3 SOCIETY AND ENVIRONMENT REPORT

(Article L. 225-102-1 of the French Commercial Code – Grenelle II Law of July 12, 2010)

This report was prepared pursuant to Article L. 225-102-1 of the French Commercial Code *(Code de commerce)*, and describes Technip's commitment to Corporate Social Responsibility ("CSR").

3.1. TECHNIP'S SUSTAINABILITY APPROACH AND MATERIALITY ASSESSMENT

3.1.1. Technip's Sustainability Approach

GRI G4-18

A. General Context

Technip is a global company present in numerous countries, working in multiple contexts and with diversified partners. Its vision is to work with its clients, wherever they are, to bring energy to the world. The Group contributes to the success of its clients through constant customer focus and an integrated and sustainable project approach. As the industry reference, Technip demonstrates the know-how, the commitment and the inspiration to help all of its partners push further to achieve their goals.

The business environment in which Technip operates is increasingly competitive. To continue to deliver profitable, safe, high quality and sustainable energy Projects for the benefit of its stakeholders, the Group therefore maintains its strategic framework focused on the following: (i) profitability and diversification of its Project portfolio, (ii) investment in key assets and in the development of proprietary technology, (iii) strengthening its execution capabilities with increased vertical integration and (iv) being closer to its clients including a strong focus on national content.

In addition, the low oil prices throughout 2015 led Technip to consider even more innovative and cost-effective solutions to meet its clients' needs, introducing value-added technologies and driving optimization and standardization into project design. Similarly, the increased global focus on the implications of climate change, reflected in the outcome of the 2015 United Nations Conference on Climate Change (COP21), provides opportunities to work together with clients towards a better environmental performance including the introduction of an Eco-design methodology based on the Project Life Cycle Assessment (LCA) approach, development of technologies with lower greenhouse gas emissions and expertise.

Technip is continuously focused on its Projects, cost optimization through innovation and on its core principles around safety, quality, and sustainability.

B. Approach

Technip's strength can be measured by its project performance and commitment to its core beliefs and values. Sustainability at Technip means meeting the needs of its clients while conducting business in a socially, economically and environmentally responsible manner to the benefit of future generations in line with the Group's values *(Doing the right thing, Trusting the team, Encouraging a fair return for all and Building the future).* In this way sustainable development is an integral part of Technip's business strategy.

Technip's Sustainable Development mission is to create long term added value in all its activities worldwide to make a continuous, positive and responsible contribution for all its stakeholders.

Technip has used the Global Reporting Initiative (GRI) G4 guidelines as a tangible step towards its commitment to report on stakeholder engagement. This report also complies with Article L. 225-102-1 of the French Commercial Code related to the reporting of social, environmental and societal information and establishes a link with the 10 principles of the United Nations Global Compact.

Technip's sustainable development focus is aligned with what has been identified as important by the Group's stakeholders. These material aspects are set out in detail in Section 3.1.2.

The Sustainable Development Policy was implemented in 2015 and sets out the following key principles:

- building a sustainable future;
- developing people;
- protecting people and the environment; and
- encouraging local development.

C. Governance and Organization

GRI G4-34

The governance and organization of the Sustainable Development function is aligned with the Group's governance structure as detailed in Section 4 of this Reference Document.

The Sustainable Development Board, which comprises three members of the Executive Committee, sets the strategic policy with regards 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 Project Director, the Group Human Resources Director and the President Onshore/Offshore.

In 2015, Technip's Board of Directors, upon the recommendation of its Ethics and Governance Committee, put forward one of its independent Directors, Alexandra Bech Gjørv, to enhance the visibility of sustainable development and improve its integration at the highest level of the Group.

The Group Sustainable Development Department develops principles and tools, initiates actions for continuous improvement and reports to the Group Sustainable Development Board.

Within each Region of the Group, a regional Sustainable Development Coordinator ensures the implementation of the sustainable development strategy in all the entities within their sphere of influence. The regional coordinators, together with the Group Sustainable Development team, constitute Technip's Sustainable Development Network.

In addition Technip's local regions and entities have developed their own approach to integrating sustainability into their activities. In 2015, 16% of Technip´s entities declared having formalized committees, policies and procedures related to sustainable development including the following:

- Social Responsibility Plan (Angola);
- Sustainable Development Committee (Ghana);
- Corporate Social Responsibility Procedure (Brazil);
- Sustainable Development Network (Asia Pacific Region);
- Corporate Social Responsibility Policy (India);
- Social Responsibility and Sustainability in the Supply Chain Procedure (UK).

3.1.2. Materiality Assessment

GRI G4-27

A. Introduction

GRI G4-18

In 2014, Technip conducted a materiality assessment in order to identify its relevant social, societal and environmental aspects and align its sustainable development strategy and objectives. The aim was also to prepare the annual non-financial reporting in accordance with the Global Reporting Initiative (GRI) G4 guidelines and to respect the principles of stakeholder inclusiveness, sustainability context, materiality and completeness. Since 2014, the report is compliant with the "Core" option of GRI G4. The "Oil & Gas" sector specific guidance from GRI G4 is considered not relevant to Technip's activities as it is applicable to Oil and Gas operators only.

B. Methodology

GRI G4-25, G4-26

In 2014, BSD Consulting (an independent global sustainability consultancy) was appointed by Technip to carry out independent interviews with Technip's stakeholders and undertake a materiality test in accordance with both the GRI G4 guidelines and the IPIECA (International Petroleum Industry Environmental Conservation Association) guidance and obtain their perception of Technip's business and organization. A preliminary list of material aspects was defined by BSD Consulting and used during the stakeholders' interviews. The selection process of Technip's stakeholders was designed to cover a maximum of transverse functions, relationships and business knowledge. Internal stakeholders were selected among the Board of Directors, country managers, Chief Operating Officers and executive project directors across Technip's entities worldwide. The external stakeholders were represented by major clients and suppliers, non-governmental organizations, local community leaders and industry associations.

The stakeholders were asked to rate the relevance of each of the material aspects presented in the preliminary list, from 1 (being less relevant) to 4 (being very relevant). The aspects considered to be material for Technip are those where the average rating is superior to 3 for both internal and external stakeholders. During this process, all stakeholders were also asked to provide qualitative statements about their perception of Technip´s approach to sustainable development. The 26 material aspects retained, fall into five categories as presented in both the table and the diagram below.

D. Monitoring and Review Process

GRI G4-26, G4-33

The scope of the Society and Environment Report is set out in Section 3.7 of this Reference Document.

In relation to the reporting process, data and information are monitored and reviewed on a monthly basis by Technip through recognized data management software (mainly Synergi for quality, health, safety and environment data and Enablon for social and societal data) and a network of local and regional coordinators.

These data are consolidated at Group level every year. Technip's consolidated social, environmental and societal information is annually certified by Statutory Auditors appointed as independent third-party entities, to comply with the French Grenelle II law (Article L. 225-102-1 of the French Commercial Code). In addition, the Statutory Auditors have been appointed to audit the totality of this Section 3 including the Global Reporting Initiative (GRI) G4 guidelines and, therefore, extending the scope on a voluntary basis. The report of the Statutory Auditors, appointed as independent third-party, on the review of consolidated social, environmental and societal Information can be found in Section 3.8 of this Reference Document.

C.   Material Aspects and Materiality Matrix

GRI G4-19

Technip's 26 material aspects are grouped into five categories and presented in the table below.

Material Category	Material Aspects	Section of this Reference Document
Maintaining the Highest Ethical Standards	Corporate Governance and Integrity, Risk and Crisis Management, Anti-corruption, Compliance with Laws and Regulations, Responsible Marketing & Sales, Fair & Long-term Business Relations	Section 3.2
Meeting Stakeholders' Requirements & Expectations	Client Satisfaction, Product Safety, Asset Integrity & Emergency Preparedness, Innovative Technology	Section 3.3
Developing & Protecting People	General Conditions of Employment, Employee Development, Diversity & Equal Opportunities, Health & Safety in the Workplace, Security Practices	Section 3.4
Protecting the Environment	Energy Use, Greenhouse Gas (GHG) Emissions, Air Pollutant Emissions, Hazardous Substances, Solid Waste, Water and Wastewater, Biodiversity & Ecosystems	Section 3.5
Encouraging Positive Impacts on Society	Local Content, Sustainability in the Supply Chain, Human Rights, Indigenous & Local Communities' Rights	Section 3.6

The diagram below presents the five categories of material aspects.
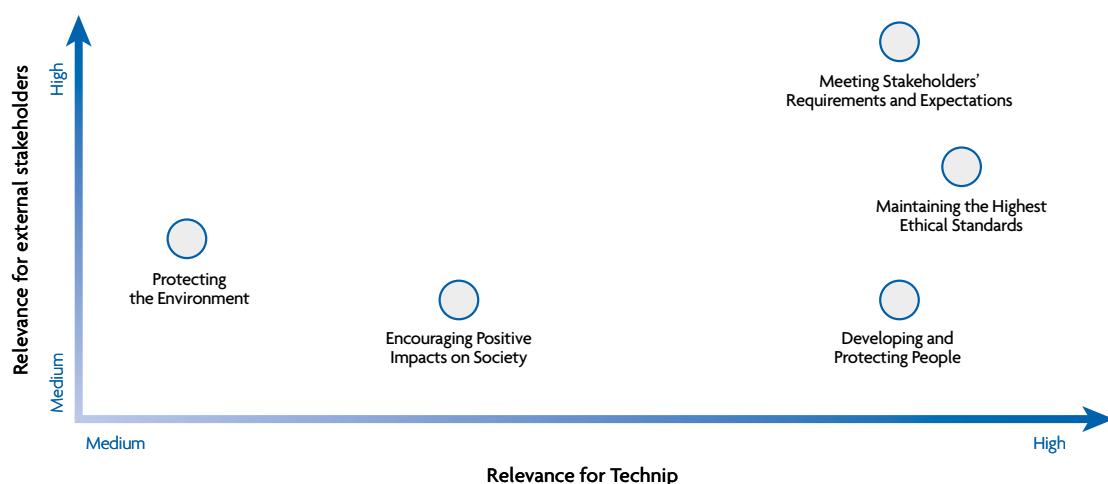
D.   Material Aspects' Boundaries

GRI G4-18, G4-20, G4-21

The material aspects deemed to be relevant by Technip's stakeholders have impacts either within and/or outside of the Group. As such, to determine the boundaries of each material aspect, Technip developed the methodology described below:

1. The material aspects were plotted against the main Technip stakeholder groups.

2. Technip's definitions of aspect boundaries are as follows:

    – *within i.e.,* when it is impacted by or has an impact on Technip's employees, offices, fleet and industrial assets and/or construction sites; and

    – *outside i.e.,* when it is impacted by or has an impact on Technip's clients, subcontractors, suppliers, investors/shareholders, local communities, NGOs and government authorities.

3. The Sustainable Development team members independently rated the material aspects against the relevant boundaries.

4. Aspect boundaries were defined as relevant (*i.e.,* within and/or outside) when at least 80% of the team members were in full agreement.

5. The approach and results were discussed and approved during a workshop with BSD Consulting.

The boundaries for Technip's material aspects are set out in Section 3.7 of this Reference Document.

3.1.3. Key Performance Indicators and Objectives

GRI G4-27

A. Identification of Key Performance Indicators

For each material aspect identified, Technip has been progressively identifying the management approach to be able to collect and monitor relevant Key Performance Indicators (KPIs).

Based both on GRI G4 guidelines and existing indicators at Technip, several workshops were held with internal stakeholders to develop, implement and monitor relevant KPIs.

The main KPIs are listed below:

Material category	Key performance indicators		
	Description	**2015**	2014
Maintaining the Highest Ethical Standards	Number of crisis management exercises	53	Not disclosed
Meeting Stakeholders' Requirements & Expectations	Average grade of client satisfaction survey	8.0/10	8.0/10
	Post-delivery performance according to the client satisfaction survey	8.6/10	8.2/10
Developing & Protecting People	Percentage of women in managing positions	20%	19%
	Total Recordable Case Frequency (TRCF)	0.15	0.19
Protecting the Environment	Amount of waste produced per man-hour worked	1.60 kg	3.58 kg
	CO_2 emissions per man-hour worked	2.80 kg equivalent CO_2	2.50 kg equivalent CO_2
	Amount of water consumed per man-hour worked	15.91 litres	9.98 litres
Encouraging Positive Impacts on Society	Percentage of staff in management positions who are nationals	83.8%	83.9%
	Percentage of the overall Procurement expenditure certified to be sourced in the same country of purchase	51%	40%
	Total amount of contributions to local communities made by Technip entities	€1.4 million	€1.4 million

For each material aspect there is a KPI and/or a Disclosure Management Approach presented in each relevant section of this Reference Document and summarized in the table in Section 3.7.

B. 2016 Objectives

During the interviews carried out by BSD Consulting in 2014, a number of topics were raised by Technip's stakeholders about their key expectations of the Group's management of sustainable development. As such, Technip's external stakeholders stated that the Group has to be more visible in the implementation of KPIs associated with the material issues highlighted during their interviews. The internal stakeholders expressed that the Group has to integrate sustainable development at the heart of the business and close the existing gaps between the Group's vision and operations.

In line with these topics, Technip's objectives in the medium term include the following:

- to continue engaging with top suppliers and subcontractors to provide a benchmark and to ensure they are at an appropriate level in terms of sustainability;
- to enhance dialogue with key clients and partners, to increase the visibility of Technip's innovative and sustainable solutions;
- to develop a sustainable development procedure which will clarify and improve integration of sustainable development into asset management and Project implementation; and
- to continuously enhance awareness throughout the Group to create a culture of sustainable development.

3.2. MAINTAINING THE HIGHEST ETHICAL STANDARDS

GRI G4-DMA

3.2.1. Strong Corporate Governance

GRI G4-DMA, G4-15, G4-56

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.

Technip's activities are governed by the Group Values and the six charters that explain them, particularly the Ethics Charter. The Group values and charters are published on Technip's internet site.

A Clear Strategy and Strong Ongoing Commitment

Technip is dedicated to conducting business across the world according to the highest standards of honesty, fairness and integrity and endeavours to respect 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, is expected to conduct their activities in an ethical and lawful manner on a day-to-day basis. To ensure that employees are sufficiently trained and have access to the tools required to manage compliance risks, the Group has developed a compliance program which focuses on three main priorities:

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

To ensure that the compliance program is understood and effectively applied by all employees, Technip regularly provide communication on the existing tools to implement ethics and compliance throughout the Group. In addition, a comprehensive training program has been established. The training program covers the following topics:

- anti-corruption compliance;
- antitrust regulations and competition law at corporate and regional levels; and
- export control regulations with a particular focus on the rules of export control and embargoes led by, among others, the European Union and the United States.

The training subjects varies depending on the relevant employee category (*i.e.* whether operational or corporate). Moreover, Technip involves external participants in the training sessions, such as commercial consultants, partners linked by way of joint ventures/consortia, custom agents and freight forwarders.

Compliance Organization

Technip's compliance program is supported by a dedicated structure which stretches from the Board of Directors to every level of the Group.

Created in December 2008, the first pillar of the compliance structure of Technip is the Ethics and Governance Committee. It comprises members of the Board of Directors and 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 proposes functional improvements.

The second pillar is the Ethics and Compliance Committee, composed of 11 senior managers from across the Group appointed by the Chairman and Chief Executive Officer (CEO). The Committee directly reports to the Chairman and CEO and ensures that the Group's Ethics Charter and all internal regulations derived therefrom are properly adhered to. The Ethics and Compliance Committee makes proposals to the Chairman and CEO and the Board of Directors concerning ethics and compliance. It also prepares reports on data collected from the managers of the Regions on how the Ethics Charter is being applied. Three working groups have been set up, each of them being assigned specific responsibilities. The Committee meets twice a year in general meetings and every two-months in working groups.

The Senior Vice President Group Chief Compliance Officer (GCCO) which oversees all ethics' programs and ensures Technip's compliance, presides over the Ethics and Compliance Committee. It is in charge of applying and enforcing the Ethics Charter and all applicable compliance procedures and anti-corruption policies. The GCCO reports directly to the Group General Counsel and to the Board of Directors through the Ethics and Governance Committee. In the event of an issue involving the Chairman and CEO or any of his direct reports, such issue is directly reported to the Chairman of the Ethics and Governance Committee. To ensure total independence, the GCCO 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 GCCO relies on Regional Compliance Officers.

3.2.2. Integrated Approach to Risks

Technip's objective is to build and deliver safe and robust solutions to its clients, free of incident and free of unnecessary maintenance during the expected service life of its Projects. To achieve this objective, Technip applies an integrated approach to the measurement and management of risks which is described in Sections 2 and 4.4 of this Reference Document. Technip has identified the potential risks which could have a material adverse effect on the Group, its business activity, financial position, performance and growth.

In addition, Technip's absolute commitment to the health and safety of its people is a core value that is regularly highlighted by the Chairman and Chief Executive Officer of Technip. Quality is also core to Technip´s business and the Quartz Program is built around six key dimensions: Quality Leadership, Operations Performance, Business Excellence, Quality Alerts, Knowledge Management and Supplier/Subcontractor Management. At production plant level, Quartz is known for the BEST program: Better & Safer Together.

Sections 3.4.9 and 2.7 of this Reference Document describe the crisis management and business continuity program set up within the Group. Each year, all of the main entities and projects of the Group have to set up and run at least one crisis management and business continuity exercise, based on the main identified risks.

In 2015, 53 exercises involving the mobilization of dedicated Incident Management teams were reported to the Group

Security Department. The exercises were handled from offices or sites with the aim of resolving various incidents based on realistic scenarios. These exercises involved all Regions of the Group, Corporate teams, the manufacturing units, project teams and vessels. As of 2015, the operating centers based in Aberdeen and Kuala Lumpur are ISO 22301:2012 certified for Societal Security and Business Continuity Management Systems.

To reduce the risk for Technip and its clients, the Group performs a risk rating (a comparative measure of impact) on its equipment and materials. The risk rating is a combination of severity and probability of occurrence as calculated below:

- severity measures the impact/consequences of a risk in terms of: health, safety and environment during commissioning, start-up and operation, cost of the equipment or material and assets linked to the installation, the Project schedule and performance during operation of the facilities;
- the probability of occurrence of a risk is evaluated according to the definitions given in a Probability Matrix. This is to be done for each particular phase of the Project that is under Technip's control:
  - design,
  - manufacturing and testing, and
  - installation, a crucial step for Offshore/Subsea Projects, but also important to Onshore Projects during the construction phase.

3.2.3. Preventing Corruption

GRI G4-DMA, G4-SO4

Covering All Business Operations

To govern its business operations, Technip has implemented several ethics-related operational standards which transform the general principles into concrete operating procedures. These policies are continually updated and revised when necessary. They apply to all of the Group's operations worldwide.

The Doing Business Globally – Technip´s Anti-Corruption Policy & Guide 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 force to assist employees in managing corruption-related risks.

The Group pays particular attention to 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, customs agents and freight forwarders and other processing agents as well as subcontractors, enable the Group to assess and manage corruption risks while conducting business globally.

The Gifts and 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. Similarly, a due diligence procedure is to be completed for all social donations and charitable contributions.

In 2015, the Group continued with its large-scale initiative by developing Technip's first Code of Conduct which is expected to be communicated in 2016. It will be made available through various communication and training channels worldwide and will serve as guidance to employees and as a resource for stakeholders to better understand the role and importance of compliance within Technip.

Whistleblowing Procedure

A whistleblowing process enables Technip's employees to report to the Ethics and Compliance Committee or the Group General Counsel if they feel that there has been a violation of Technip's policies and procedures in the areas of accounting, finance or corruption. The alert can be raised internally *via* an external third party service provider which allows employees to confidentially report any potential violation through the use of a dedicated website, phone, email or 24/7 mail service in their own language to someone independent of the Group.

Training the Workforce and Leadership

In 2015, Technip continued with the regular training organized by Regional Compliance Officers supported by the Ethics and Compliance Committee and continued to improve its training program by reinforcing a harmonized approach across the Group with respect to the delivery and monitoring of trainings, and by developing a new e-learning offering to be launched in 2016. The Group aims at ensuring that specifically identified employees within the Group are appropriately acquainted on anti-corruption compliance on a regular basis.

3.2.4. Complying with Export Control Regulations

Technip complies with all applicable laws and regulations where it operates, including in respect of export control regulations.

In 2015, Technip continued training specifically identified employees on export control regulations with a particular focus on the rules of export control and embargoes led by the European Union and the United States, through its e-learning development in 2014.

3.2.5. Promoting Fair and Long-Term Relations

GRI G4-DMA

The first objective stated in the Ethics Charter consists in offering success opportunities to suppliers, partners and subcontractors in the spirit of fair competition and mutual rewarding collaboration with Technip. Thus, in 2015, the Group continued training specifically identified employees on antitrust regulations and competition law.

A new guidance is under finalization and is expected to be published in 2016.

3.3. MEETING STAKEHOLDERS' REQUIREMENTS AND EXPECTATIONS

3.3.1. Stakeholder Engagement

GRI G4-16, G4-26, G4-27

A. Stakeholder Mapping

GRI G4-24

Technip acknowledges the variety of its external stakeholders and their diversified interests. It also acknowledges that not all of them represent the same level of importance with regards to the operations and priorities of the Group. 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.

❚ Clients and Business Partners

Technip is committed to creating added-value for clients by providing high-quality services and delivering high-performance installations that integrate requisite national content, taking into account the context of the country or of the region where Technip performs its operations. Section 3.3 of this Reference Document describes how Technip is meeting its stakeholders' requirements and expectations. Section 3.3.2 details how Technip measures its clients' satisfaction.

As of December 31, 2015, the Group's list of clients includes international oil companies, such as BP, Chevron, ConocoPhillips, ExxonMobil, Shell and Total, a large number of national companies, such as CNOOC, PDVSA, Pemex, Petrobras, Petronas, Qatar Petroleum, Saudi Aramco, Statoil as well as large independent companies such as Anadarko, Noble Energy and Tullow Oil.

Section 11.5.3 of this Reference Document details the technological partnerships with some clients. The following is a list of some of Technip's long-term partnerships:

- Shell:
  - 15-year frame agreement on FLNG, from FEED (Front End Engineering and Design) to EPCI (Engineering, Procurement, Construction and Installation),
  - Subsea EPMS Enterprise Frame Agreement signed in January 2012 for 10 years,
  - Offshore Engineering Enterprise Frame Agreement for Asia Pacific Region signed in 2012;
- BP:
  - 10-year frame agreement on Spar hull, from FEED to EPCI in the Gulf of Mexico,
  - Exclusive alliance on BP's PTA (Purified Terephthalic Acid) technology from licensing to FEED since 2000 for PTA plants (extended in 2013),

– Global Frame Agreement covering Subsea, Flow Assurance, Riser Engineering, Concept Design, Risk, Reliability and Integrity Management;

- ExxonMobil Chemical: equal Joint Venture partner in Badger Licensing LLC, offering phenolics and styrenics technologies;

- Petronas Offshore Facilities: frame agreement, creation of a Hull design JV and joint investment in a fabrication yard in Malaysia;

- HQC (affiliated to China National Petroleum Company (CNPC)) Procurement: creation of JV's for procurement activities in Europe and China for Onshore and Offshore Projects;

- COOEC: combines the know-how, technical resources, complementary assets, commercial and financial capabilities of both companies to target deepwater EPCI SURF Projects in China;

- Tullow Group Services Ltd: frame Agreement for Provision of Concept Studies and Front End Engineering;

- Qatargas: 20 years of successful collaboration;

- Sasol GTL: exclusive alliance on core GTL technology, from Feasibility to FEED; and

- Petrobras: frame Agreement for Fixed Platform Maintenance, since 2007.

Section 1.5.3 of this Reference Document also details the technological partnerships with some key technology providers. Technip's major long-term partnerships are as follows:

- Air Products: cooperation agreement for more than 20 years to supply hydrogen to the global refining industry;

- Asahi-Kasei: non-exclusive worldwide partnership in Chlor-Alkali, for their membrane cell process technology;

- Axens/IFP/TOTAL: a 30-year business relationship for fluidized catalytic cracking;

- BASF: engineering partner umbrella service contract for chemical and petrochemical Projects;

- Sinopec: high olefins catalytic cracking technologies since 1992;

- INEOS & SABTEC: partnership since 1963, 115 polyolefin units engineered; and

- SABIC-IP: partnership for its emulsion and mass Acrylonitrile-Butadiene-Styrene (ABS) technologies for license.

Investors: Transparency and Reliability

The function of the Investor Relations Department is to support the financial community in better understanding Technip's strategy, financials and differentiating technology and assets to better assess its valuation. It is also very important to provide the management and the Board of Directors with relevant financial information, as well as the perceptions that investors have of Technip and its peers in the oil and gas services sector.

Throughout 2015, Technip met with over 1,000 investors, either individually or as a group at conferences and during roadshows in many cities around the world. Numerous visits, *i.e.,* "reverse road-shows", were hosted at Technip's offices: Paris (France), Houston (United States) and Oslo (Norway), which gave investors the opportunity to meet with Management and technical experts. Also, in 2015, nearly 40 analysts covered Technip, publishing regular equity research reports on the Company as well as on the oil services sector and interacted with the Investor Relations team on a continuous basis.

Technip continues to be highly ranked by the investment community for its Investor Relations efforts. In March 2015, Technip was once again ranked as the third most honored company in Europe across all sectors by the *Institutional Investor's* [1] annual survey of portfolio managers and equity professionals worldwide. Technip's Chief Executive Officer, Group Chief Financial Officer (CFO) and Head of Investor Relations were awarded first place for the Oil Services sector's 2015 All-Europe Executive Team.

Technip was also awarded the Best Analyst Day, a new category by the *Institutional Investor* [1], for the Oil Services sector in Europe. These events give the investment community an opportunity to delve into a particular aspect of Technip's business and gain a greater understanding through interactions notably with technical experts and management. In June 2015, Technip was once again awarded by Extel, with participation from over 12,000 investors, as number one Chief Executive Officer and Chief Financial Officer for the entire European Oil Services sector and placed amongst the top corporations for Investor Relations and IR Professionals.

In January 2016, Technip received the Gold Medal in RobecoSAM's Yearbook, confirming the Group's status as sustainability leader in its industry, which is reflected by its inclusion in the Dow Jones Sustainability Indices (DJSI) since 2001. In 2015, Technip was part of the Euronext Vigeo Europe 120 and Eurozone 120 indices. Also the Group received the Global Top Employer certification by the Top Employers Institute, becoming one of the first five companies in the world to be certified at this level. In addition, in 2015, Technip achieved EDGE Certification in five more countries taking the total number of certified countries to eight.

Technip's management and experts play an active role in meeting with the investment community. Within the investment community, Technip has the reputation of always being available to communicate and to be transparent. This is greatly appreciated, as reflected in the honors.

▌ 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 them. On this basis, the Technips' Board of Directors decided to propose to the Annual General Meeting (AGM) of shareholders, which will take place on 28 April, 2016, to maintain the €2 per share dividend (with a shareholder's option for the payment in new common shares benefiting from a discount of 10%).

In 2015, Technip continued to promote an active and ongoing dialog with its individual shareholders by launching several initiatives and communication tools throughout the year, such as a new workshop for shareholders and a dedicated website for the shareholder's guide, to name only a few. This website, accessible *via* the corporate website, enables Technip's current and potential shareholders to access at a glance an enriched and interactive version of the shareholder's guide. A new workshop was implemented to have the view and expectations of the Group's shareholders on specific topics such as the AGM or the communication initiatives of Technip regarding them. The first workshop which was focused on the AGM enabled Technip to better prepare this major event by talking about some key points mentioned by the group of shareholders who were met. This initiative was also highlighted as one of the reasons Technip won the prize of the best Annual General Meeting organized by the CAC 40 companies in 2015.

Technip also enlarged the offer of its Shareholders' Club, launched in 2013, to strengthen its relationship with its individual shareholders with new initiatives for enhancing their knowledge of the Company. Through this Club, several events (such as technological conferences and site visits) were organized throughout the year with the aim of sharing the values and vision of Technip with its shareholders.

The Group had the opportunity to meet current and potential shareholders during an individual shareholder meeting held in Nantes (France) in June 2015 and also during the Actionaria [1] exhibition in Paris on November 20 and 21, 2015. Nearly 800 visitors, many of them already shareholders of Technip, came to meet the Group's teams on the booth and took part in the photo animation set up for them. At the *"Agora des Présidents"* held on November 20, the Group CFO gave a live interview, which was attended by roughly 150 individuals. This was an opportunity for him to pass on key messages including Technip's strategy to survive in this challenging environment and anticipate the recovery.

▌ Suppliers and Subcontractors: Sustainability in the Supply Chain

As a world leader in Project management, engineering and construction for the energy industry, Technip's supply chain is paramount to deliver successful projects. Section 3.6.2 of this Reference Document illustrates the integrated approach and the close working relationship set up by the Group to increase sustainability in its supply chain.

▌ Human Resources

Technip is fully committed to all of its stakeholders including its employees, contracted staff and other stakeholders (*e.g.,* sub-contractors, suppliers, and clients) who are at the core of Technip's strategic development. Section 3.4 of this Reference Document is dedicated to Human Resources.

▌ Local Communities: National Content and Long-Term Relationships

The Group is committed to promote partnerships that strive to improve employability, self-sufficiency and development at both local and national levels. Section 3.6.1 of this Reference Document illustrates how Technip's actions have contributed to increase local capabilities. Also, Technip seeks to build long-term positive relationships with the communities living near its operations, which is the focus of Section 3.6.4 of this Reference Document.

▌ Professional Associations

As a key player in the Oil & Gas sector, Technip is a member of the GEP AFTP (Association of companies and professionals in the Oil & Gas sector). This allows Technip to be involved in a dynamic network, to promote its technological excellence and to share information and experiences on various subjects including sustainability. Technip is involved in a working group dedicated to local content and participates to the different events and seminars organized by the GEP AFTP. Technip is also a member of the AFEP (Association of French Private Companies) which represents over 100 of the largest companies operating in France. AFEP takes part in public discussions, aiming to find pragmatic solutions that will encourage the development of a competitive French and European economy. AFEP is particularly involved in sustainability topics such as human rights' regulations and Corporate Social Responsibility (CSR).

To maintain its role as a leader in technological innovation, Technip is engaged through a partnership with IFP Énergies nouvelles (IFPEN). IFPEN is a public-sector research and training center in charge of providing solutions to take up challenges society faces in terms of energy and climate. In 2014, Technip renewed its partnership and entered into a five-year framework partnership agreement with IFPEN in the offshore oil production sector. This partnership aims to develop technologies on flexible and rigid pipes as well as umbilicals and is the continuation of more than 40 years of close collaboration between Technip and IFPEN, since the invention of the flexible pipe.

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(1) Actionaria is the main exhibition in France dedicated to the individual shareholders of listed companies.

B. General Communication with Stakeholders

GRI G4-25

Throughout the year, Technip interacts with its stakeholders internally and externally through different channels. Internally, Technip enhances cohesion and social exchange by organizing events across all the entities such as: One Technip Day (an initiative to bring together virtually the entire Technip staff on the same day, which had in 2015 a special focus on sustainable development); an online chat with Executive Committee members open to all employees; regular Townhall meetings (where top management share a business update and establish a dialog with staff in attendance); worldwide events or campaigns such as the Quality Month, the Pulse HSE Leadership Week, the World Environmental Day and the World Health Day. Additionally the Group has its own internal channel to transfer information such as Technip in Motion – a fortnightly digital newsletter and *Horizons* magazine – a printed 24-page newspaper, on Technip strategies, projects and people; The Link global intranet portal; and the *Tomorrow* magazine, a technical review released twice a year.

In 2015, Technip rolled out a campaign encouraging all staff to join Yammer, the internal social network available for all staff, with the objective to boost online collaboration by directly bridging departments and geographies beyond borders; with 10,000 employees already connected, Yammer also reinforces mutual comprehension and ultimately strengthens the corporate culture.

Technip is active in the media to engage with external stakeholders and the public, with more than 80 interviews of the Top Management and 31 press releases in 2015. To strengthen its link with the public, the Group communicates through social media (more than 35,000 Facebook fans, more than 395,000 followers on LinkedIn and more than 9,500 on Twitter in 2015), its website www.technip.com, and brochures such as Technip at a Glance or the Activity and the Sustainable Development Report, also available online. With 37 selected tradeshows worldwide, 108 marketing brochures, more than 200 papers presented at international technical conferences, and more than 20 technical articles published in the Trade Press, Technip is proactively engaging with its business stakeholders.

3.3.2. Client Satisfaction: Focusing on Operational Excellence and Continuous Improvement

GRI G4-DMA, G4-PR5

Technip is committed to creating added-value for clients by providing high-quality products and services and delivering high-performance installations which integrate adequate national content, taking into account the context of the country or region where the Group operates.

Technip focuses on quality with the aim of improving client satisfaction and competitiveness, reflecting the Group's commitment to its clients. All Technip's main entities are ISO 9001 certified.

Technip launched the Quartz program in 2014, focusing on quality leadership, operations' performance, continuous improvement and supplier and subcontractors pro-active risk management. The primary objective of Quartz is to increase the level of awareness and knowledge among employees and different stakeholders with the aim of encouraging a culture of excellence and continuous improvement. To this end 1,700 managers have attended dedicated Leadership Workshops. At the end of 2015, over 22,000 people had completed the first e-learning module.

In 2015, Quartz focused primarily on continuous implementation of identified opportunities for improvement, focusing on two things: (i) doing work more efficiently, to avoid wasting effort and resources, and (ii) working properly, to avoid costly mistakes and reworks.

As part of its ongoing efforts to increase competitiveness, the Group has paid increased attention to costs and deadlines. Since the adoption of the Lean operating principles and the Six Sigma quality improvement program in 2010, more than 300 people have been trained in Lean-Six Sigma to assist others with the use of these methods. Similarly, more than 200 Improvement Projects have been implemented in all main operations, generating an estimated savings, in terms of gained efficiency and/or effectiveness, of about €10 million a year.

