

REFERENCE DOCUMENT

2013

Including the
Annual Financial Report



Technip
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Reference Document 2013

(Unofficial English language translation)



The original French version of this Reference Document was filed with the French Financial Market Authority (AMF) on March 19, 2014 in accordance with Article 212-13 of its General Regulations. This Reference Document may be relied upon in relation to a financial transaction provided it is accompanied by a transaction notice approved by the AMF. This document was prepared by the issuer and its signatories are liable for its content.

Copies of this Reference Document are available for free from Technip, at 89, avenue de la Grande Armée – 75116 Paris (France), and on Technip's website (www.technip.com) and the AMF's website (www.amf-france.org).

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Foreword

When used in this Reference Document, the terms “Technip” and “Group” refer collectively to Technip, the Group’s parent company, and to all of Technip’s directly and indirectly consolidated subsidiaries located in France and outside France.

In this Reference Document, the terms “Company” and “issuer” refer exclusively to Technip, the Group’s parent company.

In accordance with Article 28 of European Commission regulation No.809/2004 of April 29, 2004, the following information is incorporated by reference in this Document:

- the 2012 consolidated financial statements and statutory financial statements, as well as the Statutory Auditors’ reports for the financial year ended December 31, 2012 included in Sections 20.1 and 20.2 of the 2012 Reference Document dated March 20, 2013 filed with the French Financial Market Authority (AMF) under No.D.13-0193;
- the key financial information, the Company’s and the Group’s Management Reports and all of the financial information for the financial year ended December 31, 2012 included in Section 3 as well as the sections mentioned in the Reconciliation Tables in Annex H of the 2012 Reference Document dated March 20, 2013 filed with the AMF under No.D.13-0193;
- the 2011 consolidated financial statements and statutory financial statements, as well as the Statutory Auditors’ reports for the financial year ended December 31, 2011 included in Sections 20.1 and 20.2 of the 2011 Reference Document dated March 21, 2012 filed with the AMF under No.D.12-0191; and
- the key financial information, the Company’s and the Group’s Management Reports and all of the financial information for the financial year ended December 31, 2011 included in Section 3 as well as the sections mentioned in the Reconciliation Tables in Annex G of the 2011 Reference Document dated March 21, 2012 filed with the AMF under No.D.12-0191.

This Reference Document contains all of the information from the Management Report of the Board of Directors as set forth in the Reconciliation Table which is included in Annex H of this Reference Document.

The Glossary including the definitions of the main technical terms can be found in Annex I of this Reference Document.



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1.1. Person Responsible for the Reference Document

The person responsible for the Reference Document is Thierry Pilenko, the Company's Chairman and Chief Executive Officer.

1.2. Statement by Person Responsible for the Reference Document

“To the best of my knowledge, and after taking every reasonable measure for such purpose, I attest that the information contained herein gives a true and fair view of the facts and that no material aspects of such information have been omitted.

I confirm that, to my knowledge, the financial statements have been prepared in compliance with applicable accounting standards and are a true representation of the assets, financial position and profits of the Company and all consolidated entities and that the Management Report as referred to in the Table of Reconciliation in Annex H of this Reference Document is a true representation of any changes in the business, profits and the financial position of the Company and all consolidated entities as well as the description of the main risks and uncertainties facing them.

I have obtained a work completion document from the Auditors (*lettre de fin de travaux*), in which they indicate that they have verified the information relating to the financial situation and the financial statements presented in this Reference Document and have carried out a review of the entire Reference Document.

The Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2013 contains one observation related to the first application of IAS 19 (amended) 'Employee benefits'.”

Thierry Pilenko
Chairman and Chief Executive Officer

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2.1. Primary Statutory Auditors

ERNST & YOUNG ET AUTRES, REPRESENTED BY NOUR-EDDINE ZANOUDA

Member of the *Compagnie Régionale de Versailles*

1/2, place des Saisons
92400 Courbevoie – Paris-La Défense 1 (France)

Date of first appointment: 1986

Expiry date of current appointment: at the end of the Shareholders' Meeting held to approve the financial statements for financial year 2015.

