self-sustainability; and

improve the environmental impact of Technip's operations and client operations, with the emphasis on:

- sustainability and innovation, and
- carbon emissions.

Targets and priorities based on these aspects will be set for future years with the aim of reducing the overall environmental footprint of the Group and bringing forward more innovative and ecologically viable solutions for clients. Section 3.3 describes the sustainability and innovation initiatives introduced, whilst Section 3.4 details all the actions and measures implemented in 2013 to reduce the environmental impact of Technip.

1.4. REACHING A STEP FURTHER IN 2014

2014 will present many challenges as Technip progresses with the structural integration of sustainable development imperatives. Implementing everything at the same time is not possible, so this integration process requires setting priorities and focusing particularly on the most important issues.

Not only Technip will continue its efforts in 2014, but the Group will also broaden its scope, with particular emphasis on innovation, environmental protection, diversity and education. The Group will work towards:

- developing and deploying its best practices more effectively to extend their scope and reproducibility;
- putting greater emphasis on environmental issues by expanding its catalog of Sustainability & Innovation (S&I) initiatives on the basis of a more comprehensive listing of those already in place, and by putting greater effort into identifying new initiatives;
- continuing to improve gender diversity within the Group, which received dynamic impetus at the end of 2013 with the appointment of the Vice-President Group Gender Diversity. With the support of the Executive Steering Committee and the Advisory Committees, this Vice-President will lead the process of preparing and implementing a global action plan in 2014;
- reaffirming its commitment to education by:
  - launching the first operational phase of the intergenerational knowledge transfer program prepared in 2013. Many of the Group's retirees have already volunteered to travel to operating sites worldwide to share their experience and knowledge with local young talented people. This program is not restricted to improving the employability of these young people for the benefit of Technip, as the retirees will also be making an expert contribution in universities to Masters and other advanced degree courses,
  - deploying the 'Technip Inspiring Youth' program whose guidelines were set out in 2013, when all the initiatives introduced by Technip for the benefit of young people were brought together. In this context, Technip's employees will have the opportunity to volunteer as guides and advisers to young people from every type of background and from various countries, not only those in which Technip operates, (many but not all will be from underprivileged backgrounds) to help and inspire them to build a better future, and
  - inspiring young women: 'Technip Inspiring Youth' initiative will also give young women, working at Technip in technical and technological careers that normally attract few women, the opportunity to visit girls' schools and share their experience of working in a 'man's world' as part of communicating their interest in engineering in the hope of encouraging girls of all ages to aspire to technical and/or scientific careers in industry.

1.5. DEFINITIONS AND SCOPE

1.5.1. Definitions

The personnel classification is defined for the different Group entities or operations under Technip's management or operational control:

Offices: All office facilities throughout the Group.

Construction sites: All construction sites.

- Fleet and industrial sites including:
- Fleet: subsea pipelay vessels and subsea construction vessels,
- Manufacturing plants: manufacture of flexible pipes and umbilicals;
- Spoolbases: rigid pipe spoolbase facilities; and
- Construction yard: specialized in Spar hull and mooring systems, drilling rig conversions, Offshore construction services and heavy industrial products.

Entities: Legal entities or branch offices where Technip is present, whatever the operations as listed above.

Projects: Technip projects including all phases (engineering, procurement, installation, construction, pre-commissioning, commissioning and start-up).

Total workforce: Includes the employees and contracted workforce (contract staff and contractors except those working on construction sites).

Employees: Individuals on payroll with a permanent (permanent employee) or a fixed term contract (temporary employee) with one of the Group companies.

Contracted workforce: Contract staff (workers employed via temping agencies ("agency personnel")) or contractors working under

contracts for services, except those working on construction sites. This personnel is not recognized as employees under national law or practices.

Subcontractors: Includes subcontractors engaged to perform work on a Project.

Vendors: Manufacturers and/or suppliers of equipment or material.

Clients: Technip's clients.

1.5.2. Scope

		Offices	Fleet and Industrial sites	Construction sites
Payroll/ Employees	Permanent contract	HSE (1)/HR (2)/Security	HSE/HR/Security	HSE/HR/Security
	Temporary contract (fixed term)	HSE/HR/Security	HSE/HR/Security	HSE/HR/Security
Non Payroll/ Contracted	Contract staff	HSE/HR/Security	HSE/HR/Security	HSE/HR/Security
	Site contractors	(N/A)	(N/A)	HSE/Security
Other stakeholders	Subcontractors	HSE/Security	HSE/Security	HSE/Security (3)
	Vendors	HSE/Security	HSE/Security	HSE/Security (3)
	Clients	HSE/Security	HSE/Security	HSE/Security (3)
	Third party	HSE/Security	HSE/Security	HSE/Security (3)

(1) Health-Safety-Environment.
(2) Human Resources.
(3) HSE/Security under the cover of Technip for subcontractors, vendors, Clients and third parties if specified in the contractual agreements.

2. Human Resources

2.1. REPORTING SCOPE

2.1.1. Reporting Scope for Entities

The reporting scope is based on the financial and legal consolidation scope. This includes the entities present in the Group as of December 31, 2013 including newly acquired or newly consolidated entities in 2013 (current scope).

To facilitate the comparison between two consecutive years, and to be consistent, the reporting on training and absenteeism does not take into account data collected from entities recently acquired or entities that have not been consolidated in the Group throughout the whole year.

2.1.2. Reporting Scope for Personnel

The scope covers personnel on the payroll on permanent contracts (French "CDI" contracts) or fixed term contracts (French "CDD" contracts), except for the information given in Chapter 2.2.1.1., which covers the total workforce. Trainees and apprentices are excluded from the coverage.

Total workforce includes employees and contracted workforce (contract staff and contractors except those working on construction sites).

The contracted workforce refers to the workforce which is not on the payroll of a Group entity. It includes:

- individuals working in offices from time to time, when there is a spike in workload, such as agency personnel; and
- contractors working on vessels and industrial sites throughout the Group (manufacturing plants, spoolbases and the construction yard).

Subcontractors working on construction sites are not reported due to, on the one hand, the significant fluctuation in numbers during the rolling out of projects and, on the other, their significant presence on large projects. As an example, in 2011, 70,000 subcontractors were working on Technip's Qatar construction sites, a number which decreased significantly towards the completion of the project.

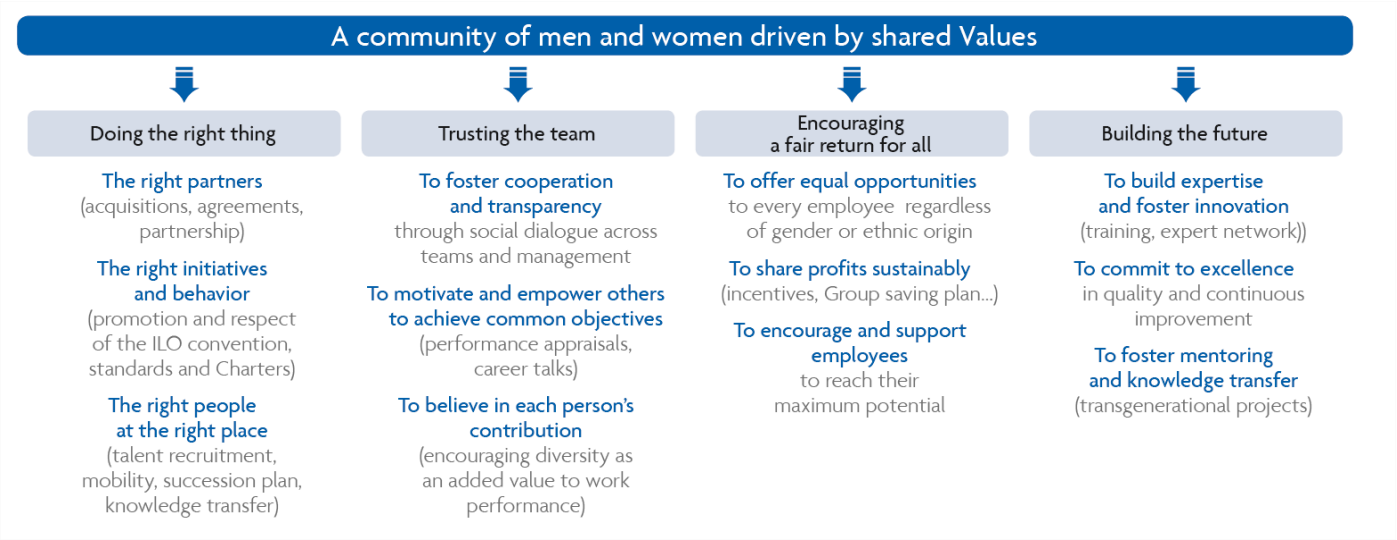
Each table notes the percentage of personnel covered.

2.1.3. Reporting Tool

A web solution has been implemented Group-wide since 2006 to collect and consolidate quantitative and qualitative data in the human resources domain.

2.1.4. Indicators – Identification of Material Topics

After being defined at the Group level, the topics have been classified into four categories corresponding to Technip's four values: it is important that employees and stakeholders know which topics are the most significant for the Group and how these values are embedded in daily professional activities.



2.1.5. Terminology Used in Human Resources Reporting

Users are provided with an indicator definition protocol, which is reviewed and improved every year based upon feedback from the entities and the auditors, in particular when problems have been observed.

a. Staff in management positions

Since staff management may be understood differently depending on the country and culture, the definition chosen throughout the Group for a Manager is a person "who appraises subordinates during the annual appraisal process, in accordance with the "Human Resources Without Borders" [(1)] program.

(1) The program "Human Resources Without Borders" was set out in a strategic plan from 2009 to 2012. The objective of this program is to ensure a better match between human resources and business requirements, to contribute to the professional development of employees in terms of skills and careers, to extend global expertise and to strengthen an employee's feeling of belonging to the Group.

b. Operating centers, industrial sites and fleet

Operating centers relate to all centers where Technip operates. Industrial sites include the spoolbase facilities (pipeline fabrication base), port operations, manufacturing plants (fabrication of flexible and umbilicals) and the ship-yard (construction of spar hulls and Offshore structures). The fleet includes individuals working in the vessels.

c. Blue collar employees

Blue collar employees are defined as employees who perform physical work. Support services such as drivers, security guards, and other service staff are included. A blue collar employee with a management role, as defined in Chapter 2.1.5.a above, will be qualified as a "Manager".

2.1.6. Collection and Consolidation Methodologies of Human Resources Data

a. Collection

- Data is input by 84 legal entities in the Group reporting tool and then "submitted" (saved and sent) to the Corporate Department.
- At an intermediary level, HRIS (Human Resources Information System) correspondents within each Region provide their support on technical issues. In 2013, a new step in the checking process of human resources data has been piloted within two Headquarters (France and United Kingdom). These two headquarters covered 21 entities within 12 countries.

b. Consolidation methodologies

The indicators cover 100% of entities for all topics, except Training and Absenteeism, which cover 99% of total headcount (excluding entities not present during the whole year).

Indicators are calculated on the basis of the Group's scope as of December 31, 2013. Chapters relating to Arrivals and Departures, Absenteeism and Training cover the year 2013.

Reporting in relation to human resources contains approximately 400 questions (of which 120 are on a monthly basis with the remainder asked on a yearly basis). During the input of the data by entities, or during its consolidation at the Corporate level, 170 consistency checks are applied.

c. Feedback of inconsistencies to the entities

A process has been established that assembles all the inconsistencies in a specific template, which maintains a concise overview of the issues to be solved and keeps track of any comments. This template is used at the Corporate level and by the entities to share their comments and make corrections to the data input in the different questionnaires. This same template is also helpful during the external and internal audits to justify gaps and clarify issues.

2.1.7. Controls

a. Internal audits

In 2012, the position of HR Controller was created at the Corporate level. During internal audits, the HR Controller facilitates communication between entities and the Group's Internal Audit Department. In particular, the HR Controller contributes to resolving findings issued by the Group's Internal Audit Department and assists entities in applying the required corrective actions.

The HR Controller also helps to prioritize the indicators that are to be checked: the reporting processes for HR indicators are included in the scope of audits conducted by the Group's Internal Audit Department.

b. External verification

In addition to the external audits required by French law, Technip requests the approval of its reporting policy and procedures by GRI (Global Reporting Initiatives) every year.

2.2. WORKFORCE

2.2.1. Changes and Organization

Human resources data from companies recently acquired and not present during the whole year is consolidated in all chapters except for the chapters "Absenteeism" and "Training" in the current section. No disposal of consolidated entities occurred in 2013 from a human resources reporting point of view.

a. Breakdown of total workforce per contract

	December 31,	
Breakdown of total workforce by contract	**2013 (1)**	**2012 (1)**
Employees on payroll	**32,243**	**30,241**
Permanent employees	28,593	26,279
Temporary employees (fixed-term)	3,650	3,962
Contracted workforce	**6,588**	**6,267**
Contracted workers at industrial sites (plants, spoolbase and yard) and fleet	2,537	2,749
Other contracted workforce	4,051	3,518
TOTAL WORKFORCE	**38,831**	**36,508**

(1) Coverage rate: 100% of employees on payroll and contracted workforce.

At year-end 2013, the total workforce increased by 6% compared to year-end 2012 due to:

- a greater number of permanent employees (+2,314 persons) whereas temporary employees and the contracted workforce remained stable;
- internal growth of the Group due to the consolidation of new centers in Algeria, Bulgaria, Myanmar and Qatar (+403 persons); and
- the acquisition of a company, Ingenium, a Norwegian subsidiary (25 persons).

The total workforce includes employees on the payroll as well as externally contracted workers (agency personnel and contractors excluding those on construction sites).

The number of contracted workers may vary significantly depending on the Group's needs and the projects undertaken:

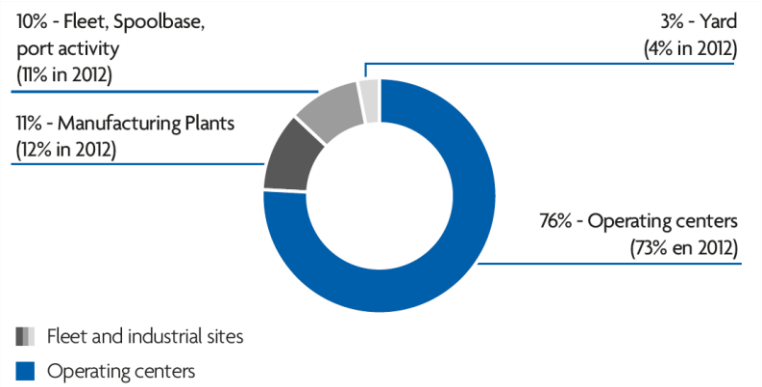
- in 2013, those working on the Group's industrial sites (spoolbase, plants and yard) and vessels, decreased by 8% compared to 2012 due to decreasing activity at the Pori construction yard;
- the category "other contracted workforce" increased by 15%. The variation indicated between 2012 and 2013 is a snapshot as of December 31, 2013 but the figures may change from one month to the next; and
- the average number of contracted workforce during 2013 is 6,373 individuals.

In 2013, the highest increase in permanent employees on the payroll was in France (+282 persons), in Malaysia (+272 persons) and in the Middle East (+272 persons).

Employees with fixed-term contracts account for 11% of employees, a decrease of 2 percentage points compared to 2012 (13%).

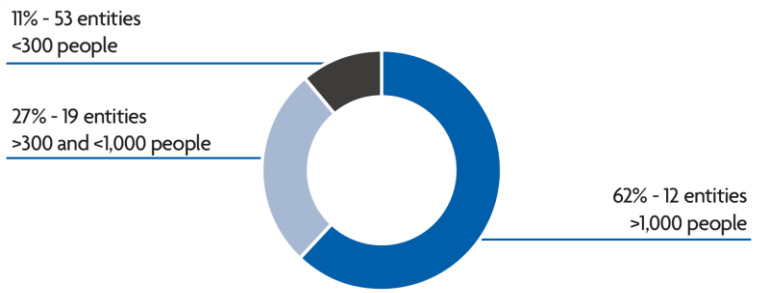
HEADCOUNT STRUCTURE (AS OF DECEMBER 31, 2013)

Operations (100% of employees on payroll and contracted workforce)



The chart above illustrates the diversity of operations and of total workforce Group-wide. On the one hand, the operating centers include subsidiaries and construction sites where Technip operates. On the other, the fleet and industrial sites cover marine employees in the vessels, manufacturing plants with blue collar employees, spoolbases and the Group's ship-yard at Pori (Finland) employing skilled personnel specialized in Offshore construction.

Size of entities (100% of employees on payroll and contracted workforce)



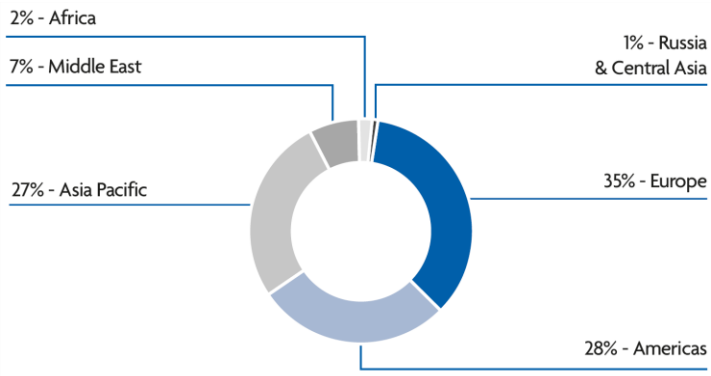
The breakdown of Technip entities demonstrates that two-thirds of employees are grouped within only 12 centers, which means that HR processes or tools can be rapidly put in place in the Group's principal centers to cover a majority of employees. Conversely, it takes more time to cover the rest of the entities as two-thirds of the Group's entities (53 of 84) have less than 300 employees.

b. Breakdown of employees on the payroll according to geographic zone, age and gender (100% of employees on payroll)

	December 31,	
Breakdown of employees by geographic zone	**2013 (1)**	**2012 (1)**
Europe	11,239	10,551
Americas	8,924	9,054
Asia Pacific	8,690	7,827
Middle East	2,427	2,011
Africa	737	555
Russia & Central Asia	226	243
TOTAL EMPLOYEES ON PAYROLL	**32,243**	**30,241**

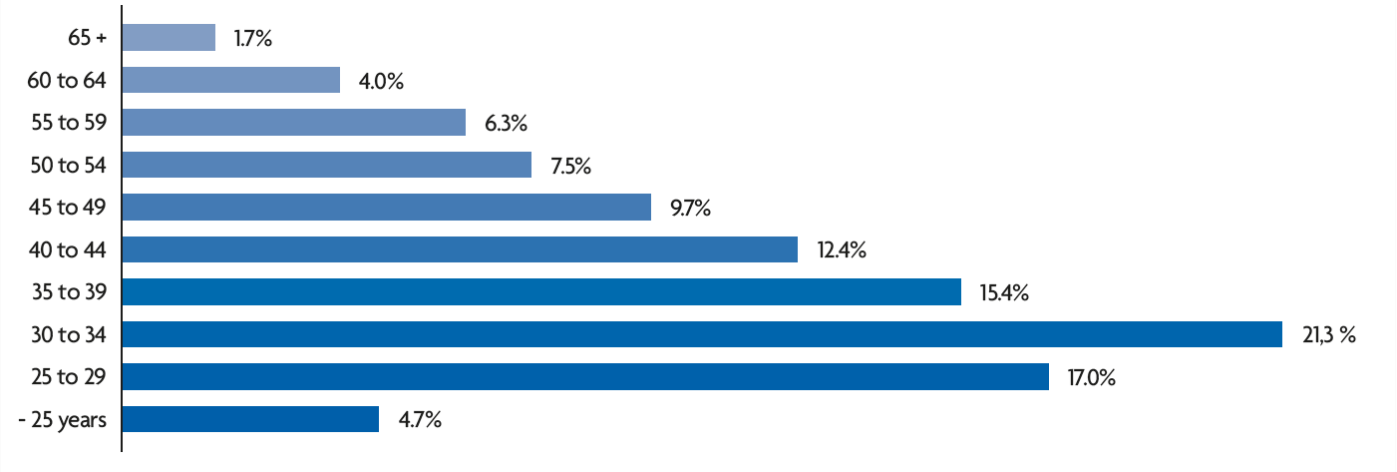
(1) Coverage rate: 100% of employees on payroll.

Employees per geographic zone

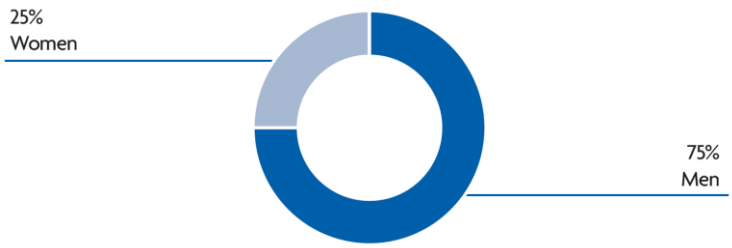


Compared to 2012, Europe is stable (35%) while Eastern areas (Middle East and Asia Pacific) are each growing by 1 percentage point (27% in Asia Pacific and 7% for Middle East in 2013).

Age pyramid in 2013 (by range in %)



Employees per gender



The percentage of women employees has risen by one point from 24% to 25% due to higher recruitment of women throughout the Group.

However, the challenge for Technip is firstly to attract women into the oil and gas engineering sector which is seen as being male dominated and secondly to retain and promote these talents so that women are better represented at every level in the organization, including on leadership teams. See Chapter 2.5.1 for more details on Diversity.

c. Hires and departures

Payroll employees: Hires & departures	2013 (1)	2012 (1)
Hires	**7,055**	**7,651**
Permanent employees	4,611	5,027
Temporary employees (fixed-term)	2,444	2,624
Departures	**5,595**	**4,295**
Permanent employees	2,964	2,772
Temporary employees (fixed-term)	2,631	1,523
Renewal rate of permanent positions (2)	**1.56**	**1.81**

(1) Coverage rate: 100% of employees on payroll.
(2) Start/termination of permanent positions.

RECRUITMENT

Since 2009, Technip continues to invest in the recruitment and development of new graduates, covering all the Group functions, with a strong focus on Project management competencies. The strategy contributes to a greater diversity of abilities, and fosters enhanced career management and progression. The results of this recruitment effort are demonstrated by the following statistics:

- between 2009 and 2013, recruitment of employees below the age of 35 has tripled;
- in 2013, individuals below the age of 35 accounted for 43% of the total number of employees on the payroll; and
- 903 recent graduates, for whom Technip represented their first job, were recruited, primarily in the United States, Brazil, Malaysia and India. This represents a 6% increase compared to 2012.

An online tool, part of the HRWeB solution, is used by Group entities to publish all vacancies to employees on the Internal Job Portal. The same tool is connected to Technip's Career Pages on www.technip.com, allowing recruiters to push offers to external candidates when needed. More than 290,000 applications were received in 2013, i.e., an increase of approximately 30%.

Accompanying growth with recruitment

The size and complexity of some projects causes challenges for Technip in relation to human resources.

Due to the economic context and more particularly the labor market situation, the majority of Group entities face difficulties in recruiting experienced engineers due to the scarcity of these profiles. In certain countries the number of graduates of engineering disciplines is at a minimum with a rising demand for junior engineer staff.

To address this issue and to accompany growth, the Group had to identify additional solutions to the Job Portal tool for recruitment such as:

Use of social media

Technip increased its presence on social media by creating a page on LinkedIn, targeting new talents. Technip has more than 160,000 followers, of whom 90% are not Technip employees. In 2013, LinkedIn ranked Technip 61st worldwide among the companies most "liked" by applicants.

Use of employee referrals

Employee Referral programs are in place in several Group entities (i.e., Malaysia, Norway and United Kingdom), using Technip's employees and their network to recommend candidates for positions and rewarding them once a recommended candidate has been hired.

School partnerships

In France, Technip and its IFP School partner sponsored 17 students from France, Malaysia, China, Brazil, India, Morocco, Saudi Arabia, Angola and Vietnam. The selected candidates underwent a combination of academic training within IFP and placements in Technip entities across Europe to provide students with the opportunity to see firsthand the application of theory to a live project environment. On successful completion of the program the students are given the opportunity to join Technip upon their graduation. Ten out of 11 students joined Technip at the end of the school year 2012-2013.

In the United States, many partnerships were set up with various universities to inform students about Technip's operations. Job fairs have also been organized within universities such as the Sorbonne in Paris and New York University in Abu Dhabi.

Recruitment Days

Outside Technip, world forums such as OTC (Offshore Technology Conference) are organized in the United States and give Technip the opportunity to introduce the Group and attract new candidates.

Moreover, Technip regularly organizes recruitment campaigns such as "Career Days" in fast growing countries such as Malaysia, and "Technip Recruitment Careers Open Evenings" in the United Kingdom and in Norway. This allows Technip recruiters to find potential candidates and help create a pool of qualified candidates.

As of December 31, 2013, Technip entities had hired 320 interns and 435 apprentices.

Intra-Region recruitment

In Malaysia and in the United Kingdom, regional recruitment centers have been opened to improve cooperation between the centers in the same Region.

"Top Employer" label

Many entities have been certified as a "Top Employer" since 2011. In 2013, 10 entities were awarded this certification, among which nine are in Europe (Belgium, France, Germany, Greece, Italy, Netherlands, Norway, Spain and United Kingdom) and one in Latin America (Brazil). Entities are certified by the Top Employers Institute to reward them for their excellence in Human Resources practices.

Workforce planning for key offshore resources: a pilot initiative

Workforce planning is the process of anticipating and meeting future resource needs. The offshore activity man-hours have doubled since 2009 while revenues have increased by six times. There is a high probability that Technip will continue to grow over the coming years and that Technip will continue to see increasing competition for limited resources within local markets with both clients and contractors trying to attract candidates from the same limited pool. In addition, turnover through resignations and retirements has the potential to lead to a lack of seniority and experience in the project management populations.

For this reason a resource assurance pilot initiative has been launched for 11 key Offshore resources of the business to bring awareness, and change mindsets from a reactive to a proactive mode. This initiative is sponsored by the Offshore Senior Management with the cooperation of human resources and the involvement of the regional operations management. The results have showed that workforce development will add strong value to the future of the Company by:

- identification, anticipation and development of key competencies;
- planning and implementing workforce progression; and
- cross-fertilization to build up competencies where the Group's clients are.