Regarding client satisfaction, the following key indicators are used as the basis for 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 some of Technip's Projects, survey questionnaires are used to allow a clearer understanding of client expectations and to identify areas for improvement. In 2015, 200 surveys were conducted on 130 Projects across Technip's operating Regions and business segments. The results reflect a level of client satisfaction almost consistent with the 2014 result: the overall rating is 8.0 out of 10. Moreover, according to clients, Technip differentiates itself especially on project management and execution, customer relations, post-delivery performance, quality and HSE. For Post Delivery Performance, the ranking is 8.6 out of 10.

Operational excellence requires a strong integrated approach to risks, as detailed in Section 3.2.2 of this Reference Document.

3.3.3. Product Safety

A. Within Technip's Projects

In over 50 years of existence and presence in the energy industry, Technip has developed its technical know-how, organization, work methods and the awareness necessary to successfully address health, safety and environment (HSE) at all stages of project execution and product manufacturing. This is reinforced by strict vigilance to critically review everything the Group does in order to further improve the HSE performance of the facilities and products designed.

Technip believes that all accidents are preventable. Therefore, the objective is to bring its customers further on the journey to zero accident, as detailed in the Sections 3.4.9 and 3.5.1 of this Reference Document dedicated to Health, Safety and Environment (HSE).

Safety is a top priority for Technip and it is rigorously implemented in all phases of project execution (from process, engineering and procurement to construction, installation, commissioning and start-up) as detailed in the sections below.

▌ Hazard Management as an Integral Part of the Design Process

Technip endeavors to systematize a risk assessment based approach to manage hazards associated with Project operation and anticipate the safety requirements as early as possible during the design stage, in particular through:

- plot plan development (inherently safe design by layout optimization);
- control of ignition sources;
- fire and explosion protection in the facility;
- safeguarding measures (prevention, control and mitigation).

Technip intends to maximize the inherent safety from the beginning of the design process, by minimizing the likelihood of the occurrence of major accidents and the subsequent consequences of major accidents such as fire, explosion, cryogenic and / or toxic events in all facilities designed. The processes include providing philosophies, specifications and recommendations to be implemented in the design to achieve a risk reduction to ALARP (As Low As Reasonably Practicable).

The implementation of the HSE philosophy throughout the design process, is ensured by carrying out systematic multi-disciplinary reviews and workshops which take place at regular intervals of the Project such as:

- plot plan reviews;
- Hazard Identification (HAZID) reviews;
- Hazard and Operability (HAZOP) reviews;
- ALARP demonstrations; and
- Safety Integrity Level (SIL) reviews.

In addition, Quantitative Risk Assessments (QRA) are performed to demonstrate the acceptability of risks during the operational stage in terms of regulatory and contractual risk acceptance criteria. These assessments take into account the accidental loads and additional risk reduction measures from the design stage. The accidental loads are defined during the design stage for safety critical elements such as platform decks, primary structures, equipment containing hazardous substances and Emergency Shut Down Valves (ESDV) by simulating the effects of toxic or flammable gas dispersion, fires and explosions.

Those risks found unacceptable according to client or regulatory criteria are minimized to acceptable levels, by implementation of risk reduction measures following the ALARP approach.

In parallel, Technip develops safety engineering activities like the design of fire and gas detection and active and passive fire-fighting systems.

▌ Safe Plot Plan Development

Technip has extensive experience in designing facilities and equipment to meet the safety, operability, maintainability and constructability requirements of laws and standards, client specifications and good operating practices. This includes layout and separation distances taking into account hazards inherent to the operations, natural hazards, construction constraints and safe means of egress requirements for personnel evacuation.

▌ From Safety to Environmental and Health Protection in Design

To minimize the impacts and risks managed in accordance with the ALARP principle, Technip ensures that installations are designed in compliance with environmental and health regulations and standards. Applicable regulations, client standards and other applicable performance standards are first analyzed to identify the requirements to implement into the design of Technip projects.

Multi-disciplinary Environmental Aspects Identification (ENVID) reviews are performed to identify, evaluate and propose mitigation measures on a project's general and specific environmental aspects during the design stages. The environmental studies cover inventories of gaseous emissions, liquid effluents, solid wastes and noise levels. Multi-disciplinary Health Risk Assessment (HRA) reviews are performed to verify that the design is acceptable regarding occupational health and to propose mitigation measures where potential health effects are detected.

Greenhouse gas emissions and energy efficiency analyses are used to define Best Available Techniques (BAT) to be implemented in project design. The Environmental and Health Aspects Register (EHAR) can be developed and updated throughout the life-cycle of a project.

Finally, Technip performs noise, water and atmospheric dispersion and waste management studies to assess the environmental impacts in parallel to the Environmental Impact Assessment (EIA) developed by Technip Clients. These define mitigation measures to be implemented during project design and operation. The environmental monitoring requirements can also be specified in terms of emissions and ambient air quality during project operation.

▌ Safe Construction and Start Up

Safety is fully incorporated in construction and start up phases, during which Technip's commitment is to safely hand-over the plant to the client according to its requirements and expectations.

Product safety also refers to plant durability and reliability throughout its lifespan, dealing with the technology used to prevent and detect potential spills and with quality and safety control measures put in place during the plant construction and operation.

Technip construction and start up methodologies aim at ensuring that plant performance is kept to the highest level and the impacts on health and safety of local communities are minimized. These methodologies are constantly in evolution in the spirit of continuous improvement, through the collection and analysis of project and site feedback.

Technip specifically takes into account and strives to minimize the effects and risks to:

- all persons directly involved in construction activities;
- local communities living or working in the areas surrounding the plant.

Before commencing any construction activity, Technip develops detailed Project HSE plans and procedures, which are then transferred to the subcontractors. A specific set of HSE procedures and tools are applied during construction, pre-commissioning, commissioning and the start-up of operations.

To select the most HSE-compliant subcontractors, Technip adopts a strict pre-selection (before tender) and qualification (prior to awarding any contract) process for its subcontractors, checking in particular, their organization, working processes and HSE statistics from past projects.

To ensure the highest HSE performances on site, subcontractors are constantly monitored up to the final performance assessment report. The monitoring is conducted at all levels, from management to manpower, through detailed programs, including the Behavior Based Safety (BBS) program based on the observations of workers' behavior. Specific incentive plans are often deployed to further encourage subcontractors and promote safety on site. The strict application of procedures such as the PTW (Permit to Work) is mandatory.

To continuously improve HSE performances, Technip regularly analyzes the data collected from sites. Several indicators are used to assess the performances and take the proper corrective actions, including Total Recordable Case Frequency (TRCF), Lost Time Injury (LTI), Serious Incident and Fatality Frequency (SIFF) and Severity Rate.

To control working processes and performance, Technip implements construction quality plans based on the highest quality standards in order to avoid and minimize any potential issues, such as leaks and spills. Piping welding and flanges torqueing are examples of processes followed by a strict quality control program.

To safely and effectively manage start-up activities, Technip implements a new approach called "Smooth Start Up". It is a structured methodology to identify in advance and minimize the risks of unplanned shut-downs or undesired limiting/delaying failures during first plant start-ups. This methodology is intended to avoid detrimental effects on assets and operations, while reducing the risks of discharges and pollution impacting local communities.

B. Within Technip's Products and Technologies

In the Subsea business segment where Technip has manufacturing activities, for example for flexible pipes, the API (American Petroleum Institute) construction codes are strictly applied to design and rely on product performance. Due to API 16A and API 6A, end connectors assembled on Technip's flexible pipes are designed according to a product specification level and a performance requirement. Product specification levels are quality class requirements based on rated working pressure and type of fluid. Performance requirements are based on the service conditions, as specified by the purchaser. Product safety levels and product requirements are key data taken into account for a safe design. A qualification phase is intended to demonstrate the level of performance achievement.

Taking into account the API 16C, choke and kill products are tested up to their highest limits to establish the relationship between failure mode and safe usage factors.

Finally, to ensure overall product conformance, the API 17J is applied to define the technical requirements for safe, dimensionally and functionally interchangeable flexible pipes that are designed and manufactured pursuant to uniform standards and criteria. Minimum requirements are specified for the design, material selection, manufacture, testing, marking and packaging of flexible pipes, with reference to existing codes and standards where applicable.

All Technip products, design methodologies and manufacturing processes are continuously monitored by third party inspection bodies and validated through Type Approval Certificates. These certificates are provided after Technip's products pass the relevant performance qualification tests. These bodies certify that Technip takes sufficient safety margins in line with the API standards but also that Technip integrates the latest knowledge from manufacturing, testing and field experience. In addition, all assets are independently certified according to quality, health, safety, environment and security standards.

Technip's R&D department typically uses industrial process qualification methods which incorporate the analysis of risk, types of failure and consequences. For a more robust approach, due to the sharing of best practices, all Technip units adhere to the same high-quality levels. This best practice approach applies both to Technip's infrastructures and as well as its key partners. The products and services of these key partners are selected pursuant to the requirements of international codes and standards as well as best practices before being integrated into Technip's certification program. Key partners are also invited to transfer Technip's requirements and philosophy to their own partners. Each year, the Supply Stars program awards Technip's best partners in different categories.

Technip continuously improves the quality control applied during the manufacturing processes. In 2015, new nondestructive ultrasound testing technologies were deployed to detect potential defects or anomalies during the manufacturing of both polymer and metallic layers.

In parallel to continuously improving quality, Technip strives to use the latest manufacturing technologies to facilitate the work of the operators, particularly for the manual intensive operations. For example, a robot has been designed to assist technicians in the mounting of flexible pipe-end fittings in Technip's manufacturing plants, thereby significantly reducing the strain imposed on the technicians while also improving the quality of the product. After extensive testing throughout 2015, this tool will be deployed to all sites in 2016.

In construction, a flexible pipe, which is a composite structure made of several metallic and plastic layers, is a robust solution to confine a spillage in the pipe annulus and to detect the spillage before it potentially damages the environment. Technip's R&D programs are oriented toward reliability and durability objectives, for example, its annulus continuous monitoring and the "morphopipe" projects. Technip know-how is not only dedicated to designing and manufacturing flexible pipes, but also to demonstrating robustness through the entire life-cycle.

Technip has also qualified a range of monitoring technologies which help to ascertain the integrity of the assets and infrastructures throughout the service life. The RTMS (Riser Tension Monitoring System) can continuously monitor the tension in rigid pipe risers ensuring that it maintains an acceptable level and immediately detecting any potential abnormality requiring further assessment. Similarly, the Anchor Leg Load Monitoring System (ALLMS) system provides, on a live basis, the confirmation of the correct setting of floating unit mooring lines. The on-board acoustic emission sensor detects any armor wire breakage in a flexible pipe. These technologies, amongst others proposed by Technip, provide the operators with reliable means to effectively monitor and ensure the long term functionality of their facilities.

3.3.4. Asset Integrity and Emergency Preparedness

GRI G4-DMA

Making robust products is not enough. Therefore, Technip constantly invests in quality and safety culture by applying the requirements of the Quartz and "Better and Safer Together (BEST)" programs to all its assets.

The Group is engaged in a continuous improvement process and its objective is to develop and maintain the highest level of resilience for its assets and apply the best practices as regards business continuity pursuant to the ISO 22301:2012 standard. Since 2015, the Social Security and Business Continuity Management Systems of two Technip regional operating centers have been certified, one based in Aberdeen and the other in Kuala Lumpur. Technip is prepared to react quickly to all kinds of events which may affect its manufacturing assets to avoid any impact on its value chain.

Technip's QHSES (Quality, Health, Safety, Environment and Security) management systems focus on business continuity practices and asset integrity requirements at all levels. These generally involve insurance companies, clients, partners and civil authorities.

Technip's prevention approach includes periodic inspections and continuous monitoring of critical installations. In addition, efforts are made to enhance safe and robust designs based on experience and analysis of lessons learned. The feedback is shared with partners to reinforce a common resilience level.

The Emergency Response teams across the Group organize drills and exercises on a regular basis. The exercises are performed according to realistic scenarios that generally involve civil authorities, partners, clients etc. For example, in Flexi France, the training program includes several exercises with local firemen and policemen. On the Yamal project, six emergency response exercises were conducted on fabrication yards. Our partners, and at times local authorities, took part in the exercise. For additional information, please refer to Section 2.7.2 of this Reference Document.

Regarding Technip's assets, emergency plans are established in all factories and continuity plans are in place to prepare for any major issue that could occur. For instance, one of these plans was tested during the bird flu crisis, to check its effectiveness.

The Business Continuity Plan (BCP) is also included in the Group's asset risk management. This document is transferred to key business partners for a more robust approach. The Group considers several emergency scenarios, including maximum states of alert. To strengthen its engagement with local stakeholders, Technip performs on a quarterly basis, crisis management exercises and training involving authorities and civil society such as police, firemen and medical units.

In the Flexi France manufacturing plant for example the BCP consists of 34 main scenarios presented in the form of reflex sheets and emergency response instructions. In 2015, Flexi France carried out an exercise in a workshop, with 30 local firemen

during half a day and also carried out a natural disaster simulation throughout the course of one week as a training program for 10 firemen. Other training and exercises have been carried out regarding safety, fire, accidents requiring medical assistance, chemical spills, man over-board incidents, vessel navigation incidents, flooding within the workshop, power-cuts and major equipment breakdown. In all cases, Technip proved that the procedures put in place are robust and the assets are resilient.

Technip procedures are in accordance with the best industry standards: FM Global programs, APSAD rules, ISO 22301 (Business continuity management systems) and ISO 31000 (Risk management).

3.3.5. Sustainability and Innovation for a New Energy Future

GRI G4-DMA

A.   Anticipating COP21

In December 2015, an historic climate agreement was adopted by 195 countries at the United Nations Climate Change Conference 2015 (COP21) held in Paris. The commitment to keep the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C, clearly demonstrates the political will to address the climate change threat and ensure the transition to a low carbon economy.

As referenced in the Paris Agreement, the private sector has an important role to play and Technip believes that with its technologies, competencies and responsible business approach it can provide a valuable contribution. Since 2002, Technip has been adhering to the principles of the UN Global Compact, which is the largest coalition of businesses taking action for climate improvement. Throughout the COP21, a large number of heads of state and government members drew particular attention to the importance of accelerating the following: investments, action and research programs regarding sustainable innovations and green technology.

Technip has anticipated its clients' requirements, commitments and expectations, introducing since 2010, a new integrated approach that combines "Sustainability & Innovation (S&I)", with the aim of fostering engineering solutions that meet future energy scenarios and leading-edge technologies that mitigate climate change.

B.   Differentiating through an Integrated Approach

In combining sustainability with innovation to provide tangible engineering solutions and technologies, Technip has identified a key differentiator amongst the EPC contractors and technology providers for the energy industry.

To reinforce this approach based on four pillars (environment, economy, society and innovation), since 2013, Technip has a dedicated "Sustainability & Innovation (S&I)" function within Technip's Group Sustainable Development department.

The S&I's main objective is to give higher visibility to the environmental-social-economic benefits already embedded in Technip's innovative technologies and to further promote the implementation of S&I solutions in Technip projects, products and R&D activities.

▌ Increasing Internal Involvement, Competencies and Methodologies

In 2015, S&I actions evolved from promoting internal awareness to the direct involvement of Technip resources and further development of competencies and methods.

This resulted in the elaboration of customized training to incorporate sustainability and innovation criteria in 3D plant modeling. Technip experts went beyond the eco-design principles of LEED (Leadership in Energy and Environmental Design) standard and, in collaboration with the software provider, used 3D modeling functionality to support the evaluation and selection of the most sustainable and innovative design solution. In February 2015, the webinar on "S&I using 3D model" took place with the participation of more than 50 engineers from various Technip regions.

In November 2015, the HSE Design seminar took place online for the first time with the participation of more than 170 engineers from 25 operating centers. The event allowed all participants to share their knowledge and experience and to address a wide variety of subjects including risk assessment, environmental protection, evacuation and rescue analysis, human factor studies, environmental lighting impacts, leak detection and prevention.

Regarding new methodologies, a step forward was taken in increasing the implementation of sustainability in projects through the creation of a manual of key "Project Sustainability Actions" (PSAs) in accordance with the work done by the Construction Industry Institute, to which Technip belongs. The PSAs are meant to enhance all processes related to design, procurement, construction and installation of Technip projects with sustainability parameters. The purpose is to support project management and technical staff, providing a set of pragmatic actions, along with comprehensive internal and external standards and references, to implement the most appropriate sustainability actions that meet clients' and stakeholders' expectations. As part of the process, for each sustainability action either KPI's or key success factors have been identified and links are included to Technip's best practices and internal procedures. The PSAs manual is expected to be issued in 2016.

▌**Increasing External Awareness, Stakeholders' Engagement and Collaborations**

During 2015, Technip organized meetings and presentations to clients, partners and top suppliers to make them aware of Technip's combined approach to sustainability and innovation and to discuss potential common initiatives on key topics, including climate change and supply chain management.

Regarding the collaboration with leading technology institutes, in 2015 Technip has continued its cooperation on research and innovation with both IFP Énergies nouvelles (IFPEN) and *Commissariat à l'Énergie Atomique* (CEA Tech) as part of long-term technology development partnerships. In the frame agreements, special focus has been given to asset integrity technologies in order to continuously improve the sustainability performance of Technip installations.

Capitalizing on Forsys Subsea, as described in Section 3.3.5 below, Technip is also evaluating the benefits of compact processing equipment within topside production systems, in order to save space and weight, reduce the hydrocarbons inventory, improve safety and lower the risk of emissions during an emergency scenario.

Moreover, Technip is successfully proceeding for the second year in the key collaboration with the internationally recognized marine research institute CNR-Insean to develop and test sustainable and innovative solutions to increase Technip's competitiveness in offshore installations.

▌**Progressing on Technip's Sustainable and Innovative Solutions**

Technip has distinctive references to innovative solutions included in its technological portfolio or designed and applied in projects. As part of its strategy to make these references more visible, both internally and externally, Technip has decided to create a catalog of sustainable and innovative solutions.

In accordance with the top priority solutions agreed with the Sustainable Development Board, 2015 has been focused on certain Technip proprietary and flagship technologies: Hydrogen, Ethylene and ETH PiP.

Hydrogen plays an important role in the production of cleaner fuels needed by modern and efficient combustion engines. It is widely used in petroleum refining processes to remove impurities found in crude oil (such as sulfur, olefins and aromatic), produce cleaner fuels and thus reduce the effects on climate.

Technip's Hydrogen technology has been implemented so far in more than 260 plants worldwide. The main sustainable benefits provided by this technology include:

- up to 40% reduction of "on-purpose" H2 capacity;
- over 10% improved energy efficiency;
- ultra-low NO_x, due to LSV proprietary burners; and
- up to 20% reduction of CAPEX and OPEX.

For ETH-PiP, the following qualitative and quantitative benefits are highlighted:

- 10% to 30% reduction of CAPEX compared to conventional solution;
- prevention and mitigation of risks of accidental failures and releases to the environment;
- major reduction of methanol injection requirements and consequent environmental risks;
- higher energy efficiency; and
- lay-out simplification (single line ETH-PiP vs. a conventional loop), less risers and reduced equipment on the platform.

In line with the priority of promoting sustainable and innovative solutions for early engagement with clients, Technip has developed eco-design studies that compare the sustainability benefits of various design solutions and technologies enabling the clients to make the right choice. The evaluation of the impacts goes beyond the Environmental Impact Assessment (EIA) by including additional parameters such as global warming, human toxicity, acidification, eutrophication and economic indicators (CAPEX, OPEX, carbon pricing) over the entire life span of the facility. A video highlighting the sustainability benefits for clients and stakeholders is available on Technip´s YouTube site.

During 2015, involvement continued with the centers of excellence for technological innovations and expertise (Technip Stone and Webster Onshore Process Technologies, Subsea Innovation and Technology Center, Genesis, Expert Network, Chief Technology Officers). The collaboration resulted in producing material for oil spill modeling, underwater noise modeling, oil spill modeling, underwater noise modeling, Morphopipe, emissions' monitoring system and 10 engineering solutions' winners of recent editions of Jacques Franquelin innovation awards.

The Jacques Franquelin internal award, created in 2000, recognizes some of the best, creative and innovative initiatives undertaken within the Group. In 2015, there was a record number of 274 submissions and 26-awarded solutions. An additional step was taken for this edition to highlight the sustainability benefits of the winning submissions.

Also, Technip has a special recognition for sustainable development as part of the internal Best Technical Publication Award. This initiative facilitates the implementation of these solutions in Projects. For example, in 2015 a design solution to reduce flaring and increase conversion of associated gases from offshore oil fields, was presented to the GPA (Gas Processors Association) Europe conference to inform the industry actors. This solution has now been implemented by Technip on three Projects (Total's Martin Linge, ADMA OPCO's Umm Lulu and Dong's Herje).

C. Incrementing Sustainable Innovation

Sustainability is playing a greater role in product or service differentiation and is becoming an important driver for innovation, as confirmed by the new international commitments between governments and business players to invest in clean and socially responsible technologies.

Technip is convinced that sustainability allows enhancements and disruptive innovations, which opens new business opportunities and game-changing solutions.

Technip's determination to stimulate sustainability-driven innovations has produced significant developments in Onshore, Offshore and Subsea proprietary technologies including:

- the novel approach in the solids' separation technologies used in Technip's fluid catalytic cracking portfolio, has reduced particulate emissions. In addition, a development program for reduction of NO_x emissions in FCC units was started in 2015;

- the adoption of double-walled self-containment tanks as a minimum safety and sustainability requirement for light hydro-carbons, such as LNG and ethylene, in all of Technip's Projects worldwide;

- the improvements of energy efficiency in ethylene process technology, which delivered a lower cost of ownership to its clients with reduced environmental impact. This involves a number of programs such as compressor-less refrigeration systems and swirl flow tubes;

- the development of proprietary Large Scale Vortex (LSV) burners for the furnaces used in Technip's steam methane reforming to ensure ultra-low NO_x concentrations and exceptional environmental performances compared to the international regulations. The application of this technology was broadened to include Technip's ethylene cracking furnaces testing of improved catalyst which, in combination with Technip's DHU technology, can offer further reduction in steam and energy consumption in styrene plants;

- the specially formulated plastic material, developed to be extruded as a sheath layer, that has the scope of neutralizing the H2S diffusing from the pipe bore before it reaches the flexible annulus and comes into contact with the steel wires, preventing the risk of any H2S induced corrosion related failure. The solution has now been qualified in 2015 for static flexible application and will be extended to dynamic application in 2016;

- the electrically trace heated pipe-in-pipe (ETH-PiP), Technip's revolutionary solution for flow assurance which implies lower power generation requirement from topside, lower power consumption, yielding higher environmental performances and further subsea operational savings; This technology has also the potential to significantly simplify subsea field architecture, replacing the traditional production loops by a single ETH-PiP line;

- the Morphopipe program that enables the insertion, within the flexible riser critical fatigue area, of advanced sensors providing live data for fatigue monitoring and prevention of failures, with benefit in terms of asset integrity and environmental protection;

- the use of Unmanned Surface Vessels (USV) as part of Technip's offshore installation campaigns, allows for the performance of a range of activities in support of its main pipelay vessels. Such activities include pipeline touch down point monitoring and, box-in calibration of subsea transponder network. USVs provide for the minimization of large manned vessels traditionally used to perform these tasks and contribute to reduce the carbon footprint;

- the In-service Riser Inspection System (IRIS), currently being developed to perform state of the art inspections of flexible risers during operation, will enable one to ascertain the structural conditions and "health" status of operating risers; it combines different non-destructive testing technologies to penetrate through the different layers and detect any potential damage (wire breakage, corrosion and cracks). This will enable the confirmation of the integrity of the flexible pipe structure to continue safe operation and, where relevant, allow extension of the service life of the product, providing clear benefits for asset integrity and environmental protection;

- the development of energy harvesting technologies to provide autonomous energy to power a range of sensors, which monitor the integrity of rigid risers;

- the technical and commercial evaluation of OTEC (Ocean Thermal Energy Conversion), where the temperature difference between surface and deep waters is used to generate clean electricity; and

- the research into HOTEC (hybrid OTEC), where waste heat from the topsides' cooling water system is extracted and used to generate electricity.

In 2015, Technip launched and deployed its internal social network Yammer, to further enhance technological collective intelligence, to facilitate the generation of technological innovations from all Technip's resources as well as sharing ideas and expertise. In 2016, Technip intends to launch a large scale internal innovation contest using the full potential of Yammer to leverage on the innovative spirit available throughout the Group.

D. New Services to Meet New Energy and Sustainability Challenges

To respond to industry demand for optimized solutions to reduce costs and increase efficiency, Technip in the first semester of 2015, created a 50/50 joint venture with FMC Technologies, named Forsys Subsea, with the intent of improving return on investment and by reshaping the way subsea fields are designed, delivered and operated throughout their lifespan.

By combining its industry-leading technologies of the parent companies, Forsys Subsea will reduce the interfaces of the subsea umbilical, riser and flowline systems (SURF) and subsea production and processing systems (SPS). It will also simplify the seabed layout, thereby reducing complexity, execution time and risks, thus enabling higher sustainable field production.

Forsys Subsea will focus on:

- early involvement in the conceptual or front-end engineering and design (FEED) phases, when ability to influence economic sustainability is greatest;

- integrated project management, to provide a global approach from concept stage and FEED, all the way through installation and commissioning to surveillance of life-of-field;

- broadest product and services offering, due to the ability to design, manufacture, deliver, install and maintain a full subsea system;
- integrated life-of-field surveillance, monitoring, data interpretation and advisory services; and
- R&D activities to drive game-changing innovations that maximize subsea performance and further reduce development costs.

In addition to Forsys Subsea, Technip offers its clients a full set of solutions to monitor pipe behavior, prevent failures and extend lifetime. Riser Integrity Management (RIM) offers nondestructive systems which monitor the flexible pipes during their service life, and also proposes customer services for a wide range of technologies, systems and tools including the following:

- FDS (flooding detection system), a system using optic fiber to measure the temperature along the pipe. An in-house made software detects a sudden change in the curve of temperature and determines whether the external sheath of the pipe is broken or not;
- AE clamp: system of acoustic sensors which can be mounted on new or already installed risers. This system detects potential breaks of the armor wires due to fatigue, very early in the service life of the pipe, and so limit the possible consequences;
- Bore inspection tool: developed to respond to clients' needs. An HD camera can be sent inside the pipe to send a high definition image of the interior of the drill pipe thereby allowing the carcass pitch and roundness to be determined;
- Morphopipe system: made of multiple sensors distributed along the first meters of the top extremity on risers, giving an accurate and real time measure of the pipe curvature in the stiffener area. An in-house made software uses these data and calculates the remaining life expectancy of the pipe; and
- IRIS (In service Riser Inspection System): it is a versatile inspection tool able to carry out several non-destructive techniques in order to check annulus critical points including water presence, armors integrity, pressure vault unlock and level of corrosion.

The sustainability benefits of the above RIM's solutions are, among others:

- prevention and early detection of potential failures that could generate the risk of releases in the oceans;
- extending the lifetime of the flexible pipes;
- avoidance of critical degradations;
- avoidance of premature replacement of a pipe, to avoid the manufacture and installation of a new pipe if not necessary; and
- avoidance of frequent use of Remote Operated Vehicles (ROVs).

E. Strengthening Leadership on Hydrogen, Biofuels, and Green Chemistry

In 2015, Technip continued to strengthen its leadership in Hydrogen, second-generation biofuels and in sustainable chemistry, as well as in carbon capture and storage.

Hydrogen, as a carbon-free energy source, plays an increasingly important role in achieving clean fuels and sustainable energy. Technip´s leadership is recognized by over 260 hydrogen units licensed worldwide, with multiple contract awards in traditional and emerging business sectors.

Technip was awarded a significant contract by CHS Inc. to provide proprietary technology and EPC services for a grassroots hydrogen plant at the CHS Refinery in Laurel, Montana, USA. The design will utilize Technip's high efficiency top-fired steam reforming technology to produce high purity hydrogen and export steam as well as the latest nitrogen oxide reduction technology to ensure minimum emissions.

Regarding renewable fuels, Technip continued its collaboration with Biochemtex to provide engineering, procurement and construction services for second-generation bio-ethanol projects.

Biochemtex is the only engineering firm entitled to build cellulosic ethanol plants powered by Proesa™, which enables the production of second-generation biofuels using non-edible biomass, such as rice straw and sugarcane *bagasse*. This technology has potential prospects in Italy, Colombia and Egypt.

In 2015, Technip also entered into an agreement with Vertimass to support its development of renewable fuel technology derived from bio-ethanol. Technip has been selected to provide pilot testing, scale-up, and initial plant design for this novel technology that converts alcohol into renewable gasoline, diesel, and jet fuel blend stocks to reduce greenhouse gas emissions.

All the above confirms once again Technip's leading role in the bio-based industry and enables the Group to be well positioned for the projects of sustainable chemistry and conversion of existing plants into bio-refineries, which are more socially and environmentally sustainable, since they use non-edible raw material of vegetable origin and promote local development through circular economy.

Regarding Carbon Capture and Storage (CCS), Technip has partnered with Cansolv (wholly-owned by Shell) to develop a new carbon capture technology capable of removing up to 90% of the CO_2 in waste gases while reducing SO_2 and NO_2 emissions.

With the aim of further supporting clean technologies and energies, Technip has joined the CEPONG (Clean Electricity Production from Offshore Natural Gas) JIP (Joint Industry Project). The JIP is supported by GASSNOVA within its CLIMIT DEMO program. The aim of the project is to study a natural gas offshore power plant with carbon capture as a means of generating clean energy from hydrocarbon resources.

In addition, Technip has signed a technology agreement with Petronas Carigali Sdn Bhd for the development of the K5 field located off the coast of Malaysia near Sarawak. The project involves both surface and subsurface design for carbon separation, transportation, capture and storage using cryogenic distillation technology in the world's first application offshore. The project, which requires innovative solutions to significantly reduce the CO_2 concentration, is likely to position both Technip and Petronas as forerunners in offshore carbon capture and storage, while ensuring that no contaminants are emitted into the atmosphere due to a zero venting and flaring solution.

Another important confirmation of Technip's capabilities and reputation in clean technologies is the award by Duslo a.s. of a substantial contract on a lumpsum turnkey basis to develop the engineering, procurement and construction of a new ammonia production unit in Slovakia. The plant will incorporate the most advanced engineering and technological solutions to improve energy efficiency and reduce greenhouse gas emissions. The solution goes beyond compliance and ensures the implementation of Best Available Technologies.

3.4. HUMAN RESOURCES

Human Resources are at the heart of Technip's development strategy: people are Technip's wealth and strength. Technip's priority is to continuously develop its employees' skills and know-how and to provide them with equal opportunities, regardless of the country where they work or their background, so as to deliver the highest level of Project execution performance.

Human Resources uphold each of the Group's four Core Values, as follows:

A community of women and men driven by shared values			
Doing the right thing	**Trusting the team**	**Encouraging a fair return for all**	**Building the future**
The right partners (acquisitions, agreements and partnership)	To foster cooperation and transparency through social dialogue across teams and management	To offer equal opportunities to every employee regardless of gender or ethnic origin	To build expertise and foster innovation (training and expert network)
The right initiatives and behavior (promotion and respect of the ILO (International Labour Office) convention, standards and Charters)	To motivate and empower others to achieve common objectives (performance appraisals, career talks)	To share profits sustainably (e.g. incentives, Group savings plan)	To commit to excellence in quality and continuous improvement
The right people at the right place (talent recruitment, mobility, succession plan and knowledge transfer)	To believe in each person's contribution (encouraging diversity as an added value to work performance)	To encourage and support employees to reach their maximum potential	To foster mentoring and knowledge transfer (transgenerational projects)

Technip's employees are driven by and uphold these four core Values on a daily basis. These Values are the foundation of the "One Technip" principle, which stands for shared vision, mission and Values. This principle establishes a sense of community and provides a seamless relationship across frontiers and internal boundaries. Technip believes that combining these strengths will empower employees to consider themselves as being part of a single and unique entity, regardless of their geographic and cultural differences.

Technip is committed to its employees and its employee objectives and guidelines are recorded in Technip's Social Charter. This Charter applies to all of the Group's entities. Each entity is responsible for tailoring it to local features and legislations. This Charter is available on Technip's website, under "About Us/Our Commitments" tab.

Furthermore, a Group policy has been set up to ensure that all Human Resources' (HR) processes are implemented within all of Technip's entities.

For the coming years, three major objectives have been defined as follows:

- align HR departments and head offices with common processes and objectives;
- provide effective support to management and operations; and
- develop talents, regardless of an individual's origin or nationality.

The network of regional and local HR managers ensures that the Group's policy requirements and processes are implemented within all entities within their scope.

The details on the reporting scope for entities, the reporting scope for Personnel, Consolidation methodology, the reporting tool and controls are listed in Section 3.7.1 of this Reference Document.

3.4.1. Workforce

GRI G4-DMA, G4-9, G4-10

A. Changes and Organization

▌ Main Changes

Since the beginning of 2015, the fall in the price of oil has had a significant impact on the behavior of Technip's clients: new Projects continue to be postponed while clients reconsider the priority of their investments within the context of the fundamental change in the price of oil.

In this context, Technip decided to launch a restructuring plan and accelerate cost reduction by reducing its workforce to approximately 6,000 employees and downsizing its activities initiated in 2014, to stay focused on its core business. This plan, started in 2015, will continue in 2016. A significant part of the restructuring plan concerned the Onshore/Offshore segment. In this segment, the Group will reduce its presence, principally in North America, Latin America, Asia and Europe. In the North Sea, a slowdown of activities in the Subsea segment is noticeable.

During 2015, Technip:

- ceased its Myanmar activity;
- sold Technip Benelux NV (Belgium);
- sold Crestech (Nigeria); and
- formed Forsys Subsea, a joint-venture held 50/50 by FMC Technologies, Inc. and Technip, to bring together the skills and expertise of two Subsea activities' leaders which will redefine how underwater oil and gas fields are designed, built and maintained.

Those initiatives are part of Technip's strategy based on a long term vision of how Technip can be better placed to meet industry needs and reduce Project costs, while creating value at the same time.