PRICEWATERHOUSECOOPERS AUDIT, REPRESENTED BY ÉDOUARD SATTLER

Member of the *Compagnie Régionale de Versailles*

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex (France)

Date of first appointment: 2004

Expiry date of current appointment: at the end of the Shareholders' Meeting held to approve the financial statements for financial year 2015.

2.2. Alternate Statutory Auditors

AUDITEX

Member of the *Compagnie Régionale de Versailles*

11, allée de l'Arche – Faubourg de l'Arche
92037 La Défense Cedex (France)

Date of first appointment: 2007

Expiry date of current appointment: at the end of the Shareholders' Meeting held to approve the financial statements for financial year 2015.

MR. YVES NICOLAS

Member of the *Compagnie Régionale de Versailles*

63, rue de Villiers
92208 Neuilly-sur-Seine (France)

Date of first appointment: 2004

Expiry date of current appointment: at the end of the Shareholders' Meeting held to approve the financial statements for financial year 2015.

2.3. Information on Statutory Auditors' Fees and Services

For information regarding Statutory Auditors' fees and Services, please refer to Note 34 to the Consolidated Financial Statements as of December 31, 2013, set forth in Section 20.1 of this Reference Document.

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3.1. General Presentation of the Group

Technip is a world leader in project management, engineering and construction for the energy industry, and holds a comprehensive portfolio of innovative solutions and technologies that generated consolidated revenues of €9.3 billion in 2013.

As of February 28, 2014, Technip employed a regular workforce of approximately 39,000 people, from 114 nationalities. The Group is present in approximately 48 countries on five continents.

As of February 28, 2014, its production facilities (for flexible pipes and umbilicals), manufacturing yard, logistics bases and spoolbases were located in Angola, Brazil, Finland, France, Indonesia, Malaysia, Norway, the United Kingdom and the United States. The Group's fleet comprises 35 vessels specialized in subsea rigid and flexible pipelines, subsea construction and diving support, nine of which are under construction.

Technip possesses integrated capacity and recognized expertise in subsea infrastructures (Subsea), onshore facilities (Onshore) and offshore platforms (Offshore). The Group is active in two segments of the worldwide oil and gas industry:

SUBSEA

In 2013, the Subsea segment generated revenues of €4,083.0 million, representing 43.7% of consolidated revenues. With respect to hydrocarbon field development, Technip's subsea operations include the design, manufacture and installation of rigid and flexible subsea pipelines as well as umbilicals.

Technip is a key operator on this market as a result of its investments in Research and Development.

Technip offers a wide range of innovative subsea pipe technologies and solutions, and holds leading industrial and operational assets. Technip has three flexible pipe manufacturing plants (with a fourth under construction in Brazil), four umbilical production units, five reeled rigid pipe spoolbases as well as a constantly evolving fleet of specialized vessels for pipeline installation and subsea construction, which is deployed strategically across the major markets around the world.

ONSHORE/OFFSHORE

In 2013, the Onshore/Offshore segment generated revenues of €5,253.1 million, representing 56.3% of consolidated revenues.

The Onshore business is active in engineering and construction for the entire range of onshore facilities for the oil and gas industry (refining, hydrogen, gas treatment and liquefaction, petrochemicals including ethylene, onshore pipelines), as well as non-oil facilities (mining and metallurgical projects, biofuels, wind offshore and renewable energy). Technip holds several proprietary technologies and is a leader in the design and construction of LNG and gas treatment plants as well as hydrogen and petrochemical units.

3 Selected Financial Information

3.2. Selected Financial Information

Technip is strongly committed to developing technologies and reinforcing its project execution capabilities in each of its business segments. Technip is active in increasingly ambitious, complex and challenging projects involving extreme climatic conditions, large-scale projects, non-conventional resources and higher environmental performance standards.

The Offshore business includes engineering, development and construction operations in relation to offshore oil and gas facilities for both shallow water (fixed platforms such as TPG 500 and Unideck®) and deepwater (floating platforms such as Spar, tension leg platform, semi-submersible platform and FPSO or floating LNG (FLNG)). Technip dedicates significant resources each year to Research and Development and is a leader in floatover technology. With the development of FLNG, Technip continues to strengthen its offshore expertise.