Bring new competencies

In 2012, due to the acquisition of Stone & Webster process technologies, Technip obtained complementary skilled resources in research in the United States and in engineering in the United States, the United Kingdom and India. Also, through this acquisition, Technip has been able in 2013 to reinforce its relations with Sasol, becoming the exclusive co-developer of Sasol's hydrocarbon synthesis reactor technology for its future GTL (Gas-to-Liquids) facility projects.

DEPARTURES

In 2013, the global turnover of permanent employees (10.7%) has decreased by 0.7 percentage point compared to 2012, taking into consideration all motivations for departures. The global turnover is based on the total departures out of the 2013 annual average permanent employees.

Measures taken to retain talents have contributed to a significant decrease in the resignation rate since 2011 (-1.9 percentage point).

Considering the restricted market and high competition to recruit and keep talents, this remains a challenge for 2014 especially in high growth countries (e.g., Malaysia, Brazil and India).

Reasons for departures (permanent employees)	**2013 (1)**	**2012 (1)**
Voluntary reasons for leaving (resignations, retirements)	1,997	2,008
Lay-off/redundancy/dismissal	597	440
Of which economic lay-offs (according to article L. 1233-3 of French Labor Code)	0	0
Transfers between entities	174	135
Other reasons	196	189
TOTAL	**2,964**	**2,772**

(1) Coverage rate: 100% of permanent employees on payroll.

d. Organization of working hours

	December 31,	
Working time	**2013 (1)**	**2012 (1)**
Number of full-time employees	31,637	29,666
Number of part-time employees	606	575
Number of employees working in shifts	2,972	3,400
Overtime hours (France and main headquarters)	1,310,954	1,421,931

(1) Coverage rate: 100% of employees on payroll except overtime hours (coverage rate: 51%).

The proportion of part-time employees remains stable at 2% of the employees on the payroll.

The administration of working time is often manual in the small entities of the Group. The consolidation of overtime hours is, therefore, limited to main headquarters. The decrease of overtime between 2012 and 2013 is essentially due to the decrease of the fleet operations in the United States.

e. Absenteeism (excluding acquisitions)

Absenteeism rate (1)	**2013 (2)**	**2012**
Occupational illness	0.01%	0.01%
Occupational injury	0.04%	0.03%
Non-occupational illness	1.78%	1.69%
Non-occupational injury	0.05%	0.06%
TOTAL (ILLNESS/INJURY)	**1.88%**	**1.79%**

(1) Absenteeism excluding other reasons than illness or injury.
(2) Coverage rate: 99% of employees on payroll.

Absenteeism information covers only personnel on payroll. More thorough information including contracted workforce is to be found in Chapter 2.8 “Safety” of this Annex E.

Calculation of the absenteeism rate is based on working days lost. Working days are used as a measure of economic impact.

Working days lost are also calculated in safety indicators, based on calendar days as a measure of accident severity. Hence, the data cannot be compared between the HR scope and Safety scope.

In 2013, the rate of absenteeism increased slightly compared to 2012, due to two elements:

- the increase in working days lost for occupational injuries (+900 h). Two-thirds of this increase is due to the incorrect inclusion of days lost for commuting injuries; and
- the increase in working days lost for non-occupational illness (17,700 h) partly due to the new reporting of an Indian entity.

13,515 medical examinations were completed, 4,835 of which were pre-employment fitness to work examinations for newly hired employees.

Twenty cases of occupational illness have been reported in the Group, such as ear infections in divers or muscular-skeletal disorders. In 2012, the definition of occupational illness was reviewed to clarify the understanding of this indicator and to harmonize reporting in the Group, independently from the reporting done to meet national regulations. This indicator seems to be better reported since 2012.

Medical exam requirements vary depending on the country. Following a period of sick leave, 684 employees had a medical evaluation, in particular in France, Qatar, Brazil and the United Kingdom. Systematic pre-expatriation medical evaluations and follow-ups are carried out for the duration of the expatriate assignment in the Group.

Present in 48 countries, employees travel and work in areas with different health profiles. A good knowledge of local health risks allows Technip to provide its personnel with the right information.

2.3. COMPENSATION AND BENEFITS

2.3.1. Salary Policy

Compensation within the Group is managed at Regional level.

Group and entities offer motivating compensation packages to attract and retain talent. International salary surveys, in relation to specific professions and sectors, are performed annually and are used to ensure that the Group maintains a favorable position compared to the market.

The Group's grading system will help in designing and offering state-of-the-art remuneration policies in most of the countries where Technip operates. The global salary survey previously initiated will continue to be rolled out and Technip is promoting long-term and short-term incentives based on performance driven plans (with individual and collective targets). Managers have a vested interest in the success of its businesses/segments and the Group as a whole.

Initiatives are put in place to avoid the salary gap between men and women within the same professional category (if any), and to analyze the positioning of specific job families (the Project Management job family for example) compared to the internal and external market. Studies and actions conducted at the entities in the field of professional equality primarily related to pay, promotion to positions of greater responsibility, and the distribution of individual performance levels.

2.3.2. Compensation, Change in Compensation and Social Security Costs

a. Compensation and change in compensation

The Group's payroll expenses increased from €1,661 million in 2012 to €1,654,8 million in 2013. The Group's social security costs increased from €293.9 million in 2012 to 308.5 in 2013.

All entities in the Group have declared that employees on payroll are paid above the applicable minimum guaranteed wage in the country where they operate.

b. Employee incentive and profit-sharing schemes

Pursuant to applicable law, French companies within the Group with at least 50 employees that generate sufficient profits must distribute an amount of the Company's profits to their employees. For financial year 2013, the total profit-sharing amount to be paid in France was estimated at €5.2 million. Each company negotiates and enters into a profit-sharing agreement. The profit-sharing amounts distributed can be transferred to the Group Savings Plan ("Plan d'Épargne de Groupe", or "PEG") or the Group Pension Savings Plan ("Plan d'Épargne Pour la Retraite Collectif", or "PERCO").

Profit sharing In thousands of Euro	December 31,	
	2013	2012
Amounts allocated to incentive profit sharing (France, Spain, Italy)	15,449	19,715
Amounts allocated to mandatory profit sharing (France)	5,253	16,875

INCENTIVE PROFIT SHARING

For financial year 2013, several of the Group's French companies had an incentive profit-sharing agreement in place: Technip, Technip Corporate Services, Technip France, Flexi France, Technip TPS, Seal Engineering, Cybernétix and Technip Normandie. Calculation methods vary for each company according to their business. The amounts distributed can be paid directly to the employee or transferred to the Group Savings Plan (PEG) or the Group Pension Savings Plan (PERCO).

Employees from the Italian and Spanish entities, Technip Iberia and Technip Italy, also benefit from a similar profit-sharing mechanism.

For financial year 2013, the total amount of incentive profit-sharing paid by the Group's subsidiaries was approximately €15.4 million.

GROUP SAVINGS PLAN – EMPLOYEE SHARE OWNERSHIP

The Group Savings Plan (PEG) was implemented in 2003. It was amended several times with the last amendment being made as of March 9, 2012.

Its purpose is to enable employees to build, with the help of their company, a collective portfolio of marketable securities and to benefit, where applicable, from social security and tax benefits applicable to this form of collective savings. As of December 31, 2013, the total amount invested in the PEG amounted to €141 million, including €83.2 million in the form of employee shareholdings.

At any time during the year, members can invest in the PEG and can choose between the various company mutual funds ("Fonds Communs de Placement d'Entreprise", or "FCPE"), whose portfolios are invested in shares, bonds or monetary instruments pursuant to a management strategy to achieve a specific investment goal. One of these funds is fully invested in Technip's listed shares thereby allowing employees to be associated with the Group's development.

Other FCPEs created within the PEG are dedicated to share capital increases reserved for employees, including employees of foreign companies that have joined the PEG. The PEG provides a common framework for all Group companies that have joined in terms of the payments that can be made, the means by which company profits can be shared, investment options and general operating regulations.

GROUP PENSION SAVINGS PLAN

In 2006, the Group Pension Savings Plan (PERCO) was implemented. It was revised pursuant to an agreement dated as of February 10, 2011. It is open to employees of the French companies of the Group that have joined the PERCO.

Its purpose is to enable employees to accumulate, with the help of their company, pension savings and to benefit, where applicable, from social security and tax benefits applicable to this form of collective savings. As of December 31, 2013, the total amount invested in the PERCO was €30.9 million.

It comprises various company mutual funds whose portfolios are invested in shares, bonds or monetary instruments depending on the management strategy chosen by each employee.

2.4. EMPLOYEES DEVELOPMENT: TALENTS AT THE CENTER OF TECHNIP STRATEGY

Recognizing and Appreciating the Talents for them to Grow

Talent Management is at the center of the Group Human Resources Policy, and therefore the people review exercise is crucial as this is the means by which the Group identifies talents. The People Review is an annual exercise managed by the Human Resources Department in close collaboration with the Managers.

It draws on the business issues identified in the Strategic Plans of each segment of the Group and highlights their requirements in terms of talent management. This people review process is forward-looking in its approach to the most critical positions and the skills necessary for the Group's success. Its aim is to strengthen the succession plans for key positions and pave the way for the development of the Group's talents.

Discussions are organized at the entity, regional and global levels to enhance the succession and development plans. These fruitful exchanges are an excellent illustration of the collaboration between Managers and the Human Resources department within Technip.

More than 12,000 individuals have been reviewed in 2013. This collaborative approach produces a comprehensive overview of all the Group's talents.

Recruiting, developing and retaining the talents are the main challenges for the future of the Group.

2.4.1. Developing and Keeping Talent

People are at the core of Technip.

Technip is faced with intense competition on talent especially in some specific expert disciplines and in relation to experienced engineers.

Hence it is not only important to attract this talent to join Technip, but even more important is how to engage and retain them. One of the most important elements in engaging and retaining talent is to keep challenging and developing them. This is particularly important as one of Technip's objectives is for the majority of the top managers to be recruited internally. Hence both the Leadership teams as well as the Human Resources department at Technip continuously spend time and energy on various Talent Management practices with these concepts in mind.

a. Talent Management

Technip has a wide range of Talent Management processes implemented during the last few years, which are performed on an annual basis. Some of these processes are managed as a campaign and others are performed throughout the year.

All these processes are supported by an HR information system that is accessible to all employees, managers and the Human Resources department with each having access to different levels of information. By having all information available in a system, it is possible to conduct analysis from a Corporate perspective and to share and steer (if needed) to ensure a correct and consistent application of the tools throughout the entities of the Group. In addition, and to support this same aim, Technip has created support documentation for each of the processes that explains the guidelines and objectives.

TALENT MANAGEMENT NETWORK

In 2013, Technip further improved the Talent Management Network (which was initiated in 2010) with monthly Development Committee meetings with all the Regional Talent Managers. During these meetings Talent Management related topics were discussed and potential fits between individuals and positions were reviewed and actions taken. In addition a dedicated Talent Management tool ("Mercato") was developed in 2013 and rolled out on which critical vacancies and available key individuals can be posted and reviewed by the Talent Management Network.

Both actions were taken to further improve, stimulate and increase internal mobility and hence Talent development within the Group.

CAREER TALKS

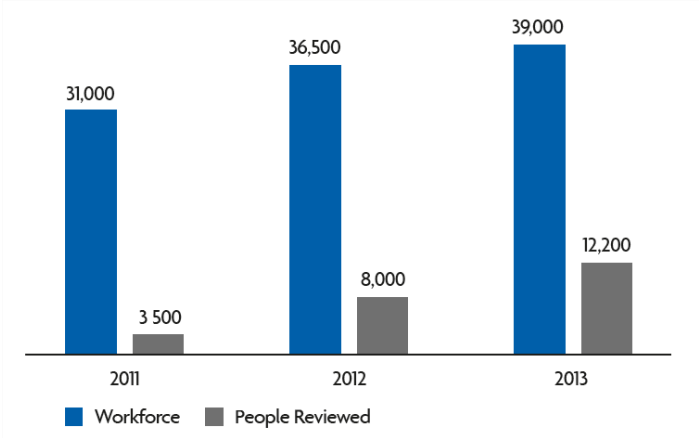
A Career Talk is a structured discussion between an employee and Human Resources in which the employee can seek further guidance on his/her career, determine objectives for the next steps and define how to get there. A Career Talk can be requested by an employee or can be initiated at the request of a Talent Manager. The other aim is for the Talent Managers to really get to know their key population in depth so they can support and facilitate the employee in the best way in his/her career.

All of the results of a Career Talk are stored in the HR information system; hence this information can also be used during the other Talent Management processes. The Talent Managers have performed and captured over 1,000 Career Talks in the HR information system.

PEOPLE REVIEWS

Between April and July of each year, the Leadership teams from all entities, Regions or Corporate conduct People Reviews. In coordination with the Human Resources department, these teams evaluate the potential, performance and career opportunities for each management team member, high performer and key employee. This process allows the Leadership teams to identify and track talents who may become future Technip leaders. It also gives a better understanding of the current potential of these talents, with a focus on their short-term and long-term development.

In 2013, Technip conducted the largest People Review campaign so far within the Group (covering more than 12,000 employees, which is an increase of more than 55% of people reviewed in comparison to 2012).



The annual review of talents run by the Human Resources departments in close collaboration with managers forms the backbone of the Group's Human Resources policy. It is fueled by the business-related issues pinpointed in each Group company's strategic plan, and highlights their implications in terms of Human Resources. This review provides forward-looking insights into the most critical positions and succession plans. It also aims to identify and develop talents within the Group through short-term and medium term career opportunities and by putting together individual development plans to prepare staff for their future responsibilities.

Reviews have shown that the Group's pool of senior executives is stable and loyal, as well as increasingly international, with most key positions held by non-French managers. The organization is also proving capable of revealing talent within the Group, with more than two-thirds of key positions filled by internal promotions. This policy has also reinforced the use of career talks, adopting a complementary approach to existing annual assessments, with a greater focus on personal development.

Technip also fosters mobility between professional categories by encouraging its employees to acquire new skills.

In 2013, more than 2,400 staff members who have been promoted, i.e., 8% of the permanent workforce.

INTERNAL JOB PORTAL AND INDIVIDUAL PROFILE

Technip has an internal Job Portal on which all vacancies are posted and all employees worldwide can review and apply easily via the HR information system. The employee can also subscribe to job alerts that advise him/her of open positions within his/her area of interest. When an employee applies, the application will make use of the Individual Profile that is completed by the employee him- or herself.

The Individual Profile is a kind of internal resume in which the employee can indicate his/her current and previous work experience, education, language skills, etc. This Individual Profile is also available to Human Resources for other Talent Management processes, such as the People Review and Career Talks, as it gives background information and an overview of the Career Aspirations (short and long term), including the mobility aspirations of the individual.

In 2013, 3,752 internal applications were recorded.

JOB CLASSIFICATION

When it comes to managing careers, a Group like Technip needs a common language to ensure the best level of fairness and transparency. The Group job classification does just that – it helps proposing meaningful career paths, whatever an individual's department or location.

2013 has been a turning point for job classifications, a project that started as part of the "HR without Borders" program (which was launched in 2009). After rich and positive discussions with the social partners (trade unions and works councils) and a renewed approval by Technip' senior executives to deploy this important project, as a result of intensive back-office work to consolidate the classifications Technip is now ready for global deployment in 2014.

b. Succession planning

In 2013, the top management has reviewed succession planning and reservoirs of talents for five core positions/job families: executive and senior management, operations management, business development, project management and country managers and hence covered over 80 key positions.

This review and inventory of skills, combined with the diversity of the businesses of the Group and its population, and presence in 48 countries, allows Technip to offer their employees numerous opportunities for professional development as well as customized careers, and to secure the key and critical positions for the future.

c. Encouraging mobility

Technip continues to promote international mobility as a career development tool and as a way to build One Technip with an international and multi-local culture, in addition to its traditional purpose of meeting business needs.

The Group's International assignment policy has been reviewed as part of "Human Resources without borders" and was implemented on June 1, 2011. Three guiding principles describe mobility within the Group:

- geographic mobility (a move from one country to the other);
- functional mobility (a move from one operation or job position or function to the other); and
- cross-segment mobility (a move from one segment to the other: Subsea, Onshore/Offshore).

Geographic or international mobility is the assignment of an employee away from his/her home office, for the completion of projects (in offices or on construction sites) or to take up a new position in one of the Group's entities ("in structure" assignment).

In 2012, the booklet "International Mobility at Technip" was published to reinforce this message and to give employees the information required to manage their career more proactively. It also emphasizes the importance of the International Assignment policies introduced in 2011, which are the basis of a fair and transparent approach to expatriation.

	December 31,	
Breakdown of expatriates by home office	**2013 (1)**	**2012 (1)**
Europe	785	698
Asia Pacific	392	342
Middle East	172	177
South America	110	78
North America	66	72
Russia & Central Asia	3	1
Africa	2	1
TOTAL	**1,530**	**1,369**

(1) Coverage rate: 100% of employees on payroll.

The number of expatriates increased in aggregate by 12%, principally in Europe (+12%) and Asia-Pacific (+15%). This increase is justified by the growing business in Asia-Pacific in the two segments of operations (Onshore/Offshore and Subsea) as well as the shortage of experts in this geographic zone, which has lead entities to call upon resources from the Group's entities in other countries.

Among the expatriates, 51 nationalities are represented, which reflect the multi-cultural nature of the Group, and 55% of entities assign one or more expatriates to other Group entities or sites.

In addition, as shown in the table below, the proportion of expatriates and inpatriates in each geographic zone is rather well balanced, except in Europe where more individuals are sent abroad than are received as inpatriates. This reflects the voluntary mix of cultures and know-how required to meet the business needs and to foster career development within the Group.

	December 31, 2013 (1)	
Breakdown of expatriates and inpatriates by home office	**Expatriates**	**Inpatriates**
Europe	51%	37%
Asia-Pacific	26%	28%
Middle East	11%	13%
South America	7%	4%
North America	4%	12%
Russia & Central Asia	0.5%	1%
Africa	0.5%	5%

(1) Coverage rate: 100% of employees on payroll.

4.8% of the employees on the payroll have been expatriated to various countries across the world.

Approximately two-thirds of these employees have been assigned for the purposes of completion of a project (either in offices or on construction sites).

The remaining third are assigned to supporting operations, such as procurement, finance, information technology, legal and human resources departments. Since 2009, this "in structure" mobility has increased steadily (+77%). This confirms the Group's commitment to the development of talents and ensures the succession of certain key positions that require a broad experience of the Group's jobs and functions.

The Group's Mobility Process is also supported by the Internal Job Portal, as previously indicated.

d. Engagement

PROJECT MANAGEMENT FAMILY

Technip is a project management company, and developing the Project Management family, in volume and in quality, is obviously a priority for Human Resources. 2013 has been a rich year with initiatives launched to better resource, engage and develop this population.

On the people resourcing front, stronger workforce analysis and forecasts allow better decisions and the development of a global sourcing strategy.

A reinforced engagement: this is clearly one of the outcomes of the Project Management days held in September 2013 which gathered 150 Senior Project Managers (selected after a thorough selection process based on various criteria; participants were approved at both Regional and Group Excom level) in Paris. During this three-day event there were, besides various group presentations, a range of workshops and a share fair. All these activities focused on the project management function and operations.

In addition to discussing Technip's future, and how project managers will contribute to making it happen, this year's event has seen the creation of the Fellow Executive Project Director function, a title reflecting the excellence of the most experienced Project Directors of the Group, nominated by the Chairman & CEO Thierry Pilenko and, as such, they are now part of the Senior Management Group of Technip.

Technip University has been at the forefront in developing current and future project managers. With the clear objective to develop 99 employees to become project managers by 2015, Technip University has launched a unique mix of competency assessment, individual development planning, and the flagship 'Knowledge Transfer' program, involving the most senior project management experts. The program is now underway and is delivering beyond expectations, for it not only develops skilled project managers, but also engages the whole branch in a collective adventure.

RETENTION

Losing an employee is always a failure. The Talent Management practices contribute to employee retention by improving employee engagement. For example, Technip considers, as described earlier, that career talks are an opportunity for discussions in relation to career development and a right for all of its employees.

In 2013, Technip continued to offer long-term employee incentive plans consisting of stock options, performance shares and cash, designed to build loyalty and improve retention.

Additionally, HR information system alert module has been redefined and re-launched in 2013 (originally implemented in 2010) to anticipate the risk of attrition in the Group as well as to take all measures needed to retain employees in the Group. This alert module is primarily focused on individuals in critical positions, the Expert community and high potentials of Technip for whom a departure from the Group would affect the business. The identification of critical positions is an annual process in which the entities reassess the identified critical positions (e.g., difficult to recruit for) of previous years and update where needed.

In 2013, 112 alerts were raised and, in 70% of these cases, the employee was persuaded to continue his/her career at Technip.

Since 2011, the resignation turnover has continued to decrease (-2 percentage points), which is also a result of focus from Leadership teams as well as Human Resources on all of the various Talent Management practices.

Another retention measure is to retain talents hired under fixed term contracts: in 2013, 788 fixed-term contracts were converted to permanent contracts (590 in 2012), demonstrating the Group's willingness to retain talents.

e. Managing performance

In 2013, a global performance appraisal process ran for the fourth consecutive year.

The annual performance reviews are performed through a global HR information system that can be accessed by all Technip employees having access to the intranet either from work or from home. For those who cannot access the intranet (i.e., workers in plants, the ship-yard or spoolbases), an offline process is available, however the end rating and the form is captured in the system to ensure that the data is captured and analysis can be carried out.

The annual performance appraisal campaign is open from November to February of the following year to all eligible employees fulfilling defined criteria in relation to length of service (more than six months within the Group) and employee status (active status).The performance appraisal form not only includes a review of the performance of the past year's objectives and the setting of next year's objectives, it also includes the evaluation of behavior related to the four Group Values, the Learning & Development needs of an individual and the Career Aspirations both short and long term.

In general the performance appraisal meeting is an opportunity for both manager and employee to have an open and constructive conversation, to reflect on the past year and to discuss the development path forward for the employee.

In 2013, 92% of eligible employees had completed their annual appraisal, which is a similar percentage to the year before but headcount wise means an increase of 30%. In 2014, over 27,500 eligible employees are being assessed (again an increase of approximately 10%), the process should conclude at the end of February.

The review of all these various sections provides a full overview of the individual's performance and career aspirations. All information is captured in the system and can be used during other Talent Management processes.

2.4.2. Training

One of the main enablers of employee development is the corporate university. Technip University is a cross-regional organization dedicated to growing knowledge and talent for the future. Compliance training, health, safety and environmental training, and skill-building unique to a product line are conducted by training organizations in Technip entities. Responsibility for training contractors and subcontractors rests with the entities, and is usually performed for employees on the projects.

Learning and development activities usually fall into the following categories: learning from experience, learning from others and learning from training. Technip University oversees the Group's learning and development programs for employees who aspire to become project leaders, technical leaders or general management leaders.

Summary of Technip University's Three Leadership Programs

Program	From Experience	From Others	From Training
Project	On-the-Job activities Do-it-Yourself Development Manual	Knowledge Transfer	Classes
Technical	Project Assignments	Technical mentoring Knowledge Transfer Expert Forums Technical papers	Classes e-Learning
Managerial	Assessments Development Plans Action Learning Projects	Peer coaching Interactions with senior executives	Classes Webinars

PROJECT LEADER DEVELOPMENT PROGRAM

All members of Technip's project management job family are invited to participate in this development program. The program is based on a competency framework for project managers. Employees assess their competencies and select activities that will close the gaps between their current level of competence and the standard.

Learning from Experience: Through the Company's intranet, the University provides a "Project Management Development Planner", a reference catalogue of on-the-job developmental activities for each competency in the framework. The University recommends develop-in-place assignments that employees can undertake while in their current position.

Learning from Others: To meet the Group's growth targets, the University is charged with accelerating the development of some employees. To do this, Technip University sponsors a knowledge transfer project to shorten the learning cycle. Project management experts help the next generation of project directors to build skills by using customized skill development plans. Once the skills in one knowledge area have been learned, employees move on to another expert and a new knowledge area. This process ensures the aspiring project manager has the foundation required to take on assignments with larger scope and scale.

Learning from Training: The program makes available training that can lead to international project management certification.

TECHNICAL LEADER DEVELOPMENT PROGRAM

Technip wants its employees to grow into technical leadership roles.

Learning from Experience: Technical specialists are assigned to work on projects where they can build technical skills on the job.

Learning from Others: In conjunction with Technip's College of Experts, Technip University sponsors knowledge transfer projects to increase capabilities in Technip's proprietary technologies. The university also facilitates expert forums where know-how is shared among the participants. Essential links in the network, the experts transfer knowledge and skills through technical mentoring, writing papers for industry and teaching classes.

Learning from Training: All employees are invited to take technical training courses, most of which are offered by Technip's entities around the world. The focus of these courses is to teach employees about the Group's products and services and empower them to increase their technical skills. The University also offers a curriculum of eLearning courses about the oil and gas industry.

MANAGERIAL LEADER DEVELOPMENT PROGRAM

For those employees whose career aspirations include taking general management roles at Technip, the University oversees a development program based on the Company's leadership traits. The qualities that Technip requires from its future leaders are clearly defined and summarized by the six Technip leadership traits: (i) being enterprising; (ii) driving profitable execution; (iii) being a role model in respect of HSE, compliance and diversity; (iv) leading people courageously and effectively; (v) making strategy happen; and (vi) fostering cross-border collaboration. These leadership traits, along with the core values of the Group, are the foundation of the Managerial Leadership Development Program delivered by Technip University.

Learning from Experience: A series of assessments that examine what a future leader has learned on the job are undertaken and the results form the basis of development plans. Future leaders participate in a cross-regional action-learning project on a specific business challenge.

Learning from Others: Future leaders benefit from peer coaching and their interactions with the executive sponsor of their action-learning project.

Learning from Training: A flagship leadership event has been held annually since 2005 which provides skill-building. Participants also attend webinars.

Description of knowledge transfer for Project Managers

The knowledge transfer is defined in three steps:

- Knowledge Silo Matrix: Technip uses the 16 knowledge areas from the Project Managers competency framework and the online assessment tool to create the knowledge silo matrix.
- Skill Development Plan: Technip University (TPU) created a Skill Development Plan (SDP) for each knowledge area. There are 20-80 skills in each SDP.
- Knowledge Transfer Workshop: TPU hosts a 2-day workshop to teach experts how to teach, and apprentices how to learn, using the Knowledge transfer method. Experts and apprentices go back to the workplace and spend 3-5 hours a week until SDP is complete. The apprentice then moves on to another expert and a new SDP.