▌ Breakdown of Total Workforce per Contract

Breakdown of total workforce by contract	December 31,		
	2015 [1]	2014 [1]	2013 [1]
Employees on payroll	**30,068**	**32,367**	**32,243**
Permanent employees	26,333	28,862	28,593
Temporary employees (fixed-term)	3,735	3,505	3,650
Contracted workforce	**4,373**	**5,930**	**6,588**
Contracted workers at industrial sites and fleet	1,662	1,778	2,537
Other contracted workforce	2,711	4,152	4,051
TOTAL WORKFORCE	**34,441**	**38,297**	**38,831**

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

At year-end of 2015, the total workforce had decreased by 3,856 employees, compared to year-end 2014 with a decrease of permanent employees (-2,529 employees) and a decrease of contracted workforce (-1,557 people).

The most significant changes were:

- an increase of permanent employees in Brazil, principally with the development of the Açu plant;
- an increase of temporary employees, principally dedicated to the main Project, Yamal LNG in Russia;
- a decrease of permanent and contracted employees, following the launch of the restructuring plan, principally in South America, Asia Pacific, the United States, Europe and Mexico. In these regions, the decrease has mainly impacted the Engineering resources. The R&D and Project Management resources have been less affected so that Technip will be in the best position possible when the activity restarts;
- temporary staff represent 12% of the employees on payroll, a steady percentage compared to 2014 (11%); and
- in 2015, the average of contracted workers was 5,310.

HEADCOUNT STRUCTURE (AS OF DECEMBER 31, 2015)

Operations

(100% of employees on payroll and contracted workforce)

10%
Fleet, Spoolbase, port activity
(9% in 2014)

2%
Yard
(2% in 2014)

14%
Manufacturing Plants
(13% in 2014)

74%
Operating centers
(76% in 2014)
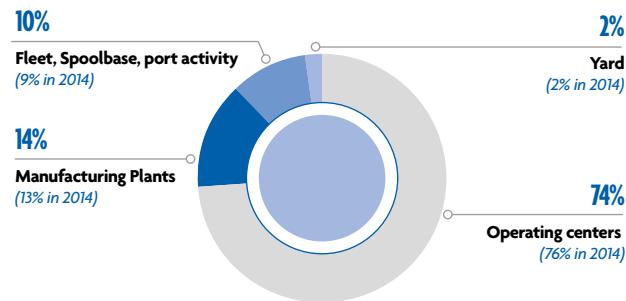
The chart above illustrates the diversity of operations and of the total workforce Group-wide.

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.

The number of employees decreased in particular in operating centers, leading to a stabilization of the weight for other operations.

Size of Entities

(100% of employees on payroll and contracted workforce)

13%

54 entities
‹300 people

22%

15 entities
›300 and ‹1,000 people

65%

10 entities
›1,000 people
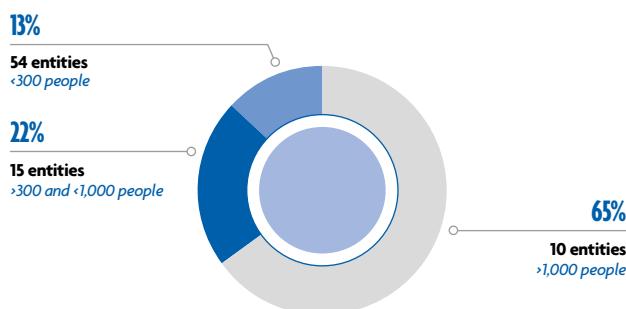
The breakdown of Technip entities demonstrates that two-thirds of employees are grouped in only 10 centers, which means that HR processes and tools can be rapidly put in place in the Group's principal centers to cover a majority of employees. Conversely, it takes more time to cover the rest of the entities as two-thirds of the Group's entities (54 of 79) have less than 300 employees.

The two largest entities after France are located in the United States and India.

▌Breakdown of Employees on Payroll According to Geographic Zone, Age and Gender

(100% of employees on payroll)

Breakdown of employees by geographic zone	December 31		
	2015 [1]	2014 [1]	2013 [1]
Europe	10,618	11,331	11,239
Asia Pacific	8,307	8,662	8,690
Americas	7,846	8,941	8,924
Middle East	2,242	2,354	2,427
Russia & Central Asia	585	288	226
Africa	470	791	737
TOTAL EMPLOYEES ON PAYROLL	**30,068**	**32,367**	**32,243**

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

Employees per Geographic Zone

2%
Africa

2%
Russia & Central Asia

28%
Asia Pacific

35%
Europe

7%
Middle East

26%
Americas
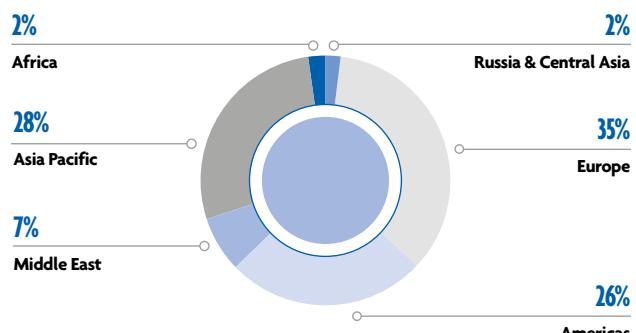
Compared to 2014, the number of employees decreased in all geographic zones, except in Russia & Central Asia, where the Yamal LNG Project is implemented.

Age Pyramid in 2015 *(by range in %)*

Range	%
65+	1.5%
60 to 64	3.9%
55 to 59	6.2%
50 to 54	8.0%
45 to 49	10.6%
40 to 44	13.0%
35 to 39	18.0%
30 to 34	21.4%
25 to 29	14.1%
-25 years	3.3%
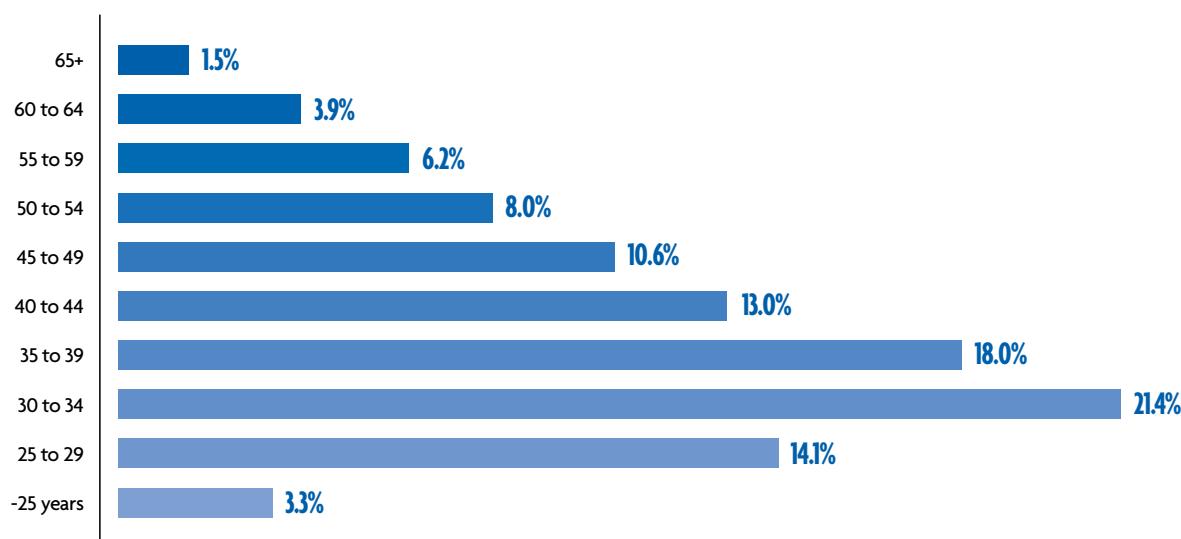
The structure of the age pyramid is quite stable compared to 2014, with an increase in experienced employee profiles between 35 and 50 years old (+2.7 percentage points).

Employees per Gender

24%
Women

76%
Men
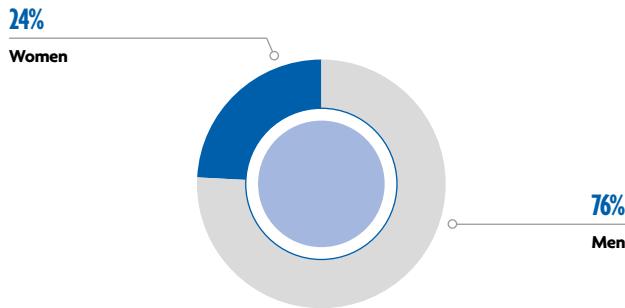
Technip continues to promote talented women, with an increase in the number of women in managerial positions in 2015. In the same period, the economic context has affected the percentage of women and resulted in a decrease of 0.5 percentage point compared to 2014, particularly in the Onshore/Offshore segment.

In 2016, Technip will continue to face the challenge of attracting, retaining and promoting females in the oil and gas engineering sector, which is seen as being male-dominated. See Section 3.4.3 of this Reference Document for more details on Diversity initiatives.

▎ Organization of Working Hours

Working time	December 31,		
	2015 [1]	2014 [1]	2013 [1]
Number of full-time employees	29,514	31,747	31,637
Number of part-time employees	554	620	606
Number of employees working in shifts	3,577	2,908	2,972
Overtime hours (France and main headquarters)	794,793	1,115,298	1,310,954

(1) Coverage rate: 100% of employees on payroll except overtime hours (coverage rate: 50% for 2015 and 51% for 2014 and 2013).

The percentage of part-time employees remained stable at 2% of employees on payroll.

The Group's smaller entities record their time manually. Consolidation of overtime hours is therefore limited to the main headquarters of the Group. Between 2014 and 2015, the decrease in overtime was essentially based in Asia Pacific and North America due to a decrease in workload and Projects.

B. Employment

GRI G4-LA1, G4-LA3

▎ Hires and Departures

Payroll employees: Hires and departures	**2015** [1]	2014 [1]	2013 [1]
Hires	**4,149**	**6,240**	**7,055**
Permanent employees	1,657	3,852	4,611
Temporary employees (fixed-term)	2,492	2,388	2,444
Departures	**5,951**	**6,085**	**5,595**
Permanent employees	4,143	3,993	2,964
Temporary employees (fixed-term)	1,808	2,092	2,631
Renewal rate of permanent positions [2]	**0.40**	**0.96**	**1.56**

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31.

(2) Start/termination of permanent positions.

The variation in the renewal rate is due to the restructuring plan, with a significant decrease in the number of permanent hires across Regions. The number of temporary hires is quite stable mainly due to the development of Yamal LNG Project.

▎ Recruitments

Breakdown of hires per age group – payroll employees	**2015** [1]	2014 [1]
‹ 30 years old	29%	35%
≥ 30 to ‹ 50 years old	56%	52%
≥ 50 years old	15%	13%

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31.

Breakdown of hires per gender – payroll employees	**2015** [1]	2014 [1]
Women	21%	20%
Men	79%	80%

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31.

Technip continues to invest in recruitment to ensure a high level staff to be employed for the Projects. Due to a complex and competitive environment, the focus is on Project management, as well as experienced technical competencies. In 2015, half of the employees recruited were between 30 and 50 years old. However, the global number of employees recruited has decreased particularly for young graduates (309 recruited in 2015).

Throughout 2015, 220 fixed-term contracts were converted into permanent contracts. Furthermore, on average, Technip employed 347 interns and 440 apprentices.

An upgraded version of the online recruitment tool was launched in April 2015 as part of the Talent Management suite of the HRWeB solution. This tool is used by the Group's entities, to publish all vacancies to employees on the Internal Job Portal and is connected to Technip's Career Pages on www.technip.com, allowing recruiters to push offers to external candidates where necessary.

In 2015, more than 170,000 external applications were received, which represents a 54% decrease compared to 2014. In parallel, the average number of vacancies published *via* the tool decreased by 53%, while internal applications only decreased by 9%.

TALENT ATTRACTION

Attracting best talents is a key challenge for Technip. The recruiters must identify and attract the experienced engineers needed for complex Technip Projects from a competitive labor market.

To promote Technip, in addition to the Job Portal tool for recruitment, the Group had to implement the following solutions:

Use of External Social Media

Technip increased its presence on social media by developing its dedicated careers page on:

- LinkedIn to target new talents. Technip's Corporate page had more than 395,000 subscribers in 2015, 95% of whom were not Technip employees. LinkedIn is also used as a recruitment tool and selected recruiters have a license to access the database and post jobs on LinkedIn;

- Facebook, with a "careers" tab, created in 2014. At the end of the year the Corporate page counted more than 35,000 fans; and
- Twitter by regularly sharing information on recruitment related activities to enhance attraction. By the end of 2015, Technip had more than 9,500 followers.

News is regularly published on LinkedIn and Facebook to advertise upcoming recruitment events, such as career fairs and to promote Technip's HR strategy and priorities.

Use of Employee Referrals

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

Career Fairs and School Partnerships

At local level (for example in Abu Dhabi, the United States and France), partnerships were set up with various universities to inform students about Technip's operations; presentations have been organized at universities as well as at Technip's premises. In 2015, job fairs were organized within universities in North America, Asia and Europe.

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

In France, Technip Group has developed a specific partnership with the IFP School which is part of IFP Énergies nouvelles. This partnership is both at local level through Technip France welcoming apprentices, but also at Group level through the sponsorship of students coming from various parts of the globe. Upon successful completion of the program and based on business needs, the students are given the opportunity to join Technip upon their graduation. In 2014-2015, five students were sponsored by Technip.

"Top Employer" Label

Since 2011, many of the Group's entities have been certified as a "Top Employer". In 2015, Technip was one of the first five companies to be certified as Global Top Employer. The certification by the Top Employers Institute rewards the excellence in Human Resources practices according to five criteria: Primary benefits, Secondary Benefits & Working conditions, Training & Development, Career Development and Management Culture. Data checks and interviews are part of the independent audit process.

24 entities were awarded this certification, among which eight are in Europe (Germany, Spain, France, Italy, Norway, the Netherlands, Portugal and the United Kingdom), three in Latin America (Brazil, Colombia and Venezuela), eight in Asia Pacific (Australia, China, India, Indonesia, Malaysia, Singapore, Thailand and Vietnam), and also the United Arab Emirates, the United States, Mexico, Qatar and Russia. Furthermore, three regions were declared Top Employer: Asia Pacific, Europe and Latin America.

▍ Departures

Reasons for departures (permanent employees)	2015 [1]	2014 [1]	2013 [1]
Voluntary reasons for leaving (resignations, retirements)	1,635	2,284	1,997
Lay-off/redundancy/dismissal	2,018	1,308	597
Transfers between entities	287	195	174
Other reasons	203	206	196
TOTAL	**4,143**	**3,993**	**2,964**

(1) Coverage rate: 100% of permanent employees on payroll for entities present in the Group as of December 31.

In 2015, the increase in lay-offs/redundancy/dismissal was mainly the result of the downsizing and restructuring plan in South America, Asia Pacific, the United States and Europe. The decrease in voluntary departures was mainly linked to the decrease in resignations.

In 2015, the increase in permanent employee departures resulted in a 1.6 percentage points increase in the total turnover of permanent employees (15.8%) compared to 2014. The global turnover is the ratio obtained from the total aggregate of departures divided by the average number of permanent employees in 2015.

In 2015, the resignation rate decreased by 2.1 percentage points, mainly due to the economic climate of oil and gas companies.

PARENTAL LEAVES

Parental leaves	2015 [1]	2014 [2]
Number of employees who were still employed at year-end among employees who returned to work after parental leave, which ended during the previous year (in %).	88%	96%

(1) Coverage rate: 85% of Group entities.
(2) Coverage rate: 82% of Group entities.

88% of the women and men who returned to work in 2014 pursuant to parental leave were still employed at year-end 2015.

3.4.2. Employees' Development: Talents at the Center of Technip's Strategy

GRI G4-DMA, G4-LA11

Recognizing and Appreciating Talents

People lie at the heart of Technip, thus Talent Management is at the core of the Group's Human Resources strategy. Recruiting, developing and retaining talents are the main challenges for the Group's future and relevant global HR processes and practices were implemented to meet these challenges within the framework of "Human Resources without borders".

In terms of talent, Technip faces intense competition, especially in relation to experienced engineers and in several specific expert disciplines.

Hence it is not only important to attract this talent to join Technip, the question of how to engage and retain such talent is even more important. 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 its top managers to be recruited internally. With these concepts in mind, Technip's Leadership teams and the Human Resources department spend time and energy on an ongoing basis to develop Talent Management processes and practices.

All these processes are supported by an HR information system (named HRWeB) that is accessible to all employees, managers and the Human Resources department. HRWeB can be accessed by all Technip employees having access to the intranet, either from work or from home. By having all information available in a system, it is possible to conduct analysis from a Corporate perspective, to share and steer (where necessary) to ensure a correct and consistent application of the processes 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 and provides continuous training to all stakeholders involved in these processes.

HR 2017, Technip's HR Development Program

2015 was the first year of HR 2017, Technip's three-year HR development program. It was also a very busy year with many initiatives launched along three axes: (i) preparing the future; (ii) reinforcing learning & development; and (iii) increasing our focus on work conditions.

▌ *"We will meet our future challenges"*

With a significant focus on restructuring this year, workforce management is an even more crucial challenge for Technip's business. A new initiative, Global Resourcing, was launched in the last quarter of 2015 to foster opportunities' redeployment, and sharply reduce lead times when searching internal candidates for structural and global staffing needs. The initiative has already produced encouraging results and will be fully operational in 2016. In 2016, the Workforce Planning process will also be finalized and it will be possible to start the roll-out process.

The journey towards global competency management started in 2015 with the definition of the guiding principles. The development and deployment of competency frameworks and related development planning processes will start in 2016 and continue in 2017.

▌ *"You will reach your full potential"*

The revitalization of Technip University started in 2015. New branding, a new catalogue structure, a new learning platform (iLearn) with modern digital features and new programs for employees, provide sound foundations for a strong corporate university. The Onboarding and Management & Leadership programs have been redesigned and completed. In 2016, the focus will be on increasing global training opportunities to meet business needs as best as possible. The deployment of iLearn will continue in order to progressively manage all training processes across the Group on the same platform.
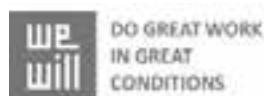
▌ *"We will do great work in great conditions"*

An HR survey was launched at the end of 2015, focusing on work conditions and wellbeing in the work place. As a result of the initial conclusions of the survey, it has been possible to identify the good practices and policies of the entities regarding work conditions and wellbeing in the work place. In 2016, their further deployment across the Group will be assessed.

A. Developing and Keeping Talent

GRI G4-LA9

▌ **People Development**

PERFORMANCE APPRAISAL

In 2015, a global performance appraisal process ran for the sixth consecutive year.

Annual performance reviews are carried out through HRWeB. For those who cannot access the intranet (*i.e.,* workers in plants, the ship-yard or spoolbases), an offline process is available. So the global data is captured to ensure analyses can be carried out.

The performance appraisal 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 employee's future development path.

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 following: (i) the evaluation of behavior related to the Group's four Values; (ii) the Learning & Development needs of an individual; and (iii) the Career Aspirations, both short- and long-term. The review of all these various Sections provides a full overview of an individual's performance and career aspirations. The employee is given a final rating (out of four possibilities) to reflect and summarize the performance of the year. All information is inputted into the system and can be used during other Talent Management processes.

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).

Performance Appraisal Campaign of the Past Three Years

Performance appraisal campaign	2015 [1]	2014 [2]	2013 [2]
Number of eligible employees	23,919	26,682	25,090
% of eligible employees who completed their annual appraisal	98.0%	98.0%	99.8%

(1) Data as of the date of this Reference Document.
(2) Data from 2014 and 2013 has been updated after completion of the campaign.

The percentage of eligible employees who had completed their annual appraisal reflects a strong employees' and managers' involvement in this process.

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 employees, to be able to fully support them throughout their career.

All the results of a Career Talk are uploaded into HRWeB, such that this information can be used during the other Talent Management processes.

Career Talks Performed during the Past Three Years

Career Talks	2015	2014	2013
Number of employees who had at least one Career Talk during the year	1,858	1,411	694

The constant increase in the number of Career Talks demonstrates the growing maturity of the career management processes and the constant commitment of Technip toward employee development.

▌ Promoting Mobility

Three guiding principles describe mobility within the Group:

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

INTERNAL JOB PORTAL AND INDIVIDUAL PROFILE

Technip has an internal Job Portal on which all vacancies are posted and where employees worldwide can review and apply easily through the HR information system. Employees may subscribe to job alerts which inform them of open positions within their area of interest. When an employee applies, the application will make use of the Individual Profile completed by the employee.

The Individual Profile is an internal resume in which employees may indicate, among others, their current and previous work experience, education and language skills. This Individual Profile is available to Human Resources, as it gives background information and an overview of the Career Aspirations (short-and long-term), including the employee's mobility aspirations.

The organization has proven capable of revealing talent within the Group, with more than two-thirds of key positions filled by internal promotions.

In 2015, 1,488 staff members were promoted, *i.e.,* 5.7% of the permanent employees.

INTERNATIONAL MOBILITY

International Mobility is at the core of Technip's profession and the Group organizes and plans it so as to make it an asset of Technip's success within the "One Technip" context.

International Mobility is indeed a key tool used for career development building strong international and multi-local culture in addition to being the traditional Group's business needs solution.

Since 2011, a fair and consistent Group International assignment policy has been in place.

After several years of application, a complete review of the Group's Mobility policy and of its impacts was conducted to ensure the adequacy of its conditions and harmonization amongst Technip's entities. A review was carried out to clarify and optimize mobility conditions, in line with external practices and economic environment. It revealed that consistency had greatly improved and that Group policies had significantly contributed to the "One Technip" objective. The revised Mobility policy will be officially published in early 2016. The Group has set in its objectives the regular revision of its policy to ensure flexibility and adaptation to Technip's economic environment.

The Group's Mobility Process is also supported by the Internal Job Portal, as previously indicated. The Talent Management teams work in coordination with the International Mobility team in order to identify adequate candidates to the technical and practical requirements of international positions. This confirms the Group's commitment to the development of talents and ensures the succession of certain key positions requiring a broad experience of the Group's jobs and functions.

Technip's overall objective of diversity is also developed on its expatriate population where a better Man to Woman equilibrium can be noted as in progress.

The International Mobility has implemented in cooperation with the Finance department, a managing tool in order to closely handle the expatriate population and their costs in a currently tough economic environment. The tool is allowing Technip to identify and locate its expatriates worldwide and estimate and follow up on their costs. This new tool assists in better allocating its resources and competencies as well as controlling and optimizing its costs.

Expatriates' and Inpatriates' Data

Breakdown of expatriates by home office	December 31,		
	2015 [1]	2014 [1]	2013 [1]
Europe	771	831	785
Middle East	475	239	172
Asia Pacific	335	332	392
South America	136	106	110
North America	72	89	66
Russia & Central Asia	12	9	3
Africa	8	2	2
TOTAL	**1,809**	**1,608**	**1,530**

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

6.0% of the employees on payroll have been expatriated to various countries across the world.

The aggregate number of expatriates increased by 12%, mainly in the Middle East (+236 expatriates). This increase is mainly due to the assignment of employees hired in Abu Dhabi who are expatriates at the Group's construction sites.

Approximately three-quarters of these employees have been assigned for the completion of a Project (either in offices or on construction sites). The remaining quarter is assigned to supporting operations, such as procurement, or support function in entities.

61 nationalities are represented among the expatriates, which reflects the multi-cultural nature of the Group and 49% of entities welcome one or more expatriates coming from other Group entities or sites.

Breakdown of expatriates and inpatriates by home office	December 31, 2015 [1]	
	Expatriates [2]	Inpatriates [3]
Europe	42.6%	51.7%
Middle East	26.3%	9.2%
Asia Pacific	18.5%	22.1%
South America	7.5%	5.1%
North America	4.0%	7.0%
Russia & Central Asia	0.7%	0.3%
Africa	0.4%	4.6%

(1) Coverage rate: 100% of employees on payroll.
(2) Expatriates: For an entity, expatriates are staff on payroll assigned abroad under an expatriation or a secondment contract and covered by the Group's International Mobility policy.
(3) Inpatriates: For an entity, inpatriates are in bound assignees sent by another entity of the Group under either an expatriate or secondment contract and also covered by the Group's International Mobility Policy.

As shown in the table above, the proportion of expatriates and inpatriates in each geographic zone is rather well balanced. Europe continues to send abroad lots of expatriates but received also half of the inpatriates.This reflects the voluntary mix of cultures and know-how required to meet business needs and to foster career development within the Group.

❙ Encouraging Training

One of the main pillars to employee development is the corporate university. Technip University is a cross-regional organization dedicated to developing and nurturing knowledge and talent.

In 2015, Technip University was modernized and redesigned to better address employees' needs and be able to give equal and easy access to learning to all. To ensure Technip University's programs are tailored to the business strategy and embedded in supporting processes, its Governance has been updated. The Group Executive Committee serves as the Board of Governors, while the Advisory Board, comprised of senior executives, ensures the programs are always relevant to the business and employees.

In 2015, as decided by the Advisory Board, the priorities in developing programs were given to both Project Management and Leadership. The following programs have thus been designed:

SUCCESSFUL PROJECT DELIVERY: LOOK AHEAD AND GET PREPARED (PROJECT MANAGEMENT)

- Technip is an engineering company and is facing new challenges as its business steps into new territories, technical challenges in all segments and higher expectation from its clients. Its important assets are its field-tested expertise and its human capital. Project Management population is the cornerstone of Project execution excellence.
- The aim of this program is to progressively increase shareholder value through excellence in Project delivery.
- The program focuses on a Pro-Active Contract Management, Trend Alert Management, Change Order and Claim Management and on an Effective Management of Clients.
- This program is co-delivered by Kingsfield Academy and Technip regional Trainers (previously trained to prepare and deliver real case studies).

RISE AND TRANSFORM PROGRAMS (LEADERSHIP)

As part of this strategy, the following guiding principles have been defined and as such, have been used in the Rise and Transform programs design:

- Management and leadership development is delivered to improve business performance and employee engagement.
- The leadership Traits Framework and Technip's four Values are the basis for this program.
- Technip University supports Managers and Leaders to develop the knowledge, skills, behaviors and values which will enable them to perform well in their role.
- All programs create a positive learning environment, a cultural and gender intelligence, and use a collaborative and coordinated approach.
- Management and Leadership Development is aligned with other HR processes including people review and succession planning.

TRAINING, ONE OF THE THREE AXES OF HR 2017 INITIATIVES

"You Will Reach Your Full Potential" is one of the three axes of the HR 2017 initiative. Within this framework, a state-of-the-art learning management platform has been commissioned and has been released Group-wide since January 2016.

This new Learning Management System – iLearn – will display, for each employee, an individual profile with learning needs and training aspirations. It will handle everything from enrollment to delivering classes and tracking class attendance.

Ultimately, iLearn will display an expanded course catalog. Not only will the catalog include new topics, it will provide local modules that will be developed in cooperation with the Regions, to find a good balance between global content and local content. The way courses are delivered will be hybrid: a mix of classroom, papers and videos, remote and electronic learning.

While Technip University's original strategy was to focus on Project Management, Leadership and Technical expertise, the new strategy is to develop training content in all fields, from technical expertise to individual development and management. The new catalogue is displayed as a wheel containing six general topics:

- Win-it: fundamental and advanced knowledge of commercial techniques, and strategic thinking.
- DoÐit: suite of targeted and specific programs and modules to assist, train and develop all Projects' stakeholders.
- Business Support: enables Finance, IT, Legal and HR employees to acquire skills, knowledge and tools. And provides non-specialists with general and acute knowledge and understanding of these disciplines.
- People Development: develops the capabilities of the people to whom Technip entrusts its future *via* a suite of programs and training to build leadership, skills, knowledge and networks.
- Business Fundamentals: all an employee needs to know and learn about QHSES, Ethics & Compliance and other GroupÐ wide programs & policies.
- Onboarding: whether the employee is new at Technip or needs to revise Technip's fundamentals, this part is to know more about Technip, its businesses, organization and Values.

Summary of Training Information during the Last Three Years

Training of employees on payroll	2015 [1]	2014 [1]	2013 [1]
TRAINING HOURS BY GENDER [2]	**574,940**	**901,808**	**801,392**
Women	123,499	218,213	194,921
Men	451,441	683,595	606,471
TRAINING HOURS BY TOPIC	**649,256**	**973,449**	**874,472**
Technical training	155,656	297,080	301,162
Non-technical training (including management, cross disciplines, IT and certification)	196,057	309,557	216,895
Project management training	30,352	28,051	22,990
Health, Safety, Security (including Pulse training)	211,699	210,508	234,769
Languages	42,527	77,168	76,397
Human rights, ethics and Technip Values' awareness training	12,965	29,525	22,259
Others	N/A	21,560	N/A
NUMBER OF EMPLOYEES ON PAYROLL WHO BENEFITED FROM AT LEAST ONE TRAINING DURING THE YEAR	**21,003**	**25,678**	**25,153**
Women	4,927	6,509	6,622
Men	16,076	19,169	18,531

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

(2) Excluding Pulse hours.

Main Evolutions Concerning Training in 2015

- The number of training hours decreased by a third compared to 2014. Cost reduction has affected the technical and non-technical training. However, training was more focused on Project Management and Health, Safety and Security.
- An average of 71% of the employees attended training sessions (compared to 80% in 2014).
- The number of women who undertook training and the number of men who undertook training also decreased.
- The annual average of training hours per female staff employee who attended a training session (*i.e.,* 25 training hours per year) is almost the identical to that per male staff employee (*i.e.,* 28 training hours per year).

Technip University in 2015

- Technip University delivered 7,625 hours of classroom training. Compared to 2014, the increase by 707 hours is due to the implementation of a new mentoring program aimed at Project managers and concerned with the transfer of knowledge. New programs were also introduced in leadership and technical training.
- Training *via* the Technip e-learning platform represented a total of 16,069 hours, a significant increase of 11,439 hours compared to 2014. This increase is mainly due to the Quartz e-learning program, a quality program which 80% of the staff on payroll had completed during 2015. Risk management training and offshore training also accounted for significant activity in 2015.

B. Talent Management: Organization and Processes

▌Talent Management Network

The role of the Talent Management function is to support the development and the mobility of Technip's talents taking into account the development needs and aspirations of employees and business needs.

The Talent Management function is structured as a network with regional representatives and a facilitation at Group level. Through monthly meetings and regular contact the Talent Managers ensure a smooth management of inter-region resources and contribute to the continuous improvement of HR development practices.

▌People Reviews

Between April and July of each year, 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 provides a better understanding of the current potential of these talents, with a focus on their short- and long-term development.

It draws attention to the business issues identified in the Strategic Plans of each segment, region and entity of the Group and highlights their requirements in terms of talent management. This People Review process is forward-looking in its approach and it provides a clear overview of the Group's High Potentials, their development and their potential next positions.

People Reviews Performed during the Past Three Years

People reviews	2015	2014	2013
Number of employees on payroll	30,068	32,367	32,243
Number of employees reviewed	12,873	12,945	12,200

In 2015, the People Review campaign covered more than 40% of the employees on payroll, which illustrates a mature process with a good quality of discussions between Human Resources and Managers. The talent pool is stable and confirms Technip's strategy to develop talents internally.

▌Succession Planning

Succession planning is a process which takes place in a parallel to the People Reviews' discussions with the aim of securing succession for key positions and both short-term and long-term roles.

In 2015 again, a strong focus was made on the succession planning for key senior management positions across the Group and the identification of reservoirs of talents for Technip's core activity of Project Management.

A new module in the HR information system has been developed to capture data and support analytics.

▌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 in Talent management. The Group's job classification does just that — it helps propose meaningful career paths, whatever the employee's department or location.

Technip has identified approximately 500 jobs within the Company which are called "pivotal jobs". Typical features of a pivotal job:

- they are representative in the organization (number of job holders);
- they are similar in most or all regions; and
- they may exist at different levels based on specific differentiating criteria.

The pivotal jobs represent about 85% of all positions within Technip. The remaining 15% of employee jobs are relatively graded. This is the case when the job is too specific to match a pivotal job. Therefore the employee's job is graded by comparison with other positions within the organization.

The jobs are classified inside 11 bands, reflecting levels of responsibility. These 11 bands have two grades to differentiate the job size. All pivotal jobs and relative graded jobs are classified into nine job families and 18 sub job families. The overall objective of Technip is for 100% of employees to have a grade.

In 2015, 96% of employees were informed about their grade and pivotal job where applicable.

▌Retention and Knowledge Management

RETENTION

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

Additionally, the HR information system alert module helps anticipate the risk of attrition in the Group as well as taking all measures needed to retain employees within the Group. This alert module is primarily focused on key people and individuals in critical positions for whom a departure from the Group would affect the business.

In 2015, 170 alerts were raised on employees and 31% of them are still working at Technip. The number of alerts decreased compared to 2014 (249 alerts), following the decrease of the attrition rate.

KNOWLEDGE MANAGEMENT

An area of knowledge management is the management of expertise. Among the most valuable assets of Technip is its high-qualified and specialized personnel. Looking ahead, one of Technip's strategic objectives is to strengthen its technological leadership. To facilitate and encourage staff members to become Experts as well as existing Experts to maintain and progress, an Expert Network is established to enable an Expert to have a visible and recognized position within Technip.

The tasks and missions of the Expert Network would hence be:

- knowledge management including capture and transfer (teaching/mentoring);
- promotion of technology;
- global support; and
- provision of means to develop technical/technological skills outside of operations.

Three levels of expert have been defined: Expert, Main Expert and General Expert to reflect the overall professional expe-rience, the contribution to technology development activities and the external visibility and recognition in the industry outside of Technip.

In 2015, the Expert community, with 603 members, accounted for 2% of employees on payroll.

INTERGENERATIONAL HUMAN RESOURCES' MANAGEMENT

Intergenerational Human Resources' management is at the heart of social responsibility. For several years now, the goal has been to create pathways of knowledge transfer: it is crucial to ensure the development of junior employees as well as to value and capitalize on the knowledge and expertise of senior employees. Their combined experience and knowledge is a priceless asset that the Group cannot afford to lose.