As of February 28, 2014, the Group's roster of clients included 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, Sonatrach and Statoil as well as large independent companies such as Anadarko and Tullow Oil. Its five main clients represented 32.6% of consolidated revenues in 2013 compared to 30.6% in 2012, and the revenues generated from its top 10 clients represented 46.5% of consolidated revenues in 2013 compared to 44.9% in 2012.

In 2013, the top five projects represented 18.9% of consolidated revenues compared to 17.5% in 2012. In 2013, the top 10 projects generated 27.8% of consolidated revenues compared to 26.3% in 2012.

3.2. Selected Financial Information

The table below shows selected consolidated financial data for the Group, which has been extracted from the consolidated financial statements, prepared in accordance with International Financial Accounting Standards (IFRS), for the two years ended December 31, 2013 and 2012.

This note should be read in conjunction with the consolidated financial statements included in Section 20.1 of this Reference Document.

EXTRACT OF THE CONSOLIDATED STATEMENT OF INCOME FOR 2013 AND 2012 IN ACCORDANCE WITH IFRS

In millions of Euro	12 months	
	2013	2012 restated (*)
Revenues	9,336.1	8,203.9
Operating Income/(Loss) from Recurring Activities	844.5	828.7
Operating Income/(Loss)	844.5	819.2
NET INCOME/(LOSS) FOR THE YEAR	570.0	546.7
Attributable to:		
Shareholders of the Parent Company	563.1	543.3
Non-Controlling Interests	6.9	3.4

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

OTHER FINANCIAL INFORMATION DERIVED FROM THE CONSOLIDATED STATEMENT OF INCOME FOR 2013 AND 2012

In millions of Euro	12 months	
	2013	2012 restated (*)
Revenues	9,336.1	8,203.9
Gross Margin	1,617.4	1,551.6
<i>(in % of Revenues)</i>	17.3%	18.9%
Operating Income/(Loss) from Recurring Activities	844.5	828.7
<i>(in % of Revenues)</i>	9.0%	10.1%
Operating Income/(Loss)	844.5	819.2
<i>(in % of Revenues)</i>	9.0%	10.0%
NET INCOME/(LOSS) FOR THE YEAR	570.0	546.7
Amortization and Depreciation for the Year	233.5	194.9
Earnings per Share (in Euro)	5.06	4.94
Diluted Earnings per Share (in Euro)	4.68	4.53

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

EXTRACT OF THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR 2013 AND 2012

In millions of Euro	12 months	
	2013	2012 restated (*)
Cash and Cash equivalent including bank overdrafts as of January 1	2,289.0	2,808.6
Net Cash Generated from Operating Activities	1,318.6	444.7
Net Cash Used in Investing Activities	(551.9)	(723.4)
Net Cash Generated from Financing Activities	324.6	(204.5)
Net effects of Foreign Exchange Rate Changes	(141.7)	(36.4)
CASH AND CASH EQUIVALENT INCLUDING BANK OVERDRAFTS AS OF DECEMBER 31	3,238.6	2,289.0

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

INFORMATION BY BUSINESS SEGMENT

Subsea	12 months	
	2013	2012 restated (*)
In millions of Euro		
Revenues	4,083.0	4,047.6
Gross Margin	903.9	907.1
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES	584.6	606.2
<i>(in % of Revenues)</i>	14.3%	15.0%
EBITDA (**)	779.6	770.4
<i>(in % of Revenues)</i>	19.1%	19.0%
Other information:		
Backlog	8,642.1	6,049.8
Order Intake	6,818.6	5,334.5

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

(**) Operating income from recurring activities before depreciation and amortization.

Onshore/Offshore	12 months	
	2013	2012 restated (*)
In millions of Euro		
Revenues	5,253.1	4,156.3
Gross Margin	713.5	644.5
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES	351.8	294.3
<i>(in % of Revenues)</i>	6.7%	7.1%
EBITDA (**)	390.3	325.0
<i>(in % of Revenues)</i>	7.4%	7.8%
Other information:		
Backlog	7,938.9	8,200.8
Order Intake	5,180.8	6,314.1

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

(**) Operating income from recurring activities before depreciation and amortization.