Training of employees on payroll	**2013 (1)**	**2012**
TRAINING HOURS	**874,469**	**863,714**
Technical training	301,162	226,864
Non-technical training (including management, cross disciplines training, IT and certification)	216,856	294,770
Project management training	22,990	n/a
Health, Safety, Security (including Pulse training)	234,805	204,092
Languages	76,397	101,223
Human rights, ethics and Technip values awareness training	22,259	36,765
NUMBER OF EMPLOYEES ON PAYROLL WHO BENEFITED FROM AT LEAST ONE TRAINING DURING THE YEAR	**25,153**	**23,402**
Women	6,621	5,635
Men	18,532	17,767

(1) Coverage rate: 99% of employees on payroll.

In 2013, the number of training hours has increased by 1.2%. In 2013, training was more focused on engineering disciplines (technical training), safety and project management.

TP University delivered 8,406 hours of classroom training. The decrease of 4,000 hours compared to 2012 is due to the Project Leader Development Program inductions, which were launched in 2012 by Technip University and are now more widely deployed and delivered by the entities.

Technip took its e-learning platform training offline for major upgrades and revisions. For this reason, the number of e-learning hours (1,174 hours) cannot be compared to the previous year.

A specific indicator has been added in order to have more visibility on the Project Management training through the Project Leader Development Program.

In 2013, an average of 79% of the employees attended training sessions (compared to 80% in 2012).

2.5. DIVERSITY AND EQUAL OPPORTUNITY

2.5.1. Promoting Diversity

Gender diversity

As stated in the Group Social charter, Technip believes that diversity and non-discrimination are essential principles. These principles not only benefit Technip employees and the Group's interests but also meet the stakeholders' expectations and requirements.

This is why Technip initiatives in terms of Diversity fall within the scope of the Group Human Resources objectives as well as within the scope of the Group sustainable development strategy. It is also the right thing to do, one of the four Technip values.

Technip's future success depends on being able to attract and retain skilled and talented individuals. Tapping into the wider talent pool that includes an increasing number of competent women just makes good business sense. A wealth of research and evidence shows that companies with the best performance and increasing Return on Equity (ROE) ratios are the companies with the most diverse teams at the top of the organization. The style and composition of the leadership team is a visible and increasingly measured indicator for stakeholders of all kinds, including governments, investors, Technip clients and current and potential employees.

In 2013, the Group's objective was to encourage its operating centers to create both economic and social value by promoting positive diversity management and more specifically by focusing on Gender diversity. The following progress was made:

- Technip's percentage of women employees has risen by one percentage point from 24% to 25% due to higher recruitment of women throughout the Group. The challenge for Technip is firstly to attract women into the oil and gas engineering sector, which is seen as being male dominated, and secondly to retain and promote these talents so that women are better represented at every level in the organization, including on leadership teams.
- In 2013, the percentage of women in management positions has continued to increase from 18% in 2012 to 19% in 2013. An example of an important step in this direction was the appointment of Technip's first woman Senior Vice President of a Region. Technip's long term goal is to have greater consistency in the percentage of women at every level in the organization.
- Women below the age of 35 accounted for 29% of people hired in 2013 in this age range, whereas the number of women on the payroll only accounted for 25%. In addition, 72% of women, compared to 55% of men, were below the age of 35 at the time of their recruitment.
- As of the date of this report, the Board includes five women out of 12 members following the appointment of Alexandra Boch Gjorv in 2012 and of Manisha Girotra in 2013. This illustrates the Group's commitment to gender diversity at the highest level.

Gender Diversity is also a key strategic priority in 2014 and Technip will continue to be proactive in its approach to creating an inclusive workplace. The Group will build on the following significant milestones achieved in 2013:

- the Chairman & COO set out his personal convictions and commitment to making gender diversity a strategic business objective for Technip moving forward;
- the post of Vice President Group Gender Diversity was created, supported by a governance structure comprising a Gender Diversity Steering Committee and Advisory Committee; and
- the Steering Committee, which makes decisions and takes actions, comprises:
  - the Group Human Resources Director,
  - the President & COO,
  - the SVP Group Compliance Officer,
  - the Director Marine Assets Operations (Subsea, Brazil), and
  - the VP Group Gender Diversity.

The Advisory Committee, which provides ideas and direction, comprises representatives from all Regions and different levels of the organization.

This means that the Group will be able to re-focus its efforts to foster a working environment where all employees – men and women – are encouraged to fulfill their potential, are valued and can take pride in the different perspectives they bring to the table or the different ways they advance their careers.

The first meeting of the Gender Diversity Steering Committee took place in November 2013 and the high level action plan for 2014 and beyond was approved. This includes a program of awareness raising workshops in the regions and the launch of an external certification tool which provides a global standard and benchmark for workplace gender equality.

	December 31,	
Breakdown according to gender	**2013 (2)**	**2012 (2)**
Managers (1)	**3,747**	**3,337**
Women	19%	18%
Men	81%	82%
Non *Managers*	**26,108**	**24,061**
Women	27%	27%
Men	73%	73%
Blue Collar employees (3)	**2,388**	**2,843**
Women	7%	5%
Men	93%	95%
TOTAL	**32,243**	**30,241**
Women	25%	24%
Men	75%	76%

(1) Employees who appraise subordinates in accordance with the "Human Resources Without Borders" program.
(2) Coverage rate: 100% of employees on payroll.
(3) Employees who perform physical work. Support services such as drivers, security guards, and other service staff are included. A blue collar employee with a management role, as defined above, will be qualified as a "Manager".

	December 2013 (*)	
Breakdown by geographic zone	**Women**	**Men**
Africa	141	596
Asia Pacific	2,284	6,406
Europe	3,016	8,223
Russia, Central Asia	109	117
Middle East	261	2,166
North America	1,062	3,097
South America	1,096	3,669
TOTAL	**7,969**	**24,274**

(*) Coverage rate: 100% of employees on payroll.

In 2013, the percentage of women increased particularly in North America (+4 percentage points), Europe (+1 percentage point), Russia (+1 percentage point) and the Middle East (+1 percentage point).

New graduates and seniors

- In 2013, recruitment of new graduates increased by 6% and an average of approximately 650 interns and apprentices are working for the Group each month, which is also an increase of 19% compared to 2012.
- It is also essential for the Group to value and capitalize on the expertise of its senior employees: the number of employees hired over the age of 50 represents 785 persons in 2013, i.e., 11% of total hires.

2.5.2. Promoting Cultural and Ethnic Diversity

The Group capitalizes on its broad cultural and ethnic diversity, which it constantly promotes and shares throughout its entities through the internationalization of its teams, multicultural programs and international mobility.

In 2013, 114 different nationalities are represented in the Group (compared to 105 in 2011 and 109 in 2012). The most represented nationalities in the Group include French, Indian and Brazilian.

Four of the Group's entities have employees that come from at least 40 nationalities (in the United Arab Emirates, the United States, Norway and France).

An international online diversity training program is available to all employees of the Group. The program reminds trainees that diversity is one of the Group's key values and all employees of equivalent capability must be offered the same career development opportunities, regardless of gender or ethnic origin. By raising awareness and giving examples of good practice, this training initiative promotes the kind of behavior that supports diversity and multicultural teamwork.

2.5.3. Equal Opportunity

a. Providing employment to people with disabilities

Technip continued to support initiatives in favor of people with disabilities. Compared to 2012, the number of employees with disabilities has risen from 0.7% to 0.8%. The recording of disabled people varies according to local legislation and relies upon voluntary declarations, which may result in a lower number of disabled people being recorded.

248 people had been recorded as disabled in the Group. Disabled workers represent 0.8% of employees on payroll Group-wide and 1.3% of employees in Europe, including 4% in Italy, 3% in Germany, 3% in Belgium and 2% in France (this figure does not include subcontracted services). In Brazil, the number of disabled people increased by 29% and represents the highest number of disabled employees throughout the Group (93 persons).

For maximum efficiency, the Group targets its efforts locally.

For example, after the end of the two-year agreement entered into in 2010 with AGEFIPH, Technip France decided to go further by concluding a three-year agreement with the trade unions in relation to the employment of persons with disabilities.

The principal actions undertaken in this entity in 2013 were as follows:

- Three disabled employees were recruited as well as four trainees. Overall, seven employees could be retained in their current posts due to adaptations of the offices to their disability.
- Partnerships with the sheltered sector, service providers that employ exclusively disabled persons were reinforced due to the involvement of various company functions, and in particular the appointment of a dedicated buyer for relations with service providers and suppliers from the sheltered sector;
- Awareness campaigns directed at all employees have been implemented through internal communication tools as well as through seminars. Employees showed increasing interest by not only attending the meeting but also by actively participating.
- With the help of the recruitment departments, Technip has participated in 18 specialized job dating events, and in forums. These events provide the opportunity to meet disabled people applying for a job.
- Training sessions in relation to best practices have been organized by "Mission Handicap" and run by ADAPT (Association for the social and professional integration of the disabled). These sessions will continue in the future since they facilitate and personalize the integration process, both for the employee starting in the company and the Department who welcomes him/her.
- Such initiatives for employees' awareness were appreciated by the staff. Hence, eight of them took the opportunity to be officially recognized as disabled by the Company. This recognition allows them to benefit from a lot of technical devices to reduce the impact of their disability.

b. Retaining senior employees to ensure knowledge transfer

Intergenerational human resources management is at the heart of social responsibility: it is crucial to ensure the development of junior employees as well as to capitalize on the knowledge of senior employees.

6% of Technip's workforce is over the age of 60 and their combined experience and knowledge is a priceless asset that the Group cannot afford to lose. The workforce is also growing quickly, with 22% being under the age of 30. For several years now, the goal has been to create pathways of knowledge transfer. The Group will continue its efforts in this area.

In 2013, Technip entered into a Group-wide framework agreement with a personnel agency. The objective was that the agency provides expert Offshore resources to the Group for various purposes such as training, special missions and relations with partners. The resources are generally retirees from the Group and represent a pool of 40-50 experienced individuals available for Offshore purposes.

Moreover, the Sustainable Development Department initiated a relationship in 2013 with some Technip retirees to give them the opportunity to be involved in social initiatives in favor of education of local communities where Technip operates (knowledge transfer in particular).

2.6. SOCIAL RELATIONSHIPS

Strengthening Social Dialogue

Technip has built a culture based on the values of trust, mutual respect and dialogue. To turn this culture into a competitive advantage, the Group's HR policy provides a frame of reference for the information of personnel, relationships with trade unions and other employee representatives and freedom of expression.

Information of personnel

All employees are provided with information processes allowing them to receive the same level of information simultaneously. For example, all external press releases are immediately shared with personnel through emails.

The Group's quarterly "Horizons" magazine is distributed to all employees every quarter in three languages (English, French and Portuguese). The issue of the magazine has 24 pages with substantive articles and photo quality prints. It features reports on the Group strategy, promotes the jobs and successes of Technip's different operations and geographic regions and reinforces the sense of belonging to "One Technip".

The fortnightly "Technip in motion" e-newsletter, launched in April 2008 and published in three languages, gives a snapshot of the Group's projects and achievements throughout the world.

The Group's intranet portal concentrates all relevant information in terms of standards, processes and Technip operations. It is supplemented by local intranets for most of the Group's entities and specialized intranets for subjects like HSE (Health, Safety and Environment) or Human Resources. A better performing version is being implemented with enriched and unified contents. Technip, as part of its knowledge management initiative, uses a collaborative intranet portal which makes it possible for communities of technical experts to share best practices, know-how and key documents. Instant messaging and teleconferencing are available to facilitate discussions.

Labor relations and collective agreements

Collective or individual labor relations are governed by legislation, collective agreements, the Golden Book (Technip Group Management Principles and Responsibilities) or the GOPS (Group Operating Principles and Standards) issued at Group level. It is mandatory for all entities to comply with the Group's internal rules, which are available on the Technip intranet.

In 2013, 54 new collective bargaining agreements were entered into within 18 entities. 230 agreements were in force within 30 entities. They cover the following issues:

Topics included in the 230 agreements	% vs. total topics
Remuneration	24%
Working conditions	23%
Health and Safety	22%
Equal opportunity	16%
Training	15%

The percentage of employees in the Group who are governed by mandatory collective agreements varies according to country. In the countries that have signed ILO convention No.98 (1), 56% of the employees benefit from collective agreements.

(1) In countries that have signed ILO convention No.98: Right to Organize and Collective Bargaining Convention.

European Works Council (EWC)

The EWC, set up in 2005, includes 14 employee representatives for 10 European countries and meets twice a year. The EWC has an intranet site that has been accessible to employees in represented countries since 2008.

Since 2006, EWC members have received special training each year that emphasizes multicultural matters. This training will continue.

Consultations/Negotiations with trade unions over organizational changes

In France, several reorganization projects were implemented in the various legal entities of Technip in 2013. None of them involved potential headcount reductions.

At **Technip France,** a new office building was rented to host project operations in La Garenne-Colombes, close to La Défense. After two meetings of both the Works Council and CHSCT, 400 employees moved from La Défense to this new location. 200 additional individuals are expected to move in 2014.

At Lyon, Technip Industries Lyon was merged with Technip France Lyon, which triggered the merger of two sites into a single one (500 employees in total). Before the merger, consultation meetings took place in 2012 and 2013 with the Works Council (5 meetings) and the Committee for Hygiene, Safety and Working conditions (6 meetings).

In the Subsea segment, AETech became part of Cybernetix in October 2013, which affected 17 employees. Two meetings were held on that project with the Works Council and staff representatives.

Technip Offshore Finland (TOF) began implementing the Pori fabrication yard restructuring plan to overhaul the site operations to continue to turn around the facility's competitiveness. Greater competition and continuous price pressure from South East Asian shipbuilding yards, combined with the cancelation of BP's Big Dog Spar project by the client, have led to the need for the adaptation of the production to the changing environment market. To adjust the capacity of the yard to the current workload, the restructuring

plan includes a headcount reduction based on the termination and natural attrition of 350 employees, as well as the permanent lay-off of a maximum of 410 employees, depending on the workload level in 2014.

The conditions and conclusions of the restructuring plan have been defined during a process of discussion and negotiations with the Union representatives of Technip Offshore Finland.

These adaptations will occur step-by-step, according to the required working capacity. The Group has strived to promote international mobility to TOF's employees. As a part of this process, 22 employees were able to take up assignments in other Technip centers.

Freedom of expression

Following the release of Technip's annual results in February 2013, an online chat was organized to enable Technip employees to interact directly with Thierry Pilenko, Chairman and CEO, Julian Waldron, Chief Financial Officer and Nello Uccelletti, SVP Onshore.

This process, initiated in 2012 and repeated in 2013, raised sustained interest across Technip: 4,200 employees were connected and followed the conversation, and over 200 questions were asked during this online event.

A transcript with questions and answers has been made available on the TPNET portal to all employees, after the event, to enable anyone not able to attend to be aware of what was said.

These kinds of events were designed to promote direct and interactive conversations among employees and the management team. They enabled employees to have the opportunity to ask their questions directly, as well as to get insight into the Group's 2013 performance and its 2014 forecasts. It was also a great opportunity for teams to better understand the Group's strategy, to ask for clarifications, and to allow employees to express their ideas and concerns. Overall, it was a good way to get people talking internally, as required by the "One Technip" approach.

The Jacques Franquelin Award is an annual Group event, which has taken place since 2000, intended to encourage and reward those who, by fully living and applying the Group's values, contribute to the dynamism and development of the Company. The Award symbolizes the spirit of competition and diversity within Technip. It also enables Technip, as an international and growing company, to have a single recognition scheme which motivates people to implement initiatives and contribute to the One Technip spirit.

Twenty five prizes are available every year. A total of 2,096 entries had been submitted and 259 awards given out since 2000.

2.7. HEALTH: PREVENTING RISKS AND ENCOURAGING WELLNESS

Since end 2011, the health strategy has been based on a health management plan, improving standards in relation to required occupational health practices. Its implementation started in 2012 through related Guidelines and tools to provide each site with Health Risk Assessments (HRA) to manage and prevent ill health at work. Standards and guidelines are continually reviewed to make sure they remain appropriate in promoting regular improvements.

Group-wide Health Management Process Implemented

Evaluating workplace health risks, including psychological factors, has been at the center of the occupational health strategy of the Group. As the Group operates in different countries, with specific environmental conditions, operations or regulations, it is essential that all health risks related to the conditions at the workplace have been properly identified regardless of the nature of the works (e.g., environmental asbestos exposure on a construction site or musculo-skeletal disorders in the office) and the best preventive measures have been implemented. As this requirement started in 2012, a number of sites already have an HRA in place. All sites should start their HRA by the end of 2014.

The principle of the HRA is based on different steps: the first step is to identify the health hazards in each workplace and to evaluate their potential impact on health and the second step is to identify the groups of employees exposed to the risk. This allows the third step which is an elaboration of an action plan implementing all types of mitigation and prevention, and then the level of the residual risk (Technip risk Matrix, which is part of the risk management of the Company), is determined. Risk monitoring and controls constitute step 4. Each HRA will be updated annually (step 5). Every Technip site (including offices, construction sites, yards, factories and vessels) must work on their local HRA. All information is reported in the Health Risk Assessment table including the findings, to ensure that employees benefit from the best risk-based health surveillance, in accordance with international recommendations and national regulations.

The purpose of the health surveillance is to ensure that all individuals who work under Technip's HSE responsibility (including contractors and subcontractors when necessary) are not being harmed by the work that they do or by the environment in which they work and to monitor the first symptoms of occupational illness as early as possible to avoid continuing exposure or to prevent serious occupational illness occurring later.

At year-end 2013, some Key Performance Indicators (KPI) in relation to Health Risk Assessment were defined to assess the work at Regional level. The reporting of the KPI will start in 2014.

One example of the impact of the HRA on the health surveillance of Technip Brazil employees is the "Hearing Conservation Program" launched in Brazil in 2012. Noise risk assessment is performed on an regular basis by health and safety managers. The Hearing Conservation Program is applicable in all areas of noise exposure above the threshold value of 80dB, especially in factories and vessels. A Performance Indicator is used to assess the efficiency of the program. Preventative measures are already implemented. As soon as the collected data is sufficient for a satisfaction survey, these measures will be assessed and upgraded if needed.

In 2013, new guidelines were published in relation to the Medical Emergency Response Plan and the training of first-aiders. They are implemented in the Group's main operations and will continue to be implemented to a broader extent in 2014.

Protecting Travelers and Expatriates

Preventive healthcare starts with accurate information and regular training. Detailed leaflets in relation to destination countries and specific diseases are available to travelers and expatriates on Technip's intranet. Specific information for anti-malarial prevention and other health risks is provided for projects in areas prone to epidemics. Medical risk alerts are issued when necessary. In 2013, 13 such alerts were issued, providing information and prevention advice.

The medical part of the Group intranet provides all employees with health information in relation to travel (country pages and diseases prevention pages). It also provides information in relation to specific health events, the Technip world health day, and WHO international days such as for diabetes and HIV.

Improving Medical Care at Sea and Onshore

The Group Medical Department continued to evaluate local medical resources and their ability to handle emergency situations. In 2013, a review was conducted for instance in Malaysia, Singapore, Algeria and India.

Putting Wellness in the Spotlight

For 2013 Technip World Health Day, all entities organized an awareness campaign, about diet and cardio-vascular risk factors with posters, information leaflets available on Technip medical intranet, and workshops. All employees were informed of this event through the internal newsletter "Technip in motion" a few days before. Many entities invited healthcare experts to talk about the importance of diet and to propose some testing (e.g., blood pressure and fast blood sugar) and dietician consultations. Across the Regions, employees also participated in awareness and healthcare activities, such as free flu shots, smoking and diabetes prevention, breast-feeding promotion, etc. Several entities, including Technip's headquarters, worked on a prevention program of psychosocial risks at work.

In October 2013, a global academic survey was launched on employee wellbeing when working in a global environment, by the Group HR department. The purpose of the survey is to study the experience, adjustment and wellbeing of global employees and to identify the success factors. The results will be available in 2014 and will give suggestions for improving the effectiveness of global work experiences and mobility experiences.

2014 Objectives

- To develop a long term strategy for Health Management in the Group's business operations;
- To further improve the implementation and follow-up of health risk assessments on all sites across the Group;
- To start the health surveillance process where necessary, following health risk assessments; and
- To implement the health performance indicators described in the Group's process.

2.8. SAFETY

Protecting Individuals at All Times

Coverage

Technip's basic principle to determine which incidents and hours are recorded and reported, for HSE purposes, is whether Technip owns or manages the site and if Technip is responsible for managing the work.

The data provided in this section covers the following:

- All Technip employees and all contract staff working at Technip premises including offices, factories, construction sites, yards, vessels and directly managed temporary sites;
- All contractors and Clients working at Technip owned and managed premises;
- All contractors working at their own premises or sites where Technip is providing management and/ or direct supervision of the work;
- All hours and incidents in a Joint Venture (JV), where Technip is the JV lead or where project management is equally divided and responsibility for HSE outcomes equally shared, and / or Technip is responsible for the HSE management of the overall work; and

For Joint Ventures where Technip does not have the lead and is not responsible for overall HSE management, only hours and incidents of the elements for which Technip is responsible.

Technip Safety performance

In 2013, a total of 187 million man-hours were worked at the Group's facilities and project sites worldwide. The total recordable case frequency rate (TRCF), which measures the recordable incidents per 200,000 hours worked, increased moderately to 0.26 in 2013.

This increase in the TRCF is related to new operations in countries with weak safety standards combined with a very low HSE culture and awareness of local contractors and workforce, resulting in performance below the Group expectations until the end of the third quarter. However, in the late 3rd and 4th quarter of 2013 Technip was able to implement strong mitigation actions and significantly improve the HSE culture of the local partners and their workforces, which resulted in an improvement of the performance back up to the average by the end of the 4th quarter of 2013.

Related to the same circumstances, unfortunately two workers of Technip Subcontractors suffered fatal injuries in 2013 during onshore construction operations. The first tragic accident occurred in March 2013 and was related to unauthorized lifting operations in the proximity of an overhead power line. The second accident occurred in September 2013 and was related to works carried out at an elevated height without using the required personal protective equipment. The common factor in both of the tragic accidents is that significant deviations from Technip's standards and instructions were confirmed during the investigations.

Thus Technip will continue to place a strong focus on contractor management and control in 2014, which will be supported by a further increase in direct supervision and auditing of Contractors and their Subcontractors.

Technip safety performance	2013	2012	2011	2010	2009	2008
Total Recordable Case Frequency (TRCF) [1]	0.26	0.24	0.26	0.22	0.22	0.25
Lost Time Injury Frequency (LTIF) [1]	0.08	0.05	0.08	0.05	0.04	0.04
Serious Incident and Fatality Frequency (SIFF) [2]	0.14	0.15	-	-	-	-
Leadership & Management Walkthrough Frequency [1]	8.33	8.84	-	-	-	-
Fatal Accident Frequency [1]	0.002	0.000	0.003	0.002	0.004	0.002
Lost Workday Severity Rate [3]	2.35	2.43	2.73	1.05	1.61	1.44

(1) The Frequencies are calculated by 200,000 hours worked. Incidents as defined by OSHA standards are considered. Cut-Off date is 12.31.2013

(2) Calculation basis, coverage and cut-off date as per (1). Serious Incident and Fatality Cases covers any incident that leads or had the potential to lead to fatality.

(3) Calculation basis, coverage and cut-off date as per (1). For the calculation of Lost Workday Severity Rate subsequent days including weekends and holidays up to a maximum of 180 days are considered.

Prevention of Serious Injuries

In 2013, Technip continued to implement measures to reduce serious injuries and fatalities and successfully implemented Technip's 12 Safety Actions. The 12 Safety Actions are constructed to provide Technip workforce with practicable mitigation measures and guidance to further minimize the remaining risk exposure related to work involving key risk conditions.

Technip's 12 Safety Actions, which must be known and adopted by everyone to ensure a greater level of safety on Technip sites, are made up of two parts:

6 ACTIONS TO NEVER TAKE

- Perform tasks for which you are not trained and competent.
- Use alcohol or drugs while working or driving.
- Expose yourself or others to the risk of dropped or falling objects.
- Remove safety isolation/equipment/barriers.
- Walk under suspended loads; or
- Be exposed to a fall or work at height without protection.

6 ACTIONS TO ALWAYS TAKE

- Use the correct tools safely to perform the job.
- Observe the applicable speed limits and driving policies.
- Work with the correct Personal Protective Equipment.
- Obtain authorization before entering a confined space.
- Intervene when you see an unsafe act or condition; and
- Perform a HSE Tool Box Talk and work with a permit or safe system of work.

Since September 2013, a Group-wide communication and training campaign is being rolled out to provide detailed information about these 12 Safety Actions. This campaign includes communication by Technip senior management, e-Learning, face to face training and coaching from HSE experts, posters, booklet and a dedicated intranet page, to ensure all the workforce is fully aware of them and is able to act accordingly.

In addition, in 2013 Technip continued to deeply analyze internal and external incidents and their underlying causes. By doing so the Group was able to develop a detailed action plan to further improve performance standards to manage the identified Key Risk Conditions.

Technip has decided to reinforce its actions in this particular field, because doing the right thing in terms of HSE means making sure that no one's life is at risk in the workplace. For Technip, this means that it is the duty of each and every one of the Technip workforce to call attention to any unsafe behavior and conditions on any worksite.

The Pulse leadership program

The Technip Pulse program aims to develop a positive and proactive HSE culture, focusing on leadership and communication. It is tailored to improve awareness of Health, Safety and Environment challenges as well as human, material and financial costs of accidents.

Since 2008, more than 28,000 individuals have attended Pulse sessions, ranging from senior managers and managers/supervisors to the general workforce and engineers.

In 2012, more than 20,000 employees participated in a global HSE culture survey focused on management commitment, risk taking and attitudes to stopping work when facing a safety risk. The results demonstrated an improvement in safety perception and were used to create a Pulse three-year plan to further mature the HSE Climate in the Group organization.

The implementation of the PULSE Leadership Program plays a major role in improving HSE performance. In 2013 it was further improved and extended, so that all categories of personnel can be trained, and that in the near future a minimum of 75% of Technip's population will be covered by this program, as well as everyone working on Technip projects – clients, suppliers and subcontractors.

Behavior-Based Safety (BBS)

Technip believes that it is everyone's responsibility to ensure a high level of safety on worksites. For this reason, the Group implemented in the past few years the PULSE Leadership Program and bespoke Behavior-Based Safety (BBS) programs in Technip's main Regions and their projects and Manufacturing Units. In 2014, Technip will place a strong focus on the implementation of BBS programs in all operational activities in the coming three years. To this end, Technip will ensure that:

- All individuals within the Technip organization hold safety as a value and not just a priority.
- Individuals take responsibility for the Safety of their colleagues in addition to themselves; and
- All levels of employees are willing and able to act on their sense of responsibility and can go beyond the call of duty.