In 2015, 5% of Technip's employees on payroll was over the age of 60. Moreover, the number of employees hired over the age of 50 represented 634 employees, *i.e.,* 15% of total hires.

3.4.3. Diversity and Equal Opportunity

GRI G4-DMA

A. Promoting Diversity

GRI G4-LA12

▌ Gender Diversity as a Strategic Business Priority

Gender Diversity is an integral part of Technip corporate culture. In 2015, initiatives aiming to offer female employees a genuine possibility to realize their full potential were further developed. Gender Diversity is a strategic business priority for the following reasons:

- Technip's future success is dependent on Technip's ability to attract and retain skilled and talent individuals. Tapping into the widest talent pool, which includes an increasing number of qualified and competent women across the world is a real business strategy.
- A wealth of research shows that companies with the best performance, increasing Return on Equity (ROE) ratios and shareholder value are companies with the most gender diverse teams at the executive level (source: McKinsey &Company 2010 Study of the Amazone Euro Fund Database).
- Technip's stakeholders – including governments, investors, clients and current and potential employees – are increasingly focusing on gender composition at all levels of the Company as a key indicator, both from a business and moral perspective.

This priority is value-driven at the foundation and adheres particularly to three of Technip's four core Values: doing the right thing; a fair return for all; and building the future.

▌ Management of this Strategic Business Priority

This strategy was implemented through a plan approved year-end 2013 and implemented at the end of 2013 with actions beginning in 2014 and continuing throughout 2015.

GOVERNANCE, ORGANIZATION AND RESOURCES

- The Chairman and CEO has set out his personal conviction and commitment – internally and externally – to making Gender Diversity one of Technip's strategic business priorities going forward.
- The Board includes five women out of 12 members which illustrates the Group's commitment to gender diversity at the highest level.
- In 2013, the position of Vice-President Group Gender Diversity was created to reflect this commitment and start the process.
- A Governance Structure was put in place with a Gender Diversity Steering Committee and an Advisory Committee.
- The Steering Committee – which meets quarterly, to decide and take actions – has six members, including two members of Technip's Executive Committee.
- The Advisory Committee, which provides ideas and direction, is made up of representatives from all Regions and different levels of the organization.
- In 2015, the two regional Women's Networks continued to support Gender Diversity at Technip:
  - **WITH** (Women Initiatives for Technip): a network dedicated to diversity in Technip France. The network is organized into workgroups around four key topics on diversity: how to engage men in the promotion of women; how to encourage women to be self-initiating in developing their careers; how to animate the network; how to benefit from external initia-tives and networks.

– **STRIVE** (Supporting Technip to Reach Its Vision for Equality): an employee member group, initiated in Technip Oceania. It is led by a nine-person committee to increase diversity and foster equality through five focus area groups: (i) Accreditations and Affiliations; (ii) Events and Networking; (iii) Procedures and Benefits; (iv) Mentoring; and (v) Training and Development. In 2015 a "Male Champions" group was integrated into the network to ensure the full engagement of men in the initiative.

In addition, to formalize Process Technology's full support of this business priority, the PT Gender Diversity Council was formed in 2015. Comprised of a champion and representatives from PT's operating centers, the council will focus on strategies to support this effort and its objectives. During the PT council's first meeting, the members defined a vision: "To be a Technip business unit where every employee experiences the benefits of a gender diverse workplace".

STRATEGY AND ACTION PLAN

The strategy and 3-year action plan endorsed in 2014 by the Gender Diversity Steering Committee will be consolidated in 2016 around the three main aspects: awareness raising, communication and measurement and tracking.

AWARENESS RAISING

- The Regional Executive Committees of all regions took part in Gender Intelligence workshops in 2014. The purpose of these workshops was to create a common understanding of the importance of this topic, to create a shared language around Gender Diversity and to identify the critical levers to becoming a Gender Intelligent organization. In 2015 the Technip Executive Committee also took part in a Gender Intelligence workshop following which the "Technip Gender Intelligent Behaviours" were validated and posted on the intranet.

- With a view to raising this awareness further, "Train the Trainer" sessions took place in 2015 resulting in the training of a team of 48 Gender Intelligence trainers throughout the Group.

- During 2015, the plan to cascade training to the next level of managers was extended to all Regions with a total of around 800 participants. In addition an on-line version of the workshop was developed in 2015 to make this accessible to those who are for example offshore or on remote locations and sites.

- Embedding Gender Intelligence in all recruitment processes and practices was identified as one of the critical levers for a Gender Intelligent organization and during 2015 there were two training sessions, covering 17 people who are involved in the recruitment process to ensure that they apply this awareness to sourcing, interviewing and selection.

- A Leadership mentoring program was created and launched in 2015 with Technip University as part of the Technip Career and Leadership Development program to help develop leaders for the future within the business. The program includes both men and women mentors and mentees and addresses the specific needs of both genders. This will take Technip further in its journey to being a gender intelligent organization.

- "Gender Intelligence" has been identified and highlighted as a "Business Fundamental" in the learning wheel established by Technip University and the new LMS (Learning Management System) will be used a platform to provide more learning material and makes this more accessible.

COMMUNICATION

During 2015, the internal and external communication plan continued to make visible and reinforce Technip's commitment to Gender Diversity, as follows:

- In May 2015, for the second consecutive year, Technip was a sponsor of the Global Summit of Women in São Paul, Brazil. As a clear demonstration of the commitment to this subject, the Presidents of the North America and Brazil regions participated respectively in the summit during a CEO Forum Panel and made a speech at the Closing Ceremony.

- For the third consecutive year Technip was a sponsor for the awards for outstanding women of achievement organized by the French Journal *Usine nouvelle*. A Technip employee was a winner of the "Research & Development Woman of the Year."

- A specific video was created and released in 2015 to highlight both internally and externally our inclusive approach to Gender Diversity.

- In order to communicate fully on these activities and to share relevant information and material, a Gender Diversity site was launched on the Technip intranet during 2015.

EVALUATION: MEASUREMENT AND TRACKING

To evaluate the effectiveness of Technip's approach to Gender Diversity, the following actions were taken as part of the strategy:

- During 2014, Technip implemented Phase 1 of an assessment and certification process with an external global business standard for gender equality (EDGE – Economic Dividends for Gender Equality). Three countries participated – Brazil, France and Italy. The process involved collecting gender related data, completing a policies and practices questionnaire and an employee survey. As a result, Technip obtained certification (through independent external auditors) against this global standard and action plans were put in place to track future progress. In 2015, Phase 2 of this initiative was launched to include five additional countries, comprising seven entities: in Australia, United Arab Emirates, the United States and the United Kingdom. This means that Technip is now EDGE certified in eight countries and every region is represented.

- In relation to the retention of female talent, the EDGE standard is: "60% of women in junior management should progress to top management". The retention of female talent is above the EDGE standard in five out of the seven entities certified in 2015.

- During 2016 the countries involved in Phase 1 (Brazil, France and Italy) will undergo the EDGE recertification process and progress against action plans will be assessed.

▌ **Main KPIs**

During 2015 an internal analysis of gender related data was carried out, where the following KPIs were measured.

Breakdown according to gender	December 31		
	2015 [1]	2014 [1]	2013 [1]
Managers [2]	**3,527**	**3,710**	**3,747**
Women	20%	19%	19%
Men	80%	81%	81%
Non Managers	**22,833**	**24,723**	**26,108**
Women	28%	29%	27%
Men	72%	71%	73%
Blue Collar employees [3]	**3,708**	**3,934**	**2,388**
Women	3%	4%	7%
Men	97%	96%	93%
TOTAL	**30,068**	**32,367**	**32,243**
Women	24%	25%	25%
Men	76%	75%	75%

(1) Coverage rate: 100% of employees on payroll.
(2) Employees who appraise subordinates in accordance with the "Human Resources Without Borders" program.
(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".

Breakdown by geographic zone	December 31, 2015 [1]	
	Women	Men
Africa	110	360
Asia Pacific	1,963	6,344
Europe	2,915	7,703
Russia, Central Asia	214	371
Middle East	262	1,980
North America	835	2,313
South America	970	3,728
TOTAL	**7,269**	**22,799**

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

In 2015, the percentage of women decreased slightly (-0.5 percentage point), particularly in Asia Pacific (-1.1 percentage point) and in South America (-1.2 percentage point). The percentage of female managers has increased by 1 percentage point.

B. Promoting Cultural and Ethnic Diversity

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

In 2015, 116 different nationalities were represented in the Group (compared to 118 in 2014 and 114 in 2013). The most represented nationalities in the Group were French, Indian and Brazilian.

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

C. Equal Opportunity

▌ **Providing Employment to People with Disabilities**

In 2015, Technip pursued its actions in favor of disabled staff employees. Compared to 2014, the percentage of disabled staff is stable. The registration 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.

In 2015, 266 people were recorded as disabled in the Group. Disabled workers represented 0.9% of employees Group-wide on payroll and in particular:

- 5% in Italy;
- 4% in Germany;
- 2% in Brazil, with 84 disabled staff employees; and
- 2% in France with 91 disabled staff employees.

For maximum efficiency, the Group targets its efforts locally, for example:

- In France, the three-year agreement in relation to the employment of people with disabilities signed in 2013 with trade unions in Technip France, results in multiple actions like:
  - organization of the employment of people with disabilities National Week composed of workshops and conferences about multiple types of disability, means of disabled employees' integration and sensibilization on workplace adaptation;
  - an agreement signed with ADAPT association to train all teams working with people with disabilities; and
  - a booklet was sent to employees to better explain the recognition of disabled employees' status.

- In Brazil, the Human Resources department accompanies the adaptation and development of employees with disabilities and also assists managers of these employees. In Brazil the following initiatives have taken place:
  - five disabled employees participated in training on behavioural aspects, to help them to be confident, in terms of their position with the Company. These training sessions enable attendees to spread the message learned to other employees with disabilities who have not attended the training sessions; and
  - regarding accessibility, Technip checked the conditions for use with security and autonomy of all working tools, workstations providing the greatest possible independence to disabled employees.

3.4.4. Compensation and Benefits

A. 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, whose implementation was finalized in 2015, helps in designing and offering state-of-the-art remuneration policies in most of the countries where Technip operates. Global annual salary surveys continue to be held annually. Technip continues to offer long 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 a 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 within Technip's entities in the field of professional equality, particularly in relation to pay, promotion to positions of greater responsibility and the distribution of individual performance levels.

B. Compensation, Change in Compensation and Social Security Costs

▍ Compensation and Change in Compensation

The Group's payroll expenses increased from €1,769.8 million in 2014 to €2,018.4 million in 2015. The Group's social security costs increased from €315.4 million in 2014 to €404.7 million in 2015.

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

▍ 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 2015, the total profit-sharing amount to be paid in France was estimated at €11.3 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	December 31		
(in thousands of Euro)	**2015**	2014	2013
Amounts allocated to incentive profit sharing (France, Spain, Italy)	18,281	21,990	15,449
Amounts allocated to mandatory profit sharing (France)	11,375	6,280	5,253

INCENTIVE PROFIT SHARING

For financial year 2015, several of the Group's French companies had an incentive profit-sharing agreement in place: Technip, Technip Corporate Services, Technip France, Flexi France, 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 2015, the total amount of incentive profit-sharing paid by the Group's subsidiaries was approximately €18.2 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 September 28, 2015.

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, 2015, the total amount invested in the PEG amounted to €161.2 million, including €69.8 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.

A share capital increase reserved for Group employees was carried out on December 17, 2015 resulting in the creation of 1,424,941 new shares. 7,937 Technip employees in 20 countries worldwide participated in this offering and invested a total of €73.4 million, corresponding to a 31.74% participation rate.

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, 2015, the total amount invested in the PERCO was €39.7 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.

3.4.5. Social Relations

GRI G4-11, G4-LA8

A. Strengthening Social Dialogue

Technip has developed a culture which is based on the values of trust, mutual respect and dialog. In order to turn this culture into a competitive advantage for Technip, the Group's HR policy provides a frame of reference regarding information of personnel, relations with trade unions and other employee representatives and transparent discussions with employees.

▌ Labor Relations and Collective Agreements

Collective or individual labor relations are ruled by the local applicable law and collective agreements, the Golden Book (Technip Group Management Principles and Responsibilities) and the GOPS (Group Operating Principles and Standards) which is issued at Group level. All entities must comply with the Group's internal rules, which are available on the Technip intranet site.

In 2015, 52 collective bargaining agreements were entered into in respect of 15 entities. 216 agreements were in force within 27 entities. The agreements cover the following topics:

Topics included in the 216 agreements	% vs. total topics
Working conditions	21%
Remunerations	24%
Health and Safety	19%
Equal opportunity	18%
Training	18%

The percentage of employees in the Group who are governed by mandatory collective agreements varies according to country. In the countries that have entered into ILO convention No.98 [1], 60% of the employees benefit from collective agreements.

▌ Company Agreements in France

Technip entities in France have works councils, employee representatives as well as Health and safety committees. In 2015, 310 meetings took place which can be broken down by the following:

Breakdown of meetings by their nature	2015
Works councils	111
Employee representatives	123
Health and safety committee	76
TOTAL	**310**

As a result of these meetings, 26 entity-wide agreements were entered in 2015, like the annual negotiations agreement, teleworking and work schedule.

▌ European Works Council (EWC)

The European Works Council (EWC) set up in 2005 includes 13 employee representatives in respect of nine European countries and meets twice a year. In 2015, the EWC organized specific workshops on the Group's psycho social risks. One member of the EWC has been invited to join the Well Being working group created within the HR 2017 initiative. The EWC has an intranet site which has been available to employees in represented countries since 2008.

Since 2006, every year, the EWC members have benefitted from training sessions which focus on the multicultural aspect. Those trainings will pursue.

▌ Consultations/Negotiations about Changes to the Organization's Structure

During an extraordinary session of EWC, Technip submitted a restructuring plan to the European Council for consultation. This plan concerns 6,000 employees in the world.

All entities which are concerned by the restructuring plan and which have started their actions in 2015 have consulted their representatives and informed their employees, in accordance with the local legislation.

This plan, which started in 2015 and will continue in 2016, currently concerns 36 Group entities all over the world.

B. Internal Communication

▌ Information of Personnel

Due to Technip's information system, all employees receive the same level of information at the same time. For example, all external press releases are immediately shared with personnel by email.

The Group's *Horizons* magazine, distributed every quarter to all employees in three languages (English, French and Portuguese), is a printed 24-pages newspaper, which reports on the Group's strategy, Projects and people and reinforces the "One Technip" collegiate culture. A digital version of the magazine is also largely shared on the intranet.

The fortnightly "Technip in motion" e-newsletter, published in three languages, provides a snapshot of the Group's Projects and achievements throughout the world.

Tomorrow magazine is a technical review released twice a year.

The Link, the global intranet portal, contains all relevant information about standards, procedures and information on HSE (Health, Safety and Environment), Quality, Human Resources and Security. The Group's intranet site is supplemented by local intranet sites for most of the Group's entities. As part of its knowledge management initiative, Technip uses a collaborative intranet site which makes it possible for communities of technical experts to share best practice, know-how and key documents. Instant messaging and teleconferencing are available to facilitate discussions.

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

In 2015 Technip rolled out a campaign encouraging all staff to join Yammer, the internal social network provided in the Microsoft Office suite, with the objective to boost online collaboration by directly bridging departments and geographies beyond borders; with 10,000 colleagues already connected, Yammer also reinforces mutual comprehension and ultimately strengthens our corporate culture.

▌Encouraging Transparent Discussions with Employees

Following the release of Technip's annual results in February 2015, two sessions of online chat were organized to enable Technip employees to speak directly to Thierry Pilenko, Chairman and CEO and to the other Group Executive Committee members. For one hour, twice in the same day, the Group leaders answered questions. Their responses were published in English, French and Portuguese.

This initiative which started in 2012 and has been repeated every year since, has raised sustained interest across Technip: in 2015, 6,130 employees connected to and followed the online discussion and close to 600 questions were raised during this online event.

A transcript containing questions and answers from the online discussion was made available to all employees after the event and was published in three languages. This allowed employees who were unable to attend the online discussion to access the transcript afterwards. More than 4,000 employees accessed and read the transcript.

Initiatives of this type are designed to promote direct and interactive communication between employees and the Executive Committee. They give employees the opportunity to ask their questions directly, as well as to gain insight into the Group's 2015 performance and its forecasts and priorities for the coming year. It is also a great opportunity for teams to better understand the Group's strategy, to seek clarifications and to allow employees to express their ideas and concerns. Overall, it is a good way to get people talking internally, as required by the "One Technip" spirit.

▌Group Events

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

Since 2008, every year the **Technip Best Technical Publication Award** recognizes the talent and the effort of Group employees who showcase Technip's expertise through technical publications and conferences. And, by comprising one special Sustainable Development prize, it also highlights that Technip is aware of its responsibilities as a Citizen of the World.

Worldwide events or campaigns were organized in 2015: One Technip Day, corresponds to an initiative for the Global Technip family to virtually come together on the same day, Quality month, Pulse Safety Leadership Week, World Environment Day and World Health Day.

3.4.6. Health: Risk Prevention Anytime and Everywhere

GRI G4-DMA, G4-14, G4-LA6

The health of Technip's employees and people affected by its operations is a core Value and absolute commitment for Technip. As the Group operates in different countries with specific environmental conditions, operations and regulations as well as exposure to work-related health hazards, a health management system was implemented in 2012 to safeguard employees' health.

The health strategy was based on a Health Management Plan, an operational document which defines Technip's standards and requires occupational health practices to improve the health prevention and promotion of health at work. Guidelines (GL) and tools in respect of the HSE requirements have been published to support the management of HSE and HR. The GLs currently available cover subjects such as medical management on construction sites and vessels, Health Risk Assessment, medical emergency response plan and first-aider training, and fitness to work abroad requirements.

Standards and guidelines are regularly reviewed to make sure they remain appropriate in promoting frequent improvements.

At Group level, the medical department includes two doctors (one based in France and one part time based in Brazil) and one medical officer, and supports the Regional medical, HR and HSE global networks across the Group, in health promotion.

There is a permanent cooperation between the Medical team and the HSES teams to cover all Technip Operations with practical and relevant support. This joint approach is paramount in matters of Emergency Response (ER) process. In 2015, all ER exercises organized within the Group gathered Medical staff and HSES staff.

The medical department manages medical information on the Technip Group intranet site. This site provides health alerts, news, country-specific information, information on diseases and information on prevention which is regularly published and updated. It also provides information relating to specific health events: the Technip world health day and WHO (World Health Organization) international days such as for diabetes and HIV.

In specific cases, the medical department can produce e-learning training, such as a malaria awareness e-learning training that is available to everyone and is specifically targeted at travelers, expatriates and those living in endemic areas.

2016 Objectives

- Pursue and update the long term strategy for Health Management in the Group's business operations;
- Further improve the implementation and follow-up of health risk assessments on all sites across the Group; and
- Continue the health surveillance process where necessary, related to health risk assessments.

Group-wide Health Management Plan Implemented

Evaluating workplace health risks, including psychological factors, has been at the center of the Group's occupational health strategy. It is essential to properly identify all health risks relating to conditions in the workplace regardless of the nature of the work (*e.g.,* environmental pollution exposure on a construction site or muscular-skeletal disorders in the office) to implement the best preventive measures.

The GL, released in 2012, helped a number of sites to set up their health risk assessment (HRA) by providing them with tools to do so. However, the tools will be improved and simplified in 2016 due to the experience coming from the field, new tools will be given to the sites to continue the implementation of the GL.

The principle of the HRA is based on different steps: the first step is to identify the health hazards in each workplace and to assess their potential impact on health and the second step is to identify groups of employees exposed to such risk. The third step consists of an action plan to implement all types of mitigation and prevention steps, in addition to the assessment of the level of residual risks (Technip risk Matrix, which is part of the risk management of the Company). Step 4 consists of risk monitoring and controls. Each HRA will be regularly updated (step 5). Most of the Technip sites (including offices, construction sites, yards, factories and vessels) have been working on their local HRA. For example, in Brazil, HRAs have been done either by job position or business unit, or for the vessels working in Brazilian water. On the vessels, HRAs were carried out and the medical emergency response plan (MERP) is being reviewed and updated, it has already been done for nine vessels.

The purpose of health surveillance is to ensure that all individuals who work under Technip's HSE responsibility (including contractors and subcontractors where necessary) are not being harmed by the work they carry out, nor by the environment in which they work and to monitor the first symptoms of occupational illness as early as possible in order to avoid continuing exposure and prevent serious occupational illness from occurring at a later stage.

Protecting Travelers and Expatriates

The Preventive healthcare starts with accurate information and regular training. Detailed leaflets on destination countries and specific diseases are available to travelers and expatriates on Technip Group's intranet site. The medical section of the site provides all employees with health information in relation to travel (country pages and disease prevention pages), including medical facilities' details to ensure the appropriate access to medical care when necessary.

Specific information on anti-malarial prevention and other health risks is provided for Projects which are carried out in areas prone to epidemics.

Health alerts are issued where necessary. In 2015, 11 of such alerts were issued, providing information and advice on prevention.

In 2015, a new tool for the safety and security of travelers was implemented. The medical department provided country specific health information and recommendations to follow. The tool sends this information to employees before their departure.

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 2015, medical surveys were conducted in China, Columbia, Congo, Korea, India, Irak and Malaysia. The purpose of the survey was to provide Projects and entities with an overview of medical care available around the site and to identify the most reliable local medical facilities to include in the Medical Emergency Response Plan (MERP). These surveys also provide information which can be used for medical management plans for new Projects.

In case of serious injury, the medical department assesses the medical care chain from the location of the incident until discharge from the hospital. This provides an opportunity to upgrade the medical equipment of the site clinic and/or adjust the MERP if necessary.

Prevention of Psychological Risks

For the 2015 Technip World Health Day, entities organized an awareness campaign about addictions using posters and information leaflets which were also available on Technip's medical intranet site and through workshops. Employees were informed of this event a few days before through the internal newsletter "Technip in motion". Many entities invited healthcare experts to talk about the importance of preventing all kinds of addiction, especially those which can be increased by work, screen and internet addiction, sport, game or gambling addictions.

Health awareness campaigns and healthcare activities, such as free flu injections, campaigns on preventing smoking and diabetes and campaigns promoting breast-feeding have been implemented across the Regions. Several entities, including Technip's headquarters, worked on a prevention program of psychosocial risks at work.

Following a global academic survey launched by the Group's HR department on the wellbeing of employees working in a global environment in October 2013, a global academic survey on wellbeing at work was initiated in 2015. The purpose of this survey will be to provide an opportunity for assessing wellbeing in the various countries of work, to highlight ways of improving wellbeing and to provide a benchmark between the entities. Due to the current situation in the Company, this survey has been postponed and will be adapted. However, some information regarding wellbeing at work has been gathered through the HR network. An analysis of the local initiatives will highlight ways of improvement for the entities.

Absenteeism (Excluding Acquisitions)

Absenteeism rate [1]	2015 [2]	2014	2013
Occupational illness	0.03%	0.03%	0.01%
Occupational injury	0.03%	0.04%	0.04%
Non-occupational illness/injury	1.93%	1.79%	1.83%
TOTAL (ILLNESS/INJURY) [3]	**1.99%**	**1.86%**	**1.88%**

(1) Absenteeism excluding reasons other than illness or injury.

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

(3) Absenteeism for illness/injury included weekends concerning Brazil data.

Absenteeism information only covers personnel who are on payroll. More thorough information including contracted workforce is to be found in Section 3.4.7 "Safety" included in this Reference Document.

The 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 the severity of the accident. The data cannot therefore be compared between the HR scope and Safety scope.

- In 2015, the main data concerning absenteeism was as follows:
  - The absenteeism rate has increased by 0.13 percentage point, mainly due to non-occupational illness/injury. Two main impacts: Singapore started to record the working days lost for temporary employees and in the USA, following a new law which came into force on January 1, 2016 removing the possibility to accumulate sick days, employees who had accrued sick time charged sick leave for their time away from the office.
  - 31 cases of occupational illness have been reported in the Group, such as ear infections in divers, dermatitis, muscular-skeletal disorders and work-related stress.
  - 126 injuries were reported covering a total of 1,973 working days lost.
- Medical services in 2015:
  - Two-thirds of entities offer health care insurance which is in excess of the legal requirements.
  - 94% of employees on payroll benefit from a health care coverage. Among the others, some are covered by their partner, some have decided not to benefit from this insurance or the entity does not cover temporary employees.
  - More than three quarters of entities have an occupational health provider available, either internal or external.
  - 14,667 medical examinations were completed, 2,804 of which were pre-employment "fitness to work" examinations for newly hired employees.
  - 1,039 employees had a medical examination following a period of sick leave.

Medical examination requirements vary depending on the country. Pre-expatriation medical evaluations and follow-ups are carried out for the duration of the expatriate's assignment in the Group.

3.4.7. Safety

GRI G4-DMA, G4-14, G4-LA6

Protecting Individuals at All Times

Health and Safety and protection of the Environment are core values and an absolute commitment for Technip. For several years, through numerous initiatives across its global operations, Technip has relentlessly focused on improving employees', contractors' and suppliers' working conditions with respect to the HSE climate.

"Doing the right thing" is one of Technip's core Values, and this Value, applied to Health Safety and Environment, means an absolute commitment to no-one getting hurt, injured or sick as a result of their daily work.

The details on Safety coverage are listed in the Section 3.7.1 included in this Reference Document.

Objectives for 2016

In 2016, Technip will continue to provide all means and resources to ensure with success its challenges and achieve its objectives.

The strategic goals, related actions and initiatives to achieve them are detailed in Technip`s HSE 3-Year Plan and are summarized below:

- staying focused on safe operations and prevention of incidents;
- further improving and developing performance standards to manage Key Risk Conditions in all operations across the Group;
- putting a strong focus on the management of contractors and contracted staff;
- improving Global HSE reporting and analysis tools;
- fostering quick sharing and effective implementation of best practices and lessons learned;
- implementing and following up on the Pulse program on all major Projects;
- enhancing the visible HSE leadership demonstrated by the management at the worksites; and
- continuing the implementation of bespoke Behavior-Based Safety Programs across the Group.

Prevention of Serious Injuries

In 2015, Technip continued to implement measures to reduce serious injuries and fatalities. As part of this journey, the HSE management system was revised in 2014, and a new incidents classification matrix defined. This year, Technip's HSE performance standards have been enhanced and guidelines established to standardize the classification of the "loss potential" of incidents across all operations.

The involvement of senior management in incident reviews gained widespread momentum. Following the involvement of operating centres and regional management teams, 77 Serious Incident Reviews were conducted by the Technip Group Presidents. As a consequence, multiple hidden precursors for serious incidents were uncovered and mitigated, and the overall number of registered cases in 2015 dropped from 0.12 to 0.09 cases per 200,000 hours worked.

In spite of all these endeavours, one subcontractor employee suffered fatal injuries during construction activities in 2015. As a result, Technip will put an even stronger emphasis on subcontractor management and operational control.

In 2016, Technip will further improve its HSE systems, performance standards and tools to ensure that the prevention of serious injuries and fatalities remains a core value and absolute commitment.

The Pulse Program

Technip's Pulse program aims to develop a positive and proactive HSE culture inside the Group, with a focus on leadership and communication. It is tailored to improve awareness of Health, Safety and the Environment, and to promote transformational leadership and HSE as a core value for all.

Since 2008, more than 58,000 Technip employees and contracted staff have attended Pulse sessions, ranging from senior managers and managers/supervisors to the general workforce and engineers, and including Technip staff, partners and subcontractors.

The implementation of the Pulse program plays a major role in improving HSE performance. By the end of 2015, almost all Technip staff had attended at least one Pulse session. In 2016 Technip will focus on the implementation of the Pulse program on its Projects, involving its clients, suppliers and subcontractors; and the follow-up of Pulse learning through the deployment of certified Pulse Coaches at the worksites.

Behavior-Based Safety (BBS)

Technip believes that it is everyone's responsibility to ensure a high level of safety on worksites. This is why the Group has implemented the Pulse program and bespoke Behavior-Based Safety (BBS) programs in Technip's main regions and their Projects, assets and manufacturing units in recent years.

In 2015, a bespoke framework and programs were developed taking into account the specificities of the Group's diverse activities. This covers Onshore and Offshore construction, marine operations and fabrication activities in our factories. This year the program for the marine activities has been improved and good progress was made on the Implementation of BBS Programs for the fabrication activities and onshore/offshore environment.

In 2016 Technip will continue to roll-out BBS in the remaining fabrication plants and emphasize the roll-out of BBS Programs on its onshore and offshore Projects.

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

● the entire workforce is willing and able to act on their sense of responsibility and go beyond the call of duty when required

Technip's Safety Performance

In 2015, 262 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, decreased significantly from 0.19 in 2014 to 0.15 in 2015.

The decrease of the TRCF, as well as the Improvement of the Serious Incident Frequency (SIF) from 0.12 to 0.09 demonstrates that Technip continuously improved both Systems and Processes and HSE climate.

Technip safety performance	2015	2014	2013
Total Recordable Case Frequency (TRCF) [1]	0.15	0.19	0.26
Lost Time Injury Frequency (LTIF) [1]	0.05	0.06	0.08
Leadership & Management Walkthrough Frequency [1]	9.57	9.17	8.35
Fatal Accident Frequency [1]	0.001	0.003	0.002
SIF Case Frequency [2]	0.09	0.12	0.14
Lost Workday Severity Rate [3]	2.74	3.42	3.63

(1) The Frequencies are calculated across 200,000 hours worked. Incidents as defined by OSHA standards are considered. Cut-Off date is 12.31.2015. Data from 2014 and 2013 has been updated with latest available data.

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

(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.

3.4.8. Security

Security: Ensuring the Security of Employees and Operations across the World

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.

The Security department 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 Group Security.

The philosophy of the Group Security Department is to communicate transparently on the risks and on the security measures to obtain the support of all Technip staff.

In this context, the Security Charter highlights the objectives and the means of the Group to ensure one of the core values of Technip; the security of People and Assets and the protection of Information. This Charter is available on the Technip website.

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.

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.

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

Finally, this strategy is based on the transparency and the quality control of its processes by internal security auditors.

Organization

The security framework covers all Technip's entities including Projects and fleet in a uniform and continuous manner. More details are available in Section 3.7.1 included in this Reference Document.

As the Yamal LNG Project is major for the Group, Technip Security has set up a Joint Operating Center (JOC) with team members based in Paris, Moscow and Shanghai. The JOC centralizes all security-related information and incident management efforts of the Project's various entities, sites and vessels. The JOC has the capacity to mobilize Security, HSE, Medical and Communication teams in case of an emergency or a crisis. This system enables proper communications and coordination to avoid "silo effects".

One Security for "One Technip"

With Technip staff and fleet operating around the world, Technip Security's challenge for 2015 was to provide the highest level of security within all Technip entities.

The teams have been focused on the homogenous implementation of Technip's 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.

Over the past few years, Technip has consolidated the best practices and kept innovating to enable Technip Projects to be well integrated locally and continue to operate in some of the most volatile countries.

Group Security is fully independent from State or other external influence, in the security assessments it provides. Group Security reports directly to the Chairman. This enables the Group to take accurate and objective decisions. 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 to the security correspondent of the country of destination.
- Level 3 countries: high security risk, security recommendations and specific security measures to be implemented. All travel is to be approved by the security department of travelers' entity of origin and the security correspondent of the country of destination.
- Level 4 countries: extreme security risk, no movement/no operations in the country.

Dedicated Communication Tools

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

- specific awareness and communication tools dedicated to Information Security and Confidentiality have been updated to focus on new threats and *modus operandi;*
- 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. Several 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 or security on Projects; and

- internal communication campaigns on Security matters (information security, external fraud, business continuity management) have been devised in 2015, and launched throughout Technip, to raise employees' awareness.

Tools adapted to the operations have been developed:

- the TSNT (Technip Security Navy Tracking) that allows the monitoring of the position of Technip's fleet vessels and alerts in case of need, in particular when vessels enter a piracy area; and

- 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.

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

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. This system defines the processes to be implemented and the key deliverables expected at each Project phase. This is a fundamental principle of the quality approach that applies to Security.

PROJECT LIFECYCLE		
Tender/Proposal	**Engineering/Procurement**	**Construction/Operations**
PROCESS • Definition of the security scope • Preliminary Security Risk Analysis • Assessment of Security costs **KEY DELIVRABLES** • Security Annex to proposals • Security Risk Analysis • Security Cost Estimation	**PROCESS** • Design of Project Security lay out • Identification of required resources **KEY DELIVRABLES** • Master Security Plan • Project Site Security Plan • Access Control Plan • Evacuation Plan • ER Plan	**PROCESS** • Update & implementation of Security procedures • Regular audit of security processes • Training and awareness raising of staff **KEY DELIVRABLES** • Personnel on Site Report • Weekly Security Reports • Training program • Update of security plans as relevant

In 2015, Technip has developed its expertise on five key security approaches:

- SMARTravel;
- Information Security;
- Maritime Security;
- Incident Management and Business Continuity; and
- External Fraud Management.

SMARTravel

New travel security tools and procedures were implemented in 2015. The SMARTravel program was developed to reinforce Technip's travel security policy and ensure the protection of Technip's staff. It includes:

- Travel Tracker, a travel security and medical tool used to locate and communicate with travelers worldwide. It provides security and medical recommendations to the travelers prior to their trip and gives the possibility to rapidly notify them of major incidents that could affect them, in order to provide the relevant support if needed;

- travelers' booklets available for all countries where Technip operates and are released to staff prior to any mission;

- pre-Trip Advisories with security and medical recommendations are sent to travelers prior to their trip. For countries at risk, a specific security and medical form is to be completed and validated by each traveler to ensure that all security measures have been taken for the duration of the mission; and

- security flashes are issued by Group Security, released to travelers in real time, according to security context changes worldwide. A message is also posted on Technip Security's public Yammer group on Technip's internal social media.