Corporate	12 months	
	2013	2012 restated (*)
In millions of Euro		
Revenues	-	-
Gross Margin	-	-
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES	(91.9)	(71.8)
<i>(in % of Revenues)</i>	N/A	N/A

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

**EXTRACT OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2013 AND 2012 – RESTATED**

In millions of Euro	12 months	
	2013	2012 restated (*)
Non-Current Assets	6,411.3	6,366.8
including Goodwill	-	3,268.7
Current Assets	6,839.7	5,257.6
including Cash and Cash Equivalents	3,241.0	2,289.3
TOTAL ASSETS	13,251.0	11,624.4
Equity attributable to Shareholders of the Parent Company	4,156.8	3,948.9
Non-Controlling Interests	17.3	13.2
Current Liabilities	6,157.6	5,441.8
Non-Current Liabilities	2,919.3	2,220.5
TOTAL EQUITY AND LIABILITIES	13,251.0	11,624.4
Other information:		
Capital Expenditures over the Year	623.0	518.9
Net Cash Position (**)	-	183.2

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the consolidated financial statements for the financial year ended December 31, 2013.

(**) Net cash position corresponds to total cash and cash equivalents, reduced by current and non-current financial debt.

4

Risk Factors

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Investors should carefully consider all of the information in this Reference Document, including the risk factors described in this section, before deciding whether to invest in the Company's securities. The risks described in this section are risks that the Company has identified as of the date of this Reference Document, which could have a material adverse effect on the

Group, its business activity, financial position, performance and growth if they were to materialize. Investors should be aware that there may exist other risks, currently unknown or unforeseen, which could also have a material adverse effect on the Group, its business activity, financial position, performance and growth.

4.1. Risks Relating to the Group and its Operations

■ TECHNIP IS CONTRACTUALLY EXPOSED TO MATERIAL RISKS, WHICH COULD CAUSE TECHNIP TO INCUR LOSSES ON ITS PROJECTS.

Technip is subject to material risks in connection with lump sum turnkey contracts, under which Technip designs, engineers, builds and delivers a ready-to-operate industrial facility for a fixed price. Actual expenses incurred in executing a lump sum turnkey contract can vary substantially from those originally anticipated for several reasons, including:

- unforeseen construction conditions;
- delays caused by local weather conditions and/or natural disasters (including earthquakes and floods); and
- a failure of suppliers or subcontractors to perform their contractual obligations.

Under the terms of lump sum turnkey contracts, Technip is not always able to increase its prices to reflect factors that were unforeseen at the time its bid was submitted. As a result, it is not possible to estimate with complete certainty the final cost or margin of a project at the time of bidding or during the early phases of execution. If costs were to increase for any of these reasons, Technip's profit margins could be reduced and Technip could incur a material loss on the contract.

■ UNFORESEEN ADDITIONAL COSTS COULD REDUCE TECHNIP'S MARGIN ON LUMP SUM CONTRACTS.

Technip's engineering, procurement and construction ("EPC") projects may encounter difficulties that could lead to cost overruns, lower revenues, litigation or disputes. These projects are generally complex, requiring the purchase of substantial equipment and the management of large-scale construction projects. Execution schedule slippage may occur and Technip could encounter difficulties with the design, engineering, procurement, construction or installation in relation to these projects. These factors could impact Technip's ability to complete certain projects according to the initial schedule.

Technip may be held liable to pay cash compensation should it fail to meet deadlines or to comply with other contractual provisions. Problems with the execution of contracts (whether present or future) could also have a material impact on Technip's operating income and harm Technip's image in its industry and with its customers.

■ NEW CAPITAL ASSET CONSTRUCTION PROJECTS FOR VESSELS AND PLANTS ARE SUBJECT TO RISKS, INCLUDING DELAYS AND COST OVERRUNS, WHICH COULD HAVE A MATERIAL ADVERSE EFFECT ON TECHNIP'S AVAILABLE CASH RESOURCES AND RESULTS OF OPERATIONS.

Technip is continuously upgrading and developing its asset base. Any such construction projects are subject to similar risks of delay or cost overruns inherent in any large construction project resulting from numerous factors, including the following:

- shortages of key equipment, materials or skilled labor;
- unscheduled delays in the delivery of ordered materials and equipment;

- weather interference with business operations or project construction;
- difficulties in obtaining necessary permits or in meeting permit conditions;
- problems regarding design and engineering;
- shipyard delays and performance issues.