Technip objectives for 2014

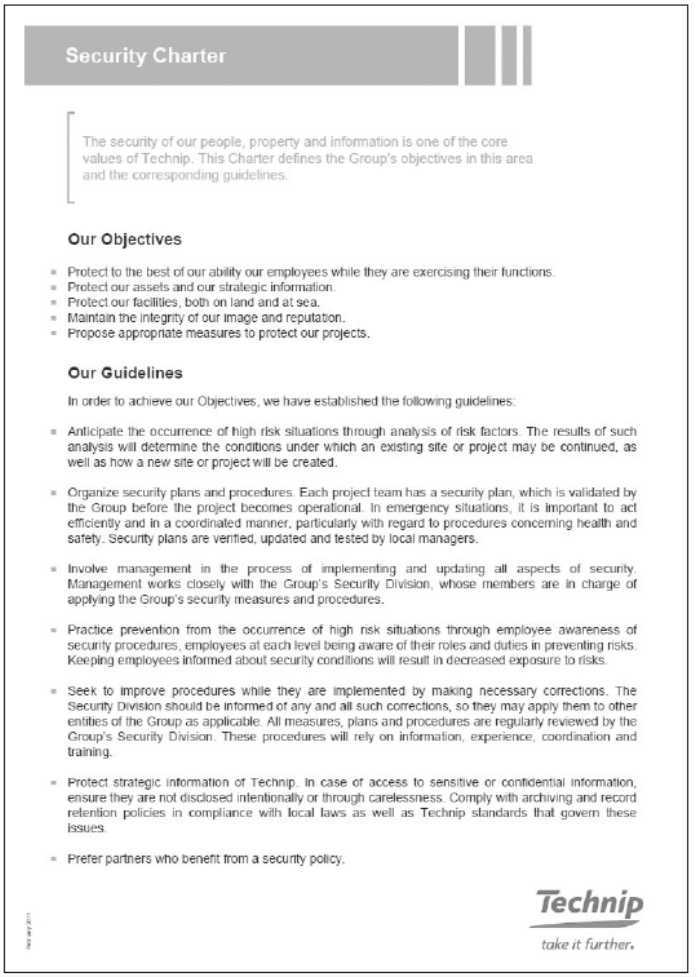
In 2014, Technip will continue to focus on the challenges and related objectives that are addressed in the 3-year roadmap.

This includes but is not limited to:

- Improve performance standards to manage Technip's Key Risk Conditions across the Group in all operations and continue to focus on the prevention of serious incidents and fatalities.
- Continue to implement the Pulse HSE Leadership Program.
- Further increase the visible leadership shown by management on safety in the field or on-site through visits and safety tours.
- Full implementation of Technip Behavior-Based Safety Programs across the Group; and
- Place a strong focus on Contractor Management.

2.9. SECURITY

2.9.1. Security: Ensure the Security of Employees and Operations across the World



Security Charter

The security of our people, property and information is one of the core values of Technip. This Charter defines the Group's objectives in this area and the corresponding guidelines.

Our Objectives

- Protect to the best of our ability our employees while they are exercising their functions.
- Protect our assets and our strategic information.
- Protect our facilities, both on land and at sea.
- Maintain the integrity of our image and reputation.
- Propose appropriate measures to protect our projects.

Our Guidelines

In order to achieve our Objectives, we have established the following guidelines:

- Anticipate the occurrence of high risk situations through analysis of risk factors. The results of such analysis will determine the conditions under which an existing site or project may be continued, as well as how a new site or project will be created.
- Organize security plans and procedures. Each project team has a security plan, which is validated by the Group before the project becomes operational. In emergency situations, it is important to act efficiently and in a coordinated manner, particularly with regard to procedures concerning health and safety. Security plans are verified, updated and tested by local managers.
- Involve management in the process of implementing and updating all aspects of security. Management works closely with the Group's Security Division, whose members are in charge of applying the Group's security measures and procedures.
- Practice prevention from the occurrence of high risk situations through employee awareness of security procedures, employees at each level being aware of their roles and duties in preventing risks. Keeping employees informed about security conditions will result in decreased exposure to risks.
- Seek to improve procedures while they are implemented by making necessary corrections. The Security Division should be informed of any and all such corrections, so they may apply them to other entities of the Group as applicable. All measures, plans and procedures are regularly reviewed by the Group's Security Division. These procedures will rely on information, experience, coordination and training.
- Protect strategic information of Technip. In case of access to sensitive or confidential information, ensure they are not disclosed intentionally or through carelessness. Comply with archiving and record retention policies in compliance with local laws as well as Technip standards that govern these issues.
- Prefer partners who benefit from a security policy.

Technip
take it further.

Reporting scope

The security framework covers all Technip's entities including projects and the fleet.

Prevention and protection measures implemented by the Group extend to all Technip employees.

For joint ventures, common work agreements are set up but responsibility for security management is only given to entities or individuals who are on the Technip payroll or who are Technip certified.

All Group entities and vessels referenced by the Legal Department and in organization notes have a security correspondent or a security team working in coordination with the Group Security Department at Corporate level.

Major projects and those located in risk level 3 countries systematically have an organization dedicated to Security. Depending on the protocols within the contracts, subcontractors may be covered by security measures set up by Technip.

Due to the current international context and the potential high risk areas in which Technip's Clients operate, Technip has given primary importance to Security for several years.

Technip Security network's permanent and main priority is to anticipate and manage potential security threats to protect Technip staff, assets and know-how and to ensure the secure and timely delivery of Technip's Clients, projects and operations.

To ensure that Technip staff feel secure wherever they work, Technip Security network monitors all security issues affecting their working conditions and environments regardless of whether they are traveling, working in offices, on construction sites or onboard vessels operated / chartered by the Company.

The Group's strategy is based on its ability to mobilize internal security experts to support projects worldwide and implement innovative systems. Operational tools have been developed such as the system TSNT (Technip Security Navy Tracking) that allows the monitoring of the position of Technip's fleet vessels and an alert in case of need, in particular when vessels enter a piracy area. The Crisis Management and Business Continuity tool, TICA (Technip Incident and Continuity Application) is, on the one hand, a database centralizing all emergency and continuity plans and, on the other, a virtual crisis management center designed to ease the communication and interfaces between the response teams across the Group.

The effectiveness of this strategy is backed by Technip strong Security culture at every level of the operations.

One Security for "One Technip"

With the increased number of Technip staff and operations around the world and the extended Fleet, Technip Security's challenge for 2013 was to provide the highest level of security within all Technip entities.

The Teams have been focused on the homogenous implementation of Technip robust security processes to provide the best solutions when it comes to travelers' security, project security design, IT security, maritime security, incident management and business continuity.

In 2013, Technip has consolidated the best practices and kept innovating to enable Technip projects to be well integrated locally and continue to operate in volatile countries.

Technip is fully independent in its security assessments and decision making process to keep its ability to decide with the relevant accuracy and objectivity. Technip Security is independent from the Business Unit and reports directly to the Chairman. Based on a 4-level country risk ranking, dedicated security measures to be implemented have been defined depending on in-country security threats:

- Level 1 countries: low security risk, travelers to keep a normal vigilance;
- Level 2 countries: medium security risk, increased vigilance and security measures adjusted to the threats are to be implemented. All travel is to be notified and approved (for specific cases) by Technip security teams;
- Level 3 countries: high security risk, security recommendations and specific security measures to be implemented. All travel is to be notified and approved by the security teams prior to departure; and
- Level 4 countries: extreme security risk, no movement/no operations in the country.

In 2013, more than 900 business trips in Level 3 countries have been managed and approved by Technip Security Network (Source: Travel Security Database).

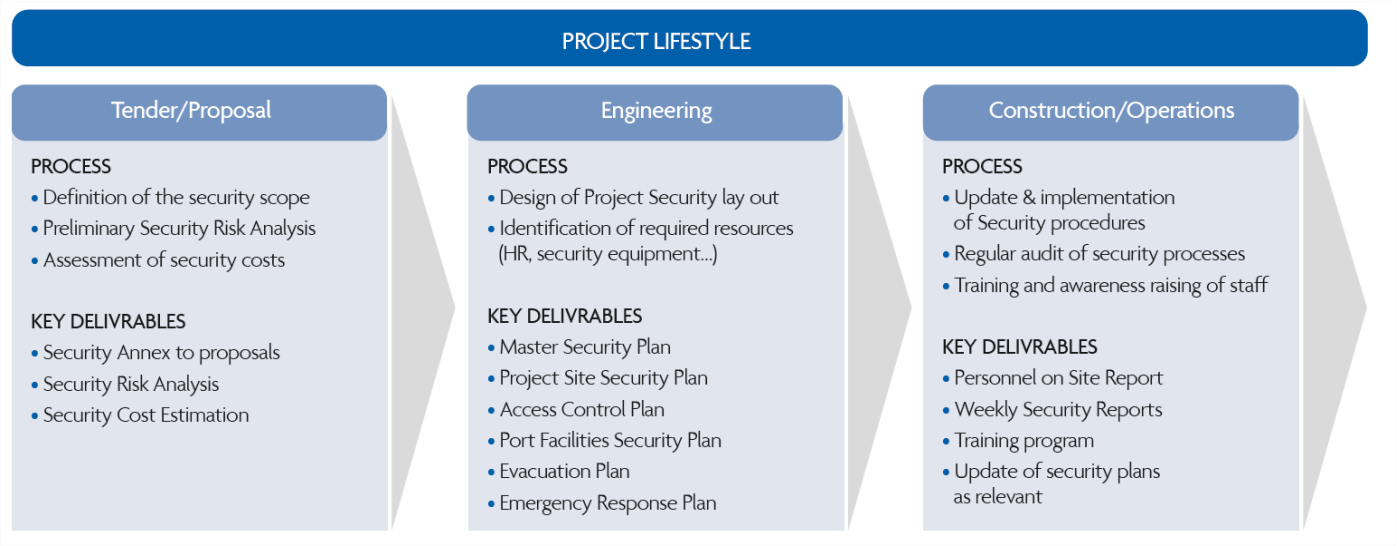
Dedicated tools and resources are available to keep Technip people informed, in full transparency, about security issues wherever they live, travel or operate:

- travelers Handbooks available for all countries where Technip operates are released to staff prior to any mission;
- security alerts are issued by the Technip Security Division and posted on the Security Intranet page to inform travelers in real time of security context changes occurring worldwide;
- the whereabouts of all personnel in transit are monitored through integrated system proprietary software, the Technip Security Database. It enables employees to be informed and supported in case of incident; and
- regular security training and inductions are organized to raise staff awareness and provide them with security advice on specific security matters, such as travel security, information protection, project security.

Different modules are proposed according to the needs of Technip employees and their environment: safety of employees in sensitive countries, cultural awareness, awareness relating to computer security and protection of data , as well as protection against external fraud, security on projects, etc.

The Security Teams across the world support Technip projects in the design and implementation of tailored and cost efficient security systems from project tender phase to commissioning. Technip Security management system defines the processes to be implemented and the key deliverables expected at each project phase.

Technip Security management System – T.S.M.S.



In 2013, Technip has developed its expertise on three key security approaches:

- IT Security;
- Maritime Security; and
- Incident Management.

Security starts with information

In order to reinforce the protection of know-how, the Information Security and Privacy booklet has been updated to shed light on the new threats and modus operandi. Also, a permanent independent audit process is implemented to regularly test the security of Technip's IT systems, and therefore anticipate new threats.

The permanent internal independent audit process remains operational throughout the Company to test the IT systems on a permanent basis. In addition, dedicated alerts and awareness messages are released when needed to reduce the risk of new potential threats.

Maritime Security: an important topic within Technip Security Operations

Following the development of the Group's operations, its zones of operations have extended worldwide and some projects are located in regions with maritime and piracy threats. In 2013, maritime security processes have been developed across the marine centers and adjusted to the Group's growth for the protection of crews and the smooth execution of operations.

The capacity of Technip's fleet to operate worldwide has led to an increase in transits of piracy hotspots. Several projects are also situated in the Gulf of Guinea where piracy incidents have increased.

The coordinated maritime security organization has enabled Technip to maintain the efficiency of its capacity to deal with the threats and to implement measures to prevent attacks.

To protect vessels transiting piracy hotspots, the Group hardens them by setting up barbed wire over the freeboard or on the main deck, welding steel plates at critical access points, adding lookouts during the transit and conducting lock-down drills. Depending on the threat assessment, an armed security team on board or an escort boat will ensure the protection of the vessel and the crew during the transit.

Incident Management: Ensure Technip capacity to face and recover

In 2013, major efforts in terms of Incident Management preparedness were concentrated on the update of the Technip Incident Management System (TIMS).

Within the Group, Incident Management includes several key approaches: Emergency Response, Crisis Management & Communication and Business Continuity. To support this approach Technip has developed a network of trained responders across the Company that includes but is not limited to Managers on Duty, Emergency Response Teams, Crisis Management Teams and Business Continuity Committees. A training program that includes regular live crisis exercises ensures that Technip will have the relevant capability to respond should an incident occur.

Technip implements a three-level Incident Management system. At each level, dedicated response teams, processes, and facilities have been set up. According to the severity and the type of incident, relevant teams will be mobilized to bring the incident under control as soon as possible.

A particular focus has been placed on Business Continuity Management (BCM) with the creation of BCM Steering Committees and BCM Sponsors in each Region of the Company. Their task is to embed BCM culture within the Company and ensure operational recovery strategies have been identified to ensure the resilience of Technip core operations.

Due to training and awareness sessions, Technip Incident and Continuity application, a software designed to support incident response and recovery, is now used widely within Technip.

Technip Security Division maintains its focus on the delivery of homogeneous and efficient security conditions to all Technip staff and operations. A permanent monitoring of the security measures implemented within local and regional entities is ensured by Technip Security.

3. Environment

3.1. REPORTING METHODOLOGY

Technip strives to reduce the impact of its operations on the environment. To identify environmental trends and areas where environmental performance could be improved, Technip utilizes a global environmental reporting database, Synergi. The information reported and analyzed is based on site data collected from subcontractors, facilities and various other entities. Although this data is as accurate as is reasonably practical, ongoing efforts are made to review and improve the reporting process and data quality, in order to provide a clearer picture of the Group's environmental performance.

3.1.1. Reporting Scope

Scope

The diversity of Technip's business operations and locations gives rise to a wide range of reporting entities, split into four main categories for ease of comprehension: construction sites, industrial sites (manufacturing plants, spool bases and construction yard), fleet (vessels) and offices (see definitions in Section 1.5 of Annex E of the Group's Reference Document for the year ended December 31, 2013). Different reporting requirements apply to the different Technip business sectors.

The environmental reporting scope of this report covers all existing entities consolidated in the Group, in accordance with the consolidation scope (financial and legal). This excludes companies acquired during 2013 (i.e., Ingenium) which will be included in the 2014 report.

As in the Health and Safety reporting, the environmental scope covers both Technip employees and contracted personnel in all the various Group operations. All work-related data is reported. For more details about the rules on the inclusion of Joint Ventures and other types of companies in the HSE reporting, refer to Part 2.8 of Annex E under the sub-section "Protection of individuals at all times – Coverage".

The Technip environmental data reporting is in line with the Group HSE reporting and in accordance with the Group's standard on Classification and Reporting of HSE Incidents (GOPS-11009): if Technip owns and manages the entity, or is legally responsible for the work-related operations, then the environmental data is recorded and reported to the Group Synergi system.

Limits

Small construction sites where Technip has a consultancy or supervisory role, without direct responsibility or control, are excluded from Technip's reporting scope.

Construction camps are considered as non-work related operations. Therefore, environmental data for construction camps is not included in this report. Nevertheless, construction camp data and dedicated EKPIs are selected, recorded and monitored at local level to ensure continuous improvement.

These definitions are detailed in a revised version of the Group Guidelines on environmental reporting, which will be issued in 2014, and are in line with HSE Group principles and standards.

Period

The reporting period is always the calendar year (from January 1 to December 31).

In 2013, figures for environmental indicators provided in this Section 3 have been extracted from the Group reporting tool for the period from January 1, 2013 to November 30, 2013 and data for December 2013 has been estimated based on the previous 11 months for consistency, as some sites have not yet consolidated all December-related data.

In 2012 and 2011, the data came from the Group reporting tool for January 1 to December 31 of each respective year.

Coverage

COVERAGE IN TERMS OF NUMBER OF ENTITIES

In 2013, 173 entities participated in the environmental reporting in accordance with Technip's reporting requirements, as shown below:

Number of Reporting Entities Contributing to EKPIs

	2013	Construction sites	Industrial sites	Vessels	Offices	2012	2011
Total Number	173	46	24	37	66	113	139

The total number of Group entities contributing to environmental reporting has increased since 2012, as the reporting system matures and a greater number of individuals at Group, region and site levels are involved in this monitoring process.

COVERAGE IN TERMS OF % OF OPERATIONS (OR MANHOURS WORKED)

In 2013, the coverage rate in terms of manhours worked increased in comparison with 2012, as shown in the following table.

Manhours Worked in Reporting Entities Contributing to EKPIs

	2013	Construction sites	Industrial sites	Vessels	Offices	2012	2011
EKPI Manhours Worked [1] (in millions)	158.4	52%	7%	11%	29%	110.6	166.5
HSE Manhours Worked [2] (in millions)	182.4	-	-	-	-	172.4	142

(1) Or Manhours Worked in entities which contributed to EKPIs reporting.
(2) Or Total Manhours Worked.

In 2013, the EKPI manhours worked increased by 43% in comparison with 2012, and the HSE manhours worked increased by 6% during the same period: these figures demonstrate an improvement in the Group environmental reporting coverage in 2013.

As both the global operations of the Company and the environmental reporting coverage increased in 2013, the raw figures increased proportionally, as the majority of the environmental indicators are linked to the operations and to the number of individuals working for the Group (both employees and contractors). This is reflected in Section 3.4 of this document.

The application rate (based on the number of manhours worked) of environmental indicators varies from 67% (ballast water for vessels) to 98% (non-hazardous waste for all entities). This means, for example, that 67% of ballast water quantity (indicator applicable only to vessels) has been recorded in the reporting system among the entities having contributed to EKPIs reporting and which were supposed to record this indicator.

It should be noted that the applicability of each of these indicators varies depending on operations, local context, contract or client requirements and local regulations.

3.1.2. Terminology Used in Environmental Reporting

Group Guidelines

The Group Guidelines were developed in 2012 to assist Operating Centers with the definition and process of environmental reporting, and were revised at the end of 2013 to include feed-back from users and from external audits. The revised Group Guidelines will be fully implemented throughout the Group in 2014. It is also envisaged that these Guidelines (the application of which is not mandatory by Operations Centers but is strongly recommended) will become Group instructions with mandatory application.

Definitions

EKPI: Environmental Key Performance Indicators.

Types of Operation, Personnel, Entities and Sites: Refer to Part 1.5 of Annex E.

3.1.3. Data Collection and Consolidation System

a. Collection – reporting tool

Environmental reporting is of fundamental importance for the correct definition of environmental performance and target implementation at local, regional and Group levels. Therefore, Technip has implemented an environmental data collection system based on a list of 35 basic environmental indicators and a further 16 aggregated indicators covering all main environmental themes (e.g., energy consumption, water consumption, waste generation and CO_2 emissions).

Environmental data is collected through Technip's HSE reporting system, Synergi, a global integrated software solution. This tool helps manage the improvement process, and assists with environmental monitoring of Group performance in terms of its health, safety and environmental standards.

Environmental data is submitted through Synergi as Environmental Key Performance Indicators (EKPI). Each of the Group's reporting entities is required to record its environmental data performance in Synergi on a monthly basis. This data reflects the environmental performance of entities involved in the office, construction, manufacture and fleet operations.

b. Consolidation methodology and internal control

The consolidation is done at different levels of the organization fully in line with the overall HSE responsibility matrix.

The HSE line management is responsible for the monitoring, measurement and reporting of EKPIs, fully in line with the Group HSE strategy. HSE Managers are supported and advised by the different HSE functions.

It is the responsibility of the Regional HSE Manager to ensure that data from all sites and entities in the region is collected, analyzed and reported in Synergi in a timely and accurate manner, in accordance with the requirements of the Group Guidelines.

In addition, the Regional Environmental Leads periodically check the regional EKPIs under their direct responsibility to ensure consistency of data and compliance with the Group Guidelines. They identify trends, concerns and areas for improvement.

Data is finally reviewed and checked by the Group HSE department.

3.1.4. External Controls

In addition to the external audits required under the French Grenelle 2 law and conducted in accordance with ISAE 3000 (International Standard on Assurance Engagements), Technip requests the approval of its reporting policy and procedures by the Global Reporting Initiative (GRI) every year. The GRI correspondence table and the GRI Application Level Check Statement are published every year on Technip's website.

3.2. GROUP ENVIRONMENTAL POLICY

3.2.1. Group HSE Policy

For more information on the Group's Health and Safety Policy, refer to Sections 2.7 and 2.8 of Annex E of the Group's Reference Document for the year ended December 31, 2013.

The section of the Group's HSE Policy that specifically addresses the Environment describes Technip's absolute commitment to minimizing any adverse effects on the environment that may be caused by its business operations.

In practice, this commitment translates into a number of imperatives, such as making and promoting a responsible use of resources; quantifying and controlling any emissions into the air, soil and water; a sound and rational management of waste; a thorough approach to environmental risks and their management; and an innovative approach to environmental challenges.

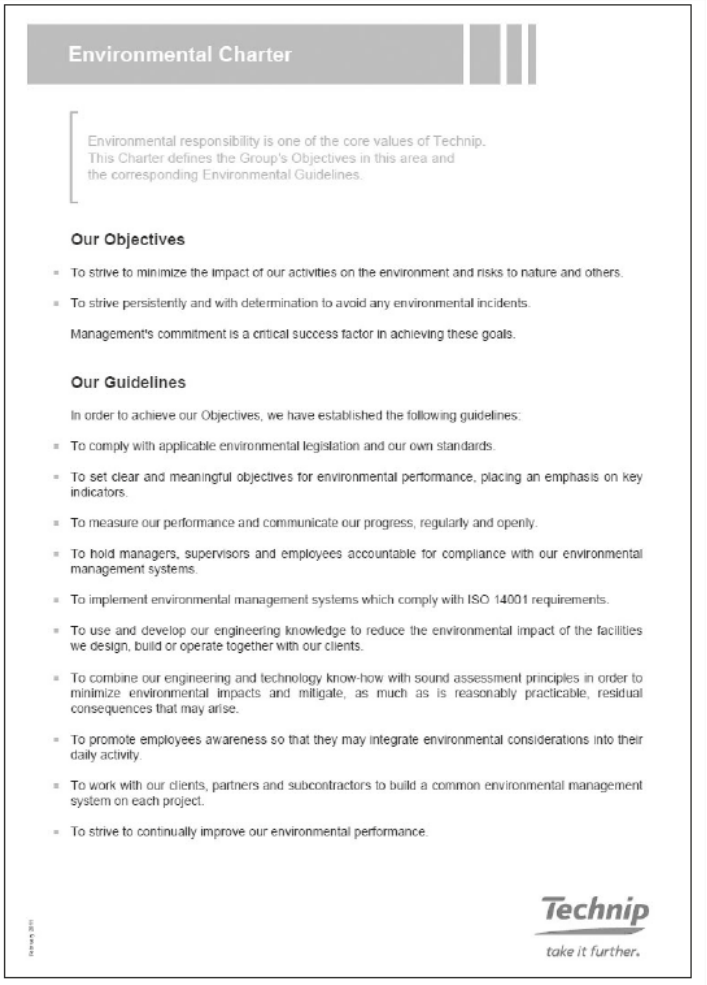
Targets assigned to subsidiaries outside France

The responsibility for Technip's HSE Policy is sub-delegated to, and implemented in, all of its Group entities, regardless of their legal form. The environmental objectives are reflected in Technip's Group Charter and in specific environmental targets.

3.2.2. Environmental Charter

The Group's Environmental Charter (latest version dated July 2012) defines Technip's general objectives in terms of environmental responsibility, and the corresponding guidelines.

It also applies to all Technip entities, regardless of their legal form.



Environmental Charter

Environmental responsibility is one of the core values of Technip. This Charter defines the Group's Objectives in this area and the corresponding Environmental Guidelines.

Our Objectives

- To strive to minimize the impact of our activities on the environment and risks to nature and others.
- To strive persistently and with determination to avoid any environmental incidents.

Management's commitment is a critical success factor in achieving these goals.

Our Guidelines

In order to achieve our Objectives, we have established the following guidelines:

- To comply with applicable environmental legislation and our own standards.
- To set clear and meaningful objectives for environmental performance, placing an emphasis on key indicators.
- To measure our performance and communicate our progress, regularly and openly.
- To hold managers, supervisors and employees accountable for compliance with our environmental management systems.
- To implement environmental management systems which comply with ISO 14001 requirements.
- To use and develop our engineering knowledge to reduce the environmental impact of the facilities we design, build or operate together with our clients.
- To combine our engineering and technology know-how with sound assessment principles in order to minimize environmental impacts and mitigate, as much as is reasonably practicable, residual consequences that may arise.
- To promote employees awareness so that they may integrate environmental considerations into their daily activity.
- To work with our clients, partners and subcontractors to build a common environmental management system on each project.
- To strive to continually improve our environmental performance.

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take it further.

3.2.3. Responsibility and Organization

Environmental management, similarly to Health and Safety, is the responsibility of everyone at Technip. The implementation of the environmental policy relies upon management's commitment, the accountability of every entity, an ongoing dialogue with key stakeholders and a chain of responsibility for the total workforce of the Group.

An Environmental Working Group (EWG), reporting to the Group HSE Director, was formed in 2008. This working group coordinates a network of environmental representatives at each Group entity, sets up conference calls every month with all the EWG members and organizes technical working groups twice per year including experts from each operation. It also puts together programs at Group level focusing on environmental performance indicators and reporting environmental improvements, awareness programs, carbon accounting and eco-design. The management of these programs is sub-delegated at regional and local levels. In addition, the Group's entities develop and conduct environmental initiatives and programs adapted to the local environment and workforce.