Information Security

A dedicated Information Security approach has been developed internally especially for major Projects, where a dedicated team has been nominated. The main objective consists in better serving the interests of Clients while protecting Technip's data.

Furthermore, sessions dedicated to Technip staff are organized to raise awareness on confidentiality and information security.

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

Maritime Security: a Major Topic within Technip Security Operations

Following the development of the Group, areas of operations have expanded worldwide with some Projects located in regions with maritime and piracy threats. This is the case for Projects located in the Gulf of Guinea and South-East Asia where piracy incidents have increased.

In 2015, the maritime security organization was adjusted to the Group's growth for the protection of crews and the smooth execution of operations. The coordinated maritime security organization, in particular with the implementation of the TSNT, has enabled Technip to maintain the efficiency of its capacity to deal with the threats and to implement measures to prevent incidents.

To protect vessels transiting in piracy hotspots, Group Security implements reinforced security measures onboard. Depending on the threat assessment, an armed security team on board ensures the protection of the vessel and the crew during the transit.

Incident Management

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. As of 2015, two operating centers within the Group, Aberdeen and Kuala Lumpur, are certified ISO 22301:2012 for Societal Security and Business Continuity Management Systems.

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.

External Fraud Management

A Group Treasury and Security task force is in charge of fighting external fraud attempts against the Group. Several actions have been taken to raise awareness, to all employees and business partners, to reduce the risk of such attacks.

IT preventive measures as well as security and financial preventive measures have been put in place to protect the reputation of the Group and its interests.

Finally, an External Fraud Network has been implemented in each region where Technip operates to better respond to the reality of the field. This network is composed of trained correspondents in direct and permanent liaison.

3.5. PROTECTING THE ENVIRONMENT

Environmental responsibility is one of Technip's core values. The Group's overall objectives are firstly to strive to minimize the impact of its operations on the environment as well as any risks such operations may generate on the natural environment and other stakeholders; and secondly, to continue to work to avoid causing any environmental incidents. Management's commitment to these objectives is critical to successfully achieving these goals.

The execution of Technip's Projects is divided into three main phases: Engineering, Procurement and Construction/Installation/Commissioning and Start-up (on the request of clients) either Onshore, Offshore or Subsea. Technip's Projects vary in duration and can last from a few months to a few years. In respect of its Subsea business activities, Technip uses industrial assets and operates a fleet of vessels specialized in installing pipelines and subsea construction.

Despite operating in a complex field, Technip is committed to simultaneously manage its environmental aspects with success while effectively measuring its environmental performance, thereby assuring that it prevents and significantly reduces its impacts on the environment in accordance with the ISO 14001 requirements, international standards and Technip's own internal standards.

In 2015, Technip strengthened its commitments in terms of sustainable development and the protection of the environment while still focusing on the main material aspects identified in 2014 in a study carried out in accordance with the Global Reporting Initiative (GRI) G4 guidelines. External and internal stakeholders agreed that "Protecting the environment" was a material category and that the following main environmental areas were material to Technip: energy use, greenhouse gas emissions, the emissions of air pollutants, hazardous substances, solid waste, water and waste water, biodiversity and ecosystems.

All these aspects are covered in detail in the sections that follow, through both quantitative indicators (called Environmental Key Performance Indicators (EKPIs)) and qualitative information.

For more information on the materiality assessment and stakeholder engagement, please refer respectively to Section 3.1 and Section 3.3 of this Reference Document.

For more information on definitions, please refer to Section 3.7 of this Reference Document.

3.5.1. Group Environmental Policy

GRI G4-15

A. Group HSE Policy and Environmental Charter

For more information on the Group's Health and Safety Policy, please refer to Sections 3.4.6 and 3.4.7 of this Reference Document.

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

In practice, this commitment manifests itself as a number of requirements, such as promoting a responsible use of resources; quantifying and controlling any emissions into the air, soil and water; a safe and sensible management of waste; a thorough approach with respect to environmental risks and their management; and an innovative approach in respect of environmental challenges.

Technip has also published an Environmental Charter which defines the Group's general objectives in terms of environmental responsibility, in addition to the corresponding guidelines.

This charter applies to all of Technip's entities, regardless of their legal status.

❚ Targets Assigned to Subsidiaries outside France

Responsibility for Technip's HSE Policy is delegated to and implemented by the subsidiaries, regardless of their legal status. The environmental objectives are reflected in Technip's Group Environmental Charter and in the Group's Health, Safety and Environment (HSE) Three Year Plan.

B. Responsibility and Organization

Environmental management is, as for Health and Safety, the responsibility of everyone at Technip. The implementation of the environmental policy depends upon management's commitment, the accountability of every entity, an ongoing dialog with key stakeholders and a chain of responsibility that extends to the workforce of the entire Group.

In 2008, an Environmental Working Group (EWG), was formed, reporting to the Vice-President, Group Health, Safety and Environment. This working group coordinates with a network of around 20 environmental specialists from all of the Group's Regions and business units. The EWG sets up conference calls every month with all EWG members and organizes technical working groups twice a year which welcome experts from each operational area. It also puts together programs at Group level focusing on environmental performance indicators which allow for: environmental improvements to be reported, awareness campaigns, carbon emission reporting and eco-design. The management of these programs is 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 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 in their respective areas (for example, an engineering centre, a manufacturing plant, a vessel, a yard, a construction site or a Project) and to ensure that these requirements are well implemented.

During the design phase of Projects, one or several environmental engineers are responsible for ensuring the Project's compliance with all applicable standards and regulations. During the construction phase of major Projects, an environmental supervisor is assigned to manage all of the site's environmental aspects, in coordination with the client and the different subcontractors.

C. Legal and Regulatory Compliance

Technip is committed to operating in full compliance with all applicable environmental regulations, laws and international codes and standards in force in the countries in which it operates, whenever they apply to its facilities and/or operations.

For Projects financed by the International Finance Corporation (IFC), the Environment, Health and Safety guidelines ("EHS Guidelines") of the World Bank Group may be applied. These guidelines are technical reference documents containing general and industry-specific examples of Good International Industry Practice (GIIP). Where regulations of the host country differ from the levels and measures set out in the EHS Guidelines, those which are the most stringent must apply.

Since 2002, Technip has also been adhering to the ten principles of the United Nations Global Compact (UNGC) and discloses its initiatives in this respect.

For more information, please refer to Sections 2.2 and 2.7 of the Group's Reference Document for the year ended December 31, 2015.

D. Environmental Certification

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

As of December 31, 2015, 38 Group legal entities (*i.e.,* approximately 76% of the main legal entities which provided environmental data in 2015) were ISO 14001 certified, including six of the seven regional headquarters. For each of these entities, the environmental management system was fully verified and certified by an independent third party. Seven other entities (4%) are working towards this certification.

Moreover, in 2015, the Etileno XXI Project (Mexico) and the new flexible pipes manufacturing plant located in Açu (Brazil) obtained the ISO 14001:2004 certification for their environmental management systems.

The ISO 14001 standard has been recently updated to the new version 2015. In 2016, a number of entities, including Technip in Italy and FlexiFrance will start moving towards the renewed certification path, demonstrating the management's commitment to continuously improving Technip's environmental performance, to preventing pollution and to complying with the most recent international environmental standards.

E.   Risk Management

▌ Identification of Risk

Please refer to Section 2.2 of the Group's Reference Document for the year ended December 31, 2015.

▌ Management of Risk

Please refer to Section 2.7 of the Group's Reference Document for the year ended December 31, 2015.

▌ Provisions and Indemnities

In respect of provisions, indemnities and guarantees paid during the financial year ended December 31, 2015 resulting from a court

decision on environmental issues which ordered for the pay-out of damages, the situation is as follows:

- Technip did not make any specific provisions for environmental risks as provisions for environmental risks are made at Project level for each Project; and
- Technip was not subject to any court decisions on environmental issues.

F.   Reporting Scope

The Group's requirements in terms of environmental reporting are fully defined in the Group's guidelines which are applicable to the entire Group. In accordance with these guidelines, Technip's entities and operations must register their environmental data in a centralized database from which all quantified data presented in this Section 3.5 is taken.

For sake of clarity and transparency, the reporting scope and methodology, the data collection system and consolidation process are explained in detail in Section 3.7.1 of this Reference Document.

In 2015, as shown in the table below, the environmental coverage in terms of EKPI man-hours worked increased by 26% in comparison with 2014. The number of reporting entities for EKPI decreased by 10% in respect to 2015, in particular due to the closure of some construction sites (-15%) and to the reorganization of the fleet (-33%) and offices (-6%). The number of industrial sites (mainly spoolbases) increased by 45%.

	2015	Construction sites	Industrial sites	Fleet	Offices	2014	2013
Total number of *sites* reporting EKPIs	160	44	32	33	51	177	173
EKPI man-hours worked [1] *(in millions)*	194.3	27%	20%	21%	32%	154.3	158.4

(1)   Or man-hours worked in sites which contributed *to* EKPIs reporting.

Application rates for each environmental indicator are detailed in the relevant tables of this Section 3.5. It should be noted that the applicability of each of these indicators varies depending on operations, local context, contractual or client requirements and local regulations.

3.5.2. The Group's Environmental Objectives and Targets

GRI G4-DMA

Every three years, Technip establishes a plan to reinforce its environmental performance by setting specific strategic goals. As part of the Group's Health, Safety and Environment (HSE) Three Year Plan covering 2014-2016, the Group has established three main environmental goals for 2015:

- **improvement** of the Group's environmental performance by implementing proactive environmental management, stewardship of Technip entities, operations and activities and by promoting and communicating environmental measures and responsibilities;

- **prevention** of environmental impacts and risks by way of an ongoing process of risk identification and assessment, through the implementation of preventative and mitigation measures which reduce those risks identified as well as their potential consequences; and

- **reduction** of the use of energy and resources and waste generation by the implementation of specific programs to identify, measure and promote a reduction in waste generation, energy and resource consumption across Technip's operations and activities.

Each year, the above environmental goals are shared with all Regions and entities. A number of entities across the Group have defined their own environmental objectives and targets aligned with the Group Plan above. In 2015, improvement initiatives were implemented at Group level, as detailed below:

Group's objectives	Group's activities in 2015
IMPROVEMENT Proactive environmental management	• Rationalize and set CO_2 emissions' reductio$_n$ strategies for direct and indirect contributors; • Formalize Best Practices in Environment across the Group with CO_2 emissions' reduction; • Promote system to monitor HSE regulatory compliance changes (Group, regional and local levels); • Improve environmental reporting processes; • Celebrate the World Environment Day in June, involving all of Technip's entities.
PREVENTION Reducing the impact on the environment and managing risk	• Implement environmental impact studies on activities; • Share EKPI reports and trend analysis within the Group, Regions and entities to set up strategies for reducing the environmental footprint; • Use feedback from audits carried out by Third Parties to improve the system; • Identify accidents causing damage to the environment and carry out emergency intervention exercises; • Review the methodology identifying and classifying environmental incidents at regional level.
REDUCTION Reduction in use of energy and resources and in quantity of waste generated	• Implement specific regional targets for resource consumption and waste; • Technip is committed to not use certain banned chemical products, in accordance with the most relevant international conventions and EU regulation REACH; • Launch a Group waste reduction initiative and monitor the process through new waste management indicators; • Monitor EKPIs and report quarterly at regional and Group levels.

In accordance with the Group's objectives, regional and local activities are carried out for all entities and operations of the Group. Examples of such initiatives and actions implemented in the Regions in 2015 have been briefly summarized in the following paragraphs of this Section 3.5. Further details on the best practices implemented in 2015 are available in Section 3.5.10 of this Reference Document.

In 2016, the three main environmental objectives of the Group, as part of the Group's HSE Three-Year Plan for 2016-2018, will remain the same, with the following specific objectives:

Group's objectives	2016-2018 Plan
IMPROVEMENT Proactive environmental management	• Implement a proactive CO_2 emissions' minimization strategy in Technip's assets (offices, manufacturing plants, vessels); • Focus on Projects.
PREVENTION Reducing the impact on the environment and managing risk	• Enhance Technip's environmental prevention and mitigation capabilities; • Share best practices with internal and external stakeholders (IPIECA [1], IFC [2], Clients, other).
REDUCTION Reduction in use of energy and resources and in quantity of waste generated	• Optimize waste and natural resource management; • Develop energy efficiency and green procurement.

(1) IPIECA, *International Petroleum Industry Environmental Conservation Association* (the global oil and gas industry association for environmental and social issues).

(2) IFC, International Finance Corporation (a member of the World Bank Group).

In 2015, in order to establish appropriate and cost-effective greenhouse gas (GHG) emission reduction targets, Technip analyzed and identified the key environmental indicators which influence its carbon footprint and which are linked to the main contributors among its permanent assets (offices, vessels, manufacturing plants). The objective was to get the highest CO_2 emissions' reduction results in the most sustainable and feasible way, knowing that the Company's GHG emissions can be strongly influenced by shifts in business activity, production changes or assets reorganization.

The EKPIs study carried out in 2015 led to the proposition of a set of Company environmental targets to reduce the GHG emissions global impact (Scope 1 and Scope 2 mainly), for 2016, based on the 2015 emissions. The Group commitments are as detailed here below:

• Direct CO_2 eq. emissions: reduction of the fleet consumption of fuel by 3%;

• Indirect CO_2 eq. emissions:

  – reduction of the regional head offices consumption of electricity by 3%; and
  – reduction of the manufacturing plants consumption of electricity by 3%.

These targets are supported by effective, sustainable and efficient actions, and are subject to retuning on a quarterly basis.

In addition to GHG emissions, Technip has also identified other key environmental indicators, which are fully in keeping with the Group's material issues, to enhance its environmental footprint in the world. These are mainly: total energy consumption, water management and waste management.

Details on the trends of the key indicators are provided in Section 3.5.3 and in the following sections of this Reference Document.

3.5.3. Energy Consumption and Air Emissions

A. Energy Consumption

GRI G4-DMA, G4-EN3, G4-EN4, G4-EN5, G4-EN6

▌ **Energy Consumption within Technip's Permanent Sites**

The total energy consumption of Technip's permanent sites increased by approximately 43% in 2015 compared to 2014, with the main contributor being the fleet.

Direct and indirect energy consumption for permanent sites (in MWh)	2015			2014			2013		
	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity
Industrial sites	10,247	100,545	90,231	9,321	57,381	52,554	9,606	109,591	60,310
Fleet	NA	1,143,063	NA	NA	798,413	NA	NA	1,453,611	NA
Offices	7,282	5,808	66,257	6,699	6,271	65,016	6,140	12,120	60,462
TOTAL [4]	**17,529** [1]	**1,249,416** [2]	**156,488** [3]	**16,020**	**862,065**	**117,570**	**15,746**	**1,575,322**	**120,772**

(1) Coverage rate is equal to 18% for Natural Gas and 9% for LPG, in terms of man-hours worked, these products are only being used by a few sites.

(2) Coverage rate for Fuel is equal to 86% in terms of man-hours worked.

(3) Coverage rate for Electricity is equal to 86% in terms of man-hours worked.

(4) For 2015, the total energy consumption was approximately 1.42 million MWh or 5.36 million GJ compared to 1 million MWh or 3.75 million GJ in 2014.

In offices, fuel consumption, mainly used for heating purposes, increased by approximately 9% as regards natural gas and liquefied petroleum gas (LPG) and decreased by 7% in respect of diesel and gasoline in 2015 compared to 2014. The consumption of electricity also increased slightly (+2%).

Industrial sites (manufacturing plants and spoolbases) increased the overall consumption of energy, in particular for fuels (+75%) and electricity (+72%). This is due to the commencement of operations on several new industrial sites in 2015 (+45%).

▌ **Energy Consumption on Construction Sites**

Construction sites have been presented separately from Technip's permanent sites as they are usually only temporary sites which are not owned by Technip but managed by Technip during the construction phase. They are subject to important variations from one year to another, depending on the number and type of Projects on-going and type of construction activities (early site works, civil works, construction, pre-commissioning, commissioning, start-up).

In 2015, major Technip construction sites moved to the commissioning and start-up phase, thus influencing the environmental performances accordingly.

Direct and indirect energy consumption for temporary sites (operations on Projects) (in MWh)	2015			2014			2013		
	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity
Construction sites [4]	508 [1]	303,123 [2]	109,942 [3]	82,138	301,069	16,859	11,264	267,027	1,626

(1) Coverage rate is equal to 18% for Natural Gas and 9% for LPG, in terms of man-hours worked, these products are only being used by a few sites.

(2) Coverage rate for Fuels is equal to 86% in terms of man-hours worked.

(3) Coverage rate for Electricity is equal to 86% in terms of man-hours worked.

(4) For 2015, the total energy consumption was 413,573 MWh or 1.55 million GJ compared to 400,066 MWh or 1.54 million GJ in 2014.

In 2015, fuel consumption on construction sites decreased by 21% compared to 2014, while diesel and gasoline use remained stable (1%). Electricity consumption increased to 552% due to various Projects moving into the commissioning and start-up phases in Mexico and Bulgaria.

A significant decrease in natural gas and liquefied petroleum gas (LPG) consumption (-99%) is primarily attributable to the end of construction operations of a Project in North Africa.

▌ Energy Intensity

Technip's energy intensity factors are calculated using both direct and indirect energy consumption as a numerator and the total EKPI Man-hours worked (which correspond to sites which contributed to EKPIs reporting) as a denominator. Man-hours worked have been acknowledged as being the information the most representative of the Group's overall activity.

	2015	2014	2013 [1]
Total Energy Intensity *(in kWh/man-hours worked)*	9.46	9.05	12.57

(1) In 2013, major changes were made to the reporting methodology and scope, including the Man-hours *used* to calculate performance indicators.

In 2015, energy intensity per category was as follows:

2015	Construction sites	Industrial sites	Fleet	Offices
Total Energy Intensity *(in kWh/man-hours worked)*	4.47	4.98	85.13	1.65

Vessels have the highest energy intensity factor across Technip's operations as they consume large quantities of fuel (mainly diesel) when they travel from one country to another and when they operate offshore for the subsea installation of rigid or flexible pipes on Projects.

▌ Technip Initiatives to Reduce Energy Consumption

In 2015, Technip continued to pursue the implementation of energy efficient initiatives and energy saving measures on all its entities and sites, to monitor and reduce energy consumption.

In 2015, total energy consumption of the facilities increased by 43% compared to 2014 thereby re-aligning absolute consumption with the levels recorded in 2013. The intensity factor (total energy consumption/man-hours worked) remained stable (+4%) compared to 2014.

Fuel saving initiatives are currently being developed by T-MOS (Technip Marine Operations Services) based in Aberdeen (United Kingdom) for all the vessels under their management. The objective is to reduce the fleet's fuel consumption and thus overall vessel emissions throughout the following years. This global program is expected to have an impact on the Group's overall fuel consumption since vessels are the main contributors in terms of diesel consumption across the Group.

Several of the main offices have environmental or energy certificates pursuant to either national regulations or international standards. This is in particular the case for: one building close to Paris-La Défense (France), two buildings in Houston (United States), one building in Aberdeen (United Kingdom) and one building in Abu Dhabi (United Arab Emirates) for a total of around 4,000 people. In 2015, other offices obtained such certification, for example the new Technip building in Rio de Janeiro (Brazil) and the Technip office in Sandvika (Norway) that obtained the BREEAM (Building Research Establishment Environmental Assessment Methodology) certification.

The design of these buildings takes into consideration the use of natural light and ventilation as well as thermal insulation to reduce heating and cooling costs. In other offices, measures such as installing timers for lighting and air-conditioning or the use of LED lamps are commonly adopted best practices. In Paris-La Défense (France), the building is equipped with an Energy Manager® system. This tool allows the building to be managed remotely and optimizes the heating, air conditioning and lighting systems. In this building, approximately 25% of energy has been saved since the system was installed in 2009. In the Rome (Italy) office, LED lamps are also in use.

In 2015, Technip's head offices and manufacturing plants located in Europe developed dedicated energy efficiency audits and established plans for energy efficiency in order to enhance their energy performances.

B. Greenhouse Gas (GHG) Emissions

GRI G4-DMA, G4-EN15, G4-EN16, G4-EN18, G4-EN19

The 21st session of the Conference of the Parties (COP21) to the United Nations (UN) Framework Convention on Climate Change was held in Paris from November 30 to December 12, 2015. The main outcome was the achievement, for the first time in over 20 years of UN negotiations, of a new legally binding and universal agreement to be implemented in respect of the climate, by all nations of the world, following the expiry of the Kyoto Protocol in 2020. The global challenge is to cut greenhouse gas emissions and reduce the impact of global warming to prevent the global temperature increasing to 2 degrees Celsius above pre-industrial levels.

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

Since 2006, Technip reports its carbon emissions (Scope 1, Scope 2 and partial Scope 3) to the Carbon Disclosure Project (CDP). Published data is available online on the CDP website. Technip's score for the climate change questionnaire has continuously improved since 2011 and reached 97B in 2015. The number represents the disclosure score (rating from 0 to 100) while the letter represents the performance score (ranging from E to A).

▌ Direct and Indirect GHG Emissions (Scopes 1 and 2)

The table below shows the aggregated volume of direct GHG emissions (in metric tons CO_2 equivalents) generated by Technip's operations (Scope 1 emissions). 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 emissions that result from the electricity consumption at all its sites (Scope 2 emissions).

Total Greenhouse Gas Emissions (Scopes 1 and 2) *(in metric tons CO_2 equivalent)*	2015		2014		2013	
	Direct emissions	Indirect emissions	Direct emissions	Indirect emissions	Direct emissions	Indirect emissions
Construction sites	80,731	62,368	98,692	6,248	73,082	885
Industrial sites	28,901	35,826	17,224	14,966	31,225	14,831
Fleet	306,116	NA	213,682	NA	388,395	NA
Offices	3,009	27,923	3,012	32,404	4,399	26,387
Total emissions	**418,757**	**126,117**	**332,610**	**53,618**	**497,101**	**42,103**
TOTAL EMISSIONS	**544,874** [1]		**386,228**		**539,204**	

(1) Coverage rate is equal to 86% in terms of man-hours worked.

Direct emissions represent 77% of all Technip CO_2 emissions. Such emissions emanate from fossil fuels (natural gas, LPG, diesel and gasoline) used directly by Technip's activities and operations. Vessels are the main contributors to direct emissions (73%), where emissions are directly linked to diesel consumption by engines. In 2015, construction sites accounted for 19% of CO_2 direct emissions due to fuel consumed in the process of producing electricity internally.

Indirect emissions (23% of all Group emissions) resulted from the direct consumption of electricity from local grids as part of Technip's operations. The volume of CO_2 generated from electricity may vary from country to country depending upon the fuel source used to produce electricity. In 2015, industrial installations were the main contributors to indirect emissions, the electricity consumption of which increased by 139% due to increased manufacturing activities (spoolbases). The offices on the other hand, reduced their consumption by 14% compared to 2014.

In 2015, the amount of electricity consumed by construction sites increased greatly at Project level (and thus the related CO_2 indirect emissions also increased) due to the commissioning and start-up phases and the implementation of electrical substations which require a considerable amount of energy.

Overall, in 2015, Technip's CO_2 emissions (Scope 1 + Scope 2) increased by 41% compared to 2014.

▌ GHG Emissions Intensity

Technip's GHG emissions' intensity factors are calculated using both direct and indirect emissions (Scope 1 and Scope 2 emissions) as a numerator and the EKPI Man-hours worked (which correspond to sites which contributed to EKPIs reporting) as a denominator. Man-hours worked have been acknowledged as being the information the most representative of the Group's overall activity.

	2015	2014	2013 [1]
Total GHG Emissions Intensity *(in kg eq.CO_2/man-hours worked)*	2.80	2.50	3.40

(1) In 2013, major changes were made to the reporting methodology and scope, including the Man-hours used to calculate performance indicators.

In 2015, GHG emissions intensity per category was as follows:

2015	Construction sites	Industrial sites	Fleet	Offices
Total GHG Emissions Intensity (in kg eq.CO_2/man-hours worked)	1.55	1.60	22.80	0.64

Vessels have the highest GHG emissions intensity factor across Technip's operations as they consume large quantities of fuel when they travel from one country to another and when they operate offshore for the subsea installation of rigid or flexible pipes on Projects.

▌ Technip Initiatives to Reduce GHG Emissions

In 2015, as far as total GHG emissions are concerned, such emissions increased by 41% (an increase of approximately 155,329 tons of CO_2 eq., Scope 1 and Scope 2) and by 12% in terms of intensity factor (total GHG emissions/man-hours worked) compared to 2014.

Technip's fleet vessels are by far the main source of direct GHG emissions. In 2015, taking this into account, Technip continued, *via* T-MOS, the implementation of specific Ship Energy Efficiency plans. These plans 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 accordance with international maritime requirements.

For local operating entities, Technip promotes energy saving measures and the use of renewable energies, such as solar panels for power generation or heating water and electricity supplied by certified renewable sources.

Technip's offices in Rome are partly supplied by a green electricity network whose provider delivers Renewable Energy Certificates (RECs). In 2015, this "green" energy accounted for approximately 77% of the total internal energy use in the Rome offices. Moreover, 122 MWh of photovoltaic energy have been produced in Rome due to two photovoltaic grid-connected units, of approximately 49.5 kW peak each.

Since the end of 2013, Technip in Paris has rented new offices close to Paris-La Défense in a brand new building which is now fully occupied by Technip's workforce (approximately 1,100 people). This building has a triple environmental certification: HQE® (High Environmental Quality), LEED (Leadership in Energy & Environmental Design) "Gold" level and BREEAM (Building Research Establishment Environmental Assessment Method) "Very Good" level, in addition to a BBC label (French label meaning Low Consumption Building). Technip also made the choice to use "green" energy. All the electricity consumed in the building is supplied by certified hydroelectric sources located in France, which means zero carbon emission.

A construction site in Brazil is 100% fully powered by hydroelectric energy.

Almost all offices and sites within the Group are now equipped with efficient communication means (such as video-conference calls or teleconference systems) which reduces business travel and Technip's GHG emissions (Scope 3).

In addition, Technip has further expanded its expertise and capability in the development, acquisition and implementation of renewable sources of energy, such as biofuels. For more information, refer to Section 3.3.5 of this Reference Document.

C. Other Air Pollutants' Emissions

GRI G4-DMA, G4-EN20, G4-EN21

▌ Emissions of Ozone Depleting Substances (ODS)

In 2015, two incidents resulted in the emission of ozone depleting substances (ODS). They related to gas leaks from a cooling machine in a flexible-pipe manufacturing plant and onboard a vessel owned by Technip. As a consequence, 137 kg of refrigerant gas (R407C and R507) were released into the atmosphere. The two incidents were classified as moderate as per Technip's environmental incidents reporting rules.

▌ Emissions of NO_x and SO_x

Since 2014, the Group's sites (construction sites, industrial sites and vessels) estimate their NO_x and SO_x emissions generated as a result of operations functioning normally. The results are as follows:

	2015	2014
Total emissions of NO_x *(in tons)*	11,784 [1]	15,273
Total emissions of SO_x *(in tons)*	1,697 [1]	1,458

(1)   Coverage rate is equal to 60% in terms of man-hours worked.

The variations noted in relation to the recorded NO_x and SO_x emissions are related to the new calculation tools implemented for the fleet.

In 2015, NO_x and SO_x emissions per category were as follows:

2015	Construction sites	Industrial sites	Fleet	Offices
Total emissions of NO_x *(in tons)*	3,639	335	7,809	NA
Total emissions of SO_x *(in tons)*	289	35	1,372	NA

The method of estimation depends on the operation:

- For construction sites and industrial sites, exhaust emission factors come from the US Environmental Protection Agency's (EPA) models developed for mobile sources and in particular, the Engine and Vehicle Emission Study ("NEVES"). They cover all diesel-fuelled engines and spark ignition engines and are based on fuel consumption and engine power.
- For T-MOS (Technip Marine Operations Services) vessels, air emission figures as stated by the IMCA (International Marine Contractors Association) guidance, which is the Industry standard, are used to estimate NO_x and SO_x emissions. For other vessels, factors given by the air pollutant emission inventory guidebook from the European Environmental Agency (EEA) and the European Monitoring and Evaluation Program (EMEP) are under testing.

In terms of SO_x emissions, Technip's fleet operates in an environmentally sound and responsible manner. All T-MOS managed vessels are currently compliant with the applicable sulphur content thresholds in air emissions. Vessels are also compliant with the new IMO (International Maritime Organization) regulations on low sulphur emissions in Emission Control Areas (ECAs, defined as per IMO's Special Areas under MARPOL Annex VI "Regulations for the Prevention on Air Pollution from Ships"), which came into force in January 2015, since most of the vessels already used 0.1% sulphur content fuel. In 2015, the sulphur content was checked onboard to ensure the quality of fuel provided was in conformity with the delivery order.

3.5.4. Water and Waste Management

A. Water Consumption

GRI G4-DMA, G4-EN8

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

	2015	2014	2013
Total water consumption (in m³)	3,090,165 [1]	1,539,844	1,418,924

(1)   Coverage rate is equal to 97% in terms of man-hours worked.

In 2015, the distribution of total water consumption per activity was as follows:

2015	Construction sites	Industrial sites	Fleet	Offices
Water consumption (in m³) (% of the total)	1,863,817 (60%)	607,212 (20%)	180,552 (6%)	438,584 (14%)

Projects are responsible for the greatest consumption of water due to activities during the construction phases. On the construction sites, water is usually extracted from local water networks, rivers or bores and is treated onsite, and then reused internally to the maximum. Depending on the country and the type of Project, large volumes of water may be used for dust suppression on roads or hydro-testing of tanks, pipelines and piping. In 2015, the consumption of construction sites represented 60% of the water consumed at Group level.

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

In 2015, several initiatives for water reuse in construction sites were implemented. As an example, in the Etileno XXI Project (Mexico), water is stored in an industrial pond to be reused internally in the future. About 9% of site water (the equivalent of 4% of the total Technip Group water consumption) has been reused internally for hydro-testing and dust suppression purposes.

In terms of geographic breakdown, the water consumption is broken down as set out below. These figures exclude water consumed by the fleet as vessels do not provide environmental data based on their geographic location.

2015	Water consumption (in m³) [1]
Africa	81,881
Asia excluding Middle East (including India and Russia)	787,610
Europe	209,717
Middle East	110,677
North America	1,584,731
Oceania	13,069
South America	121,929

(1)   Excluding fleet.

B. Liquid Effluents

GRI G4-DMA, G4-EN22

Wastewater treatment at onshore facilities, such as plants, ship-yards or offices, is treated by the local or regional sewerage system, or by purpose-built onsite treatment systems. For example, Technip operates several wastewater treatment units in 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, the wastewater is transferred using 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.

Wastewater is divided into ballast water (vessels only), industrial water and domestic water with the following outcomes:

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

In 2015, the total quantity of wastewater managed by Technip, including ballast water, was around 1.4 million m³, of which 5% was ballast water, 15% industrial wastewater and 80% domestic wastewater.

In 2015, Technip increased its generation of wastewater by 47% compared to 2014 mainly due to industrial sites (spoolbases) (+172%) and construction sites (+89%) because of a better alignment with the Group's reporting requirements.

Total wastewater (in m³)	2015	2014	2013
Construction sites	584,658	308,684	296,807
Industrial sites	296,471	108,995	60,558
Fleet	156,790	165,688	217,119
Offices	365,363	372,795	233,972
TOTAL	**1,403,282** [1]	**956,162**	**808,456**

(1) Coverage rate is equal to 90% in terms of man-hours worked.

Wastewater data usually come from measurements as in the case for industrial and ballast waters. For offices, if measured data are not available, domestic effluents can be considered equal to 90% of water consumption.

In 2015, construction sites and industrial sites saw an increased quantity of industrial wastewater (including dust suppression water and hydro-testing water) due to an increase in operations.

The below table shows the breakdown of each type of wastewater recorded for each of Technip's operational sectors in 2015:

2015 Total wastewater (in m³)	Domestic wastewater	Industrial wastewater	Ballast water
Construction sites	410,808	173,849	NA
Industrial sites	261,712	34,758	NA
Fleet	81,127	4,650	71,013
Offices	365,363	NA	NA
TOTAL	**1,119,010**	**213,257**	**71,013**

C. Waste

GRI G4-DMA, G4-EN23

Waste generated by Technip's operations are managed by each site in accordance with the applicable local and international regulations, applying best practices and taking into account existing waste management facilities in the country.

In 2015, Technip experienced a decrease in waste generation from previous years primarily due to the large quantity of non-hazardous waste produced in 2014 in one specific construction site. However, hazardous waste production remained more or less stable.

Total weight of Waste, by type (in tons)	2015	2014	2013
Non-hazardous waste	305,421 [1]	547,105	156,558
Hazardous waste	6,208 [2]	5,938	5,881

(1) Coverage rate is equal to 95% in terms of man-hours worked.
(2) Coverage rate is equal to 82% in terms of man-hours worked.

In 2015, the distribution of waste by type of operation was as follows:

2015 Total weight of waste, by type (in tons)	Construction sites	Industrial sites	Vessels	Offices
Non-hazardous waste	260,140	35,483	6,761	3,036
Hazardous waste	2,803	2,547	783	76

As far as construction sites are concerned, the largest portion of non-hazardous waste generated was made of soil, rock, concrete and scrap metal. One major construction site in Mexico generated large quantities of non-hazardous waste due to the excavation of large quantities of clean soil which have been reused on-site for backfilling and for an environmental restoration project on a landfill site as planned.

In 2014, six new indicators on waste disposal were added to the Group's reporting requirements, with the following results:

Total weight of waste, by type of disposal (in %)	2015			2014		
	Sent to landfill	Sent to recycling	Sent to incineration	Sent to landfill	Sent to recycling	Sent to incineration
Non-hazardous waste [1]	6%	84%	1%	3%	76%	0%
Hazardous waste [2]	27%	9%	28%	13%	36%	0%

(1) Coverage rate is equal to 91% of non-hazardous waste produced in 2015.
(2) Coverage rate is equal to 64% of hazardous waste produced in 2015.

In 2015, recycling was the primary method of disposal for non-hazardous waste. As regards hazardous waste, there were fewer recycling possibilities, in particular for Projects.