Failure to complete construction on time, or the inability to complete construction in accordance with its design specifications, may, in some circumstances, result in loss of revenues. Additionally, capital expenditures for construction projects could materially exceed the initially planned investments, and/or can result in delays in putting such assets in operation.

■ TECHNIP MAY FACE RISKS RELATING TO SUBCONTRACTORS AND SUPPLIERS.

Technip generally uses subcontractors and suppliers for the performance of its contracts. Any difficulty faced by Technip in hiring suitable subcontractors or acquiring equipment and materials could compromise its ability to generate a significant margin on a project or to complete it within the contractual timeframe.

Any delay on the part of subcontractors or suppliers in the completion of their portion of the project, any failure on the part of a subcontractor or supplier to meet its obligations, or any other event attributable to a subcontractor or supplier that is beyond Technip's control, or not foreseeable by Technip could lead to delays in the overall progress of the project and/or generate potentially significant extra costs.

Technip could be required to compensate customers for such delays. Even where these extra costs are borne by the defaulting supplier or subcontractor, Technip could be unable to recover the entirety of these costs and this could impact Technip's financial results or its outlooks.

■ EQUIPMENT OR MECHANICAL FAILURE COULD IMPACT PROJECT COSTS AND DECREASE TECHNIP'S FINANCIAL RESULTS.

The successful execution of projects by Technip is dependent on the reliability of its assets. Nevertheless, Technip could experience equipment or mechanical failure. Equipment or mechanical failure could not only result in greater project-execution costs, but also lead to delays in ongoing or subsequent projects for which such assets were intended to be used.

Any equipment or mechanical failure with respect to Technip's principal assets could impact the project's costs, decrease results and lead to penalties for failure to comply with a project's conditions. Any such event could materially affect the economics of a project and Technip's results of operations.

■ TECHNIP'S OPERATIONS COULD BE IMPACTED BY TERRORIST ACTS, UPRISINGS, WARS OR REVOLUTIONS WHETHER NATIONALLY OR INTERNATIONALLY INCITED, AS WELL AS BY THE CONSEQUENCES OF SUCH EVENTS. FURTHERMORE, A NUMBER OF PROJECTS ARE LOCATED IN COUNTRIES WHERE POLITICAL, ECONOMIC AND SOCIAL INSTABILITY COULD DISRUPT THE COMPANY'S OPERATIONS.

In 2013, a number of Technip's business operations were carried out in areas where the risks of terrorism, acts of piracy, wars or revolutions, unpredictable political changes, or social unrest are elevated, as was the situation in 2011 in the Middle East. The realization of those risks could result in a decline in the Group's profit and could negatively impact its financial results.

Political instability in general may reduce the number of potential projects that meet Technip's risk management criteria. It could also lead to more significant expenses and therefore impact the Group financial results while limiting prospects for growth.

It is possible to mitigate these risks in such areas by conducting specific risk analysis based on appropriate preventive and protective measures, and permanent audits of security measures already in place.

Technip may, when necessary, contract with insurance companies and export-credit agencies to obtain insurance policies to cover political risk. However, in the event of a major national or regional political turmoil, the insurance policy may be inadequate to prevent loss for ongoing projects. Such a loss could reduce Technip's net income or cause a net loss.

■ TECHNIP'S OPERATIONS MAY CAUSE HARM TO PERSONS AND ASSETS, WHICH COULD DAMAGE THE COMPANY'S REPUTATION OR INCUR SUBSTANTIAL COSTS, IF SUCH HARM IS NOT COVERED CONTRACTUALLY OR BY INSURANCE.

Technip's operations are subject to the risks inherent to any company providing engineering and construction services to oil and gas, petrochemical and mining industries such as equipment failure, personnel injuries, fire or explosion. If realized, these risks might entail definite or temporary disruption of Technip's activities, damage to movable property and real assets, pollution or other environmental damage, which may result in claims being brought against Technip, including the risk of claims being brought by subsequent operators of facilities designed by Technip.

Technip's policy is to contractually limit its liability and provide for indemnity provisions, as well as to obtain insurance coverage. However, such precautions may not always provide full protection from liabilities. Technip may be deemed, as a matter of law, to have liability pursuant to environmental law and employment law in certain jurisdictions where Technip operates. In addition, clients and subcontractors might not have adequate financial resources to meet their indemnification obligations to Technip.