All the entities and projects within the Group are managed by dedicated HSE Managers and Directors, with a team of HSE engineers and supervisors responsible for the application of the HSE rules to their respective areas (e.g., an engineering center, a manufacturing plant, a vessel, a yard, a construction site or a project) and for ensuring that these requirements are well implemented.

On projects, during the design phase an environmental engineer is responsible for the project's compliance with all applicable standards and regulations. During the construction phase of the principal projects, an environmental supervisor is assigned to the management of all of the site's environmental aspects, in coordination with the client and the different subcontractors.

3.2.4. Legal and Regulatory Compliance

Technip operates in full compliance with environmental regulations, standards, laws and international codes in force in the countries in which it operates. Applicable regulations and client demands are identified at the bidding stage, to ensure they are met, properly monitored and observed during project execution.

Technip operates in countries which have increasingly stringent and constantly changing regulations in relation to environmental protection and the operation of industrial sites. The environmental directives of the European Union, which have been almost completely transposed into national legislation, are among the most demanding legal and regulatory frameworks in the world. The French Environmental Code is also very stringent, in particular in relation to the "Seveso" threshold given to industrial sites which pose potentially high environmental risks. These regulations are related, inter alia, to the environmental liability of corporations, the prevention of pollution and spills, and the management of hazardous substances and waste.

Technip operates in full compliance with all of these rules, where they apply to its facilities and/or operations. Since 2003, in addition to its strict compliance with applicable legislation, Technip has adhered to the ten principles of the United Nations Global Compact (UNGC) and discloses its initiatives in this respect (see Section 6.6 of the Group's Reference Document for the year ended December 31, 2013).

For more information, refer to Sections 4.4 and 4.8.8 of this Reference Document.

3.2.5. Environmental Certification

Technip maintains a policy of implementing the environmental certification ISO 14001 within its entities. To meet this commitment, Technip is implementing a robust environmental management framework, and steadily reducing its environmental impact.

As of December 31, 2013, 48 Group entities (approximately 57% of the total) were ISO 14001 certified, with 10 additional entities working towards certification.

This certification not only ensures that the environmental impact of each entity's operations is identified, assessed and mitigated, but also demonstrates the commitment of the management to continuous improvement of Technip's environmental performance, to the prevention of pollution, and to the assessment of the Group's compliance with environmental regulations.

3.2.6. Risk Management

a. Risk identification

Refer to Section 4.4 of the Group's Reference Document for the year ended December 31, 2013.

b. Risk management

Refer to Section 4.8.8 of the Group's Reference Document for the year ended December 31, 2013.

c. Provisions and indemnities

In relation to the environmental provisions, indemnities or other financial obligations paid during the financial year ended December 31, 2013 resulting from court decisions on environmental issues ordering remedial actions, the situation is as follows:

- In 2013, Technip did not make any specific provisions for environmental risks; provisions for environmental risks are made at project level.
- No court decisions were made concerning Technip with respect to environmental issues.

3.3. SUSTAINABILITY AND INNOVATION

3.3.1. Promoting a New Distinctive Approach

Energy market analysts and reliable studies, such as Shell's Energy Scenarios to 2050, agree that in the future we will need more and more sustainable energies and technologies due to the increase in the world's population, the shortage of conventional resources and the need to reduce climate change.

To support its clients in this challenge, Technip formed a new department in the last quarter of 2013, named "Sustainability and Innovation" (S&I), part of the Group Sustainable Development organization. This department is under development and is expected to grow in the coming years.

S&I is Technip's original way to "Take it Further" in Sustainable Development, fostering the application of solutions that are both innovative and economically-socially-environmentally sustainable.

To differentiate itself from its competitors and in line with Clients' growing expectations, Technip has started to promote this new distinctive approach by implementing it within projects and by organizing seminars involving clients, partners, suppliers, institutions, universities and associations.

With the creation of a new dedicated Department, Technip intends to reinforce and disseminate this new progressive approach both internally and externally.

3.3.2. Combining Sustainability with Innovation

Technip is convinced that the implementation of Sustainable and Innovative Solutions allows its Clients to excel in their businesses, generating progress for all stakeholders (Sustainability + Innovation = Progress).

The new approach introduced by Technip is based on four pillars (Sustainable Environment, Economy, Society and Innovation) and represents the tangible translation of its Values (Doing the right thing, Trusting the team, Encouraging a fair return for all, Building the future).

Progressively, Technip is willing to implement in its engineering and project management, procurement, construction, Research & Development (R&D), finance and administration, a new model of value generation that provides long-term responsible benefits to clients and stakeholders (i.e., Technip's personnel, partners, suppliers, institutions, associations, universities, local communities and non-governmental organizations) contributing to a virtuous world of environmental, social and economic growth.

3.3.3. Technip Reference Catalog of Sustainable & Innovative Solutions

Technip has distinctive references in designing and applying Sustainable and Innovative Solutions, and one of the main goals of the S&I Road Map for the coming years is to make those references more visible, both internally and externally, by creating a "Reference Catalog of Sustainable and Innovative Solutions".

This catalog will cover all types of solutions including the engineering, procurement and construction phases of the projects.

Most of these solutions are already available since they have been applied to projects by technical staff with the support of Technip's Experts (more than 600 engineers) and Technological lines. Some have been licensed by Technip Stone & Webster process technologies and other business divisions or departments: for example, the EDWare emission and pollutant monitoring and prediction system and the Advanced Systems Engineering software applications and optimization tools. Other solutions were created by the Technip Innovation and Technology Center and R&D Centers and recognized by Technip's Jacques Franquelin Award. The most significant ones have been published in Technip's internal and external magazines (Horizon, Tomorrow, Technology Info and Technip in Motion).

The primary scope of the new S&I function in the coming year will be to start collecting these solutions and highlighting the benefits in terms of added value and long term progress for Technip.

3.3.4. Adding Innovative Sustainable Value to Projects

Technip created and implemented a wide range of Sustainable and Innovative solutions (including, but not limited to, energy efficiency, emissions monitoring and leak detection systems, bio-engineering, advanced controls and optimizations and eco-efficient civil and building design) and continues to apply innovations and enhancements to proprietary technologies and products.

Technip intends to reinforce this approach making it easier to identify and implement optimized solutions that protect the environment, provide social opportunities and economic benefits for all stakeholders and are also innovative from a technological, organizational or methodological point of view.

Technip reference catalog of Sustainable and Innovative solutions will be an opportunity for clients, stakeholders and Technip's personnel to review and select the solutions that best fit the projects' requirements and clients' expectations. This will allow new solutions to be generated that integrate the four pillars of S&I from the very beginning of their conception.

In addition to promoting a more extensive application of innovative eco-design and eco-friendly and socially responsible criteria, S&I will encourage a wider adoption of dedicated methodologies (such as Life Cycle Assessment) that will help find the best sustainable solutions.

3.3.5. Taking Renewable Energies and Bio-based Industries Further

In 2013, the renewable energy market followed 2012 trends, which means it suffered a certain contraction. Despite this difficult environment, Technip maintained its commitment to develop renewable energy operations. The principal operations developed have been biofuels, offshore wind, carbon capture and storage (CCS) and geothermal.

On biofuels, Technip has won awards for various studies, in particular in relation to advanced biofuels projects and green chemistry. One of the main successes was the award won in the fourth quarter of 2013 for a study to be executed for the Malaysian Metabolic Explorer project, which is one of the most advanced start-ups in the field of green chemistry.

On offshore wind, Technip continued developing floating offshore wind technology with its partners NENUPHAR and EDF EN, with the aim of installing a full scale prototype in the south of France. Also in 2013, Technip Offshore Wind successfully installed offshore wind farm inter-array cables in Germany using equipment specifically designed for this task. This investment consists of a 'smart trencher', 'smart plough' and carousel integrated lay and bury equipment. In France, Technip actively participated in supporting the Saint-Brieuc project developed by Aile Marine (Iberdrola/RES) through the "Public Debate" meetings: during a three month period, 11 meetings were attended to explain and fully describe the project to the local stakeholders.

On Carbon Capture and Storage, Technip announced its partnership agreement with Cansolv, a company 100% owned by Shell that developed an amine based CO_2 capture technology. The agreement enables both Technip and Shell Cansolv to offer a full range of engineering, procurement and construction (EPC) services for a post-combustion CO_2 capture project to the power generation industry. This collaboration between two industry leaders will see Shell Cansolv capitalize on Technip's experience in design, construction and management of large EPC projects and its commercial global footprint. This new cooperation will also expand Shell Cansolv's international reach to offer its CO_2 capture technology in an increased scope as well as within new markets.

In relation to geothermal energy, Technip continued to collaborate with its main partner Mannvit of Iceland, particularly on the low temperature geothermal project developed by ENTIV and located in the oldest US National Wildlife Refuge on the California-Oregon state line. This promising project is being supported by the US Department of Energy and demonstrates significant promise based on numerous studies undertaken by Technip and Mannvit, its collaboration partner.

3.3.6. Internal Synergies and Reputable Collaborations

Another important objective of the new S&I Department is to foster internal synergies and to establish collaborations and partnerships with external entities.

In the past number of years, Technip has organized seminars on Sustainable & Innovative Solutions involving clients, partners, suppliers, institutions, universities and associations, aimed at promoting a constructive dialogue to encourage a new sustainable industrial evolution.

Technip believes in this systemic approach and is considering collaborating with internationally recognized research institutes and establishing contacts with several entities (non-profit organizations, institutions, companies and reputable professionals, among others) involved with environmental protection and the development of renewable energies and bio-based solutions.

Recently, Technip also became a member of the World Ocean Council [(1)] and the Kyoto Club [(2)] to provide a direct contribution to the diffusion and application of sustainable practices in industrial plants, marine installations, cities and social communities.

(1) **World Ocean Council (WOC)** is the international, cross-sectorial industry leadership alliance on Corporate Ocean Responsibility. The WOC brings together the diverse ocean business community (including shipping, fisheries, oil and gas, aquaculture, offshore renewable energy, tourism, marine technology, manufacturers, retailers, insurers and finance) to achieve business benefits from collaboration in addressing shared marine environmental issues.

(2) **Kyoto Club** is a non-profit organization founded in February 1999. Its members are business companies, associations and local municipalities and governments engaged in achieving the greenhouse gases reduction targets set by the Kyoto Protocol. To reach its goals the Kyoto Club promotes awareness-raising initiatives, information and training to foster energy efficiency, renewable energy sources and sustainable mobility. Kyoto Club puts forward policy proposals to public decision-makers to make decisions in the energy field increasingly environmentally friendly.

Within Technip, S&I is promoting inter-segment fertilization (which means that solutions effectively applied in Onshore projects can generate innovations and improvements in Offshore, Subsea and Technip proprietary vessels, or conversely), and strengthening internal collaborations with particular reference to the Innovation and Technology Center, Technip Stone & Webster process technologies, the HSE & Quality Departments, the Environmental Working Group, Advanced Systems Engineering, Marine New Builds, Process and the Technip Expert Network.

Sustainability and Innovation is an important opportunity for Technip personnel to express their talents and contribute with passion and creativity to design a better future, both for Technip's continuous improvement and the personal and professional satisfaction of its stakeholders.

3.4. ENVIRONMENTAL ASPECTS MANAGEMENT

3.4.1. Group Environmental Objectives

Technip's plan to improve its environmental performance is set on a triennial basis through specific strategic goals. As part of the Group QHSE Triennial Plan 2013-2015, the following goals have been identified:

- environmental impact minimization strategies focused on fuel and energy mitigation and waste and effluent management plans; and
- environmental risk management through accurate identification and monitoring of any potential environmental risks and the development of appropriate mitigating strategies.

Each year, the above goals are captured in specific annual Group Quality, Health, Safety and Environmental (QHSE) objectives, shared incrementally throughout all entities using a waterfall approach.

For 2013, a dedicated review of the environmental objectives has been undertaken by Technip with the aim of continuous improvement and several initiatives have been implemented as detailed below.

Local initiatives are developed in all entities and all operations of the Group. The table below shows only a few examples of initiatives and actions implemented within the Group in 2013. Further details on the initiatives in 2013 are given in this Section 3 and in the following paragraphs of this Section 3.4.

Group Objectives	**Examples of initiatives undertaken by entities and sites in 2013**
Implement carbon-footprint minimization strategies	Several environmental initiatives have been developed in each operational sector, e.g.: • Offices: Several initiatives aiming to increase personnel and workforce awareness of climate change and CO_2 during World Environment Day, use of renewable energy in Rome offices, Sustainable Building certification in new Aberdeen offices. • Constructions Sites: use of recycled water for dust suppression and hydro testing operations. • Plants: new lighting (LED) and heating systems installed in the work areas in Flexi France manufacturing plant in Le Trait (France). • Fleet: Shipboard Energy Efficiency Plans tested and implemented in North Sea Canada (NSC) vessels.
Develop initiatives for the minimization of the environmental impact of the Group operations	Examples of studies: • ENVID reviews (identification of environmental impact) developed for all major Onshore and Offshore projects; • environmental soil investigation studies proposed to clients; • low energy consumption lightning studies proposed to clients. Example of applications: Environmental engineering best practices through the utilization of local vegetation applied to slope consolidation.
Develop Technip environmental risk register in each entity	Implement risk registers in all entities with specific minimization strategies to address potential risks at all project stages from design to construction.
Conduct Environmental Performance Standard audits	• Regional Environmental Management Standard (GOPS) audits and action plan to raise awareness and compliance levels. • Environmental audits held by third parties (international Certification Bodies) for ISO 14001 standards. • Environmental audits by financial organisms and clients. • GRI (Global Reporting Initiative) based assurance audits held in all Group regions, in accordance with the French law Grenelle II.
Implement ongoing Green Office programs	Screening of Technip main offices completed with specific action plans for energy saving, water saving, waste management, responsible procurement and clean transport.

In 2014, it has been decided to focus on the main challenges related to the following three strategic objectives:

- **Prevention** of environmental impact by implementing proactive environmental management and stewardship of Technip entities, operations and activities and by promoting and communicating environmental measures and responsibilities;
- **Reduction** of energy and resource use, and waste generation as part of an ongoing identification of high level environmental risks in businesses and operations. Implementation of preventative measures and mitigation to reduce the risks identified; and
- **Improvement** of performance through the implementation of specific programs that identify, measure and promote a reduction in waste generation, energy and resource consumption across Technip operations and activities.

3.4.2. Resources Consumption

a. Water

Technip's business operations and locations give rise to a wide range of resource requirements, such as water needs (including drinking and industrial water, hydraulic tests and cleaning) and the implementation of local initiatives for water treatment and the reduction of consumption (e.g., reuse and recycling water at industrial sites). As a consequence, water consumption fluctuates depending on a particular site's operations, production cycle or construction phase.

For example, in the Flexibras manufacturing plant in Vitória (Brazil), the water used for hydrostatic tests is recycled over 10 years, with quality control (chlorine) before each test. On construction sites, to save large quantities of desalinated water, the water required to perform hydro testing of tanks is reused for several tanks. When approved by the Client, treated sewage water can be used for such tests. On World Environment Day, as the theme in 2013 was sustainable consumption, several offices, such as Perth (Australia) and Paris (France), organized awareness campaigns on the usage of water and distributed shower timers to employees to encourage them to limit their showers at home to four or five minutes.

Technip is well aware of the need for water conservation and strives to reduce water consumption by monitoring consumption and reusing and recycling water at wastewater facilities where practical and permissible.

Water is usually extracted from local water schemes, rivers or bores and treated onsite. Water may be used for dust suppression or hydro-testing of pipelines and piping.

Manufacturing sites and subcontractor yards may record environmental data in Technip's Synergi system if they are contractually Technip's responsibility.

Sites for which Technip is not responsible record their environmental performance in their own systems and processes.

	Quantity (m^3)		
	2013	**2012 (2)**	**2011 (1)**
Total Water Consumption	1,418,924	1,977,630	2,480,785

(1) The 2011 environmental data for water consumption from the 2011 Activity and Sustainability Report differs from the figures provided in the 2011 Reference Document. This is due to a correction that was not made until after the publication of the 2011 Reference Document and results from the time required to produce verified and accurate data. This discrepancy has been recorded in changes and corrections to be aligned with the 2011 Activity and Sustainability Report, which contains the accurate data.

(2) The 2012 data included Water consumption for a construction camp in the Middle East.

In 2013, the distribution of the total water consumption is as follows:

2013	**Construction sites**	**Industrial sites**	**Fleet**	**Offices**
Total Water Consumption (m^3)	612,600	240,734	173,174	392,416

The two major consuming sectors in 2013 are the construction sector in which water is primarily dedicated to dust suppression purposes, followed by the office sector.

Since 2012, the overall reported water consumption has decreased by nearly 20%. Reductions in water consumption were achieved at construction sites and offices due to the reduced need for water for construction activities such as hydro-testing. In 2013 the reduction trend has been confirmed with a further decrease of nearly 28% in comparison with 2012.

b. Raw materials

Raw materials for Technip operations are provided by suppliers and vendors.

Technip regularly requests suppliers to provide raw materials in accordance with contractual requirements, including stringent HSE requirements.

Raw materials are reused on sites or vessels where practical such as the reuse of wood and packing boxes, or the recycling of materials such as scrap metal and electrical cables. Waste materials are segregated where practical to improve reuse and recycling measures.

c. Energy

In 2013, Technip continued to pursue energy efficient, conservation and energy saving initiatives aimed at reducing its energy consumption, such as installing timers on lighting and air-conditioning, energy efficient lighting and office designs. As a consequence, electricity consumption has been reduced by 8% in offices in 2013. As an example of Technip best practices, offices in Houston (USA) were designed to be, and have been rated as, energy efficient. The design takes into consideration the use of natural light and ventilation, and thermal insulation to reduce heating and cooling costs.

The New Westhill (UK) building, completed and opened in 2013, achieved the bronze active level under the Scottish Building Standard 2010 and the C+ Energy Performance certificate under the Energy Performance of Buildings Regulations 2008.

In addition, Technip's Rome (Italy) office utilizes solar panels for energy generation and other renewable certified sources for its own internal consumption.

A decrease of 13% in natural gas and liquefied petroleum gas (LPG) consumption has been recorded in 2013 primarily due to plant operations, while in offices the increase of 14% in natural gas consumption is directly related to the heating of buildings and to climate conditions.

Fuel consumption also increased in plants in 2013 related to operations in an Indonesian yard. In offices, fuel use doubled with respect to 2012.

Heating and electricity consumption for permanent sites	Natural gas and LPG (1)	Fuel (Fuel-oil, Diesel, Gasoline) (2)	Electricity	Natural gas and LPG (1)	Fuel (Fuel-oil, Diesel, Gasoline) (2)	Electricity	Natural gas (1)	Fuel (Fuel-oil, Diesel) (2)	Electricity
	MWh								
	2013			2012			2011		
Industrial sites	9,606	109,591	60,310	11,086	30,998	58,016	9,638	27,227 (3)	32,841
Offices	6,140	12,120	60,462	5,382	6,069	65,478	6,907	2,443	55,900

(1) LPG consumption has been added since 2012.

(2) Data related to Gasoline consumption has been added under the Fuel column since 2012.

(3) This figure has been kept as reported in the 2011 Reference Document since the figure mentioned in the 2011 Activity and Sustainable Document appears to be incorrect. This is due to a correction that was not made until after the publication of the 2011 Reference Document and results from the time required to produce verified and accurate data. This discrepancy has been recorded in changes and corrections to be aligned with the 2011 Activity and Sustainability Report, which contains the accurate data.

With reference to energy consumption relating to project operations, fuel consumption in construction sites decreased by approximately 37% with respect to 2012, and electricity diminished by approximately 62%. These figures are primarily due to the exclusion of the construction camps from the 2013 reporting scope, in particular for an important project in Qatar.

On the contrary, a slight increase in fuel consumption has been recorded in the fleet, primarily related to the increase in reporting vessels.

A relevant increase in natural gas and liquefied petroleum gas (LPG) consumption has been noted in construction sites, which is primarily related to the construction operations of a Technip project in North Africa.

Energy (Fuel and electricity) consumption relating to operations made on projects	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Fuel (Fuel-oil, Diesel)	Electricity
	MWh							
	2013			2012			2011	
Construction sites	11,264	267,027	1,626	2,605	422,725	4,227	261,241	2,019
Fleet	-	1,453,611	-	-	1,260,951	-	976,560	-

Technip's indirect impact in terms of energy consumption is also taken into account by offering cleaner solutions to the Group's clients. Some examples are given in Section 3.4.8 of this Report.

Another example is the application of light-emitting diodes (LED) which was studied during the design phase of a petrochemical plant to be built in Mexico. Technip evaluated the use of LED lighting fixtures instead of conventional industrial ones. A comparison study was carried out and indicated a potential reduction of electricity consumption of 40% corresponding to 770 tons of CO_2 saved in one year. The results also showed that the capital investment cost was higher if LED lamps were used and that, in Mexico, it would have been recovered by the saved energy in about 10 years.

This study became an important value engineering item to be updated by Technip on each Front-End Engineering Design (FEED) project considering the decreasing price trend of LED lamps and the fact that, in many countries, government credits are available when implementing energy saving solutions and could cover the initial capital delta cost.

3.4.3. Emissions

a. Climate change

As climate change effects become more and more tangible, from rare and powerful supertyphoons to severe droughts and floods causing great harm and loss all over the world, with icecaps fast melting and a record high global sea level, increasingly strong voices are being raised from the scientific community, civil society and international foras, pointing at human responsibility for global warming. But, even with this backdrop of urgency, the United Nations Environmental Programme (UNEP) Emissions Gap Report shows that greenhouse gas (GHG) emissions have increased in 2013.

This year was a milestone in the climate change international arena, as the United Nations Framework Convention on Climate Change gathered in Poland to pursue its work on the Durban Platform for Enhanced Action, which aims to conclude negotiations by 2015 on a legally binding instrument to address global warming, with entry into force from 2020 onwards, and to discuss further commitments under the Kyoto Protocol. By December 2013, countries were getting ready to initiate or intensify national actions to accelerate the full implementation of the Bali Action Plan and pre-2020 ambition gap in terms of the 2°C target.

In this context, Technip, as an engineering contractor in the energy sector, acknowledges the challenge of combating climate change, not only by striving to control and reduce its own emissions, but also by providing highly performing, environment-friendly and innovative solutions and designs to its clients, to help them meet their needs in terms of energy efficiency.

Technip's fleet vessels are by far its main source of direct GHG emissions. In awareness of this, in accordance with international maritime requirements, Technip implements specific Ship Energy Efficiency plans that are designed to provide measures for the efficient use of main and auxiliary machinery, safe and more efficient fuels, and reduce the level of emissions.

In local operating entities, Technip continues to promote energy saving and renewable energies, such as the use of solar panels for power generation in Technip's Rome offices, and the certified renewables energy consumption (RECS) that accounted for approximately 74% of internal energy use in 2013. In addition, it has further expanded its expertise and capability in the development, acquisition and implementation of renewable sources of energy, such as offshore wind turbines, biofuels and thermal gas plants.

b. Greenhouse Gas Emissions (GHG)

The table below shows the aggregated volume of direct CO_2 emissions (in ton CO_2 equivalents) generated by Technip's operations. However, it should be noted that Technip is not subject to any greenhouse gas emission regulatory quotas.

Technip also quantifies its indirect emissions, which are those resulting from its own electric consumption, and that of its subcontractors, at its sites and on Offshore operations.

Total Greenhouse Gas Emissions	Direct Emissions	Indirect Emissions	Direct Emissions	Indirect Emissions	Direct Emissions	Indirect Emissions
	Quantity (in metric tons CO_2 equivalent)					
	2013		2012		2011 (*)	
Construction sites	73,082	885	111,462	2,520	69,401	2,110
Industrial sites	31,225	14,831	10,546	15,387	9,462	11,846
Fleet	388,395	-	335,589	-	261,143	-
Offices	4,399	26,387	2,652	27,244	2,069	22,129
Total Emissions	**497,101**	**42,103**	**460,252**	**45,153**	**342,075**	**36,085**
TOTAL EMISSIONS	**539,204**		**505,405**		**378,160**	

(*) The 2011 environmental data for greenhouse gas emissions from the 2011 Activity and Sustainability Report differs from the figures provided in the 2011 Reference Document. This is due to a correction that was not made until after the publication of the 2011 Reference Document and results from the time required to produce verified and accurate data. This discrepancy has been recorded in changes and corrections to be aligned with the 2011 Activity and Sustainability Report, which contains the accurate data.

Direct emissions result from fuels or energy used directly in Technip activities and operations, often due to internal electric energy production at Sites. Indirect emissions result from the direct consumption of electricity from the relevant local grid as part of Technip operations. The volume of CO_2 generated from electricity will vary from country to country depending upon the fuel source used to produce electricity.

In 2012, Technip experienced a distinct increase in CO_2 emissions in all areas, which reflects the similar increase in the volume of energy consumed during the period; a 34% increase in the total volume of CO_2 emissions compared to 2011. In 2013, the direct emissions are 6% higher than in 2012, while indirect emissions have reduced by approximately 7% even though the number of reporting entities has increased.

c. Liquid Effluents

Wastewater treatment at Onshore facilities, such as plants, ship-yard or offices, is treated by the local or regional sewerage scheme system, or by purpose-built onsite treatment systems. For example, Technip operates several wastewater treatment units over a number of sites and yards. Discharges from these units are regularly monitored and audited in accordance with local licenses and regulatory approvals.

Offshore, Technip's vessels are fitted with MARPOL (International Convention for the Prevention of Pollution from Ships) compliant sewage treatment systems. Where the vessel cannot treat specific wastewater then the wastewater is transferred via sludge or holding tanks for onshore treatment. Water treatment is conducted at various construction sites and plants, through purpose-built sewage treatment systems and also on vessels by onboard treatment systems.

Since 2012, wastewater has been divided into ballast (vessels only), industrial and domestic with the following outcomes in 2013:

- industrial wastewater is primarily treated onsite; and
- domestic wastewater treatment is usually held off site in external wastewater treatment plants.

In 2013, the total quantity of wastewater managed by Technip, including ballast water, was 808,456 m^3, of which 14% was ballast water, 18% industrial wastewater and 68% domestic wastewater.

Even taking into account ballast water, as included in the 2012 data [(3)], in 2013 Technip reduced wastewater by 2% compared to 2012.