3.5.5. Accidental Pollution

GRI G4-DMA, G4-EN24

A. Prevention of Environmental Incidents

▌ Site and Offshore Environmental Management

The Group's requirements, in terms of incident prevention and management, are defined in the Performance Standards and are translated into Project, Offshore or site specific procedures for Technip managed Projects, vessels and sites. Prevention is the key to the successful management of incidents. Studies and measures such as site planning and environmental risk assessments, as well as behavior based safety systems, audits and inspections, management walkthrough, training and awareness aim to prevent incidents from occurring. The reporting of hazards, incidents and near-misses on all sites and vessels increases the level of HSE awareness on site and identifies preventative or corrective steps to reduce the risk of further incidents.

Technip aims to achieve zero spills or releases. All operations involving Technip and its subcontractors will require some level of hazard or risk identification to determine the most effective and most appropriate preventative measures.

At site, vessel or Project level, specific site induction, training and awareness are delivered to the entire workforce, including contracted personnel and subcontractors.

When an environmental incident does occur, this is reported to the HSE department to ensure that the causes are clearly identified and actions are implemented for effective closure. Incidents are reviewed by regional HSE managers. In some Regions, an Incident Review Committee will meet to review the most serious incidents, investigate findings and recommend actions, to identify any organizational failings and to communicate and share lessons learned with all Regions and the Group.

▌ Management of Hazardous Substances

Group guidelines on "Banned Chemicals" are implemented in all operations. These guidelines provide information on hazardous substances, the purchase or use of which is prohibited within the Technip Group due to their potential to harm human health and their toxicity to the environment. These guidelines which conform to international protocols on harmful substances, can also raise awareness on the processes to be considered when procuring harmful chemicals and substances. They are applicable to all Technip sites and must also meet local regulatory requirements.

At site, vessel or Project level, the management of hazardous substances is described in detail in the Project or site-specific HSE Management Plans or specific procedures. These mandatory documents describe the procurement, handling, use, storage and disposal of hazardous substances specific to the site or vessel.

For example, lubricants and chemicals are to be stored in specially assigned storage facilities at Technip's manufacturing plants. Such facilities are segregated, secured and fitted with spill prevention equipment, bounding or traps, as well as anti-pollution kits.

In the Subsea or Offshore environment, hazardous substances used when carrying out offshore activities are assessed in accordance with their toxicity to the marine environment. Only chemicals such as biocides or deoxidizing agents which are rated as silver or gold in accordance with the Offshore Chemical Notification Scheme are permitted for use and discharge.

B. Technip's Rules on Reporting Environmental Incidents

Within Technip, all HSE incidents must be reported. Technip requires any accidental spills or releases into the environment to be recorded in Technip's HSE statistics, regardless of the volume. In addition, Technip is able to identify potential environmental consequences for other HSE incidents that have occurred.

Technip classifies environmental incidents into five distinct types:

- **Negligible:** An incident that causes a minor impact to any environmental domain with localized pollution, that is unlikely to last more than 24 hours. Recovery/rehabilitation measures can be managed by the affected worksite. An incident without breach of environmental licence conditions, regulations or contractual requirements.

- **Moderate:** An incident that causes a moderate / short term impact to any environmental domain with localized pollution, that is unlikely to last more than one week. Recovery/rehabilitation measures can be managed by the affected worksite. An incident which may include a breach of licence conditions and which may need to be reported to local authorities in accordance with the works approvals, licence conditions or regulations in force.

- **Significant:** An incident which causes a significant impact to any environmental domain, with localized pollution, that is unlikely to last more than one month. Recovery/rehabilitation measures may require external support. An incident in which there has been a breach of environmental licence conditions, regulations or contractual requirements.

- **Severe:** An incident which causes a severe impact to any environmental domain with extended pollution, that is unlikely to last more than 12 months. Recovery/rehabilitation measures may require extensive external support. An incident in which there has been a breach (or multiple breaches) of environmental licence conditions, regulations or contractual requirements.

- **Catastrophic:** A catastrophic, massive or uncontrollable emission or discharge of any type of pollutant or waste, affecting any environmental domain with chronic pollution, that is likely to last more than 12 months. Recovery/rehabilitation measures require extensive external support. An incident in which there has been a breach (or multiple breaches) of environmental licence conditions, regulations or contractual requirements which has resulted in a fine or prosecution.

In 2015, these classifications were reviewed and have been widely modified to ensure they are aligned with safety incident classifications. The new rules have been inserted in the Group's standards which were implemented in 2015.

C. Number and Volume of Significant Spills

With continued efforts to raise environmental awareness and improve the reporting of incidents, as well as increased levels of mandatory reporting, there has been an increase in the number of environmental incidents reported in 2015 in comparison to 2014 levels.

In 2015, a total of 251 environmental incidents were reported across Technip's construction sites, industrial sites, vessels and offices. Overall, this figure represents an increase of 48% in comparison to 2014. In 2015, the recording of negligible incidents, which correspond to "minor non-reportable incidents", doubled. This increase reflects the attention paid to even negligible spillages particularly in respect of North Sea operations. In 2015, four significant environmental incidents were identified according to the new classification (previously classified as "minor reportable incidents"). In 2015, no severe or catastrophic incidents occurred.

Distribution of accidental releases	2015							2014		2013	
	Total number of incidents [1]						Volume of spills *In litres*	Total number of incidents	Volume of spills *In litres*	Total number of incidents	Volume of spills *In litres*
	Minor non-reportable	Minor reportable			Major	Total					
	Negligible	Moderate	Significant	Severe	Catastrophic						
Construction sites	78	3	1	0	0	82	25,537 [2]	38	2,874	58	4,620
Industrial sites	32	5	1	0	0	38	400,106 [3]	31	32,290	31	5,482
Vessels	116	9	2	0	0	127	3,764 [4]	101	2,228	77	3,588
Offices	4	0	0	0	0	4	2	0	0	1	150
TOTAL	**230**	**17**	**4**	**0**	**0**	**251**	**429,409**	**170**	**37,392**	**167**	**13,840**

(1) According to the Technip Environmental Incident Classification.

(2) Of which 24,000 litres are related to two moderate spills in an industrial wastewater pond, which resulted in the whole pond being treated.

(3) Of which 400,000 litres are related to the management of process wastewater in a manufacturing plant.

(4) Of which 3,481 litres are related to various negligible spills of Hydraulic Oil and Lubricants.

Negligible spills or releases accounted for 92% of all environmental incidents reported. Of these spills, 94% consisted of oils (*e.g.,* hydraulic oil), fuels (*e.g.,* diesel and gasoline) and chemicals.

Four incidents were related to contaminated water or process waste water released in industrial ponds or other containment systems that needed to be treated.

The construction site and plant spills were all contained, remediated and disposed of in accordance with regulatory requirements and waste measures. The operational 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 low volumes of hydraulic oils or fuels were contained wherever practical or lost to sea. Incidents involving losses to the sea were reported in accordance with local regulatory requirements. A large volume of the subsea or offshore incidents were spills 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's control and third party vessels;
- greater regulatory and client requirements for the mandatory reporting of incidents; and
- an increase in the overall awareness and culture in reporting environmental incidents across the Technip Group.

In 2015, Technip measured the Total Environmental Incident Frequency Rate (per 200,000 man-hours worked) to be 0.19 (in comparison to 0.17 in 2014) and the Relevant Environmental Incident Frequency Report (per 200,000 man-hours worked) to be 0.02 (in comparison to 0.07 in 2014).

D. Mitigation of Environmental Incidents

All environmental incidents which occur and are within Technip's scope of responsibility are to be reported in accordance with the rules applicable for the whole Group. Incidents are investigated to determine the immediate, underlying and root causes. By identifying the causes of incidents, measures can be identified and put into place to reduce the likelihood of environmental incidents recurring.

The common immediate and underlying causes for environmental incidents across the Group are inadequate refueling or inadequate handling of the hazard substance procedures, inadequate training or competence 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 environmental aspects and the 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 bounding or barriers, additional spill or pollution response kits, drainage oil interceptors, as well as training, awareness and procedural measures, including by subcontractors.

3.5.6. Biodiversity and Ecosystems

GRI G4-DMA, G4-EN11, G4-EN12

Technip is committed to carrying out its operations in an environmentally responsible manner. This commitment includes the protection of biodiversity and ecosystems in the areas in which it carries out operations.

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

As an engineering and services company, Technip advises and helps its clients to carry out their Projects and investments in a sustainable way. On Projects, construction and installation methods which are more respectful of the local fauna and flora may be proposed to Technip's partners and clients.

Technip can use a number of processes and measures to assess its operations and ensure the protection of biodiversity. These measures include risk analysis and environmental impact assessment method (ENVID) in order to identify and manage the potential environmental impacts 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.

Inspections and studies are carried out on Projects as part of the Environmental Impact Assessment (EIA) to identify biodiversity and put in place controls such as storm water runoff protection, physical barriers to vegetation and the monitoring of fauna. 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.

In 2015, 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 preserving the local environment's biodiversity by promoting and organizing a series of initiatives including the Reforestation Program *"Cultivando el Mañana"*. This program, organized by the Client Braskem and JV (Technip, Odebrecht, ICA Fluor) and involving Etileno XXI personnel and local communities continued in 2015 for the third year. The rescue and relocation of flora and fauna is another activity carried out by 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.

Offshore, 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 reporting the presence of marine mammals such as whales and dolphins to regulatory authorities.

Aware of the attraction exerted on migrating birds by illuminated offshore installations at night, Technip France has decided to launch a 3-year research and development project on this environmental topic. In 2015, the study focused on illumination impact modelling. In 2016, a bird database will be created and in 2017, the mitigation measures will be implemented on offshore structures.

In 2013, new offices near Paris-La Défense (for approximately 1,100 people) opened in a new building which has several high level environmental certifications. The building is equipped with innovative green roofs and patios and insect houses. More than 30% of the building surface is covered with green areas.

Any damage to biodiversity must be reported through Technip's HSE reporting system. In 2015, no incident or complaint regarding biodiversity and ecosystems was reported by Technip entities or operations.

3.5.7. Other Aspects

A. Consumption of Raw Materials

Raw materials used for Technip's operations are mainly provided by suppliers on Projects, such as metal used for pipes or wood used for packaging.

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

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

On some Projects, Technip has added specific requirements to the Project packaging procedures sent to all suppliers. The suppliers are requested to use wood treated by heat processes and not treated by chemicals (as per international standards on phytosanitary measures). The aim is to give wood waste to local communities who will reuse it for construction, heating and cooking purposes. During the construction phase of the Projects, thousands of tons of wood are brought on site while in some regions, this natural resource is scarce. In addition, the segregation and management of wood waste on site requires manpower which can be hired locally.

For more information on Technip's practices related to sustainability in the supply chain, please refer to Section 3.6.2 of this Reference Document.

In the offices, the main raw materials used are limited to paper products. Good practices to reduce the use of paper have been adopted for several years by almost all entities within the Group as part of the Green Office program launched in 2010. Commonly adopted practices to reduce paper usage are:

- using secure printing as the printer's default setting to avoid unnecessary printing;
- set-up of double-sided printing by default on all computers;
- educating employees about their paper consumption (*e.g.,* displaying actual consumption of paper per floor or per person);
- more documents sent in electronic formats (*e.g.,* time sheets, travel requests, expenses' claims, invoices, magazines and newsletters); and
- extensive communication on best practices.

The use of recycled paper, paper from certified forests and eco-labelled printers are also usual practices in offices (including France, Spain, United Kingdom and Italy).

The consumption of paper within the Group was as follows:

	2015	2014	2013
Total paper consumption *(in tons)*	1,318 [1]	773	1,056

(1) Coverage rate is equal to 89% in terms of man-hours worked.

It shows an increase by nearly 70% in 2015 compared to 2014 due to the extension of reporting to temporary construction facilities and to manufacturing plants.

In 2015, the distribution of the total paper consumption per activity was as follows:

2015	Construction sites	Industrial sites	Fleet	Offices
Paper consumption *(in tons) (% of the total)*	265 (20%)	538 (41%)	NA	514 (39%)

In Technip's offices, the reduction measures and good practices in place over several years are continuing to produce good results, with a reduction of a further 12% in paper consumption, as part as the Group's Green Office Program. Since 2011, total paper consumption has fallen by nearly 50%.

B. Noise

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

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

In 2015, two complaints for noise disturbance were received by Technip entities or operations from local residents.

C. Odors

In 2015, no incident or complaint in respect of olfactory pollution from Technip entities or operations was reported.

D. Soil

Technip has a very limited influence on the choice of the location of client operations or facilities. Technip does, however, 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 impact on the environment and to prevent any excessive impact, through reviews of the design layout, construction planning and risk assessment, regulatory compliance and operational monitoring.

Past examples include situating a plant to limit the incursion into native vegetation or the redesign and stabilization of the plant's slopes to reduce erosion due to heavy rains. Proposed solutions

may have a positive impact on the required quantity of construction materials, energy requirements and polluting emissions from the works. They may also reduce cost, on-site working time and site-related risks.

During the earliest phase of construction activities when the site is being prepared for construction, soil is usually cut and excavated from site, which may represent huge quantities of clean soil. It is often temporarily stored either inside or outside of the site's boundaries and reused wherever practical on the construction site in the form of backfilling, fill for levelling, retaining walls, screening from neighboring operations or sent to dedicated landfills for environmental restoration projects.

In 2015, in the Etileno XXI Project, more than 200,000 tons of clean soil was excavated to be used for a natural restoration project which is currently on-going.

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

3.5.8. 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 (storage, transport, treatment and disposal), discharges and effluents (both domestic and industrial) as well as on soil remediation practices and environmental monitoring at sites, plants and in offices.

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

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

In respect of vessels, most 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 certification in respect of atmospheric emissions and liquid discharges. Related expenses are also included.

In offices, expenses include costs related to communication and awareness events such as the World Environment Day (including conferences featuring external specialists, the distribution of plants and promotion items) and also related to water and energy consumption reduction measures such as the replacement of halogen lamps with LED lamps.

Annual expenses related to environmental protection as reported by the sites *(in thousands of Euros)*	2015	2014	2013
Total environmental expenditure	3,302	3,001	2,481
Decontamination costs	0	0	0
Number of fines and compensation payments	0	0	0
Amount of fines and compensation payments	0	0	0

3.5.9. Increasing Awareness and Training

A. HSE Training

In 2015, HSE training continued to focus on the development of leadership and communication with the support of the internally-developed Pulse program, in addition to specific HSE aspects.

	2015	2014	2013
Number of HSE training hours (total workforce and subcontractors) [1]	1,377,034	830,854	706,745 [2]

(1) Number of hours on site including Pulse program.

(2) In 2013, hours significantly reduced since the 2013 Reference Document due to a change in data made by a construction site.

The table above provides Technip's total number of HSE training man-hours, 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 (*e.g.,* civil works and commissioning).

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.

Specific environment training modules have been developed for certain entities, such as a Project in Coatzacoalcos (Mexico), in the Flexibras manufacturing plant in Vitoria (Brazil) and in Flexi France in Le Trait (France) where programs focusing on oil spill management and emergency plans were delivered to the personnel.

❚ **Pulse Program**

Launched in 2008, the Pulse program aims at improving the Group's Health, Safety and Environment climate by raising awareness and encouraging employees to be proactive based on leadership and communication. At the end of each session, program participants commit to personally engaging with HSE initiatives. In 2015, approximately 2,760 people followed the "Pulse for the Office" module (which equates to around 9,100 people in total from the module's launch in 2013). The module includes an exercise in which participants are asked to discuss what is currently being done in their entity and what further actions could be taken to improve Technip's environmental performance. In addition, in 2015, over 3,400 engineers and design personnel followed the "Pulse for Engineers" module, which encourages participants to consider the impact that their design decisions will have on the environmental performance during the entire lifecycle of the facilities and processes that they design.

For more information on the Pulse program, please refer to Section 3.4.7 of this Reference Document.

B. Communication Events

Technip continues to reinforce environmental awareness and to encourage responsible behavior. Both are essential elements in order to improve the Group's environmental performance, in particular by organizing global communication campaigns.

❚ **World Environment Day**

World Environment Day (WED) is the most important event, which takes place on the 5th of June every year across the Group. This initiative is sponsored by the United Nations Environment Programme (UNEP) and has been observed by Technip since 2008 in most of its main offices and sites.

In 2015, Technip's environment day focused on the topics of sustainable consumption and production, inspired by the UNEP slogan "Seven billion dreams. One planet. Consume with care". This theme provided an opportunity to emphasize to Technip's whole workforce the importance of environmentally sustainable practices, 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 consumption.

In 2015, this event was observed widely across the Group and sponsored by the President Subsea and President Onshore/Offshore. Not less than 29 offices, 18 of the main Projects and sites and five manufacturing plants participated, organizing numerous activities involving the entire workforce, including contracted staff and subcontractors. A presentation prepared at Group level and personalized by sites was delivered to the personnel. Entities and Projects organized many local initiatives focusing on their significant environmental aspects and issues. The estimated number of participants in workshops, local initiatives and awareness programs is around 10,000 persons. Approximately 27 environmental initiatives were developed involving external stakeholders and local communities.

This annual event which is now well observed across Technip is a great opportunity to engage with the workforce at all levels and encourage people to take proactive mitigation measures in favor of the environment both at work and at home.

▌ **Energy Day**

Since 2011, an "Energy Saving Day" is observed every year in order to make Technip's workforce aware of good behavior and positive actions for reducing energy consumption in offices, on construction sites, in manufacturing plants and on vessels. Innovation and use of energy-efficient technologies still need to be increased.

Technip also needs to engage more with its business partners to change behavior in the workplace and at home in order to achieve lasting energy savings. These significant savings can only be achieved through effective engagement and communication. To meet these challenges, Technip has decided to observe a Group-wide "Energy Saving Day" every year in December.

3.5.10. Sharing Environmental Best Practices

One of the objectives of Technip's HSE and sustainable development strategy is to identify all environmental best practices within the Group, with the aim of sharing them across the entire Group.

An environmental best practice can be defined as a practice which is either technical or educational in nature and which significantly reduces one or several impacts on the environment.

This section provides examples of best practices to give an overview of the diversity of actions and initiatives to protect the environment that have been developed and implemented in 2015 within the Group, either at Group, regional or local level.

A. Projects

The execution of Technip's Projects is divided into three main phases: Engineering, Procurement and Construction/Installation/Commissioning/Start-up. This section follows the same structure.

▌ **During the Engineering Phase of Projects**

In some of Technip's operating centers, engineers work full time on environment and health studies carried out during the engineering phases of Projects, either conceptual, FEED (Front End Engineering and Design) or detailed design.

In the Group, around 80 environment and health specialists work on Projects. Their role is to ensure that installations designed by Technip comply with all applicable environmental and health requirements and to minimize the identified impacts of the Projects.

Different types of studies are carried out such as air emission modelling, marine dispersion, spillage and pollution control, waste management and studies on acoustics and vibrations. Some examples are described below.

Since 2012, the HSE-Design team based in Paris has developed Eco-design studies derived from Life Cycle Environmental and Health Assessment (LCA) methodology. These studies quantify the environmental and health impacts of a facility and the potential to reduce such impact when implementing the Best Available Techniques (BAT). The associated cost (investment and operation *i.e.,* CAPEX and OPEX) of using such technology is also estimated in order to obtain a complete cost-benefits study. As the first steps were encouraging, the approach is now included in the Technip service offer for early Project stages and was proposed in 2015 to the Technip clients. While giving an overview of the health and environmental impact of each Project, the Eco-design study is an innovative design tool which promotes environmentally friendly processes. It improves the Group's range of services on offer and anticipates client concerns, primarily in the energy sector. In 2016, it will be further developed and promoted to clients. More details are available in Section 3.3.5 of this Reference Document.

In terms of waste management, dedicated units are designed during the FEED phase of Projects in order to better manage all waste generated during the operation of the plant. A good example was on a refinery Project in a country where waste management facilities are not yet well developed. An Integrated Waste Management Center was designed by the HSE-Design team based in Paris and will be used by the owner during operations. This innovative approach complies with the environmental best practices and is adapted to the local context. It leads to minimizing the amount of waste disposed in landfills and increases employment opportunities for local communities.

In terms of noise management, detailed studies on noise are often conducted on Projects during the engineering phase. The task 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 Technip Paris, a team of several acoustic engineers with experience in architectural, environmental and industrial Projects are part of the HSE-Design department. They provide Noise and Vibration engineering services and solutions to major Onshore, Offshore and FLNG (Floating Liquefied Natural Gas) Projects for the leading oil and gas, petrochemical and mining companies.

▌ **During Procurement Phase of Projects**

For several years, calls for bids, procurement procedures and purchase orders have evolved and include more HSE (health, safety and environment) and sustainable development requirements. These aspects are taken into account in respect of current contractors as well as when selecting a new contractor or a new supplier.

As an example, an initiative regarding Subsea Projects was developed several years ago by the HSE-Management team based in Paris. The objective is to select subcontractors and suppliers which adequately manage the health, safety and environmental aspects of their respective operations. During the selection phase (bid stage), the environmental element is included in a tailor-made questionnaire in order to assess the subcontractor's and/or supplier's ability to meet Technip's environmental standards and requirements. The number of items related to the environment depends on the HSE level of the subcontractor's or supplier's activities and/or the equipment to be manufactured for the

Project. The subcontractors and suppliers are then assessed on their level of compliance including environmental criteria and performance which is then taken into account, among other aspects, in the final selection. The aim is to implement this new system for each new contract managed by the Paris office. In 2015, more than 150 invitations to tender were sent using the new process on four major Subsea Projects and on all supply Projects. This represents approximately 30 subcontractors and 70 vendors.

For more information on Technip's practices related to sustainability in the supply chain, please refer to Section 3.6.2 of this Reference Document.

▌During the Commissioning Phase of Projects

In 2015, the flagship project Prelude Floating Liquefied Natural Gas (FLNG) entered the commissioning phase on the site of Samsung Heavy Industries (SHI) Shipbuilding Yard located in Geoje (South Korea). The challenge of compliance with the local environmental standards was made possible due to the integration into the FLNG's initial design of the international standards recognized in Korea. The specific local environmental requirements were met with the development of dedicated environmental management programs and practices.

All operations are performed in compliance with local Korean and internal yard environmental rules and practices, and with the permission of local authorities where required. For main operations with potential environmental impacts, impact assessment studies have been performed by competent advisers.

A large program of HSE training was carried out on site. As a result, all involved personnel have been able to carry out commissioning operations with respect of project HSE commitments.

▌During Subsea Installation of Projects

As part of Subsea Projects, subsea installation teams have proposed an innovative design of cable ties since these plastic pieces are generally left in the sea after the installation of subsea cables. The replacement of the plastic pieces with biodegradable tie wraps was considered in order to avoid discarding plastic in the oceans and help to protect marine wildlife. This innovative product, already widely used by the aeronautic industry, was purchased in 2014 and tested on one of Technip's main Subsea Projects in Angola. Preliminary results showed that the product's mechanical characteristics were acceptable and in 2015, the product was successfully used in real subsea conditions. In 2016, the objective is to enlarge its use on several other Subsea Projects.

In 2015, HSE (Health, Safety and Environment) inspections on third party vessels contracted on all Region A Subsea Projects systematically included environmental aspects. During HSE inspections, a thorough check is carried out on MARPOL regulations' compliance, ballast water management, acceptable lubricants and chemicals and NO_x and SO_x emission controls. Vessel operators are encouraged to fit their vessels with Water Ballast Treatment Plants and Shipboard Energy Efficiency Software (in addition to a single Shipboard Energy Efficiency Plan). An additional support is now given to Projects to assist them in complying with the regulations imposed in various

countries which can sometimes be more stringent than the international norms (*e.g.,* incinerator use). In 2015, five vessels were inspected, 100 per cent of Region A Subsea Projects were supported and HSE bridging documents were written for two construction vessels operated by third parties. The development of HSE partnerships with chartering companies has also been initiated.

B. Technip's Permanent Sites

▌Offices

The Technip Brazil headquarters, based in Rio de Janeiro, were moved to a new building which can be considered as very environmentally friendly. Most meeting rooms are equipped with video conference equipment thereby reducing business travel and, consequently, CO_2 emissions; workers are encouraged to use porcelain mugs rather than disposable plastic cups; selective waste collection points have been dispersed throughout the workspace to encourage a culture of recycling and respect for the environment; specific temporary waste storage areas have been installed where waste within the workspace is verified, ensuring that such waste has been disposed of in the correct waste storage area prior to being sent by the relevant authorized waste disposal company to the final waste destination; toilets and taps are equipped with flow control avoiding waste water; and rainwater collection will soon be connected. All these initiatives make Technip's operations greener, as will certainly be seen through its environmental key performance indicators in 2016. This office as well as all supply boats used in Brazil for Subsea Projects are certified according to the ISO 14001 standard.

▌Industrial Sites

An increasing number of environmentally friendly practices and procedures have developed over several years in Technip's manufacturing sites, with the objective of improving the Group's performance in terms of reducing atmospheric emissions, treating liquid effluents and optimizing the use of natural resources.

In 2015, in the new flexible pipes manufacturing plant located in Açu (Rio de Janeiro, Brazil), all staff undertook measures to achieve the ISO 14001 certification. In November 2015, the plant was audited and certified by an independent third party without receiving any nonconformity. This achievement clearly demonstrates the Technip environmental commitment, from the Company's management to the factory workers. In 2015, the Açu plant was also inspected by state environmental agents, who granted the environmental permit of operation for units that were still in final stages of construction in 2014. That was the last step of the environmental permitting process which ensures the operations at the plant meet all applicable environmental legal requirements.

Several environmental educational programs have been developed throughout the Group, which have drawn the attention of Technip employees, schools and the local population to environmental problems, while at the same time developing Technip's social actions. Technip is very active in this area in Brazil. The actions implemented by Technip's flexible pipes' manufacturing

plant located in Vitória (Brazil) are still on-going. The plant, located close to the local community of Ilha do Principe, offers new social and environmental programs organized every year with the contribution of Technip's HSE and Social Management teams with help from voluntary staff.

In 2015, the teams in partnership with local organizations and neighboring schools, continued to strengthen skills in terms of communication and education. Teachers were provided with training on subjects such as sustainable consumption or environmental management while students had the chance to participate in photography and music workshops, combining school topics with social and environmental elements.

Since 2012, the team has also assisted with the development of a self-sustainable business run by women in the Ilha do Principe community who recycle waste generated by the Vitória plant (such as wooden spools and pallets, ceramics and plastics) and transform them into handbags, tables, armchairs and other objects which they sell through the cooperative. In 2015, the cooperative continued its activities and generated a source of income for five women and their families and succeeded in recycling part of the plant's waste. This is a long-term initiative which Technip will continue to support in the coming years in order to increase the number of people benefitting from the scheme.

At Technip's Flexi France plant located in Le Trait (France), an energy audit was performed in 2015 on the whole industrial site to identify the potential improvements in energy efficiency. In 2016, mitigation measures will be implemented accordingly as well as the development of a global energy management system in accordance with the ISO 50001 standard. In addition, several good initiatives were implemented in 2015 and shared within the Group including the identification of welds on wire by marks made with markers instead of aerosol. The benefits for the environment are reductions in the volatile organic carbon (VOC) emissions and in the quantity of hazardous waste to be treated. It also enables for only the right quantity of product for marking to be used and to therefore reduce the global cost of purchasing and processing.

▌ Fleet of Vessels

In 2015, the Technip Marine Operations Services (T-MOS) vessel fleet continued to reinforce its Environmental Management System (EMS).

The revised EMS includes mandatory updates to international regulations such as Annexes V and VI of MARPOL, with the objective of reducing carbon emissions from vessel operations worldwide. Ship Energy Efficiency Management Plans (SEEMP) have been Implemented for each T-MOS managed vessel and outline the various fuel saving measures which can be employed in order to reduce vessel emissions. Such measures are recorded on the T-MOS developed electronic "SEEMP Log" which records and calculates emissions saved from each operation.

In 2015, T-MOS introduced its new Blue Sky Environmental Reporting System which now issues monthly Environmental Reports for all T-MOS managed vessels. These reports consolidate each vessel's environmental performance and give information such as emissions and waste data which is provided to clients and other stakeholders within the business.

In 2015, within T-MOS, significant progress was made in developing the "green recycling" methodology within the organization. A Ship Recycling Policy, a protocol and a checklist have been developed and implemented to ensure green vessel recycling is undertaken. In 2015, the recycling of one of the T-MOS-managed vessels, the *Sunrise 2000,* commenced in Aliaga, Turkey and is due to be completed in 2016. It was decided that Turkey was the most suitable location for recycling the vessel in an environmentally sound and responsible manner. The country has a growing reputation for providing green recycling for vessel operators. Prior to deciding the final recycling location of the vessel, a due diligence audit was conducted on a series of recycling yards in Turkey. A system of 10 indicators based on HSE and worker welfare was used to score each yard. Turkey appears to have implemented an excellent system of ensuring ships undergo green recycling. Environmental protection, worker welfare and safety are all strictly regulated.

Another example of good environmental practice is the creation of an electronic waste record book which replicated the MARPOL Annex V Prevention of Pollution by Garbage and which conforms to MARPOL requirements. This record book provides monthly statistics of waste segregation percentages for each vessel, waste recycled and waste to landfill. This tool also provides T-MOS onshore management with full remote access to a vessel's waste management records without being on board, as well as an excellent and proven tool for any interested party who can quickly see key waste management data online.

3.6. ENCOURAGING POSITIVE IMPACTS ON SOCIETY

Technip is present in 45 countries and has industrial production assets and a large fleet of vessels on five continents. The Group's mission is to deliver safe and successful energy Projects to its clients around the world. The execution of its Projects combines profitability, respect for ecological, rational actions and ethical compliance. As such, the Group contributes to the local economies by hiring and training nationals while procuring and relying on effective supply chains necessary to deliver state-of-the-art and competitive Projects. In terms of social impacts, Technip endeavors to minimize any risks related to human rights' principles throughout its value chain and build long-term relationships with the local communities hosting its Projects and assets.

This Section sets out how Technip contributes to sustain socio-economic progress and manages its supply chain while promoting respect for human rights and strengthening long-term relationships with local communities. Encouraging positive impacts on society is part of Technip's business responsibility and sustainable development policy.

3.6.1. Developing Local Economies

GRI G4-DMA, G4-EC8

National content constitutes one of the six pillars of Technip's corporate strategy that has been reinforced in practice by the long-term presence in several countries including France, Italy, Norway, Brazil, Angola, India and Malaysia. These historic entities have naturally embedded national content as they have developed thus setting a Group philosophy. At the same time, the diversity of socioeconomic needs and expectations in the different locations where Technip operates make it difficult to systematize any national content strategy. Therefore, the Group encourages and sponsors every entity and Project team to develop local initiatives in accordance with national legislation, contractual obligations and good practice.

Whenever feasible, Technip endeavors to apply five principles in its national content actions, as follows:

- adapt actions taking into account local, regional and national needs, expectations and capacities across stakeholder groups instead of trying to import success stories from other contexts;
- set realistic objectives and achievable targets with relevant performance indicators in the short, medium and long-term with government authorities, business partners and members of the civil society;
- promote and participate in public/private partnerships fostering collaborative development and focusing on training, knowledge and technology transfer;
- adapt the strategy to changes (environment, politics, society and economy) and make progress in agreement with all the stakeholders, particularly with national governments, local communities and business partners; and
- demonstrate that national content is an opportunity rather than a cost with adapted procurement policies as well as incentives and expectations from clients and investors.

In 2015, a Group procedure was drafted to promote national content in all Technip activities. At least three new business opportunities in Africa and Europe have formally integrated national content and local communities´ development plans in tenders with associated budgets and national personnel to address the following:

- define strategy for stakeholder engagement, communication and grievance mechanisms;
- formalize national recruitment, training and transfer of knowledge to local personnel;
- contract and procure with national companies;
- develop national small and medium size enterprises;
- initiate partnerships with national universities and public education and professional institutions;
- promote environmental protection and cultural heritage preservation;
- enhance health and education levels for local communities; and
- monitor and report social, economic and environmental performance throughout asset management and Project execution.

To create long-term added value for the benefit of local populations and establish a long-lasting presence, the process of developing specific national content plans for each Project is not a constraint. Rather, it strengthens the collaboration with Technip's clients, suppliers and subcontractors and represents an opportunity to contribute to the improvement of local economies and social welfare.

A. Raising National Employability within Technip

GRI G4-EC6

As of the date of this report, the Group operates in 45 countries with production assets, engineering centers, procurement and construction activities on five continents. This global presence enables Technip to undertake Projects with high levels of national content. In 2015, 80.1% of Technip employees on payroll were nationals and 83.8% of staff in management positions were nationals.

Country	December 31, 2015 [1]		December 31, 2014 [1]		December 31, 2013 [1]	
	% of local staff/ staff on payroll	% of local staff/ staff on payroll + inpatriates [2]	% of local staff/ staff on payroll	% of local staff/ staff on payroll + inpatriates (2)	% of local staff/ staff on payroll	% of local staff/ staff on payroll + inpatriates [2]
Brazil	98.7%	97.8%	98.3%	96.9%	98.7%	98.0%
France	93.9%	89.8%	94.0%	89.9%	94.6%	91.1%
India	99.8%	98.8%	99.8%	98.1%	100.0%	99.4%
Italy	97.7%	91.9%	97.9%	94.5%	97.9%	93.7%
Malaysia	85.6%	82.9%	85.4%	82.0%	85.2%	80.7%
United Arab Emirates	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
United Kingdom	84.8%	84.0%	83.8%	82.9%	87.2%	85.9%
United States	72.5%	71.4%	73.5%	72.2%	75.2%	73.1%
GROUP [3]	**80.1%**	**78.3%**	**80.5%**	**78.4%**	**81.5%**	**79.3%**

(1) 2013 coverage rate: 70.8% of total employees on payroll. 2014 coverage: 72.4%. 2015 coverage: 72.5%.

(2) New indicator that takes into account the impact of inpatriates locally.