Furthermore, losses may result from risks that are not addressed in Technip's indemnity agreements or that are not covered by its insurance policies.

Finally, the Group may not be in a position to obtain adequate insurance coverage on commercially reasonable terms for certain types of risks. Failure to have an appropriate and adequate insurance coverage in place for any of the reasons discussed here in above could subject Technip to substantial additional costs and potentially lead to losses. Additionally, the occurrence of any of these events could harm Technip's image and negatively impact its financial results.

■ MARITIME SECURITY RISKS

Piracy risks, predominantly in the Gulf of Guinea, the Somali Basin and the Gulf of Aden, remain material. Piracy represents a risk for both Technip's projects and vessels which operate and transit through sensitive maritime areas. Maritime risks have the potential to significantly harm crews (whether physically or psychologically) or to negatively impact upon the execution schedule for a project or projects. If Technip's maritime employees or assets are endangered, additional time is required to find an alternative solution that may delay the project realization and negatively impact Technip's image.

■ AIR TRAVEL RISKS

Technip operates in several countries where the performance of airlines or the air-traffic control network is poor. The limited number of flights to certain destinations, particularly domestic flights, can force employees to use alternative means of transportation. Should air travel risks materialize, they could impact the safety of employees, human resources, the execution of a project, or offer submission schedule, and may harm the Group's image.

■ RISKS RELATED TO INFORMATION AND INFORMATION SYSTEMS

Data storage on electronic and other information devices is an essential part of Technip's engineering operations. A weakness in, a malfunction of, or an attack against the Group's information systems may result in a delay in a project realization or may negatively impact the Group's image and the time necessary to complete operations within projects.

■ DEPENDENCE

Technip believes that the large portfolio of technologies that it owns or that it licenses from third parties is a strategic asset in winning and executing its projects. However, Technip could become subject to legal action brought by third parties for the purpose of enforcing intellectual property rights they may claim that they hold.

Such legal actions could have a material impact on operations and image and result in a decline in Technip's market share, and consequently affect the Group's results.

4 Risk Factors

4.2. Risks Relating to the Group's Industry

However, Technip does not believe that its business or results is dependent upon any single patent, brand, technology or intellectual property right.

Technip is not dependent upon its suppliers. Technip is not limited in its choice of suppliers and approaches all suppliers that are active on the global market.

Technip is not dependent on any individual customer as a result of its customer base. Over the course of the last two financial years, the revenue generated from the top client, top five clients and top 10 clients break down as follows:

In % of Group revenues	2013	2012 restated (*)
Revenues from the top client	11.8%	11.3%
Revenues from the top five clients	32.6%	30.6%
Revenues from the top 10 clients	46.5%	44.9%

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 and Note 2 to the Consolidated Statements for the financial year ended December 31, 2013.

■ THE SUCCESS OF JOINT VENTURES OR CONSORTIA IN WHICH TECHNIP PARTICIPATES DEPENDS ON THE SATISFACTORY PERFORMANCE OF ITS PARTNERS' OBLIGATIONS.

The failure of one of Technip's partners to perform their contractual obligations could lead to (i) additional obligations being imposed on Technip, such as taking over the defaulting partner's obligations, or (ii) additional costs being incurred by Technip as a result of a partner's poor performance of its obligations, such as a delay, which could in turn reduce Technip's profits or, in certain cases, generate material losses.

■ TECHNIP HAS MADE AND MAY CONTINUE TO MAKE ACQUISITIONS WHOSE IMPACT ON ITS ACTIVITIES AND RESULTS MAY BE LESS FAVORABLE THAN ANTICIPATED OR AFFECT ITS FINANCIAL POSITION OR PROSPECTS.

As part of its development strategy, Technip has made and may continue to make acquisitions. These acquisitions may be of varying size and may take the form of company or equity purchases; the formation of joint ventures; or mergers.