	Total Wastewater		
	Quantity (m^3)		
	2013	**2012**	**2011** [(1) (2)]
Construction sites	296,807	434,806	214,071
Industrial sites	60,558	64,530	56,454
Fleet	217,119	109,958 [(3)]	79,785
Offices	233,972	136,541	-
TOTAL	**808,456**	**745,835**	**350,310**

(1) The 2011 environmental data for wastewater from the 2011 Activity and Sustainability Report differs from the figures provided in the 2011 Reference Document. This is due to a correction that was not made until after the publication of the 2011 Reference Document and results from the time required to produce verified and accurate data. This discrepancy has been recorded in changes and corrections to be aligned with the 2011 Activity and Sustainability Report, which contains the accurate data.

(2) In the 2011 Activity and Sustainability Report, the reported effluents were effluents treated in water treatment plants and discharged directly into the natural environment.

(3) 2012 Vessels ballast water was reported separately and accounted for 77,973 m^3.

With respect to the 2012 reporting, the methodology has slightly changed both for domestic and industrial wastewater. As a result of this, more wastewater has been reported as domestic from sites and offices as a more detailed estimation method has been made available, not used in previous years' reporting. In 2013 construction sites have seen an increased quantity of industrial wastewater (including dust suppression water).

The below table details the breakdown of each type of wastewater reported per Technip operational sector:

	Total Wastewater		
%	Domestic Wastewater	Industrial Wastewater	Ballast Water
Construction sites	58%	42%	0%
Industrial sites	67%	33%	0%
Fleet	47%	1%	52%
Offices	100%	0%	0%

d. Waste

Waste management practices in Technip ensure full compliance with international and local regulatory requirements.

In 2013, Technip experienced an increase in waste generation from previous years primarily due to non-hazardous waste production in construction sites, while hazardous waste production decreased by approximately 13%.

	Quantity (in tons)		
Total Waste weight, by type Waste	**2013**	**2012**	**2011 (1)**
Non-hazardous waste	156,558	86,195	55,871
Hazardous waste	5,881	6,761	4,513

(1) The 2011 environmental data for waste from the 2011 Activity and Sustainability Report differs from the figures provided in the 2011 Reference Document. This is due to a correction that was not made until after the publication of the 2011 Reference Document and results from the time required to produce verified and accurate data. This discrepancy has been recorded in changes and corrections to be aligned with the 2011 Activity and Sustainability Report, which contains the accurate data.

In 2013, the distribution of waste by type of operation is as follows:

2013	Quantity (in tons)			
Total Waste weight, by type	**Construction sites**	**Industrial sites**	**Vessels**	**Offices**
Non-hazardous waste	128,686	19,710	5,168	2,994
Hazardous waste	427	3,034	2,357	63

This increased non-hazardous waste generation results primarily from construction operations and is globally due to a number of factors: (i) an increase in the number of sites, vessels and facilities, (ii) an increased level and accuracy of waste data and reporting across Technip, (iii) an increased volume of pipe manufacturing and construction operations, and (iv) the increased scale and complexity of operations developed by sites, plants and vessels.

As far as construction sites are concerned, the largest portion of non-hazardous waste generated was made of soil, rock and concrete since major excavation works were performed on one site in Qatar; some of these materials was reused on site for backfilling (thus not considered as waste) but the remaining part was disposed of to landfill.

The reduction in hazardous waste is related to a change in reporting methodology for chemical wastewater, considered since 2013 as an effluent and not as a waste.

3.4.4. Accidental Pollution

Prevention of environmental incidents

Technip's strong commitment to environmental protection continued in 2013. This is evident from the strict approach taken that all HSE incidents are to be reported. The growing awareness of environmental protection has led to an increase in environmental incidents reported in 2013. Technip requires any accidental spill or release to be recorded, regardless of volume, in Technip HSE statistics. In addition, Technip has the capability to identify potential environmental consequences for other HSE incidents that have occurred.

Technip classifies environmental incidents into three distinct types:

- major environmental incidents: when a significant environmental impact is caused outside the site boundary, lasting more than one month or when the intervention of a third party is required to manage and control the impact or when there is a breach of environmental license conditions, regulations or contractual requirements that results in a fine or prosecution;
- minor reportable environmental incidents: when impact is minor and reversible lasting up to one month and is controlled by the worksite; may be of any type, size or volume, but must be reported to authorities in accordance with any works approval or license conditions and regulations but does not result in a fine or prosecution, and
- minor non-reportable environmental incidents: that are reported internally to Technip and / or clients but do not need to be reported to local authorities.

All types of environmental incidents for operations involving Technip and its subcontractors require some level of hazard or risk identification to determine the type and extent of the most appropriate and effective preventative measures as Technip continues to work towards its goal of zero spills or releases.

In 2013, the overall number of environmental incidents (168) reported across Technip construction sites, plants and vessels and operations increased by 55% on 2012 (108) particularly in the operation of vessels. The recording of minor reportable environmental incidents increased by 100%, however no significant environmental incident was identified.

Distribution of accidental releases	Number of incidents [1]			Volume	Number of incidents	Volume	Number of incidents	Volume
	Minor Non-reportable	Minor Reportable	Major	Quantity (l)	Total Number	Quantity (l)	Total Number	Quantity (l)
	2013				2012		2011	
Construction sites	58	0	0	4,620 [4]	31	1,321	21	1,845
Industrial sites	29	2	0	5,482 [3]	41	1,276	12	645
Vessels	44	33 [2]	0	3,588	36	1,223	33	456
Offices	1	0	0	150	0	0	0	0

(1) According to Technip Environmental Incident Classification (GOPS 11009).
(2) Of which four non-spill incidents – related to waste management compliance.
(3) Of which 300 liters were related to a spill of sewage water.
(4) Of which 3,052 liters were storm water and sewage effluents.

With the increase in the number of environmental incidents, the volume of substances reported to have been lost to the environment has also increased from 3,820 liters (in 2012) to 13,839 (in 2013) of which 3,352 were related to sewage effluent and storm water, not containing hazardous substances.

Spills or releases accounted for 89% of all environmental incidents reported. Of these spills, 94% consisted of oils (e.g., hydraulic), fuels (e.g., diesel and petrol) and chemicals, of which eight (6%) were spills or discharge incidents relating to contaminated or waste water releases. The more notable environmental incidents included:

- March 28, 2013 – Le Trait Flexible Pipe Manufacturing Plant, France. During manufacture of a flexible pipe the contents of the flexible pipe suddenly released due to a mechanical failure and 5,000 liters of glycol was released around pit No.3. The spill was contained and recovered on site and was not released off the site boundary. Three actions were decided on site, including the corrective implementation of new connection systems and preventive modification of the pits entrance piping system.
- August 14, 2013 – Wellservicer, Offshore North Atlantic – Gibraltar Port. During hammer piling operations, hydraulic oil spilled from a failed hose on the deck of the vessel. Spills kits were deployed and contained 600 liters of the release, however an estimated 70 to 100 liters was discharged to sea. Coast guards were notified. The incident was recorded immediately in the Group HSE incidents reporting tool (Synergi). Eight actions were decided on, one immediate, three corrective and four preventive including capturing the lessons learned for inclusion into other Technip vessels' procedures.

In terms of the 14% of environmental incidents that were not spills, these incidents consisted of incorrect waste disposal, noise and gas emissions.

Of the 168 incidents, 21% of these environmental incidents were classified as "minor reportable" and involved small accidental spillages or discharges of hydraulic oil, diesel, chemicals, sewage or contaminated water, with a regulatory requirement to report to the government authorities. The remaining incidents were "minor non-reportable spills".

The construction site and plant spills were all contained, remediated and disposed of in accordance with regulatory requirements and waste measures. The operating cost of remediation of these spills has been included in environmental expenses as a waste or operational management cost, and is not considered as a decontamination cost.

The majority of Offshore or vessel spills that consisted of relatively minor, low volumes (from 0.01 to 20 liters) of hydraulic oils or fuels

were contained wherever practical or lost to sea. Incidents involving losses to sea were reported in accordance with local regulatory requirements. A large volume of the subsea or Offshore incidents were leaks or discharges from Remote Operated Vehicles (ROV) during operation.

The overall increase in the number of recorded environmental incidents can be attributed to a number of factors:

- an increase in the number of fleet vessels operating under Technip control;
- greater regulatory and client requirements for mandatory reporting of incidents, particularly in the Gulf of Mexico; and
- an increase in overall awareness and environmental incident reporting culture across the Technip Group.

Only one environmental incident was reported at Technip managed offices.

In 2013, Technip measured the Total Environmental Incident Frequency Rate (per 200,000 manhours) to be 0.15 and the Reportable Environmental Incident Frequency Report (per 200,000 manhours) to be 0.03. In 2014, efforts will be made to reduce these indicators wherever practical.

Mitigation of environmental incidents

All environmental incidents are to be reported within Technip. Incidents are investigated to determine the immediate, underlying and root causes. By identifying the causes of incidents, measures can be identified and put in place to mitigate and reduce the likelihood of environmental incidents recurring.

The common immediate and underlying causes for environmental incidents across the Group are inadequate refueling or hazard substance handling procedures, inadequate training or competency of key persons, inadequate maintenance or inspection of equipment, and poor hazard awareness.

Efforts have been made across Technip to increase the level of awareness of environment and reporting of environmental issues. Greater emphasis is placed upon the identification of environmental hazards and risks and the prevention of incidents. Once the environmental risk is identified, specific measures can be put in place such as containment bunding or barriers, additional spill or pollution response kits, drainage oil interceptors, as well as training, awareness and procedural measures, including by subcontractors.

3.4.5. Other Aspects

a. Biodiversity

Technip is committed to conducting its activities and operations in an environmentally responsible manner, preserving nature is part of the way the Group does business. This commitment includes the protection of biodiversity in the areas of its operations and activities. As an engineering and services company, Technip advises and assists its clients to perform their projects and their investments in an equally responsible manner.

Biodiversity at Technip's sites may include existing vegetation or waterways adjacent to plants, yards and facilities. At construction sites, biodiversity includes existing and remnant vegetation, wetlands or waterways, as well as any fauna or protected species.

During onshore construction efforts are made to identify biodiversity and put in place controls such as stormwater runoff protection, physical barriers to vegetation and monitoring of fauna. Any damage to biodiversity is reported via Technip's HSE reporting system. It is normally the client's responsibility to seek regulatory environmental approvals, and select project locations in accordance with environmental standards and regulations. Technip provides clients with environmental consulting services to assist in the selection, concept, assessment and planning of their projects.

Technip can utilize a number of processes and measures to assess its operations and ensure the protection of biodiversity. These measures include the systemic environmental analysis and risk assessment method (ENVID), to assess and manage the potential environmental impact of the proposal at every stage of the project, the development of environmental management plans and control procedures, as well as the monitoring of the environmental impact of its plants, yards and sites.

In 2013, typical biodiversity protection measures that were implemented in Technip construction sites, plants and yards included dust suppression, storm water and wastewater management, erosion control, the management of remnant habitats and the reduction of noise pollution.

For example, the Etileno XXI project in Mexico committed to the preservation of the biodiversity of the local environment by promoting and organizing a series of initiatives including the Reforestation Program "Cultivando el Mañana". This program was organized by the Client BRASKEM and JV (Technip, Odebrecht, ICA Fluor), involving Etileno XXI personnel and local communities. Rescue and relocation of flora and fauna is another activity of the HSE Department aimed at the protection and preservation of local species, which are relocated in authorized areas such as Ecological Reserve "Jaguaorundy", "Resirene Pond" and Project Ecological Reserve.

In the offshore environment, measures are taken to ensure Technip operations do not impact upon the marine environment, wherever practical. Measures may include the selection of eco-friendly chemicals for pre-commissioning discharges and also the reporting of the presence of marine mammals such as whales and dolphins to regulatory authorities.

In offices, many initiatives in favor of biodiversity protection were conducted in 2013 as part of World Environment Day. For example, tree planting ceremonies were organized at Chennai Operating Center (India) in the presence of Senior Executives and plant saplings were distributed to all personnel in both the Chennai and Delhi Operating Centers (India). Other centers organized nature walks and events to increase employee awareness, such as Technip Indonesia in Bogor Botanic Gardens and Technip Malaysia at rivers close to Kuala Lumpur with the objective of helping communities make their rivers cleaner and safer for their visitors.

Other examples of initiatives developed by the offices and manufacturing plants of the Group are given in Section 3.4.9 of this Annex E, under the "Communication events" and "Environmental education programs" sub-sections.

b. Noise and Odors

A large portion of the Group's operational and manufacturing plants and sites are located in heavy industrial environments and offshore. The noise impact from these facilities has been measured and monitored in accordance with regulatory and occupational health standards.

On construction sites, the noise impact on the immediate area is assessed as part of hazard identification analysis and regulatory requirements, and steps are put in place such as restrictions on operations, e.g., construction and testing of pipes, and controls may include the reduction or ceasing of work in the evenings and weekends.

Noise assessments are also conducted on vessels, plants and yards to identify high noise areas and to reduce the potential impact of noise emissions on the workforce.

Detailed noise studies are often conducted on projects during the engineering phase by the Environment and Health department located in Paris. The work of the acoustic team is to assess the noise footprint and features of plant designs, and its impact on adjacent plants and environment, and to design specific noise reduction measures or equipment.

In 2012 and 2013, the Environment and Software teams of Genesis in the UK developed in-house an underwater noise model. Underwater noise from pilling, seismic surveying, drilling, vessel activity and installation of subsea infrastructure can present a real negative impact on marine animals and can interrupt offshore operations if not assessed properly. The model, which was originally created for the Total and Statoil Research and Development departments, was unveiled by Genesis in July 2013. It has been utilized for oil and gas exploration in Alaska but can be used in almost any location worldwide. This expertise could be useful in areas such as Offshore wind farms.

In 2013, there were no incidents or complaints of olfactory pollution reported from Technip entities or operations.

c. Soil

Technip has very limited influence in the choice of location of clients' operations or facilities, but does have the opportunity to influence the size, shape and orientation of the facility to limit the impact on the biological, physical and social environment where practical. In addition, wherever practical, Technip's construction techniques are chosen to reduce environmental impact and to prevent any excessive impact, through reviews of the design layout, construction planning and risk assessment, regulatory compliance and operational monitoring.

An example is the orientation of the Rapid Project in Malaysia to limit the incursion into native vegetation.

Another example was in the Etileno XXI project in Mexico where Technip was asked to redesign and build the slopes of the plant. The main issue was the slopes' erosion and instability due to heavy rains. Technip advised the Client to replace the planned solution (extensive concrete finishing) with a more appropriate green solution using bio-engineering: the selected finishing was a mix of plants that stabilized the slopes by their roots and rendered them water proof by their leaves. This solution was claimed to save up to 100 times the weight of required materials, up to 10 times the energy requirements, up to 10 times the polluting emissions from the works (CO_2, CO, NOx, SOx, particulates), up to 50% of costs and to reduce on-site working time and site-related risks. The designed slope finishing had a CO_2 absorption capacity of 40 t/ha/year.

During the construction phase, soil cut from construction sites as preparation for operational facilities is usually reused wherever practical on the construction site in the form of backfilling, fill for leveling, retaining walls or screening from neighboring operations.

Soil that was contaminated due to spills or accidental discharges from Technip construction or operational activities was reported and remedied as most appropriate, in accordance with local regulatory requirements.

3.4.6. Financing Impact Reduction

Expenses related to reducing the Group's environmental impact

The Group's expenditure on environmental protection, improvements and pollution prevention measures is principally related to managing and reducing noise and vibration, waste, discharges and effluents as well as on soil remediation practices and environmental monitoring.

These expenses may also include environmental consultancy fees, specialized contractors, waste removal and testing of liquid effluent discharge.

The cost of developing technical measures related to energy efficiency or wastewater treatment is also included.

Environmental improvement measures are linked to the Group's strategic investments – such as those made in its French, Brazilian and Malaysian flexible pipes manufacturing plants – and those of operating expenses related to managing waste (storage, transport, treatment and disposal) and effluents (both domestic and industrial) at sites, plants and in offices. In relation to the new flexible pipes manufacturing plant in Açu, Brazil, which was still under construction in 2013, environmental expenses primarily consisted of waste management and environmental consulting.

On vessels, most of the expenses are from waste management. All Technip vessels operate under the International Maritime Organization (IMO) and MARPOL standards (International Convention for the Prevention of Pollution from Ships), with requirements in relation to compliance and certifications for atmospheric emissions and discharges. Related expenses are also included.

Annual expenses related to environmental protection as reported by the sites (In thousands of Euros)	**2013**	**2012**	**2011**	**2010**
Total environmental expenditure	2,481	2,773	2,251	3,342
Decontamination costs	0	0	0	0
Number of fines & compensation payments	0	0	0	0
Amount of fines & compensation payments	0	0	0	0

3.4.7. Sharing Best Practices

As part of Technip's Sustainable Development strategy, one of the objectives is to identify and share all the best environmental practices within the Group in view of creating a set of internal guidelines within a few years.

This exercise started in 2013 with the manufacturing plants where internal reviews were performed. Specialists from other plants conducted these reviews in three of the Group's manufacturing plants: Flexibras in Vitória (Brazil) and Asiaflex Products in Tanjung Langsat (Malaysia) – two out of the three flexible pipes manufacturing plants, representing more than 50% of flexible pipes manufacturing plants manhours –, plus Duco Ltd in Newcastle (UK), one of the four umbilicals production facilities. The principal outcome of the review performed in Flexibras was the identification of 27 best practices in environment.

In 2014, reviews will continue in the Flexi France flexible pipes manufacturing plant based in Le Trait (France) and all the best practices identified during these internal audits will be recorded.

A similar type of review will be performed in 2014 on Technip's fleet.

3.4.8. Making Smart Vessels, Sites and Projects

This section provides examples of initiatives implemented, either at Group level or at entity and site levels, to give an overview of the diversity of actions in favor of environmental protection that have been developed in 2013 within the Group.

a. Life Cycle Environmental and Health Assessment of Industrial Plants

In 2012 and 2013, as part of a Group Research and Development program, a Life Cycle Environmental and Health Assessment (LCA) methodology was developed internally by the HSE-Design department based in Paris. It was applied as a pilot study to a FEED onshore project. This LCA study has quantified the reduction in terms of environmental and health impact when implementing the Best Available Techniques (BAT) to the refinery process and utilities units. The associated cost of applying such technologies was also estimated to get a complete cost-benefits study. The LCA methodology also showed that most of the project's environmental and health impact was due to the operation phase. This demonstrates the importance of optimizing the design of the Group's clients' facilities. While giving an overview of the health and environmental impact of each project, the LCA study is an innovative design tool which promotes environmental friendly processes. LCA improves the Group's services offer and anticipates the clients concerns, primarily in the Oil and Gas sector.

These results are promising and should be extended to bankable feasibility studies, conceptual or front-end engineering design (FEED) projects in 2014.

b. Construction Sites

Starting in 2012, a new approach for Technip's construction projects was developed internally at Group level to integrate more environmental friendly practices into the business heart of the Company. Technip's Construction Methods Center (CMC), located in Abu Dhabi (United Arab Emirates), studied the potential use of renewable energies on construction sites, both for the temporary site facilities and the permanent facilities delivered to the Client. In 2013, the CMC also analyzed how to reduce the production of waste and how to minimize both energy and water consumption on a construction site, starting from the engineering phase. These studies will lead to formal guidelines for future construction projects that will require more sustainability, closer links with their local environment and increased positive impact for local communities.

In parallel, feasibility studies were performed with potential suppliers of renewable energy systems to develop a base case covering both construction and production phases of a typical plant. The results of these studies will be delivered in 2014.

c. Industrial Sites

An increase in environmental friendly practices and processes is taking place in Technip's manufacturing sites, to enhance the Group's performance in terms of reducing atmospheric emissions, treating liquid effluents, and optimizing the use of natural resources.

In Technip's flexible pipes manufacturing plant based in Vitória (Brazil), procedures were developed and implemented to adjust the management system and reduce the greenhouse gases emissions. In 2013 the plant reached its objective of obtaining the NBR-ISO 14064 Greenhouse Gases Certificate. Also in 2013, the plant launched an energy efficiency study and completed a first phase related to the offices. The next step will be the operational phase which should be concluded in 2014. The aim of this project is to identify new opportunities to reduce the overall energy consumption of industrial facilities and office accommodation.

With regard to the rest of Brazil, in July 2013 Technip in Rio de Janeiro obtained the ISO 14001 certification for its project management system, including installation and equipment assembly, ships and supply boats operations. In 2014, the objective is to continue developing the environmental management system of the new flexible pipes manufacturing plant based in Açu (Brazil), which is scheduled for start-up in 2014, in order to obtain the ISO 14001 certification in 2015.

In Technip's Flexi France plant located in Le Trait (France), the HSE team performed a detailed environmental analysis to identify the most significant environmental impact of all the plant operations and their associated mitigation measures. This study identified 29 significant impacts and 90 actions defined in accordance with the site safety, quality and operations constraints and priorities. The results were communicated to all relevant staff on site, to change behavior and create new responses. Stickers will be displayed in the working areas where a risk has been identified. These stickers will show the five main environmental impacts (nuisance related to waste, nuisance for the neighborhood, water and soil pollution, depletion of natural resources and air pollution) to remind staff to pay attention to the environment during the activities performed.

These efforts were rewarded since Flexi France clients have shown a high interest in the environmental initiatives conducted on site and financed actions such as new emergency spill kits installed in the plant and energy saving kits that were distributed to all personnel during the 2013 World Environment Day.

In 2013, Flexi France also conducted a study which demonstrated that the plant could reduce its potential impact on the environment significantly. The study proposed new processes to reduce by 65% the consumption of chemicals used for the on-site treatment of industrial waste water and to improve by 8% the quality of treated water discharged into the river (by reducing the chemical oxygen demand (COD)). The related study and materials were funded by the French Water Agency (Agence de l'Eau Seine-Normandie) which considered that this action contributed to reducing the pollution of the river Seine.

d. Fleet

In 2013, the American Marine Operations Services (AMOS) fleet made great strides in its environmental performance throughout the course of the year. In May, an updated Environmental Management System (EMS) was introduced that reflects the desire to become the leader in HSE performance by achieving "Excellence 365". The updated EMS accounts for updates to international regulations such as MARPOL (International Convention for the Prevention of Pollution from Ships) Annexes V and VI that came into effect in January 2013. It also integrates new procedures such as the Ship Energy Efficiency Management Plan, which focuses on reducing greenhouse gas emissions, and the Waste Management and Minimization Plan, which puts a greater emphasis on waste segregation and recycling onboard the vessels.

e. Subsea Projects

As part of subsea projects, an innovative design of cable ties has been proposed by the subsea installation teams: these plastic pieces are generally left in the sea after the installation of subsea cables and, therefore, the replacement by bio-degradable tiewraps was studied. This would avoid discarding plastic into the environment and protect the marine wildlife. This innovative product, already largely used in aeronautics, is currently under testing on one of Technip's main subsea projects in Angola, and we expect to have some preliminary results by 2014.

In 2013, Technip also improved its engineering capabilities in landfall and coastal works to face challenges raised by the environmental sensitivity of landfall sites during the construction phase of the projects, especially in highly sensitive lagoons, coral reefs and mangrove areas.

The expertise gathered through projects such as OMIFCO (Oman), NEB (United Arab Emirates), Koniambo (New-Caledonia) and Yemen LNG (Yemen), is being integrated by the Shallow Water section team, which is part of the Subsea Installation Engineering Department based in Paris, and will be used for future developments. The priority is given to the development of environmentally friendly techniques to install pipelines and umbilicals across the landfall sites guided by principles such as:

- introducing the "minimum environmental impact" as the governing factor in the selection of construction methods;
- limiting dredging impact by using innovative excavation techniques;
- implementing marine biologists and environmental experts advice;
- improving existing mitigation measures to reduce the projects footprints (less turbidity generated, protective measures in sensitive areas);
- encouraging prompt site restoration; and
- taking into account the impact of the Group's operations on the social environment.

3.4.9. Increasing Environmental Awareness and Training

a. HSE Training

In 2013, HSE training continued to focus on leadership and communication development with the support of the internally-developed Pulse program, as well as specific HSE aspects.

	2013	2012	2011 (1)	2010 (1)
Number of HSE training hours (Total workforce)	1,311,110	421,019	180,922	355,846
(1) Number of hours on site.				

The table above provides Technip's total number of HSE training manhours, including on environmental awareness. This HSE training consists of HSE induction for newcomers, HSE briefings and the Pulse training program. Some sessions are dedicated to environmental topics such as waste management, hazardous material management, spill control procedures and environmental briefings delivered to all relevant personnel; specific sessions are usually delivered to construction subcontractors depending on their operations (civil works, commissioning, etc.).

Training sessions are conducted for all personnel, whether employees or contracted workforce, in Technip offices, construction sites, plants and vessels, and may also be provided at external facilities.

In some entities, specific environment training modules have been developed, such as in the Flexibras manufacturing plant in Vitoria (Brazil) where a program focusing on waste disposal started in 2007. In 2013, 569 people were trained, including employees, community and schools. Flexibras was congratulated on this program by the Brazilian Environmental Agency and Department of Education.

PULSE PROGRAM

Launched in 2008, the Pulse program aims at improving the Group's Health, Safety and Environment climate by raising awareness and proactivity based on leadership and communication. At the end of each session delegates commit to a personal action in HSE. In 2013, all of the Pulse training material was reviewed and updated to enhance the focus on Environment. Specifically, the Pulse for the Office module, launched this year, includes an exercise where attendees are asked to discuss what is being done in their entity and what could be done to improve Technip's environmental performance. Approximately 2,200 people attended this module in 2013.

For more information on the Pulse program, refer to Section 2.8 of this Annex E.

b. Communication Events

Technip continues to reinforce environmental awareness and encourage responsible behavior, which is essential to improve the environmental performance of the Group, in particular through the organization of global communication events.

The main event is World Environment Day (WED), celebrated on June 5 every year across the Group. This initiative is sponsored by the United Nations Environment Programme (UNEP) and celebrated by Technip since 2008 in most of the main offices and sites.

In 2013, Technip's environment day focused on food waste, inspired by the UNEP theme "Think-Eat-Save, Reduce your foodprint" and more largely on "Sustainable Consumption – Doing More and Better with Less"; this theme provided an opportunity to emphasize the importance of environmentally sustainable practices to Technip's total workforce, not only in daily operations, but also in conceptual and design activities. The awareness of environmental issues on a daily basis, both at work and at home, encourages the workforce to take proactive measures towards sustainable development and resource use. Many activities were organized throughout the Group, including lots of local initiatives such as tree planting, river clean up, nature and botanical walks, cycling events, waste recycling events, energy saving schemes, environmental quizzes and prize draws.