(3) 2013 coverage rate: 100% of total employees on payroll. 2014 coverage: 100%. 2015 coverage: 100%

Technip believes that national content goes far beyond the obligation of compliance with local regulations. At a time when countries are formalizing their own local content requirements, the Group has anticipated this fundamental requirement in many countries.

B. Growing National Talents in all Regions

Technip's Human Resources Policy seeks to draw on local talent nurseries and help every person to fulfil her/his full potential. This is one of the goals of the leadership program which has been supporting Technip´s talent management processes since 2013. In 2015, Technip University introduced a leadership mentoring program for a group of future leaders. The 12 participants from North and South America, Europe and Asia Pacific receive regular one-to-one mentoring from top management throughout the year. To build on the development of future leaders at all levels and locations within the organization, Technip University also launched the Transform program. Over 50 junior managers representing all regions are expected to develop their leadership profile and career path. Their line manager and dedicated talent manager will support them through a range of learning activities including:

● a tailored individual development plan;

● 360 degree review and feedback process; and

● Leadership development activities, skills building and networking with participants across regions.

Further, in 2016 Technip University will implement the Emerge program to provide a standard and consistent introduction to management for all managers with less than 12 months seniority.

Technip is also preparing the future generations of project managers. The Knowledge Transfer program matches experienced mentors with junior project managers to develop their skills in the workplace. Launched in 2012, the program is delivered locally according to need. At December 2015, there were 98 participants representing all regions.

C. Sustaining the Local Economic Ecosystems

GRI G4-EC9

Technip never operates alone in delivering its Projects and suppliers are vital partners to deliver successful results. An integrated approach and a close working relationship are necessary in producing the benefits everyone expects. As part of the improvement of the procurement practices, Technip continuously strives to consolidate its supply sources and geographic origins, while maintaining the highest quality standards and availability of strategic equipment and raw materials. In 2015, 51% (corresponding to approximately €1.87 billion) of the overall procurement expenditure consolidated through Spend Map (Global Procurement Tool) was certified to be sourced in the same country of purchase. This reflects the Group's commitment to contributing to the national economies where it operates.

Country	% of spending certified to be sourced in the same country of purchase		
	2015 [1]	2014 [1]	2013 [1]
Australia	NA	83%	54%
Brazil	91%	56%	98%
China	NA	20%	46%
France	11%	14%	13%
Germany	84%	78%	65%
India	70%	66%	38%
Italy	85%	25%	29%
Malaysia	35%	27%	24%
Norway	78%	67%	97%
United Arab Emirates	51%	24%	40%
United Kingdom	55%	61%	70%
United States	83%	65%	67%

(1) 2013 coverage rate: 95% of overall Procurement spent for all business segments. 2014 coverage: 96%. 2015 coverage: 99%.

D. National Content Best Practices

On every continent, the Group has production assets and construction sites with an extensive network of suppliers and subcontractors. This global presence enables Technip to undertake Projects with a high level of national content and, in return, develop a strong link between the economies of the host countries and growth. The following are national content best practices.

▌ Ghana: Developing National Capabilities

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 registration of GTES, the Ghanaian engineering center under a joint venture framework between GNPC and Technip. 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 success of completed Projects led to GTES winning its fourth and biggest EPCI contract (Project TEN), to be completed in 2016.

In this context, two memoranda of understanding were signed with Regional Maritime University (RMU) and Kwame Nkrumah University of Science & Technology (KNUST). The objectives have been to support offshore Projects and Technip's fleet operations as well as developing engineering capabilities through lectures, internships and the foundation of a business incubator for the creation of small and medium size enterprises. In the context of Project TEN, a 95-month plan has been set to send Ghanaian engineers to reinforce their technical and managing skills at Technip's offices overseas throughout 2014 and 2015.

In 2015, GTES employed 53 Ghanaians and seven inpatriates. This figure is close to the goal set under Ghanaian law on local content which sets the goal of 90% to be achieved before 2023.

▌ Angola: Maximizing Local Content

Technip has been working in Angola for over 40 years, through a combination of strong local presence and heavy involvement of its international entities.

Since early 2000, Technip has invested in a unique combination of ventures in Angola, Angoflex, the only umbilical plant in Africa and the only permanent spoolbase in Africa and Technip Angola, the first and largest project management and engineering office in Angola. The key of Technip's strategy is the maximization of high-end Angolan content, not only in terms of employment and investments, but also in terms of know-how transfer and training programs to contribute actively to the economic and social growth of Angola.

In 2015, the two entities had 397 employees on payroll with an Angolan content of 99.5%. This figure has been significantly increasing over the past years with the implementation of Projects bringing state-of-the-art technologies and unmatched Angolan content such as CLOV for Total, Block 15/06 West Hub for ENI, GirRi 1 and 2 for Total, Frame Agreement for the two Floating Production Storage and Offloading units of Block 18 and 31 for BP, GLA Front End Engineering Design (FEED) for Chevron and Punja FEED for Sonangol P&P. In 2015, the entities of Technip in Angola also started to mobilize on the Kaombo Project, the largest subsea Project ever awarded, that is further contributing in the coming years to Technip's sustainable footprint in Angola.

▌ East Africa: Building a Sustainable Future

As part of East Africa´s new business opportunities where Technip is currently participating, several partnerships have been formalized since 2014 with key stakeholders in Mozambique and Tanzania to promote:

- the transfer of knowledge and technology with ENH (Mozambique´s national oil company) to nationals;
- education and training opportunities for future national engineers in gas Projects with ENH and the University Eduardo Mondlane (UEM) in Maputo;
- internships and scholarships to national engineers with the University of Dar es Salaam (UDSM) in Tanzania; and
- the donation of engineering books to UEM and UDSM.

In 2015, two Mozambican students were selected by UEM and approved by ENH for a four-month internship within Technip in Paris. During this period, they were exposed to various disciplines including health and safety, quality and onshore project management with Technip´s multicultural teams. The two students demonstrated their capacity to deploy their academic knowledge and professionalism. After successfully completing their internship, one of the students has now entered the *École des Mines* in Nantes (France) for a two-year Master´s degree as part of a sponsorship developed between Technip and the French Embassy in Mozambique. The other student has applied to a Master´s degree in South Africa as part of a scholarship offered by Technip.

In addition, dedicated gas development workshops have been organized for ENH, *Instituto Nacional de Petróleo* (INP) and *Ministério dos Recursos Minerais e Energia* (MIREME) to transfer technology to Mozambique and train Mozambican engineers. One engineer from ENH has been integrated into Technip´s project management teams for one month training on Floating LNG technology.

Also in 2015, as part of the partnership formalized with UDSM and with the support of the French Embassy in Tanzania, one student was granted a scholarship to undertake a two-year master´s degree in environmental and energy engineering at the *École des Mines* in Nantes (France).

▌ Congo: Spearheading National Content

Considering the key role of training and skill transfer in fostering local development, Technip in Congo has offered, through the Moho Nord UFR Project, various training opportunities to locals to develop specific skills in the Oil and Gas sector and increase their employability. So far, 25 young Congolese have benefited from more than 10,000 training and internship hours.

Several students from the local school "Technology Institute ISTAC" were trained on various topics including HSE, quality, fabrication, planning and operations as indicated below:

- three students benefitted from a total of 18 months of internship;
- two interim training sessions of eight months offering on-the-job training in the operation yards; and
- one apprentice continuing his internship periods within Technip´s fabrication yard in Congo.

Congolese graduates from another engineering school, the Regional Maritime University (RMU) in Ghana, benefited from several internships related to yard operations and offshore personnel logistics linked with Technip´s vessel G1200. Also, a Congolese engineer was trained during 15 months as an "Installation engineer" in Paris to follow engineering and, procurement activities and then embarked on a four-week offshore rotation aboard installation vessels.

Additionally, a number of training actions have been proposed to *Marine marchande* in Congo in a training framework plan to increase the "congolization" of Technip vessels involved in the offshore campaign of Moho Nord UFR. Around fifty Congolese seafarers are to embark onboard Technip vessels during the offshore campaign in 2016 while fifty others are being trained onshore. The training plan was developed together with the *Marine marchande* to increase local seafarers' skills and employability in the long-term.

▌ Malaysia: Boosting National Skills

Malaysia has experienced a significant economic growth with low migration rates during the last years. This situation translates into highly skilled Malaysians working abroad and international companies obliged to hire inpatriates in managerial or core positions. To counteract these trends, Technip Malaysia has been developing specific programs in the last five years to address the different competency needs from junior, middle and upper management levels as follows:

- structured leadership programs targeting competency needs along with development plan and Company goal alignment for medium and upper managers; and

● grow graduate programs targeting specific skill development for young Malaysian professionals to adapt to the work environment smoothly. This program combines theory training, a mentor-mentee system and onsite learning that focuses on technical and soft skills capability building. A total of 24 graduates registered in 2015.

In 2015, 75 students from various institutes took up internships within Technip and focused on on-the-job training. Internally, monthly technical lectures have been organized by the training and engineering departments as a platform for technical knowledge transfer from seniors and experts to young engineers. In addition, Technip has signed Memoranda of Understanding with three Malaysian universities to set up a practical industrial training program for undergraduate students with the aim of gaining exposure in the working environment. A total of 14 students participated in this initiative in 2015.

Finally, in the past five years, 152 Malaysian employees of Technip have been seconded overseas to take up international assignments throughout the Group´s entities in the world.

Colombia: Building the Offshore Future

As part of anticipating Colombia's new Offshore opportunities, Technip has developed a long-term agreement with the University of los Andes (one of the top engineering schools in South America) to create the basic know-how of the offshore oil and gas industry in the country. With the help of its clients Anadarko and Shell, Technip has been sending experts from Houston to give specific lectures on exploration, drilling, subsea engineering, offshore facilities, Offshore HSE awareness and maintenance and operations of offshore facilities. Since 2012, 103 students have participated and Tipiel (Technip in Colombia) has trained 45 of its engineers. Technip USA, Inc. has sent 14 of its experts to support the effort. In 2015, Technip worked with los Andes to prepare a Management and Engineering Offshore Specialization planned to be launched in 2016.

Bahrain: Promoting Knowledge Transfer

Within the context of the Bapco BMP Project in Bahrain, Technip has been conducting knowledge transfer initiatives dedicated to improving the capabilities of young Bahraini employees. As such, in 2015 and 2016, 34 of them were selected to spend three months at Technip premises in Italy. Each of the candidates has been assigned to specific departments including civil engineering, piping, HSE and Human Resources in accordance with their skills, interests and objectives with the aim of enhancing their leadership and supporting the development of the country in the long-term.

3.6.2. Sustainability in the Supply Chain

GRI G4-DMA, G4-12

Technip is a world leader in project management, engineering and construction for the energy sector. The Group never operates alone in delivering its Projects and both suppliers (goods and equipment) and subcontractors (services) are vital and critical partners, required for the delivery of successful Projects. An integrated approach and a close working relationship are necessary in producing the benefits everyone expects.

For this purpose, Technip has established the Global Procurement and Global Construction organizations (the latter being in charge of subcontracting activities), which operate at corporate level to foster the knowledge sharing across operations and represent the Group towards suppliers, subcontractors and partners.

A. Internal Structure to Manage Supply Chain Challenges

The Global Procurement and Global Construction Organizations have the mission to:

● develop Technip's knowledge of the markets for raw materials, equipment and subcontracting that are important for its business and more generally offer and implement a global procurement and subcontracting strategy improving competitiveness;

● establish and run an efficient procurement information collection and communication process, within the Global Procurement network itself and within Technip's organization, beyond the network;

● monitor the construction market and the key fabrication yards worldwide;

● monitor the HSE, quality and construction performances of Technip's subcontractors in ongoing Projects;

● represent the Group toward Technip's top suppliers and construction subcontractors and manage the relationships at corporate level to develop a long-term partnership and negotiate the Group's frame agreements with Technip's suppliers and subcontractors;

● operate on the market with a unique and strong leadership focused on strategic sourcing;

● ensure sustainable execution of purchase orders;

● gather and report information critical to Technip's operations;

● define and maintain the procurement, subcontracting and construction rules and procedures applicable to the Group;

● develop and ensure the updating of the Group's Procurement, subcontracting and construction tools and databases; and

● manage and update the e-procurement tool open to Technip's suppliers.

The Global Procurement and Construction networks are organized in matrix-modes with regional and local offices and personnel spread among the various Technip entities worldwide.

B. Supply Chain Operating Principles and Procedures

GRI G4-SO9, G4-EN32, G4-LA14

To deliver safe and successful energy Projects, Technip has to remain attentive to all challenges whether great or small and be able to anticipate them.

In line with its mission and values, Technip has developed several Group Operating Principles/Standards (GOPS), Group Instructions and Guidelines in the fields of human resources, communications, quality, HSE, security, finance and control, legal and compliance, project management and execution, IT, technologies, engineering, procurement and construction. The requirements stated in GOPS and Group Instructions are mandatory across the Group and provide the overriding framework within which the regional entities conduct their operational autonomy. To facilitate compliance with the GOPS, corporate teams publish specific Group guidelines that are recommended for support purposes but are not mandatory.

The supply chain is cardinal in Technip's mission and is managed through several GOPS and related guidelines. The emphasis is to maximize sustainability and minimize risk.

The key formal steps undertaken by Technip in the management of its supply chain are as follows:

- **Step 1:** the process begins with Technip's mandatory application of its GOPS related to the qualification and performance assessment of suppliers and subcontractors. To be qualified for a Project, new suppliers and subcontractors must be satisfactorily evaluated, in accordance with Technip's local procedures. Demonstrating the following criteria contributes to the assessment of the human rights risks: commitment and potential to meet Technip principles in terms of health, safety, quality, environment, business ethics and social accountability.

- **Step 2:** Technip's General Terms and Conditions (GT&C), used by the Procurement and Construction teams, include a provision regarding Technip's commitments, Values and Charters, the purpose of which is to mirror the Group's requirements in this respect. Therefore, any supplier and subcontractor must comply with the Group's corresponding requirements. These general purchase conditions define and govern the principles of performance of Purchase Orders (POs) and Subcontracting Contracts (SCs) and form integral parts of the formal agreements entered into with suppliers and subcontractors respectively. Through the acceptance of POs and/or SCs, suppliers and/or subcontractors irrevocably withdraw from their own general sales' conditions. Technip supports the Global Compact initiative, hosted by the United Nations. In accordance, suppliers and subcontractors shall respectively perform their POs and SCs in full compliance with Technip's commitments, Values and Charters.

- **Step 3:** supplier and subcontractor performance assessment at project level (included in GOPS "Qualification and Performance Assessment of Suppliers" and "Qualification and Performance Assessment of Subcontractors"). Within Technip, the operating units prepare performance assessments after the execution of a PO and SC. Deliverables of these assessments include feedback reports and provide supplier and subcontractor criticality ratings. As such, suppliers and subcontractors are evaluated, in particular, on the following criteria which contribute to the assessment of the human rights performances: HSE addressing issues, such as company culture and HSE performance.

Specifically for construction subcontractors, adherence to social responsibility principles including human rights, environment and business ethics is particularly assessed and verified.

- **Step 4:** GOPS Risk Management. During the Project's entire lifecycle, Technip's risk management process shall be periodically conducted. The level of severity of a risk will be determined by assessing the impact on several criteria, among which the following which address human rights' issues: HSE, safety and society, impacts on nearby communities (protests/demonstrations), internal security (labor unrest, sabotage and intrusion) and security management systems (*i.e.,* guarding, patrolling, emergency response and notification).

- **Step 5:** GOPS Joint Notification Procedure of Major or High Potential HSE, Security & Medical Incidents. Major incidents will be reported to be able to take immediate action. Some incidents are related to human rights: (i) single or multiple fatalities; (ii) kidnapping and/or murder; (iii) riot, strike with violence against the staff; (iv) civil unrest; (v) major vessel emergency (*e.g.,* piracy, collision, trapped or lost diving bell); or (vi) major environmental incident.

The following paragraphs cover detailed features of the different GOPS and guidelines that Technip applies throughout the organization for the management of its supply chain.

General Principles Applicable to Technip's Procurement Policy

These GOPS set out the governance principles included in Technip's Procurement Policy and ensures that:

- procurement activities are performed in compliance with the Group Values and Policies;
- authority roles and responsibilities are established with suppliers;
- the procedure leading to the purchase of goods and services from suppliers is set. Such procedure is to be conducted on a competitive basis;
- the approval and qualification system of goods and services required for the Projects and for the operation of Technip's entities is defined;
- the implementation of standard GT&C and approval by the Group Legal Division and Particular Terms and Conditions are tailored to the context of each Project;
- the implementation of project procurement execution plans is set at an early stage, after the purchase order, to identify specific risks related with, but not limited to, logistics, sourcing constraints and local content requirements; and
- performance appraisals and close-out reports are reported.

Subcontracting General Principles

These GOPS set the general principles of governance for subcontracting activities, including specific rules to be applied, from the establishment of a subcontract plan to the award of a subcontract. The general principles are applicable to all entities and joint ventures:

- compliance with Technip's Values, Charters and Policies which may enforce an obligation to implement certain rules within the subcontractors' organizations and in particular regarding anti-corruption practices;
- establishes authority roles and responsibilities with subcontractors; and

● sets the process leading to the purchase of services or works from subcontractors to be conducted on a competitive basis.

Based on compliance questionnaires duly filled in by potential subcontractors, due diligence is conducted where there are any "Red Flags" that serve as a warning sign that there is an increased risk of potential improper behavior on the part of the subcontractor.

Should a Red Flag be identified at pre-qualification stages, then the subcontractor shall not be entered for any Project until such Red Flag is removed.

Qualification and Performance Assessment of Suppliers and Subcontractors

These GOPS are used by all entities across the organization in the qualification and assessment of performance with all new suppliers and subcontractors. These procedures cover the procurement of equipment and associated services and the subcontracting of construction services, either for Projects or for internal use.

To be qualified, new suppliers and subcontractors must be evaluated in accordance with local procedures that cover, as a minimum, the following criteria:

● formal commitment to and compliance with, Technip's principles in terms of health, safety, environment, business ethics and social accountability;

● technical manufacturing, fabrication and construction capability to meet the requirements of the work scope;

● demonstration that workload is acceptable vis-à-vis current backlog and/or manufacturing capacity;

● demonstration of experience in management of sub-suppliers and subcontracting;

● capability to comply with Technip's documentation control and exchange of information;

● demonstration of quality accountability in line with recognized standards such as ISO 9001; and

● demonstration of subcontractors to provide adequate resources to carry on a Project.

Once new suppliers and subcontractors have been screened using the above criteria, they are then ranked pursuant to the "Criticality Rating", ranging from "not critical" to "highly critical" and one or all of the following actions are triggered:

● review supplier and subcontractor pre-qualification data;

● verify compliance to tender technical information;

● perform surveys or audits focusing on areas of concern identified; and

● perform survey or audits based on qualification criteria.

During surveys and audits, detailed reports are issued to trace the details and topics, including actions to be implemented and ensured by suppliers in contractual documents at the purchasing stage.

Finally, reference is made to GOPS, such as Suppliers' Quality Control Surveillance, that sets rules for monitoring and assessing performance during purchase order execution. Concerning construction subcontractors, Quality Surveillance is made through regular schedule of audits as far as production, process and HSE are concerned.

Suppliers' Quality Control Surveillance

This GOPS defines the level of inspection for materials and equipment to be purchased by all Technip entities. Inspection levels are a function of the Criticality Rating of the material or equipment and the supplier rating or the supplier qualification result. There are four levels of inspection ranging from verifying quality control records to full monitoring and inspection of supplier activities, from tendering to delivery of equipment purchased.

All personnel involved in the procurement process, from material requisitioning up to delivery (Project Management, Engineering, Procurement, Inspection and Quality functions primarily), have to adhere to this GOPS with an emphasis in the involvement of permanent members of the Inspection network during key inspection activities.

Supplier and Subcontractor Audits and Surveys

The objective of these guidelines is to define the scope and content of the different audits and surveys required for supplier and subcontractor qualification. They also make recommendations for the optimization of inspection and surveillance reviews and Project audits during execution process. These guidelines also improve the selection of suppliers and subcontractors across the Group, ensure that audits and surveys are conducted with a common understanding of the technical risk using Failure Modes, Effects and Criticality Analysis (FMECA) methodology and that reports are shared consistently and effectively across the organization.

In terms of sustainability, this guideline provides instructions during audits and surveys related to:

● safety conditions;

● product quality;

● social responsibility including compliance with local labor laws and in particular for sub-contracted labor;

● health & hygiene; and

● environmental matters including supplier impact on society and local communities.

Different countries will have different standards and laws and, thus, different perceptions and practices on the subject. Therefore, these guidelines provide recommendations as to benchmarking suppliers and subcontractors within a given country and to use this information as leverage, to bring minimum acceptable standards. In addition, these guidelines associate the templates Supplier and Subcontractor Sustainable Development Checklist that are to be completed by new potential suppliers and subcontractors at a very early stage of award.

Technip Italy, one of the most advanced entities of the Group in this respect, involved, in 2015, eight suppliers and construction subcontractors in its CSR Evaluation Process, undertaken during biding and execution phases of different Projects.

▌ Temporary Personnel Management

These GOPS apply to all entities and set a common approach regarding the staffing principles and management of temporary personnel mobilized for Technip Projects and other installations involving, but not limited to, Onshore, Offshore, Subsea, PMC and head offices based assignments. The principles involving temporary personnel are as follows:

- site vacant positions shall first be offered to Technip's permanent staff;
- if no permanent staff are available, sourcing and placement shall be done through the Global Construction Hub in priority with preference to core temporary personnel resources known by Technip; and
- if no temporary personnel can be made available, then recourse to staffing agencies shall be considered. Specific GOPS are then applicable.

For highly skilled temporary personnel, there is a Core Temporary Personnel Management procedure seeking to develop long-term relationships encompassing as a minimum, career talks, performance assessment reviews and compensation package negotiation. These measures are effective to retain high performers, increase commitment and loyalty to deliver successful Projects.

C. Supplier and Subcontractor Selection and Capability Building

Since 2006, references to Technip's Values and the United Nations (UN) Global Compact have been included in the Group's general purchasing terms and conditions. In 2014, specific questions relating to sustainable development were included in the supplier and subcontractor pre-qualification questionnaires which are conditions for inclusion in Technip's supply chain database. In 2015, the Group increased its interactions and open dialog on social and environmental matters with its top suppliers and subcontractors.

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's 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 Technip's recognized Pulse HSE program. The aim is to promote leadership and communication on HSE matters in which employees and business partners behave positively and proactively. In 2015, approximately 7,400 persons were trained through the module Pulse for the Workforce, corresponding to approximately 59,000 training hours. Approximately 54% of these training programs were provided to subcontractors on Project sites and represent an increase of 47% compared to 2014.

D. Top Suppliers' Management and Subcontractor Accountability

In 2015, Technip continued to strengthen its relationships with its top 20 suppliers, who represent approximately a third of Technip's procurement activity worldwide. The aim is to value an active collaboration to build on trust, rather than developing a purely transactional relationship, taking into account short and long-term strategic directions in relation to the following topics:

- improve competitiveness and develop frame agreements;
- increase Project and supplier satisfaction;
- promote teamwork to increase engineering and construction optimization and cost-efficiency including man-hour savings, rework minimization and de-packaging strategies;
- reduce risks in terms of, among others, quality, schedule and claims; and
- increase availability of goods and services in case of an overloaded environment and maximize supplier responsiveness.

The Global Procurement organization launched a satisfaction survey with its top suppliers to rate Technip in relation to its business behavior, effectiveness, communication and provide recommendations for improvement.

Specific questions were also asked in relation to the clarity and completeness of material requisitions related to engineering optimization, procurement practices, quality, environment, health and safety. The information requested was welcomed by the suppliers and identified as an opportunity to enhance long-term and sustainable business relationships.

From the results of the surveys, the top suppliers consider Technip as a leading EPC Contractor with technology differentiators within the energy sector. However, several axes of improvement were identified within the procurement organization in some Regions: (i) the need for increased early implication of suppliers, (ii) the need to pay attention to the bidding phase over costs due to technical design and (iii) the need to set up post-execution meetings to formalize feedback.

In 2016, Technip's top 20 suppliers will be asked to participate in actions leading to the assessment and improvement of value-creation in business performance, environmental protection and social welfare. The following specific topics will be developed and are expected to be materialized throughout the supply chain:

- human resources data such as: conditions of employment, health and safety in the workplace, diversity, respect of human rights and labor related standards;
- environmental data associated with supplies of goods and equipment procured by Technip (CO_2 and other greenhouse gases, energy and water consumption, wastewater and solid waste and environmental incidents such as accidental spills); and
- life-cycle data of supplies procured by Technip.

To increase the awareness of the challenges listed in the sections above, the Sustainable Development Department will advise its Sustainable Development Board about the social responsibility risk exposure in relation to subcontractors. It will seek to consolidate and expand its network in the regions where the risks are high to manage more effectively at local level the relationships with subcontractors through more comprehensive surveys and audits.

3.6.3. Protecting Human Rights

GRI G4-DMA, G4-HR2, G4-HR9

Technip endeavors to ensure compliance with human rights within the scope of its operations and in accordance with the following international human rights regulations and principles:

- the UN Guiding Principles on Business and Human Rights (UNGPs);
- the 1948 Universal Declaration of Human Rights; and
- the International Labour Organization's (ILO) Fundamental Conventions regarding the freedom of association, the eradication of discrimination and forced labor and the abolition of child labor.

Since 2002, the Group has been a signatory to the UN Global Compact and the first two commitments are cited below:

1. Businesses should support and respect the protection of internationally proclaimed human rights; and,
2. Make sure that they are not complicit in human rights abuses.

These international regulations and principles are embedded in the internal Group documents in which Technip commits to respect and protect human rights through the application of relevant Group Charters (Ethics, Social, Security, Environment, Quality, Health and Safety Charters), Policies (Sustainable Development, Risk, Quality, Health Safety and Environment) and Procedures (GOPS, Group Instructions and Guidelines).

Also, the Code of conduct (to be published in 2016) will be applicable to all employees and will expressly refer to international human rights regulations and principles. The Code of conduct aims to be the cornerstone of business relationships with like-minded clients, suppliers and business partners.

In 2015, Technip ensured that its employees were regularly trained and sensitized to human rights, ethics and Technip values by devoting 12,965 training hours to these topics.

A. Labor Rights

Human rights are handled across all the entities of Technip through its Group Charters, Policies and Procedures. The Group pays particular attention to labor rights. In 2015, 100% of Technip´s entities formally declared their respect for the ILO´s Fundamental Conventions. Each year, Technip requires its entities to identify their best practices and actions in conformity with the terms of ILO's conventions.

▮ Freedom of Association and Right to Collective Bargaining

GRI G4-HR4

Technip supports freedom of association in all its entities in accordance with its Social Charter and the principles of the Global Compact. There are representative institutions or independent trade unions in 32% of Technip's entities.

In countries where trade unions are not formally authorized, Technip facilitates the appointment of worker's representatives and, for example, the implementation of grievance procedures to collect and address workers' complaints or the setting up of welfare committees.

▮ Elimination of Forced Labor Practices

GRI G4-HR6

Technip endeavors to eliminate any practice of forced or compulsory labor with regard to international standards and local legislation.

In 2015, in addition to respecting international conventions, 81% of Technip's entities either reported following best practices to prevent forced labor or operated in countries that have strict appropriate local legislation. For example, in Colombia, forced labor is covered by Guides Colombia to which Tipiel (Technip in Colombia) has belonged since 2006. Guides Colombia is a multi-stakeholder initiative involving companies, NGOs, civil society, government and international organizations. It is led by the Foundation *Ideas para la Paz* (Ideas for Peace) the purpose of which is to build tools for companies to operate their projects while respecting human rights and international humanitarian law. To date, four guidelines have been developed: Security; Complaints and Claims; Decent Working Conditions; Purchase and Acquisition of Land Rights and Right to Use. Each of the guidelines considers general principles and action principles which guide companies to ensure due diligence in human rights.

▮ Abolition of Child Labor

GRI G4-HR5

Technip sees its contribution to eliminating child labor as a priority in its own activities and in its supply chain. In 2015, in addition to respecting international conventions, 77% of Technip's entities either reported following best practices to prevent child labor or operated in countries that have strict appropriate local legislation.

For example, in Brazil, Technip has worked on an internal document on Corporate Social Responsibility *("Procedimento de Responsabilidade Social Corporativa")* in which the entity 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. In Australia, in the execution of its projects, subcontractors are contractually required to abide by the Project Employee Relations Management Plan which identifies conformance with the ILO conventions.

▮ Initiatives to Uphold the Elimination of Discrimination

GRI G4-HR3

In accordance with its Social Charter, Technip is committed not to practice any discrimination among its employees and job applicants.

Technip promotes cultural and ethnic diversity through multicultural programs and international mobility. With regard to equal opportunity, Technip implements awareness campaigns and

training sessions to sensitize employees. In particular, Technip has identified Gender diversity as a strategic priority and has obtained EDGE – Economic Dividends for Gender Equality – certification in eight countries, representing all Regions. This certification is awarded by independent external auditors.

Actions of the Group against discrimination are detailed in Section 3.4 of this Reference Document.

▌ Employee Working Conditions

In 2015, Technip entities were asked to answer (through their HR manager) a survey about their employees' working conditions. With the answers collected, more than 85% of the total workforce was covered, which represents 26,500 people (out of 30,680 total payroll employees at the end of November 2015). The analysis of the surveys revealed positive indicators related to the entities' practices and processes around topics such as work life balance and working environment. Some examples follow:

- From all entities that answered the survey, 100% are granting maternity leaves, 82% paternity leave and 20% declared providing more leave than legally required;
- Flexible working arrangements: more than 88% of the employees covered by the survey benefits from flexible working arrangement (*e.g.,* part time working, flexi working hours and home office);
- Leave: 48% of employees covered by this study benefit from more leave than required by their local legislation or regulation (*e.g.,* longer maternity leave and leave for special life events); and
- Assistance: 61% of employees covered by this study have access in their entity to a staff assistance program or equivalent (*e.g.,* psychological support to local and inpatriate employees 24/7, legal assistance and social assistance in France).

Detailed information regarding social relations is presented in Section 3.4.5 of this Reference Document.

B. Security

Technip makes sure that its staff and contractors are kept safe during any of its operations (See Section 3.3.4 of this Reference Document). For some Projects and operations in high risk areas (according to the Group's security risk assessment), Technip might require private security services. To ensure security while respecting human rights and local communities, Technip has developed stringent selection criteria for security contractors. The final clearance to contract a security provider is given by Group Security who ensures that the selected company has an ethics charter and complies with all the requirements of the International Code of Conduct for Private Security Service Providers.

Technip security teams ensure through internal audits that contracted security providers respect local contractual requirements in matters of human rights and provide appropriate training to relevant staff.

C. Managing Human Rights' Risks in the Supply Chain

GRI G4-HR9, G4-HR10

On its construction sites, in its offices, in its fabrication sites and onboard its vessels, Technip's priority is always to protect the physical well-being of anyone placed under its responsibility (*i.e.,* employees, contracted and supplier 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 Sections 3.4.6 and 3.4.7 of this Reference Document).

Technip in Italy has been SA 8000 certified since 2004 in respect of all its onshore activities worldwide *e.g.,* Bulgaria, Qatar and Saudi Arabia. Consequently, subcontractors and suppliers are selected and evaluated on social responsibility criteria. The aim is to contribute to their performance improvement in terms of the protection of human rights as a tool of social progress. A tailored questionnaire on SA 8000 requirements is sent to selected suppliers and subcontractors and their responses are analyzed at the same level as Quality and HSE among others. Once the final supplier is selected, the Procurement teams prepare a draft of the supply contract, which includes special clauses based on SA 8000 Standard principles and the possibility of an audit at their headquarters or directly at jobsites. In 2015, eight questionnaires have been evaluated.

The social responsibility management system also applies to the organizational structures and nature of work done by subcontractors on construction sites. The subcontractors must comply with the health and safety requirements set out in Point 3 of the SA 8000 certification procedure, which requires them to perform emergency exercise simulations, conduct risk evaluations on the work performed and provide training and awareness programs on a range of sustainability topics.

Globally, to mitigate any discrepancy between international standards and local legislation, Technip has strengthened its procurement procedures through a range of different measures as described in Section 3.6.2 of this Reference Document. The pre-qualification procedures for suppliers and subcontractors include questionnaires specific to sustainable development issues. Besides, a clause was added to the Group's GT&Cs informing suppliers that Technip supports the United Nations Global Compact. This clause states that "the Supplier must comply with local regulations and legislation concerning labor law and fair working conditions, forced labor or child labor".

D. Continuous Improvement Actions

▌ Assessment

In 2015, Technip participated in workshops on the operationalization of the UNGPs and relevant human rights issues in the oil and gas industry with IPIECA (the International Petroleum Industry Environmental Conservation Association) in Houston and Perth.

In order to formalize Technip's approach to the UNGPs, its sustainable development performance was assessed by an independent service provider specialized in sustainability assessment of suppliers. This analysis is based upon 21 distinct CSR criteria. Despite the good score achieved, the Group is committed to taking into account any areas for improvement in its performance and aims to reflect this throughout its supply chain. Technip has also engaged with recognized organizations such as the Danish Institute for Human Rights to understand how best to measure its progress and assess its supply chain.

▌**Dialog with Key Stakeholders**

The Group has identified the following areas requiring top priority for action:

- With respect to its clients, Technip's management intends to engage as often as necessary with its counterparts to develop joint approaches and action plans to minimize human rights-related risks. It is paramount for Technip, as a contractor of oil and gas companies, to engage with its clients to jointly agree on actions addressing human rights' issues in the supply chain. In 2015, Technip started this action with two major clients.

- With respect to its suppliers and subcontractors, Technip intends to engage and establish a dialog with them to understand and develop specific actions to manage human rights-related risks. Technip started this action with two main suppliers in 2015 and will continue this engagement in 2016.

3.6.4. Building Long-Term Relationships with Local Communities

GRI G4-DMA, G4-SO1, G4-SO2

For national content, it is impossible to adopt a systematic and "one-size-fits-all" approach to local communities, as each context, even within a country, may vary.