In the Perth office, Australia, Technip employees celebrated over ten years of collaboration with the local community and the State government by planting native trees and shrubs, and weeding native bushland in Kings Park, located in the heart of Perth, which provides habitat for a large range of birds and flowers. In 2013, Technip employees planted approximately 1,500 trees and shrubs in Kings Park bringing the total number of planted trees to over 20,000 in the last 10 years. The environmental initiative is very popular among employees and greatly supported by senior management.

Events were also organized on construction sites with the participation of all site personnel, including subcontractors and clients. On the site of Algiers Refinery (Algeria), olive trees were planted by the site management team and the client. On the PMP project in Qatar, Technip organized a big campaign whose main objective was to eliminate environmental incidents on site by coaching the workforce to feel responsible in eliminating the hazards. The HSE team distributed environmental day leaflets to all workers, organized a management walkthrough focusing on environment and in particular on food consumption and waste management, and conducted tool box talks and an environmental quiz for the site workers.

An annual "Energy Day" was also launched in 2011. In 2013, Aberdeen and Evanton offices in the UK organized the "Switch It Off Campaign" with the main aim of improving employees understanding of their electricity consumption, and achieving a measurable reduction in their usage by successfully encouraging more people to preserve energy. Similar events were also launched in Italy, Australia and other entities.

c. Environmental Education Programs

Several environmental educational programs have been developed within the Group to combine the increase in Technip employees' and local communities' environmental awareness with social development.

One of the best examples is Technip's flexible pipes manufacturing plant located in Vitória (Brazil), which is surrounded by the local community of Ilha do Principe. Every year, the plant develops new environmental programs organized with the contribution of Technip HSE and Social Management teams, helped by volunteering staff. In 2013, they organized ecological walks with children from the neighboring schools. They also facilitated the development of a self-sustainable business managed by the women of the community, who recycled the waste generated by Vitória plant (such as wooden coils and pallets, ceramics and plastics) and transformed them into fashion bags, tables, armchairs and other objects that they succeeded in selling through the cooperative. In 2013, this initiative generated a source of income for 20 women and their families and succeeded in recycling approximately 90% of the plant waste. The cooperative will continue to grow in the coming years.

In Malaysia, an initiative combining environmental, economic and social awareness was developed by Technip Kuala Lumpur Operating Center and by Asiaflex Products manufacturing plant based in Tanjung Langsat, with an indigenous fishing community living in the vicinity of the plant, close to Johor Bahru. This area is very rich in terms of biodiversity (mangroves, birds, fishes, etc.) and threatened by intensive construction projects. The objective was to build with the community a self-sustaining activity through the development of eco-tourism business. Technip helped to train eco-guides within the community who learned how to protect nature and the global eco-system, and preserve their threatened culture and heritage. This initiative won the 2013 Jacques Franquelin award in the "Encouraging a fair return for all" category.

4. Commitment to External Stakeholders

Technip is fully committed to its stakeholders, from the most important of all – its employees, to whom an entire chapter of this Annex (Chapter 2) is dedicated – to those referred to as 'external', who are connected with its business in many different ways. Due to its complexity, the natural environment is often considered as a stakeholder, since it raises questions that cut across all industry sectors. As a result, an entire chapter (Chapter 3) is dedicated to it.

Technip recognizes the variety of its external stakeholders and their diversified interests. It also recognizes that not all of them represent the same level of importance with regard to its operations and priorities. Consequently, public entities (governments and government departments, public agencies and organizations, local authorities and intergovernmental organizations), Civil Society Organizations, compliance bodies and ratings agencies all form part of an ecosystem linked to Technip with varying degrees of proximity. The relationship between the Group and its external stakeholders is one of dialog, compliance and mutual understanding.

The Group has, therefore, decided to dedicate a chapter of this Annex to those external stakeholders it considers to be essential partners in relation to the business operations and projects. The ethical standards that guide Technip's behavior, especially those in relation to Human Rights and its efforts to respect and promote those rights, are covered in the first part of this section, because they apply transversally to all company projects and entities. Section 4.2 of this Annex E addresses the National Content of the activities and works that Technip undertakes in its operating countries, and the initiatives implemented for the benefit of local communities. Section 4.3 of this Annex E covers Technip's clients, investors and shareholders, whose existence and requirements also provide the justification for the Group's, and complete this triangle of external interests essential to Technip.

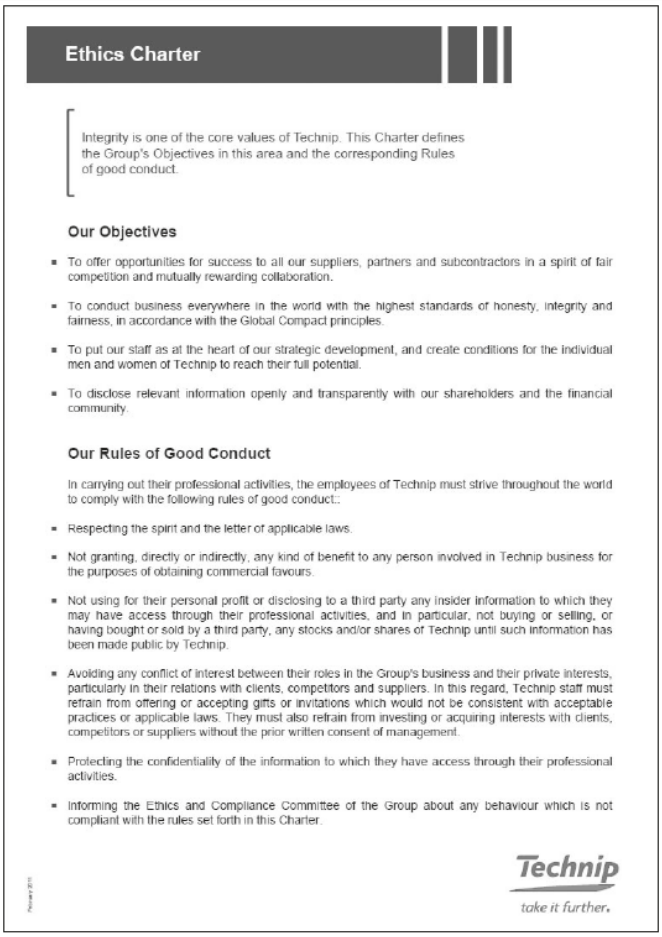
The goals set by Technip for 2013 in relation to these stakeholders were:

- to continue to grow the National Content of its projects: in the following sections, we detail the initiatives implemented and the changes made to comply with the increasingly extensive requirements of international legislation in this area, as well as those relating to increasingly strict national regulations that are all the more legitimate since they set essential guidelines for the imperatives of national development;
- to adapt its selection of local initiatives to increase their positive impact for local communities and national economies: many examples of initiatives that have been fine-tuned on the basis of need and special training evaluations are given in the following paragraphs, highlighting the concerns surrounding fairness, balance and usefulness which guide all Technip actions;
- to actively encourage and engage its employees as contributors to sustainable development: this goal called on our employees to show solidarity by sharing their experiences, abilities, time and/or skills. The associated needs and opportunities identified in 2013 are detailed in this chapter, along with the initiatives implemented and their preliminary results; and
- to create the position of Local Communities Manager to improve coordination between the strategy and actions at Group level: in addition to the creation of this position, the entire Sustainable Development organization has been strengthened and structured at Group level. A number of other positions have also been created: Technip has a National Content and Human Rights Coordinator in its Sustainable Development Department, and a Diversity Manager in its Human Resources Department.

4.1. MAINTAINING THE HIGHEST ETHICAL STANDARDS

Ethics Charter

As an international company, Technip must conduct business ethically and in strict compliance with the law. Ethical behavior is expected by employees, demanded by clients and is the basis for shareholders' trust. For Technip, it is the only acceptable way of doing business.



Ethics Charter

Integrity is one of the core values of Technip. This Charter defines the Group's Objectives in this area and the corresponding Rules of good conduct.

Our Objectives

- To offer opportunities for success to all our suppliers, partners and subcontractors in a spirit of fair competition and mutually rewarding collaboration.
- To conduct business everywhere in the world with the highest standards of honesty, integrity and fairness, in accordance with the Global Compact principles.
- To put our staff as at the heart of our strategic development, and create conditions for the individual men and women of Technip to reach their full potential.
- To disclose relevant information openly and transparently with our shareholders and the financial community.

Our Rules of Good Conduct

In carrying out their professional activities, the employees of Technip must strive throughout the world to comply with the following rules of good conduct::

- Respecting the spirit and the letter of applicable laws.
- Not granting, directly or indirectly, any kind of benefit to any person involved in Technip business for the purposes of obtaining commercial favours.
- Not using for their personal profit or disclosing to a third party any insider information to which they may have access through their professional activities, and in particular, not buying or selling, or having bought or sold by a third party, any stocks and/or shares of Technip until such information has been made public by Technip.
- Avoiding any conflict of interest between their roles in the Group's business and their private interests, particularly in their relations with clients, competitors and suppliers. In this regard, Technip staff must refrain from offering or accepting gifts or invitations which would not be consistent with acceptable practices or applicable laws. They must also refrain from investing or acquiring interests with clients, competitors or suppliers without the prior written consent of management.
- Protecting the confidentiality of the information to which they have access through their professional activities.
- Informing the Ethics and Compliance Committee of the Group about any behaviour which is not compliant with the rules set forth in this Charter.

Technip
take it further.

4.1.1. Preventing Corruption

A clear strategy and a strong ongoing commitment

Technip is dedicated to conducting business across the world according to the highest standards of honesty, fairness and integrity, and in compliance with the principles set out in the United Nations Global Compact. Therefore, everyone in the Group, as well as Technip's business partners and supply chain, are expected to conduct their activities in an ethical and lawful manner on a day-to-day basis. To ensure that employees are sufficiently educated and given the proper tools to appropriately manage compliance risks, the Group has developed a compliance program that focuses on three main priorities:

1. compliance with the laws and regulations of the countries in which Technip operates;
2. conducting due diligence on business partners globally, to ensure that they operate in strict compliance with laws and regulations at both an international and national level; and
3. training its workforce to increase their awareness and knowledge of legal and company requirements, and to foster ethical behavior.

To ensure that the compliance program is understood and effectively applied by all employees, Technip regularly communicates in respect of the existing tools to implement ethics and compliance throughout the Group and has established a comprehensive training program.

Compliance organization

The compliance program is supported by a dedicated structure that stretches from the Board of Directors to every level of the Group.

The first pillar of the compliance structure of Technip is the Ethics and Governance Committee. Formed in December 2008 and composed of members of the Board of Directors, it assists the Board in promoting ethical and governance best practices. One of its main tasks is to monitor the adherence to ethical principles within the Group and debate any matter that the Board of Directors (or Chairman) submits for consideration. The Ethics and Governance Committee meets at least twice a year. It produces an annual report evaluating operating policies and proposing functional improvements.

The second pillar is the Ethics and Compliance Committee. Composed of senior managers from across the Group, it reports directly to the Chairman and Chief Executing Officer (CEO). The Committee ensures that Technip's Ethics Charter and related policies and procedures are properly implemented. It submits an annual review of its actions to the Chairman and CEO recommending im-

provements in terms of ethics and compliance. Additionally, it gathers reports from Regional managers detailing the implementation of the Ethics Charter. A whistleblowing process enables Technip's employees to report to the committee if they feel that there has been a violation of Technip's policies and procedures in the areas of accounting, finance or corruption. In 2013, this process was significantly improved with the hiring of an external service provider which now offers additional ways for employees to confidentially report any potential violation through the use of a dedicated website, via phone, email or mail 24/7 and in their own language to someone independent of the Group.

The Chief Compliance Officer (CCO), who also monitors Technip's Ethics and Compliance program across the Group, chairs the Ethics and Compliance Committee. Reporting directly to the General Counsel and the Board of Directors via the Ethics and Governance Committee, the CCO is in charge of applying and enforcing the Ethics Charter and all applicable anti-corruption policies and procedures. In the event of an issue involving the Chairman and CEO or any of his direct reports, it is reported by the CCO directly to the Chairman of the Ethics and Governance Committee. To ensure total independence, the CCO is not affiliated with any profit center and holds no other role within the Group.

For everyday operations in the Regions and business units, and the implementation of Technip's anti-corruption and compliance policies, the CCO relies on Regional Compliance Officers.

Covering all business operations

To govern its business operations, the Group has implemented several ethics-related operational standards that translate its general principles into concrete operating procedures.

The Doing Business Abroad – Anti-Corruption policy provides a clear and comprehensive Group-wide framework to help employees operate with honesty and integrity. The policy sets out the rules governing sensitive relationships, by explaining the various international anti-corruption laws and the risks that a violation of such laws poses. The policy also establishes the Company's policy of conducting business in strict accordance with the law and details the procedures in place to assist employees in managing corruption-related risks.

The Group pays particular attention to any indicators that could cast doubt on the honesty and integrity of third parties involved in Technip's business. Technip's due diligence procedures for commercial consultants, joint ventures/consortia and subcontractors enable Technip to assess and manage corruption risks while conducting business globally.

The Gifts & Hospitality policy serves to assist employees in ensuring that gifts and hospitality, whether given or received as part of a usual courtesy of business, are not and cannot be considered as bribes.

In 2013, the Group implemented several new due diligence procedures in respect of customs agency and freight forwarding relationships, social donations and charitable contributions. Technip also continued to enhance existing policies, revising them when necessary. All the policies and procedures mentioned above apply to all operations worldwide.

In 2013, the Group continued with its large-scale initiative to create Technip's first Code of Conduct. Once the development of the Code is finalized, it will be made available through various sources worldwide and will serve as guidance to employees and a resource for stakeholders to better understand the role and importance of compliance within Technip.

Training the workforce and leadership

In 2013, Technip continued with the regular training organized by Regional Compliance Officers and continued to improve its 2011 training program by developing a new e-learning offering to be launched in 2014, with the aim of ensuring that specifically identified employees within the Group are appropriately educated on compliance on a regular basis.

4.1.2. Protecting Human Rights

Fighting corruption is one of the cornerstones of the Group's commitment to ethical behavior, and protecting Human Rights is another.

Technip is a signatory to the UN Global Compact on Human Rights, working standards, environmental standards and anti-corruption. Technip respects all Human Rights legislation in force and particularly the 1948 Universal Declaration of Human Rights and the International Labor Organization's (ILO) Fundamental Conventions regarding the elimination of discrimination and forced labor, the abolition of child labor, the protection of rights at work, the creation of decent employment opportunities, the enhancement of social protection and the enforcement of dialogue on work-related issues. Technip respects the equal opportunities and professional equality of men and women.

a. The structure in place at Group level

At the end of 2013, Technip strengthened its central ethical vigilance structure by creating two new positions, both of which are linked to Human Rights: the position of National Content and Human Rights Coordinator in the Group Sustainable Development team, and the position of Diversity Manager in the Human Resources Department. One of the reasons for creating these two new positions is to give the Group a more detailed understanding of the various cultures of the areas where it operates and to minimize any disparity in working conditions between men and women (see Section 2.5.1 of this Annex for more information on this issue).

On its construction sites, in its offices, in its fabrication sites and onboard its vessels, Technip's priority is always to protect the physical wellbeing of anyone placed under its responsibility, employees or contracted workforce. To achieve this, Technip applies a strict health, safety and environmental protection (HSE) policy in conjunction with an uncompromising strategy of security adapted to a constantly changing international context (see Section 2.8 of this Annex E for more information on this issue).

The Human Rights aspects emerging from the conclusions and recommendations of HSE inspections conducted in its industrial sites and offices in 2013 are adopted as a guide to future improvements. Based on the conclusions of these inspections, Technip conducted communication campaigns to raise awareness of Human Rights and the principles of the conventions to which the Group adheres (e.g., Global Compact, ILO and OECD).

To mitigate any disparity between international standards and local legislation, the Group has begun strengthening its procurement procedures through a range of different measures that will start to be applied in 2014. In this context, a clause has been added to the Group's general terms and conditions (GTC Article 5.4) informing suppliers that Technip upholds the United Nations Global Compact.

This clause specifies that 'the Supplier must comply with local regulations and legislation concerning labor law and fair working conditions, forced labor or child labor.' Additionally, the pre-qualification procedures for suppliers have, since 2013, included questionnaires specific to sustainable development issues (see Section 4.2.1.b below related to procurement): Technip is committed to strengthening those aspects of these procedures that relate to respect for, and protection of, human rights.

The Group whistleblowing procedure introduced in 2010 was strengthened during 2013 with the introduction of a new process enabling employees to use a range of other media (a website, a phone number, an e-mail address and a postal address) in addition to the existing internal form. This open and anonymous procedure gives employees the opportunity to express their concerns in their own language at any time of any day, and in complete confidentiality to an interlocutor independent of Technip.

b. Good practices at local level

The Group also encourages its subsidiary companies and project teams to identify the risks to which they are exposed, and to exercise initiative at local level in expressing their commitment to doing business in accordance with human rights legislation and agreements. Some of these entities already have internal systems that often exceed national requirements in this respect.

PREPARATION OF A DEDICATED CSR POLICY

Technip in Brazil has prepared an internal document on Corporate Social Responsibility ("Procedimento de Responsabilidade Social Corporativa") in which it has identified its stakeholders and set out its values and principles based on those adopted by the Group. This policy document defines the guidelines for all initiatives to protect human rights in general, and those of children in particular. Technip in Brazil also puts great emphasis on equal opportunities for everyone in accordance with local legal obligations. As a result, 36 young people have gained their first experience of work, and moreover, Technip Brazil's disability inclusion policy leads the way on this issue in the Brazilian labor market. This policy will act as a guide to supporting the disabled people recruited during 2013 and encouraging additional recruitment.

DEPLOYMENT OF A DEDICATED RESOURCE FOR COMPANIES

Technip's entity in Colombia is involved in the initiative "Aquí estoy y actúo", which provides companies with a dedicated system designed to ensure effective collaboration between companies committed to preventing child labor. The Colombian entity is also an active participant in the voluntary multipartite initiative Guides Colombia led by the Foundation "Ideas para la Paz" formed to ensure that company projects are respectful of Human Rights.

MEASURES THAT STRUCTURE AND REGULATE PRACTICES

The Angolan employment legislation includes measures and penalties to prevent forced labor practices. All employees working in our Angolan company have an employment contract and a list of tasks that reflect their individual level of training and abilities.

In China, Technip pays particular attention to the prevention of forced labor. Any change of job or change of job function responsibilities is detailed in a transfer form or letter of amendment issued by the Company and signed jointly by it and the employee concerned.

EMPLOYEE SATISFACTION MEASUREMENT

India is a founder member of the ILO, has been an active participant in the organization since 1919, and is a permanent member of its governing body. Technip India applies the principles of non-discrimination on the basis of religious belief, race, caste, gender, social category, place of birth or place of residence. A recent employee satisfaction survey revealed that 77.4% of its employees are happy with their work/life balance.

TP France in Qatar has introduced Welfare Committees to improve living conditions for workers and personnel in its jobsite camps.

In Italy, in 2013, Technip has received the Social Accountability 8000 certification for the tenth consecutive year. On construction sites where unions are not formally authorized such as Saudi Arabia (Al Jubail), Technip encourages the appointment of workers' representatives and the implementation of a grievance procedure to collect and address all workers' complaints. A special committee is appointed and meets regularly to resolve these issues. These provisions and initiatives also involve subcontractors: the social responsibility management system also applies to the organizational structures and work done by subcontractors on construction sites. The subcontractors must also comply with the health and safety requirements set out in point 3 of the SA 8000 certification procedure, which requires them to perform emergency exercises simulations, conduct risk evaluations on the work they do, and provide training and awareness programs on a range of CSR topics.

REGULAR INSPECTIONS

Aware of the discrepancy between international Human Rights standards and local legislation, the entity Neptune Maritime based in Nigeria has its own internal policy enforcing compliance with international standards in general and ILO conventions in particular. The entity's recruitment policy is therefore non-discriminatory in terms of ethnicity, belief, gender, age, disability, religious faith or social status. The entity is regularly inspected by the relevant public bodies, including the Federal Ministry of Labor and Productivity.

In 2014, Technip will continue strengthening all of its Human Rights compliance procedures at every level of its business, in the same way as it will continue to strengthen HSE and security measures. The Group has identified two priority areas for action:

- With respect to its clients, Technip intends to meet even more often with the individuals responsible for sustainable development issues within client organizations, and to establish a dialog with them to develop a joint approach to shared exposure to Human Rights-related risks. Being at the same time subcontractor and contractor on some construction sites in high-risk locations, it is essential for Technip to involve all the parties having potential responsibility for ensuring the respect of Human Rights. Without wishing to delegate its own responsibilities in this context, Technip's clients very often share this responsibility, and the Group wants to work with them on establishing a partnership vision to protect the rights of employees and other project workers more effectively.
- With the aim of ensuring efficient and effective protection of Human Rights, Technip plans to introduce a Group-level Human Rights Charter in 2014, the terms of which will comply with OECD guidelines. This new declaration will join the six existing charters that state and promote the Group core values and principles. In March 2012 UNICEF, the UN Global Compact and the NGO Save the Children published their Guiding Principles on the Rights of the Child. Technip sees its contribution to eliminating child labor as a priority, especially in the context of responsible supply chain management, given the precarious or non-existent

national regulatory frameworks in some of the countries where its suppliers operate. The Group's Charter will put special emphasis on protecting the Rights of the Child in order to restate its commitment to the ILO conventions on the effective abolition of child labor in accordance with Article R. 225-105-1.-II of the French Commercial Code, and to participate wholeheartedly in the movement initiated by UNICEF to draw greater attention to child protection issues worldwide in 2014.

These two goals have been identified as priorities to be addressed as part of a proactive and realistic approach to the protection of Human Rights. Together, they represent the starting point for a due diligence mechanism as recommended by the OECD, which Technip will strive to develop and strengthen further from 2015 onwards.

4.2. INVESTING IN LOCAL CAPABILITIES

Promoting a fair return for all means running profitable, ecologically rational and ethically sound projects based on a transparent and fair relationship with all the stakeholders. Technip wishes to contribute to the wellbeing of those populations that host its business operations, whether as immediate neighbors or at national level. In practical terms, this means that Technip must ensure that its presence contributes to increasing local and national capabilities to generate sustained and autonomous growth, with decisions being made by those directly concerned on the basis of their needs and expectations of the future.

This chapter looks at how Technip business operations and actions contribute to increase local capabilities. Technip is committed to working in partnership with local economies, and strives to contribute to improving employability at both local and national levels by supporting the existing economic context as much as possible to help it to grow and become more self-sufficient. The Group also seeks to build long-term positive relationships with the communities that host its business operations.

The Sustainable Development Policy now being prepared at Group level in close cooperation with regional sustainable development coordinators represents a major step towards the alignment and systematic integration of social, economic and environmental aspects. On its adoption in 2014, it will be published and become immediately applicable to all Group entities and projects. Similarly, the process of identifying and gathering together all existing best practices (some of which are described in the following paragraphs) aims to identify Technip's successes so that they can be systematically introduced going forward, and adapted to suit local contexts.

4.2.1. Partnering Local Economies

Including multi-local talent recruitment, the National Content constitutes one of the six pillars of Technip strategy that are listed below:

1. Well diversified, profitable backlog;
2. Key differentiating assets;
3. Technology;
4. Execution capability;
5. Vertical integration;
6. National Content.

The diversity of local contexts and needs makes it impossible to systematize Technip's strategy for National Content, so it remains the responsibility of each region of the Group to adapt its projects individually in response to local legislation.

The concept of sustainability that Technip wishes to apply in meeting its National Content obligations is expressed through four fundamental principles: applying the relevant national and international laws and regulations, maximizing the employability of young people and seeking permanent roles for them within the Company; forming long-term partnerships with national universities; and using local companies and suppliers. These principles are described in the Sustainable Development Policy that we are currently formalizing.

Technip sees the term 'National Content' as encompassing three important sets of behavior.

The first requires a readiness to engage in a transparent dialog that activates a collaboration process with the potential to generate beneficial results for all the local stakeholders and in full respect of the rights of everyone involved. This first point is addressed throughout this Annex, and especially in the section dedicated to local communities (see Section 4.2.2 below).

The second and third priorities for National Content are to nurture the talents of individuals within and around company projects and entities (part a), and to contribute to local economic development (part b).

During the last quarter of 2013, Technip responded to the rapid pace of change in international contexts by appointing a National Content Coordinator. This new position was created to harmonize the integration of National Content into all Group business operations at a time when legislation is moving in the direction of formalization and the requirements are becoming more stringent. This trend was clearly felt in 2013, encouraging Technip to address the issues of National Content at the earliest stages of its projects. The extent to which National Content is addressed at an early stage depends on the context and the presence of the Group in the country. In the more advanced cases, the Group conducted at an early stage an estimate of the work and operations that were able to be supported by local and regional businesses and performed technical audits allowing the assessment of actual capabilities (e.g., by providing a list of construction operations that could be carried out by local entrepreneurs). This kind of preliminary assessment leads to the establishment of a precise scope of requirements in terms of National Content in consultation with Technip clients and decision makers at local stakeholder level. The Group will seek to extend this practice to the largest number of projects including aspects related to ethics, compliance and Human Rights. Regional coordinators in situ are in charge of applying the guidelines set by the Group and ensuring the implementation of the strategy in line with local needs and expectations.

Technip's strategy in this respect is to develop national operations in those countries where there is potential for exploiting significant gas and oil resources. In order to create long-term added-value for the benefit of local people and establish a long-term presence, the process of developing the National Content of each project is not a constraint, but rather represents a goal and an opportunity to contribute to the development of the country concerned.

a. Boosting local/national employability within Technip

Technip believes that National Content goes far beyond the obligation of compliance with local regulations. At a time when countries

are formalizing their own National Content requirements, the Group has anticipated this fundamental requirement in many countries, including Brazil (more than 95% of local employees are Brazilians), Malaysia (more than 81%), Ghana (85%) and Angola (99%).

By prioritizing local recruitment, Technip plays a key role in local employment. Right across the Group, more than 86% of our employees are locals. This recruitment policy is based on close cooperation between operating centers in the context of specific projects and skills transfer. It also increases the multicultural profile of Technip, at the same time broadening the expertise within the Group.

Technip's human resources policy seeks to draw on local talent nurseries and help every person to develop his/her full potential. This is one of the goals targeted by the Global Leadership program launched in 2013 (formerly known as the Technip Leading Edge Program) composed of 39 members from 11 different nationalities representing North America, South America, Europe, Middle East, Africa and Asia Pacific and, thus, mirroring the geographic distribution of the Group.

The Group's business also encourages the creation of indirect jobs. Therefore, wherever possible, Technip works alongside its clients to source materials and equipment from local suppliers. Together with procurement cost reduction, this commitment is one of the driving forces behind the High Value Procurement program launched in 2010, which continued in 2013 with the aim of approving more suppliers from emerging countries. Lastly, Technip projects also create indirect jobs in housing services, healthcare, catering, transportation and logistics.

Over time, Technip has succeeded in creating a multi-local footprint through a substantial and deep-rooted regional presence. Since 1998, the number of employees in the historic centers of Europe has grown by a factor of 2.7, the labor force in North America grew by a factor of 43, followed by Asia Pacific (23), the Middle East (15) and South America (12). Over the same period, Technip also extended its operations in Africa and the North Sea, which, as of the date of this report, employ 959 and 4,032 individuals, respectively.

As of the date of this report, the Group operates in 48 countries, with production assets on every continent and with an extensive network of suppliers. This global presence enables us to undertake projects with a high level of National Content, and, in return, create a strong link between the economies of the host countries and our own growth.

The opening of new entities allows Technip to track markets and business operations as they evolve, and to achieve the Group's goal of establishing a long-term presence. Part of 2013 was devoted to identifying the positive contribution made to the countries in which Technip operates. As a result, clear examples were identified that underline the high level of National Content present in Technip teams and projects in several contexts.

GHANA, SPEARHEADING NATIONAL CONTENT

In Ghana, an emerging country in the oil and gas market, Technip decided to invest locally by opening a sales office in 2009, followed in 2012 by the creation of an engineering center under a joint venture framework with Ghana National Petroleum Corporation (GNPC), which employs 34 staff as of the date of this report, 85% of whom are Ghanaian. Working in partnership with other operating centers of the Group, 2013 saw the Ghanaian entity successfully deliver the project Jubilee 2, the second phase of the first world-class Offshore field developed in Ghana since 2010. The team also leads initiatives that benefit local communities (see the Technip Relief and Development Fund paragraph in Section 4.2.2 of this Annex). As part of the increasing trend towards a developed legislation in this context, Ghana introduced a new law on National Content at the end of 2013, setting a key goal of 90% of Ghanaian nationals to be employed in international companies operating in the country, to be achieved within the next 10 years.

In this context, the Regional Maritime University (RMU) entered into an agreement with Technip Ghana on August 28, 2013, to train students and contribute to meeting the national gas and oil industry needs for qualified personnel. This agreement effectively formalizes the collaboration already in place between the two parties, which is modeled on the relationship between Technip and Kwame Nkrumah University of Science & Technology (KNUST) in Kumasi. Under the terms of this agreement, seminars on industrial practice and oil and gas exploitation operations were organized by Technip personnel for RMU students and lecturers. Consideration is currently being given to creating a Master's program in offshore engineering, which will be offered by the RMU in collaboration with Technip. This innovative program is likely to offer subsea and pipeline engineering options.

The RMU has also trained 15 Technip engineers as part of the Tropical Basic offshore Safety Induction and Emergency Training program (TBOSIET) in close collaboration with the Sribima Maritime Training Centre (SMTC) in Malaysia.

MALAYSIA AND BULGARIA: FOCUSING ON TECHNICAL TRAINING

Technip's Malaysian entity introduced its Graduate Skills Enhancement Program – Piping Design Engineer training opportunity in 2013 with the aim of developing national engineers qualified to take over positions currently filled by expatriates. This 8-month program combined theory training and learning at Technip. The 15 engineering trainees who successfully completed this program have since joined Technip as Offshore structure engineers.

As part of an Onshore project in Bulgaria, Technip joined with local authorities and one of its subcontractors to organize a welding training program for 30 young trainees from technical colleges located in Burgas. The 2-month course alternated theory sessions (1/3) with practical sessions (2/3). Approximately 300 hours of training were provided on welding techniques, supported by sessions to raise awareness of occupational health and safety legislation. All 30 students passed their final exam enabling them to join the project immediately as qualified welders.

AN INTERGENERATIONAL APPROACH

As part of its commitment to National Content, skill transfer and the employability of local people, the Group has investigated the opportunity to involve Technip retirees in 2013.

The annual general meeting of Technip retirees in France was the opportunity to present the Group's Sustainable Development initiatives and emphasize the National Content of Technip projects. The aim of this presentation was to encourage some of the retirees to volunteer to transmit their skills and expertise. These highly experienced individuals have a vision that complements those of current employees. In addition, they have the potential to share their knowledge with local communities through partnerships with universities and specialist schools. Technip retirees could also give their support to service suppliers involved in Technip projects by providing management and administration coaching in areas such as contracting, organization and logistics.

In 2013, the Group worked on preparing this intergenerational knowledge transfer program by inviting its retirees to register their interest in joining it. Many of them have already volunteered to travel to Technip operating sites worldwide to share their experience and knowledge with local young talents. This program is not only restricted to improving the employability of these young people for the benefit of Technip as its retirees will also be making expert contributions in universities to Masters and other advanced degree courses.

In 2014, Technip will select the volunteers on the basis of their health condition, motivation and technical skills in order to match them with identified needs, and at the same time, the specific structure required to launch the operational phase of this initiative will be put in place. From 2015 onwards, this intergenerational initiative will be extended progressively to Technip retirees located in other countries where Technip operates.

Another new initiative also emerged in 2013: Technip's involvement in seminars and working groups dedicated exclusively to National Content. This gives us the opportunity to hold discussions with a broad range of stakeholders to identify the most relevant methods of responding to the increasing need for local content in our operating countries.

The priority goals for Technip in 2014 will be to continually increase the National Content of its projects and its international subsidiaries in accordance with the increasing requirements of local legislation. In terms of employability, Technip will seek to:

- Train trainers, not only Technip employees, but also Group retirees with the ability to transfer Technip expertise;
- Train local people so that they can work on Technip projects through a collaborative scheme to be set up with Technip University, which will provide an educational forum whose aim will be to improve the Group's performance; and
- Reinforce the early-stage transfer of knowledge and training, not only to improve local employability, but also to add an educational value to the presence of Technip in a particular country through constructive involvement in schools and universities

b. Sustaining the local economic ecosystem

Technip rarely operates alone in delivering its projects. The Group uses suppliers to provide several types of equipment and construction subcontractors to supply manpower for its construction sites. Suppliers and subcontractors are essential partners in our approach to sustainable development. Delivering projects successfully requires an integrated approach and a close working relationship, both of which benefit everyone involved.

SUSTAINABLE PROCUREMENT

Due to the highly technical and specialized nature of its requirements, Technip uses world known suppliers (Tier 1) whose competence is recognized throughout the energy sector, and particularly in the oil and gas industry.

When selecting equipment suppliers, Technip evaluates not only their financial and technical data, but also their commitment to HSE (Health, Safety and Environment) and security issues. This evaluation is made on the basis of answers to questionnaires.

Since 2006, the reference to Technip values and its membership of the United Nations Global Compact have been included in the Group's general purchasing terms and conditions. In 2013, specific questions relating to sustainable development were included in the supplier pre-qualification questionnaire (Internal procedure: GTDS 21007-1), completion of which is a condition for inclusion in the Technip procurement database. These questions are also included in the "SD Suppliers Questionnaire" (Internal procedure: GTDS 21007-10). These sets of procedures will be deployed progressively within the Group.

These questionnaires mark the beginning of a transition that will continue in 2014. Working in conjunction with the Procurement Department, Technip's aim is to strengthen the supplier pre-qualification process through the general introduction of the obligation to complete the specific questionnaire and provide a written commitment to adopt the Group's approach. Technip will also strive to improve its supplier and service provider/subcontractor inspection process by adding specific sustainable development points to the ITPs (Inspection & Test Plans) included in the purchase orders, which will be introduced initially for pilot projects.

Technip Italy, which is one of the most advanced entities of the Group in this respect, involved 84 suppliers and construction contractors in its "CSR Evaluation Process" in 2013 (compared with 45 in 2012), undertaken during biding and execution phases of different projects. Five of these companies were audited in terms of social responsibility.

CONSTRUCTION SUBCONTRACTOR ACCOUNTABILITY

As with equipment suppliers, the selection and evaluation of construction subcontractors is also in a stage of transition. Although these processes already involve HSE and security requirements, Technip is currently working to improve the incorporation of other criteria related to sustainable development and ethics.

For the projects requiring the highest standards in these areas, the Group is developing processes that will incorporate these criteria into construction operations from the subcontractor selection phase onwards. For example, projects conducted by Technip Italy entities are subject to procedures designed to ensure greater subcontractor accountability in terms of sustainable development. Established in the context of the SA 8000 certification, there are procedures providing a framework and guidance for subcontractors to help them develop and establish their own working procedures, and detailing how compliance with principles will be implemented and inspected throughout the project: information and follow-up meetings, training, audits and key performance indicators (such as environmental incidents, waste container labeling and drinking water quality).

Technip is constantly enhancing the range of ethics and safety training programs offered to its partners. These programs are delivered on all construction jobsites to ensure that every project contributor understands and implements Technip values. In every operational entity and head office, specific structures are in place to ensure that training programs meet the highest-possible standards.

The HSE aspects of these training courses are based on the components of the Technip Pulse program. The aim is to promote an HSE environment in which employees and business partners behave positively and proactively. Approximately 9,000 hours of 'Pulse for the Workforce' training sessions were delivered to subcontractors on project jobsites in 2013, in addition to awareness and traditional training sessions on HSE issues specific to Technip disciplines.

Ethics training for subcontractors consists of an induction program and an introduction to the code of ethics of Technip. In the entities reporting to the Italian regional head office, the departments responsible for social responsibility and construction have jointly pre-

pared a unified training program for employees and subcontractor personnel, delivered during site visits. This program provides a common foundation on which there are opportunities to build as the project progresses.

The integration of sustainable development issues into the construction projects supervised by the Construction Methods Center (CMC) in Abu Dhabi is just one example of this approach in practice. The CMC participates in construction projects worldwide, assigning specialists to specific tasks. As a first stage, it conducted a series of studies that included analyzing information related to sustainable development issues transmitted by local construction teams working in a number of different regions during the delivery phase of selected projects.

This approach sets the way for a more systematic application of sustainable development aspects to construction operations.

In order to increase the awareness of the challenges listed in the chapters above, the Sustainable Development Department will advise its Sustainable Development Board about the social responsibility risk exposure in relation to suppliers and subcontractors. It will seek to consolidate and expand its network of sustainable development supervisors in the regions where the risks are high in order to manage the relationships with suppliers and subcontractors more effectively at local level.

The 2014 goals set by Technip for its suppliers and subcontractors are:

- To optimize, in accordance with the laws applicable in each case, local purchases and contracts in the area of operation to better share the economic effects of the project with national stakeholders; and
- To identify and document best practices in order to determine the parameters and relevance of key performance indicators ("KPIs") and to be able to measure their effectiveness for all the beneficiaries.

4.2.2. Long-Term Relationship with Local Communities

Technip makes every effort and endeavors to respect the local cultures and to maintain an open and transparent dialog with the communities that host its projects to seek social, economic and environmental benefits as a mutual priority. It is worth mentioning that Technip encourages its operating centers and project teams to develop their own initiatives to support the local welfare while following the applicable national legislation and observing the highest levels of ethics and compliance. The objective of the Sustainable Development Policy (as mentioned before) will be to formalize the engagement of Technip with all the aspects related to sustainability and to include the development of long-term initiatives in favor of local communities hosting or living near our operations worldwide.

In addition, since the creation of the Sustainable Development Team at Corporate level in 2012, formal best practice identification and promotion have been enhanced by the coordination and facilitation of initiatives with local communities within all Technip entities worldwide. A dedicated Internet collaboration workspace has been set up to enable information storage and communication between coordinators of the Sustainable Development Network. Every year since 2006, each Technip entity formally reports their initiatives in favor of local communities to the Group's Human Resources Department and the best practices are shared through different communication channels such as the internal newsletter "Technip in Motion" and, starting in 2014, through both intranet and internet sites.

Technip's response to local communities' needs and expectations in 2013 has been of many kinds:

- donations of all kinds including to orphanages, cancer research, charities and social and sports events, among others, and generally involving staff volunteers;
- emergency aid or localized humanitarian help, in particular through Technip's Relief & Development Fund and employees' solidarity initiatives, have been timely and consistently conveyed towards the communities suffering from natural disasters in coordination with inter-governmental organizations such as the Red Cross and the Red Crescent; and
- the most relevant and ambitious commitment of Technip towards local communities is related to long-term development initiatives that focus on children's health and education with a strong link to schools and universities. For 2014, Technip intends to put a stronger emphasis on empowering and kick-starting actions, taking into account local context and specific needs, with a clear emphasis on social and economic self-sustainability.

A close and sustained relationship

The work with local communities starts by understanding the overall context of the country, the region and the villages where Technip has the potential to exercise a positive influence on social, environmental and economic self-sustainability. The goal and central motive of every initiative towards local communities has to be their empowerment to gradually work towards the implementation of concrete actions.

Technip considers local communities as essential stakeholders with varied interests and expectations in relation to its entities or projects. It is known from the experiences shared by some of Technip's most advanced entities in relation to relationships with local communities that obtaining their support is an essential part of any project's success for the Group and its clients.

These entities (see examples below) have established that the first step is to identify who these stakeholders are and how to build trust with them. This also requires understanding the particular organization and culture to be able to establish a transparent dialogue with the decision-makers at the heart of the communities and demonstrating the tangibility of any initiative or project. Local authorities and government institutions, as well as local NGOs or intergovernmental organizations if any, may also be invited to participate in collaborative discussions, but, in most cases, it is a priority to seek the approval and attention of the communities' leader as the first step of any process. Technip will strive in the years to come to foster this approach in as many projects as possible.

As mentioned before, Technip's focuses its support to local communities on children. Building a sustainable future starts with caring for the well-being, health and education of young populations.

As for National Content, it is impossible to adopt a systematic and "one-size-fits-all" approach to Local Communities, as each context, even within one country, is unique (see examples below). A comprehensive list of detailed initiatives is available on Technip's website (technip.com) for several countries where Technip operates.

A) TECHNIP'S ENTITY IN COLOMBIA, TIPIEL: *"MERQUEMOS JUNTOS"* / EMPOWERING WOMEN TO COUNTERACT VIOLENCE

In 1996, a group of women founded the organization "Merquemos Juntos" with the aim of promoting community development as an alternate solution to the armed conflict in Barrancabermeja, host of the major Oil and Gas projects in Colombia. At that time, forced disappearances, indiscriminate massacres, population displacement and collective abductions of civilians, military and politicians were very common. In that difficult context, a group of female heads of households decided to gather and create several community businesses including a grocery shop, a food processing plant and a collective restaurant. This was possible through the creation of collective micro-credit permitting lending to community members. The role of Tipiel was essential as it contributed to:

1. Strengthening the micro-credit fund to expand the coverage and increase the number of beneficiaries;
2. Expanding the institutional support of the initiative via legal advice and back-up;
3. Advising on marketing processes; and
4. Providing consulting engineering for the construction and expansion of the production plant.

After 18 years of continuous efforts, Merquemos Juntos became a corporate reality and a tangible example of self-sustainability in Colombia. According to the latest available data (2012) a total of 1,764 persons have directly benefited from its micro-credit lending. Tipiel was declared winner of the 2012 Contractors Excellence Awards Contest for its performance in social responsibility by Ecopetrol, the major Oil and Gas Company of Colombia and the principal client of Tipiel.

B) TECHNIP IN MALAYSIA: ECONOMIC EMPOWERMENT OF THE SELETAR INDIGENOUS COMMUNITY, IN JOHOR

Technip's manufacturing plant has helped the Seletar Indigenous people build a self-sustaining community. With the development of an eco-tourism business and the eco-guide training of 15 people, Technip has given them the key to preserve their cultural heritage and to protect the ecosystem while becoming economically independent.

C) THE JUVENTUDE TECHNIP PROGRAM IN BRAZIL

This program aims at preparing young members of a local low-income community for university admission tests. The program comprises 10 "phases" – or orientation classes by Technip volunteers – on topics such as ethics, citizenship, environment, safety and entrepreneurship, or lectures on the manufacturing of flexible pipes. The 10th phase consists of Portuguese and Math reinforcement classes to pursue higher education. In 2013, five students successfully completed the program and were offered scholarships from three universities.

D) TEAMS IN GHANA PROVIDE TANGIBLE SUPPORT FOR THE LONG TERM TO ORPHANAID AFRICA

Technip Ghana has been collaborating with OrphanAid Africa since 2011, to unite in the fight against HIV and show our support for people living with HIV. The funds are used to promote education, via the newly built Junior High School, and also the health of the pupils. Moreover, payment of school fees, uniforms, shoes and bags are also undertaken to ensure continuous support. In addition, volunteers from Technip Ghana participate in activities such as helping with painting and refurbishment works and presenting Technip activities to the children to illustrate technical and engineering works to them.

Technip Relief and Development Fund

Established at the end of 2011 to reinforce the Group's corporate social responsibility, the "Technip Relief and Development Fund" is part of Technip's strategy to strengthen its local presence in countries in which it operates. This endowment fund, whose financial resources are provided by the Group, was created to pursue a dual objective.

It is primarily intended to support non-profit projects for the benefit of local communities in countries where Technip has a permanent presence, especially those that address health or education. For this particular field, Technip employees are encouraged to submit initiatives in which they are involved; once confirmed eligible, these projects might receive financial funding.

The other aim of the Fund is to intervene in favor of emergency missions and natural disaster relief: it enables Technip to quickly react in the event of a dramatic natural event, after approval of the Board of Directors that manages the Fund.

The board comprises the President of the Fund and Group HR Director; the Chief Medical Officer; the Group HSE Director and the Head of Sustainable Development. Its mission is to examine and approve the initiatives submitted. In the event of a catastrophe, all employees can donate through the Fund, which works in partnership with the International Red Cross/Red Crescent.

This has been the case in 2013 with the fundraising campaign launched by Technip to assist the victims of the typhoon Haiyan in the Philippines, in partnership with the international federation of the Red Cross and the Red Crescent, which has been a success. Many employees, throughout the world, took part in this fundraising effort from November 13 to 29. Collectively, Group employees donated a total of €90,233 to the Red Cross, a large amount which reflects their solidarity. Technip has matched the contribution to the Red-Cross and, therefore, the total amount donated was €180,466, which went directly to the emergency relief and reconstruction effort in the Philippines.

Supporting the vulnerable and underprivileged: The "READY" Fund

As part of the actions of the Technip Relief & Development Fund, the Group has decided to support the Red Cross preparation and response disaster fund (the "READY Fund") through a donation of €50,000 in 2013. The purpose of this fund is to allow the Red Cross to ensure better preparation by communities for potential disasters, to intervene in forgotten crisis situations, and to ensure continuity of actions after the period of humanitarian emergency. The READY Fund, with support from Technip and other major corporate partners, will finance actions across the world using a sustainable approach. The renewal of Technip's participation in 2014 has been approved by the Fund's Board.

Finally, the Group has established, since 2012, a tripartite agreement allowing Technip's Corporate Doctor to be made available for up to three weeks per year to provide medical care alongside the Red Cross teams in the event of natural disaster.

4.3. OTHER MAJOR STAKEHOLDERS

Since relationships with employees and local communities are covered in Sections 2 and 4.2 of this Annex E, this section will focus solely on another category of business partners which are of major importance because they justify and facilitate the business operations of Technip: its clients, investors and shareholders.

In this respect, Technip set the following goals for 2013:

- To pursue continuous improvement in client satisfaction and its performance;
- To meet the needs of individual shareholders and strengthen shareholder relationships; and
- To maintain transparent, credible and consistent contact with all investors.

Sections 4.3.1, 4.3.2 and 4.3.3 below summarize the actions undertaken to reach these objectives.

4.3.1. Clients: Maintaining a High Level of Operational Efficiency

Technip is committed to creating added-value for clients by providing high-quality services and delivering high-performance installations which integrate adequate National Content taking into account the context of the country or of the area where Technip performs its operations.

Technip focuses on quality with the aim of improving client satisfaction and competitiveness, which reflects the commitment of the Group to its clients. All quality management systems in Technip operations centers are ISO 9001 certified. Nine key indicators are used as the basis for client satisfaction surveys: health, safety and environment (HSE), project execution, relationship with clients, project documentation, schedule compliance, cost compliance, adequacy of resources, commercial management and post-delivery performance.

Throughout the project, survey questionnaires are used to allow a clearer understanding of client expectations and to identify areas for improvement. Approximately 200 surveys were conducted in 2013 (190 in 2012). The results by the end of November 2013 reflect a level of satisfaction slightly higher than that for 2012, especially in the areas of HSE, project execution, client relationships and quality.

As part of its ongoing quest for increased competitiveness, the Group has paid greater attention to costs and deadlines. Since the adoption of Lean operating principles and the Six Sigma quality improvement program in 2010, approximately 240 Lean-Six Sigma leaders have been trained to train others in the use of these systems (more than 100 in 2012). Similarly, some 200 quality related projects have been launched in all sectors (compared with 80+ projects in 2012).

4.3.2. Investors: Transparency and Reliability

The function of the Investor Relations department is to support the financial community in better understanding Technip's strategy and strengths in order to better assess its valuation.

It is also very important to provide the management and the board of directors with the relevant financial information, as well as the perceptions that investors have of our sector and our company.

In 2013, Technip continued to communicate its strategy, operations, technologies and financial results to institutional investors. All the press releases, presentations, webcasts and transcripts are freely available on the Investors pages of the Group's website. Technip also met with investors on many occasions during the year, either individually or as a group at roadshows and conferences in many cities around the world, and during site visits. In November, Technip hosted a one-day event for analysts and investors in Los Angeles, California. This event provided an opportunity to showcase the technologies that Technip will be offering to the Onshore market in coming years.

National Content is a priority that guides the Group business, behavior and actions. Technip willingly discloses its sustainable development initiatives, with particular focus on the National Content aspect, not seeking recognition but rather feedback that allows continuous improvement. In 2013, this topic was the subject of a specific assessment on behalf of one of its investors, Natixis.

In January 2014, Technip received the Silver Medal (Bronze in 2013) in RobecoSAM's Yearbook, confirming the Group's status as sustainability leader in its industry which is also reflected by its inclusion in the Dow Jones Sustainability Indices (DJSI) since 2001. Moreover, Technip is positioned in the highest ranks of the Euronext_Vigeo_Eurozone list. As Technip wishes to retain its status as leader, in 2014, the Group plans to introduce a process that will incorporate extra-financial data more effectively into its annual reports as part of achieving even greater transparency and clarity.

In addition, Technip received the Top Employer Europe certification by the CRF Institute in 2013, underlining the high quality of its human resources policies. To achieve Top Employer Europe status, companies must comply with a set of criteria in at least five European countries. Technip does so in nine countries. The care taken of Technip's people is clearly recognized on the other side of the Atlantic as well, since the Group was Top Employer 2013 in Brazil and Canada categorized it among the 100 best employers of the country.

4.3.3. Shareholders: Sharing the Benefits of Growth

Technip encourages a fair return for all of its stakeholders and therefore takes care to share the benefits of its growth with its shareholders. On this basis, Technip's Board of Directors proposed that the Annual General Meeting of shareholders of April 24, 2014 approve a dividend of €1.85 per share, an 10% increase over 2013.

A Club for Technip's individual shareholders to strengthen their relationship

In 2013, Technip continued to promote an active and ongoing dialog with individual shareholders by launching in June, 2013 the Technip Shareholders' Club. This Club, accessible via www.cercledesactionnaires.technip.com, following an online registration, will enable the shareholders to enhance their knowledge of Technip's operations through various initiatives and offers such as a shareholders' academy (with financial training, shares management e-learning and informative documents online about our operations and know-how) technological conferences and plants visits, to name but a few.

Through this Club, several events were performed throughout the year with the objective of sharing the values and vision of Technip with its shareholders:

- Two topic-specific technological conferences were hosted in 2013 at Technip's corporate headquarters and were very well received by the shareholders. One was dedicated to refining and the other one concerned FLNG (Floating Liquefied Natural Gas);
- Technip's individual shareholders were received on October, 2013, at Cybernétix in Marseille, a company acquired by Technip in 2011. After the visit of a cabling and the Nautilus (1) robot production workshops, the event continued with a presentation of Cybernétix mechanical design activities, and a computer assisted design demonstration of robotic components; and

(1) Seismic equipment designed by Cybernétix that permits the stabilization of the seismic flutes towed by vessels used for offshore oil field exploration.
(2) Actionaria is the main exhibition in France dedicated to the individual shareholders of listed companies.

- On October 24, the members of Technip Shareholders' Club were invited to the first financial training of the Technip's Shareholders Club, in Paris. The theme of this training was "The exchange rates of the French Stock-Exchange in 2013 and its consequences in 2014".

The Group also had the opportunity to meet current and potential shareholders during two individual shareholders meetings held in Paris (June) and Marseille (December). Additionally, on November 22 and 23, 2013, Technip participated in the Actionaria Exhibition (2) in Paris. Nearly 1,500 visitors, many of them already Technip shareholders came to meet the teams. At the "Agora des Présidents" held in the afternoon of November 22, Arnaud Real, Head of Group Strategy and Deputy CFO gave a live interview attended by more than 250 individuals. This was an opportunity for him to pass on key messages including Technip's strategy for profitable and sustainable growth.

Highlights:

- Throughout the year, Technip performed eight events for individual shareholders and met approximately 2,500 of them.
- Technip Individual Shareholders had the opportunity to meet nearly 30 managers of Technip from different operations, entities and departments.
- The Technip Shareholders' Club, which was launched in 2013 already counts hundreds of registered shareholders.
- The Shareholders' page corner of the Group's website has been rebuilt in 2013.

Conclusion

Technip's 2014 objectives are as follows:

- To continue collecting and analyzing the best practices identified across the Group in order to disseminate them more widely and systematically, and to share experience between the diverse entities of Technip;
- In parallel, to continue the global process of monitoring and identification of best practices around the world;
- To strengthen the Group's monitoring processes identifying relevant performance indicators for projects and entities and tracking the development of Technip's sustainable development approach within the Group;
- To enhance communication in order to create a culture of sustainable development through the incorporation of new performance indicators (via the website, topic-specific articles and targeted campaigns); and
- To set up training programs to raise awareness of all the stakeholders involved at the earliest stages of project execution.

Technip's commitment to sustainable development and to its stakeholders is to act as a catalyst for responsible and long-term growth.