Technip makes every effort and endeavors to respect 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. In line with its Sustainable Development Policy, Technip encourages its operating centers and project teams to develop their own initiatives to support local welfare in compliance with applicable national legislations while maintaining the highest levels of ethics and compliance.

Technip considers local communities as essential stakeholders with interests, needs and expectations that differ from the Group's entities or Projects. From the experiences shared by some of the Group's most advanced entities maintaining relationships with local communities, Technip obtains the support from local communities that is vital to the success of every Project of the Group.

The Group responds to local communities' needs and expectations in three different ways:

- donations to public health and education institutions and non-governmental organizations;

- emergency aid or localized humanitarian help, in particular through Technip Relief & Development Fund and employee-based solidarity initiatives towards the communities suffering from natural disasters in coordination with inter-governmental organizations, such as the Red Cross and the Red Crescent; and

- long-term development initiatives focusing on children's health and education, adult employment and environmental protection with strong ties to schools, universities and public institutions.

In 2015, the following indicators were consolidated throughout Technip´s entities:

- 100% of entities declared not having any actual negative impacts on local communities;

- 58% of entities declared encouraging its employees to participate in philanthropic, humanitarian and social events during their working time;

- Almost 200 identified initiatives involving 3,500 individual volunteering actions benefited more than 5,000 members of the local communities in 33 countries worldwide;

- Almost €1,4 million has been spent by entities with approximately 50% corresponding to donations, 35% corresponding to investments and support to community projects and 15% used for commercial initiatives promoting employment and training for locals;

- Approximately 33% of all initiatives focused on improving health and education for local communities; and

- 34% of all the initiatives are considered to be long-term, *i.e.,* have been commenced before and/or will continue after 2015.

In 2016, Technip intends to pursue its efforts to increase the long-term contributions while encouraging social, environmental and economic self-sustainability in its host communities.

A. The Technip Endowment Fund (Technip's 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, financial resources of which are provided by the Group, has two main objectives:

- support non-profit projects for the benefit of local communities in countries where Technip has a permanent foothold, especially those needing significant improvement in health or education. For this particular objective, Technip's employees are encouraged to submit initiatives in which they are involved. Once their projects have been confirmed as being eligible in terms of compliance (GOPS Social Donations and Charitable Contributions), these projects receive financial funding;

● support emergency missions and natural disaster relief in instances of natural disaster, after approval by the Fund's Board of Directors.

The Board comprises the Group Human Resources Director and Chairman of the Fund, the Corporate Doctor, the Group HSE Director and the Head of Sustainable Development. Its mission is to review and approve petitions submitted to it.

In the event of a disaster, if the Fund decides to support the relief, all employees can donate through the Technip Group Intranet to the International Red Cross/Red Crescent. In such cases, the Fund matches 100% of all employees' donations. In 2015, a donation campaign was launched after the earthquakes in Nepal (April 2015 and May 2015).

In 2015, the Fund was used for the following projects:

● Angola: provide support to *Samu Social International* in Luanda;

● Mozambique: donate engineering books for the University Eduardo Mondlane in Maputo; and

● Colombia: donate to the *Samu Social International* in Bogota which just started a project to support the women and children suffering from family violence.

In addition, the Technip Relief and Development Fund decided to support the Ready Fund (the French Red Cross disaster preparedness and response fund), a financial reserve which can provide immediate support to ensure a fast and efficient response to natural or man-caused disasters and to promote preparedness in lessening the impact of predictable crisis. The Fund is funded by corporate donations and sponsorships, including Technip's. As a comprehensive response tool, it allows the French Red Cross to intervene before, during and after crises, whether these are exposed to the media spotlight or remain silent. Since 2012, Technip's donation has been fixed to €50,000 per year. In 2015, the Fund supported the following actions:

● Vietnam: increase capacities of vulnerable ethnic minority communities and local actors to prepare for disasters and reduce risks through a gender-sensitive, participatory and replicable approach;

● Syrian refugees into Iraq Kurdistan: improve sanitary conditions for refugees, through distribution of basic non-food items, sanitation and supply in potable water, hygiene campaign, among other things; and

● Nepal: provide medical care in remote areas devastated by the earthquakes as well as water adduction and temporary accommodation.

Finally, since 2012, the Group has established a three-party agreement allowing Technip's Corporate Doctor to be available, for up to three weeks per year, to provide medical care alongside the Red Cross teams in the event of natural disasters. In 2015, Technip's Corporate Doctor was sent on a 3-week mission in Singati (Nepal), the epicenter of the second earthquake in May 2015. As the hospital and medical center were destroyed during the earthquake, the purpose of the mission, in coordination with local authorities, Nepalese, Finish and German Red Cross was to set up medical facilities dedicated to basic medical care, mother and child care and an operating theater to re-start medical treatment to the population.

B. Best Practices with Local Communities

Working with local communities starts by understanding the overall situation of the country, region and villages where Technip has the potential to exercise a positive influence on social, environmental and economic self-sustainability. The intrinsic goal and motivation of every initiative towards local communities is to empower them to work gradually towards the implementation of concrete long-term actions.

The following sections are examples of best practices having positive impacts upon local communities.

▌ India: Promoting Social Innovation

As part of its CSR policy, Technip in India launched the initiative Seed of Hope in 2015. This Initiative provides a framework that fosters social innovation by gathering ideas from employees that can be converted into implementable CSR projects. As such, a dedicated intranet portal has been developed where employees can propose their ideas and details about social projects. The proposals submitted have to include details about feasibility, execution plans, impacts, measurable benefits and sustainability. The shortlisted proposals are then presented to the CSR committee for approval and implementation. During the launch of Seed of Hope, a competition was run among employees to encourage them to come up with implementable CSR ideas. A total of 64 proposals from employees across three centers were submitted for consideration. Six projects were awarded and employees recognized.

In 2015, two projects were completed. The first one was to support 98 orphan students of Seva Chakkara Samajam in Chennai by offering to pay the education fees of meritorious children. The support is designed to be a motivating factor to facilitate self-reliance in the future. The second project consisted in a donation to improve water quality and kitchen facilities for an orphanage in a village near Salem in Tamil Nadu. The facilities have now improved hygiene and health conditions for 50 children and five elderly people.

Also in 2015, two projects were initiated in collaboration with the Indian Institute of Technology Madras focusing on the development of models of education and environmental actions to be implemented and replicated in rural areas across India. Three other initiatives are in the pipeline and will essentially focus on children's and women's welfare.

Regarding 2016 and beyond, the CSR committee is reviewing 20 proposals estimated at approximately €400,000, of which 17 come from employees and three from NGO´s requiring specific due diligence and compliance before being implemented. The various proposals cover the categories of education, environment, health, infrastructure and sustainable livelihood.

Brazil: Technip's Program *Juventude*

This program aims at preparing young members of a local low-income community for university admission tests. The process is partly financed through tax paid by Technip that is used by the governmental education agency SENAC *(Serviço Nacional de Aprendizagem Comercial)* to provide teachers and learning material. Technip provides facilities (classrooms) and school supplies. The program comprises several modules on topics such as ethics, citizenship, environment, safety and entrepreneurship, Portuguese and mathematics. In addition, Technip volunteers participate by providing vocational training in manufacturing of flexible pipes and general engineering. Finally, several universities participate by granting scholarships to those successful candidates. In 2015, eight students finished the course and three of them joined university studies. At the end of 2015, a new session began with eight new students and results will be known in 2016.

Angola: Assistance to Street Children

In 1992, Arnaldo Janssen Center/CACAJ *(Centro de Acolhimento de Crianças Arnaldo Janssen)* was established and has a total capacity of 120 children. At the end of 2011, this center was granted the status of a private non-profit organization, which allowed it to become more stable and viable, both institutionally and financially. The center offers basic medical care and social welfare. It also houses classrooms and vocational training workshops (electricity, welding, computer and other handicraft activities). The center accommodates street children, regardless of their social or religious profile. CACAJ is implementing the following services for its beneficiaries in the center, to proceed to their familial or social reinsertion:

- mobile team to support street children and provide sheltering;
- psychosocial and medical support; and
- administrative and legal support to increase opportunities for social insertion.

In 2014, the Technip entities began to provide support to CACAJ. They organized a volunteer event in June 2015 where the dormitories of the center were painted by employees of Technip in Angola. A diesel generator of 110 kVA was purchased in December 2015 helping the center to have continuous electricity despite the frequent power cuts in Luanda. The plan is also to continue the assistance in 2016 by donating a car to support the mobile aid team of CACAJ and also to upgrade the electrical installation by providing street light and better lighting inside the buildings.

Spain: Supporting Disabled People

Since 2006, Technip in Spain has been collaborating actively with several official organizations that mainly employ disabled personnel to provide, among others, cleaning services, office furniture, personal protection equipment and garden services. This scheme is part of an agreement set by the government authority for companies that have difficulties in meeting the minimum percentage of disabled employees on total payroll.

In nine years of cooperation, Technip has built a relationship of trust and developed a significant business partnership. In 2015, the amount spent for services was significantly higher than the legal obligation, *i.e.,* €160,000. This initiative, together with other voluntary actions, highlights Technip's commitment to social responsibility in the long run.

Malaysia: Empowering the Seletar Indigenous Community

Technip in Malaysia has helped the Seletar Indigenous people build a self-sustaining community since 2012. 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 achieving economic self-sufficiency.

In 2015, the following activities were undertaken:

- donation of 10 computers, books and furniture for the community resource center;
- 25 staff from Asiaflex Products volunteered to spruce the resource center and painted the wooden fencing and the bridge leading to the local museum; and
- during site visits, the employees contributed to the local economy by purchasing food and beverages from the local restaurant, buying seafood from the fish farm and hiring five boats and guides for the eco-tourism visits to the mangroves.

Ghana: Building a Sustainable Future for Local Communities

Technip in Ghana understands that developing national capability starts by the welfare of the local communities hosting its activities and, in particular, in the Western region of the country. In 2012, Technip built a library and donated books and furniture in Essikado, Sekondi-Takoradi. The library serves as a valuable educational resource center for the community and especially for the children.

In 2015, Technip refurbished the old classrooms and constructed an additional three-unit classroom block at the Nana Nketsia School. Technip has also built a new nursery and a sanitary facility at the same school. In addition, Technip has donated play items to the Essikado Nursery school to aid in early childhood development.

Also in 2015, Technip participated in the construction of four modern smoke ovens for the Hosanna Fishmongers Association. This project aims to mitigate the health factors linked with the traditional smoke ovens and promotes self-sustainability for the local communities in Sekondi-Takoradi. Technip sponsored and supported the project by engaging with students from Takoradi Training Institute who worked together with the Abudan Social Engineers Company (smoke ovens contractors) to learn the skills and craftsmanship involved in the construction of modern smoke ovens.

3.7. CONTENT INDEX

3.7.1. Methodological Note

This section presents the reporting methodology applied throughout Section 3 of this Reference Document. It details specifically the reporting scope and the data collection and consolidation processes which are different for Human Resources (HR) and Health, Safety, Environment and Security (HSES) related information.

A. Reporting Scope

The scope covered in this Section 3, both in terms of categories of personnel and types of entities and operations, is different for the different aspects addressed in the section: Human Resources (HR) and Health, Safety, Environment and Security (HSES). A summary is provided in the table below. The personnel classification is defined for the different Group entities and operations under Technip's management or operational control. For Projects, the HSES scope is specified in the contractual agreements.

Personnel classification		Group entities and operations		
		Offices	Fleet and industrial sites	Construction sites
Payroll/ Employees	Permanent contract	HR [1]/HSES [2]	HR/HSES	HR/HSES
	Temporary contract (fixed term)	HR/HSES	HR/HSES	HR/HSES
Non Payroll/ Contracted	Contracted workforce	HR/HSES	HR/HSES	HR/HSES
	Site contractors	(NA)	(NA)	HSES
Other stakeholders	Subcontractors	HSES	HSES	HSES [3]
	Vendors	HSES	HSES	HSES [3]
	Clients	HSES	HSES	HSES [3]
	Third party	HSES	HSES	HSES [3]

(1) Human Resources.

(2) Health, Safety, Environment and Security.

(3) HSES for subcontractors, vendors, Clients and third parties under the responsibility of Technip if specified in the Project contractual agreements.

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

B. Definitions

▌ Categories of Personnel

Contracted workforce: Contract staff (workers employed *via* temping agencies ("agency personnel")) or contractors working under contracts for services, except those working on construction sites. Such personnel are not recognized as employees under national laws or practices. The contracted workforce refers to the workforce which is not on the payroll of a Group entity and includes the following:

- 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).

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

Expatriate: For an entity, expatriates are staff on payroll assigned abroad under an expatriation or a secondment contract and covered by the Group's International Mobility Policy.

Inpatriate: For an entity, inpatriates are inbound assignees sent by another entity of the Group under either an expatriate or a secondment contract and covered by the Group's International Mobility Policy.

Subcontractor: Includes a subcontractor engaged to perform work on a Project.

Supplier: Same as vendor.

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

Vendor: Manufacturer or supplier of equipment or material.

Categories of Sites

Construction sites: All construction sites.

Entity: Legal entity or branch offices where Technip is present, whatever the operations.

Fleet and industrial sites including:

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

Offices: All office facilities throughout the Group.

Project: Technip's Project including all phases (engineering, procurement, installation, construction, pre-commissioning, commissioning and start-up).

C. Reporting Scope for Human Resources

For entities, the Human Resources reporting scope is based on the financial and legal consolidation scope. This includes entities belonging to the Group as of December 31, 2015, including entities that were acquired or newly consolidated in 2015 (current scope).

For consistency purposes and to facilitate the comparison between two consecutive years, the reporting carried out on training and absenteeism does not take into account data collected from entities recently acquired or entities that have not been consolidated within the Group throughout the entire year (in 2015, the entities that were not consolidated represented 1%).

As of December 31, 2015, 79 legal entities had inputted their data through the Group's reporting tool.

For personnel, the Human Resources scope covers payroll on permanent contracts (French "CDI" contracts) or fixed term contracts (French "CDD" contracts), except for the information concerning the breakdown by contract set out in Section 3.4.1.A of this Reference Document, which covers the total workforce.

Trainees and apprentices are excluded from this scope.

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.

Each table presented in Section 3.4 of this Reference Document sets out the percentage of personnel covered by the reporting scope.

D. Reporting Scope for Health, Safety, Environment and Security

Technip's basic principle to determine which indicators are recorded and reported, for HSE purposes is (i) whether Technip owns or manages the site in question and (ii) whether Technip is responsible for managing the work.

Occupational Health and Safety

The data provided in Section 3 of this Reference Document covers the following:

- all Technip employees and all contracted staff working at Technip premises including offices, factories, construction sites, yards, vessels and temporary sites;
- all contracted staff, subcontractors and Clients working at Technip owned and managed premises;
- all contracted staff and subcontractors 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 leader or where management of the Project is equally divided and responsibility for HSE outcomes is equally shared and/or Technip is responsible for the HSE management of the overall work; and
- in respect of JVs where Technip is not the leader nor responsible for overall HSE management, only hours and incidents in respect of the elements for which Technip is responsible.

Additional Information Applicable to the Reporting Scope for the Environment

For ease of reference, sites are divided into four categories: construction sites, industrial sites (manufacturing plants, spool bases and construction yards), fleet of vessels and offices (see definitions in Section 3.7.1.B of this Reference Document). This provides a better matching of each category with its specific requirements.

In the report, for some indicators, data related to industrial sites, fleet and offices are consolidated since these three categories represent Technip's permanent sites (owned or leased) while the construction sites are related to Projects and thus are usually only temporary sites and are not owned by Technip.

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 is recorded in the Group's Synergi system using a specific number. Dedicated Environmental Key Performance Indicators (EKPIs) are also selected, recorded and monitored at local level to ensure continuous improvement.

These definitions are set out in the Group's Guidelines on environmental reporting and are in line with the Group's HSE principles and standards.

In this report, figures for environmental indicators cover the entire calendar year. They have been extracted from the Group reporting tool for the period from January 1 to November 30 and data for December has been estimated based on the previous 11 months for consistency, as some sites have not yet consolidated all December-related data.

The coverage both in terms of number of sites reporting and in terms of man-hours worked is detailed in Section 3.5 of this Reference Document. The detailed coverage for each environmental indicator is indicated in each table of Section 3.5 of this Reference Document.

▍ Reporting Scope for Security

The security framework covers all of Technip's entities including Projects and fleet in a uniform and continuous manner.

Prevention and protection measures implemented by the Group are extended to all of Technip's employees.

Common work agreements are set up for joint ventures, however, responsibility for security management is only given to entities or individuals who are Technip Security Certified to ensure the quality of Technip's processes.

All Group entities and vessels identified by the Group Legal Division and in organization notes have a security correspondent and/or a security team working in conjunction with the Group Security Department at Corporate level in order to implement its guidelines.

Major Projects and those located in level 3 risk countries (according to Technip's internal ranking) have an organization dedicated to Security. Depending on the provisions set out within the contracts, subcontractors may be covered by security measures set up by Technip.

E.   Reporting Methodology

▍ Consolidation Methodology

For Human Resources, the indicators cover 100% of the entities for every topic, with the exception of Training and Absenteeism, which cover 99% of total headcount (excluding entities not present during the entire year).

Indicators are calculated on the basis of the Group's scope as of December 31, 2015. Sections relating to Arrivals and Departures, Absenteeism and Training cover the year 2015, in accordance to the scope of entities, as defined in Section 3.7.1.C of this Reference Document.

For HSE, 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 HSE indicators, fully in line with the Group's 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's Guidelines.

In addition, for environmental indicators, the regional Environmental Leads periodically check the regional Environmental KPIs under their direct responsibility to ensure consistency of data and compliance with the Group's Guidelines. They identify trends, concerns and areas for improvement, set-up their objectives and plan a course of action accordingly. Data is finally reviewed and checked by the Group's HSE department.

▍ Data Collection – Reporting Tool

As regards Human Resources, a web solution, Enablon, has been implemented Group-wide since 2006 to collect and consolidate quantitative and qualitative data relating to Human Resources.

For HSE, 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 monitoring the Group's performance in accordance with its health, safety and environmental standards.

Specifically for environmental data, the collection system is based on a list of 35 basic environmental indicators and a further 16 aggregated indicators covering all the main environmental themes (*e.g.,* energy consumption, water consumption, waste generation and CO_2 emissions) as well as data regarding waste disposal methods (hazardous and non-hazardous waste sent either to incineration, landfill or recycling).

Environmental data is submitted through Synergi as Environmental KPIs. Each of the Group's reporting entities is required to consolidate and 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.

▍ Controls – External Verification

Since 2012, the external verification process is assured by Technip's Statutory Auditors appointed as independent third-party experts as required by the French Grenelle II law (Article L. 225-102-1 of the French Commercial Code). Audits are conducted in accordance with ISAE 3000 (International Standard on Assurance Engagements). The report of the Statutory Auditors, appointed as Independent Third-Party, on the Review of Consolidated Environmental, Labor and Social Information can be found in Section 3.8 of this Reference Document.

3.7.2. GRI G4 Content Index

GRI G4-20, G4-21, G4-32

In blue: Aspects related to Technip commitment to the ten principles of the UN Global Compact.

A. General Standard Disclosures

General Standard Disclosures	Section/Page	External Assurance (**)
STRATEGY AND ANALYSIS		
G4-1	Section 8.1.2 page 304	✓
ORGANIZATIONAL PROFILE		
G4-3	Technip	✓
G4-4	Section 1.3 page 10, Section 1.4 page 13 and Section 5.1.1 page 180	✓
G4-5	89, avenue de la Grande Armée − 75116 Paris − France	✓
G4-6	http://www.technip.com/en/about-us/technip-worldwide/main-locations-country	✓
G4-7	Section 7.1.5 page 286 and Section 7.4.1 page 295	✓
G4-8	Section 1.3 page 10 and Section 5.1.1 page 180	✓
G4-9	Section 1.1 page 4 and Section 3.4.1 page 70	✓
G4-10	Section 3.4.1 page 70	✓
G4-11	Section 3.4.5 page 83	✓
G4-12	Section 1.4.3 page 19 and Section 3.6.2 page 112	✓
G4-13	Section 5.1.1 page 180 and Section 6.1 page 202	✓
G4-14	Section 2 page 30, Section 3.4.6 page 84, Section 3.4.7 page 86 and Section 3.4.8 page 88	✓
G4-15	Section 2.7 page 43, Section 2.8 page 48, Section 3.2.1 page 56 and Section 3.5.1 page 91	✓
G4-16	Section 3.3.1 page 58	✓
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Section 6.1 page 202	✓
G4-18	Section 3.1.1 page 52, Section 3.1.2.A page 53 and Section 3.1.2.D page 54	✓
G4-19	Section 3.1.2.C page 54	✓
G4-20	Section 3.1.2.D page 54 et Section 3.7.2 (Specific Standard Disclosures Table) page 124	✓
G4-21	Section 3.1.2.D page 54 et Section 3.7.2 (Specific Standard Disclosures Table) page 124	✓
G4-22	No restatement of information	✓
G4-23	No significant changes	✓
STAKEHOLDER ENGAGEMENT		
G4-24	Section 3.3.1.A page 58	✓
G4-25	Section 3.1.2.B page 53 and Section 3.3.1.B page 61	✓
G4-26	Section 3.1.1.D page 53, Section 3.1.2.B page 53 and Section 3.3.1 page 58	✓
G4-27	Section 3.1.2 page 53, Section 3.1.3 page 55 and Section 3.3.1 page 58	✓
REPORT PROFILE		
G4-28	January 1, 2015 to December 31, 2015	✓
G4-29	March 11, 2015	✓
G4-30	Annual	✓
G4-31	Thierry Pilenko	✓
G4-32	Section 3.7 page 124 and Section 3.8 page 129	✓
G4-33	Section 3.1.1.D page 53 and Section 3.8 page 129	✓
GOVERNANCE		
G4-34	Section 4 page 132 and Section 3.1.1.C page 52	✓
ETHICS & INTEGRITY		
G4-56	Section 3.2.1 page 56	✓

(**) The statement of external assurance is located in Section 3.8 page 129.

B. Specific Standard Disclosures

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Omissions	External Assurance [2]	Coverage	Boundary Within Technip	Boundary Outside Technip
CATEGORY: ECONOMIC						
Market Presence (Local Content [1])	G4-DMA: Section 3.6.1 page 109		✓	Fully		Local communities, Clients, NGOs
	G4-EC6: Section 3.6.1.A page 109		✓	Fully		
Indirect Economic Impacts (Local Content [1])	G4-DMA: Section 3.6.1 page 109		✓	Fully		
	G4-EC8: Section 3.6.1 page 109		✓	Fully		
Procurement Practices (Local Content [1])	G4-DMA: Section 3.6.1 page 109		✓	Fully		
	G4-EC9: Section 3.6.1.C page 110		✓	Fully		
CATEGORY: ENVIRONMENT						
Energy	G4-DMA: Section 3.5.2 page 92 and Section 3.5.3.A page 94		✓	Fully	Offices, Fleet, Industrial sites, Construction sites	Suppliers, Subcontractors
	G4-EN3: Section 3.5.3.A page 94		✓	Fully		
	G4-EN4: Section 3.5.3.A page 94		✓	Fully		
	G4-EN5: Section 3.5.3.A page 94		✓	Fully		
	G4-EN6: Section 3.5.3.A page 94		✓	Partly		
Water	G4-DMA: Section 3.5.4.A page 98		✓	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers, Subcontractors
	G4-EN8: Section 3.5.4.A page 98		✓	Partly		
Biodiversity	G4-DMA: Section 3.5.6 page 102		✓	Fully	Fleet, Industrial sites, Construction sites	Clients, Suppliers, Subcontractors
	G4-EN11: Section 3.5.6 page 102		✓	Partly		
	G4-EN12: Section 3.5.6 page 102		✓	Partly		
Emissions	G4-DMA: Section 3.5.2 page 92, Section 3.5.3.B page 95 and Section 3.5.3.C page 97		✓	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers, Subcontractors
	G4-EN15: Section 3.5.3.B page 95		✓	Fully		
	G4-EN16: Section 3.5.3.B page 95		✓	Fully		
	G4-EN18: Section 3.5.3.B page 95		✓	Fully		
	G4-EN19: Section 3.5.3.B page 95		✓	Partly		
	G4-EN20: Section 3.5.3.C page 97		✓	Fully		
	G4-EN21: Section 3.5.3.C page 97		✓	Fully		
Effluents and Waste	G4-DMA: Section 3.5.4.B page 98, Section 3.5.4.C page 99 and Section 3.5.5 page 100		✓	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers, Subcontractors
	G4-EN22: Section 3.5.4.B page 98		✓	Fully		
	G4-EN23: Section 3.5.4.C page 99		✓	Fully		
	G4-EN24: Section 3.5.5 page 100		✓	Fully		

(1) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.

(2) The statement of external assurance is located in Section 3.8 page 129.

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Omissions	External Assurance [2]	Coverage	Boundary Within Technip	Boundary Outside Technip
Supplier Environmental Assessment (Sustainability in the Supply Chain [1])	G4-DMA: Section 3.6.2 page 112		✓	Fully		Clients, Suppliers, Subcontractors
	G4-EN32: Section 3.6.2.B page 113		✓	Partly		
CATEGORY: SOCIAL						
Sub-Category: Labor practices and decent work						
Employment	G4-DMA: Section 3.4.1 page 70		✓	Fully	Employees	
	G4-LA1: Section 3.4.1.B page 72		✓	Fully		
	G4-LA3: Section 3.4.1.B page 72		✓	Partly		
Occupational Health and Safety	G4-DMA: Section 3.4.6 page 84, Section 3.4.7 page 86 and Section 3.4.8 page 88		✓	Fully	Employees	Contracted workforce
	G4-LA6: Section 3.4.6 page 84 and Section 3.4.7 page 86		✓	Fully		
	G4-LA8 Section 3.4.5 page 83		✓	Fully		
Training and Education (Employee development [1])	G4-DMA: Section 3.4.2 page 73		✓	Fully	Employees	
	G4-LA9: Section 3.4.2.A page 74		✓	Fully		
	G4-LA11: Section 3.4.2 page 73		✓	Fully		
Diversity and equal opportunity	G4-DMA: Section 3.4.3 page 79		✓	Fully	Employees	
	G4-LA12 Section 3.4.3.A page 79		✓	Fully		
Supplier Assessment for Labor Practices (Sustainability in the supply chain [1])	G4-DMA: Section 3.6.2 page 112		✓	Fully		Clients, Suppliers, Subcontractors
	G4-LA14: Section 3.6.2.B page 113		✓	Partly		
Sub-Category: Human rights						
Investment	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR2: Section 3.6.3 page 116		✓	Partly		
Non-discrimination	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR3: Section 3.6.3.A page 116		✓	Partly		
Freedom of Association and Collective Bargaining	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR4: Section 3.6.3.A page 116		✓	Fully		

(1) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.
(2) The statement of external assurance is located in Section 3.8 page 129.

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Omissions	External Assurance [2]	Coverage	Boundary Within Technip	Boundary Outside Technip
Child Labor	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR5: Section 3.6.3.A page 116		✓	Partly		
Forced or Compulsory Labor	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR6: Section 3.6.3.A page 116		✓	Partly		
Assessment	G4-DMA: Section 3.6.3 page 116		✓	Fully	Employees	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors, NGOs
	G4-HR9: Section 3.6.3 page 116		✓	Partly		
Supplier Human Rights Assessment	G4-DMA: Section 3.6.3 page 116		✓	Fully		Clients, Suppliers, Subcontractors
	G4-HR10: Section 3.6.3.C page 117		✓	Partly		
Sub-Category: Society						
Local Communities	G4-DMA: Section 3.6.1 page 109		✓	Partly		Local communities, NGOs
	G4-SO1: Section 3.6.4 page 118		✓	Fully		
	G4-SO2: Section 3.6.4 page 118		✓	Fully		
Anti-corruption	G4-DMA: Section 3.2.3 page 57		✓	Fully	Employees	Contracted workforce, Clients, Suppliers, Subcontractors, Investors, Shareholders, Authorities
	G4-SO4: Section 3.2.3 page 57		✓	Partly		

(1) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.

(2) The statement of external assurance is located in Section 3.8 page 129.

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Omissions	External Assurance [2]	Coverage	Boundary Within Technip	Boundary Outside Technip
Supplier Assessment for Impacts on Society (Sustainability in the supply chain [1])	G4-DMA: Section 3.6.2 page 112		✓	Fully		Clients, Suppliers, Subcontractors
	G4-SO9: Section 3.6.2.B page 113		✓	Fully		
Sub-Category: Product Responsibility						
Product and Service Labelling (Client satisfaction [1])	G4-DMA: Section 3.3.2 page 61		✓	Fully		Clients
	G4-PR5: Section 3.3.2 page 61		✓	Fully		
OTHER ASPECTS						
Risk & crisis management [1]	G4-DMA: Section 2 page 30		✓	Partly		Local communities, Clients, Investors, Shareholders
Asset integrity and emergency preparedness [1]	G4-DMA: Section 3.3.4 page 64		✓	Partly	Fleet, Industrial sites, Construction sites	Local communities, Clients, Subcontractors
Responsible marketing & sales [1]	G4-DMA: Section 3.2.5 page 58		✓	Fully		Clients, Suppliers
Compliance with laws & regulations [1]	G4-DMA: Section 3.2 page 56		✓	Fully		Clients, Suppliers, Investors, Shareholders, Authorities
Security practices [1]	G4-DMA: Section 3.4.7 page 86		✓	Partly	Employees, Offices	Contracted workforce, Local communities, Clients, Suppliers, Subcontractors
Product safety [1]	G4-DMA: Section 3.3.3 page 62		✓	Fully		Local communities, Clients, Suppliers
Innovative technology [1]	G4-DMA: Section 3.3.5 page 65		✓	Fully		Clients, Suppliers
Fair and long-term business relations [1]	G4-DMA: Section 3.2.5 page 58		✓	Fully		Clients, Suppliers
Corporate governance and integrity [1]	G4-DMA: Section 3.2.1 page 56 and Section 4 page 132		✓	Fully		Clients, Investors, Shareholders, Authorities

(1) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.

(2) The statement of external assurance is located in Section 3.8 page 129.

3.8. REPORT OF THE INDEPENDENT THIRD PARTY

Report by one of the Statutory Auditors, Appointed as an Independent Third Party, on the Consolidated Environmental, Labor and Social Information Presented in the Management Report

GRI G4-32, G4-33

> *This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

For the year ended December 31, 2015

To the Shareholders,

In our capacity as Statutory Auditor of Technip, appointed as an independent third party and certified by COFRAC under number 3-1060 [1], we hereby present to you our report on the consolidated human resources, environmental and social information for the year ended December 31, 2015, included in the management report (hereinafter the "CSR Information"), pursuant to article L. 225-102-1 of the French Commercial Code *(Code de commerce)*.

❚ Company's Responsibility

The Board of Directors is responsible for preparing a Company's management report including the CSR Information required by article R. 225-105-1 of the French Commercial Code in accordance with the procedures used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the Company's head office.

❚ Independence and Quality Control

Our independence is defined by regulatory texts, the French Code of ethics *(Code de déontologie)* of our profession and the requirements of article L. 822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

❚ Responsibility of the Statutory Auditor

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);

- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

Our work involved seven persons and was conducted between September 2015 and February 2016 during a 12 week period. We were assisted in our work by our CSR experts.

We performed our work in accordance with the French professional standards and with the order dated May 13, 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000 [2] concerning our conclusion on the fairness of CSR Information.

❚ 1. Attestation Regarding the Completeness of CSR Information

NATURE AND SCOPE OF OUR WORK

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R. 225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R. 225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, *i.e.,* the Company, its subsidiaries as defined by article L. 233-1 and the controlled entities as defined by article L. 233-3 of the French Commercial Code within the limitations set out in the methodological information.

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(1) Whose scope is available at www.cofrac.fr.
(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

CONCLUSION

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

Pursuant to your request, we verified that environmental, social and societal information of the Reference Document report is present in accordance with the GRI (Global Reporting Initiative) Sustainability Reporting Guidelines G4 version – Core option.

▌ 2. Conclusion on the Fairness of CSR Information

NATURE AND SCOPE OF OUR WORK

We conducted around ten interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important [3]:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities selected by us (4) on the basis of their activity, their contribution to the consolidated indicators, their location and risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents on average 20% of headcount and between 18% and 79% of quantitative environmental data disclosed.

For the remaining consolidated CSR information, we assessed its consistency based on our understanding of the Company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

CONCLUSION

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, March 10, 2016

One of the Statutory Auditors
PricewaterhouseCoopers Audit

Édouard Demarcq   Sylvain Lambert

Partner   Partner in charge of the Sustainable Development department

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(3) **Quantitative environmental data:** *Wastewater effluent; Air emissions (GHG scopes 1 & 2, NO_x and SO_x); Environmental incidents; Hazardous waste and non-hazardous waste; Water consumption; Energy consumption.*
Quantitative social data: *Breakdown of total workforce per category, breakdown of employees on the payroll according to geographic zone, age and gender; Payroll employees: hires and departures, reasons of departures; Breakdown of expatriates by home office; Breakdown according to gender, per professional category and geographic zone; Absenteeism rate; Total recordable case frequency (TRCF); Lost time injury frequency (LTIF); Serious incident and fatality frequency (SIFF); Number of occupational illness; Lost workday severity rate; Training hours, number of employees on payroll who benefited from at least one training during the year; Social dialogue; number of agreements in place and signed within the year.*
Qualitative data: *Biodiversity; Raw material management; Training strategy; Compensation and benefits; Diversity and equal opportunity; Health; Safety; Security; Fair practices; Relationships with local communities.*
(4) **Construction yards:** *Etileno XXI (Mexico).*
Fabrication plants: *Vitoria (Brazil), Açu (Brazil).*
Vessels: *Global 1201 (United Kingdom), Apache 2 (United Kingdom), Orelia (United Kingdom).*
Offices: *Paris-La Défense (France), Aberdeen (Scotland), Rio de Janeiro (Brazil).*