Acquisitions such as that of Global Industries, Ltd. in late 2011, or of Stone & Webster process technologies and its associated Oil & Gas Engineering capabilities in 2012, are significant acquisitions at Group level. These acquisitions may be subject to the following risks: (i) the business plan assumptions underlying the valuations may not be accurate, especially concerning market price, cost savings, earnings, synergies, assessment of market demand and expected profitability; (ii) the Group may not successfully integrate the acquired companies, their technologies, product lines and employees; (iii) the Group may not be able to retain certain employees, customers or key suppliers of the acquired companies; (iv) Technip could be forced to increase its debt to finance these acquisitions, thus limiting its financial flexibility and opportunities to contract new loans in the future; and (v) the Group may be forced to give undertakings to merger control authorities that, once implemented, would be on less favorable terms than initially expected for the Group. Consequently, the expected benefits from future acquisitions or acquisitions already carried out may not be realized and this may affect the expected financial situation or prospects of the Group.

4.2. Risks Relating to the Group's Industry

■ TECHNIP COULD FAIL TO RETAIN ITS KEY PERSONNEL OR ATTRACT THE QUALIFIED EMPLOYEES IT MAY NEED TO MAINTAIN AND DEVELOP ITS KNOW-HOW.

Technip's success is dependent upon its ability to recruit, train and retain a sufficient number of employees including managers, engineers and technicians who have the required skills, expertise and local knowledge. Competition for the recruitment of individuals with the required profile is strong.

Technip's operations depend substantially on the services of employees having the technical training and experience necessary to ensure the successful operation of projects. As a result, the continuing availability of such personnel is required. If Technip should suffer any material loss of personnel with the requisite level of training and experience to adequately operate the equipments of the Group, or be unable to employ additional personnel or find suitable replacements, the Group's operations and results could be adversely affected.

■ TECHNOLOGICAL PROGRESS MIGHT RENDER THE TECHNOLOGIES USED BY TECHNIP OBSOLETE.

The oil industry is pursuing oil and gas reserves in increasingly difficult conditions, such as the deep seas, high-pressure and high-temperature reservoirs and extreme conditions, particularly in the Arctic. Technological development is key in overcoming these difficulties and provides a significant competitive advantage.

Unlike other sectors, this industry has not experienced any major or disruptive shifts in technology; however continuous research and development (R&D) is required in order to continually push the boundaries of production-exploration. Technip's success depends on continuous and regular research and development to develop new products and new installation methods that will provide solutions at an acceptable cost to the market (please see Section II and Note 4 (c) of Section 20.1 of this Reference Document for details regarding R&D policy and expenses).

The failure to sustain continuous and regular research and development could result in a decline in Technip's market share, which could have a significant negative impact on its operations and its financial results.

■ INCREASING PRICE PRESSURE BY COMPETITORS COULD REDUCE THE VOLUME OF CONTRACTS MEETING TECHNIP'S MARGIN CRITERIA.

Most of Technip's contracts are obtained through participation in a competitive bidding process, as is customary in the sector. Technip's main competitors are engineering and construction companies in the Americas, Europe, Asia-Pacific and the Middle-East. While service quality, technological capability, reputation and experience are considered in client decisions, price remains one of the determining factors in most contract awards. Historically, this industry has always been subject to intense price competition. Such competition has intensified from growing demand over the period from 2004 to 2008, and could have a negative impact upon the Group's margin requirements if demand were to decrease significantly and sustainably, and consequently have a negative impact on the Group's revenues.

■ IMPACT OF THE CURRENT FINANCIAL AND ECONOMIC CRISIS ON LOANS, LETTERS OF CREDIT, BANK GUARANTEES AND OTHER GUARANTEES NECESSARY TO TECHNIP'S OPERATIONS.

In 2011, the financial crisis, which began in July 2007 and became an economic crisis in 2008 and 2009, became a crisis of confidence in Europe and in the sovereign debt of European Union member states, followed by the start of an economic recovery during 2013.

Since summer 2011, the weak economic and financial environment in Europe, coupled with imminent entry into force of strict banking regulations, further increased margin costs for bank credit and have had an increasing impact on banking fees regarding guarantees and letters of credit requested in the course of Technip's operations. These increased costs are due to regulatory limitations that banks and financial institutions now face which impact balance sheets, liquidity, financing costs for greater than one or three years, as well as constraints in relation to the allocation of capital. This latter constraint is only partially compensated by the currently low interest rates (before bank margins).

At the beginning of the second half of 2013, Technip was able to extend the maturity of the undrawn €1 billion syndicated credit facility for an additional year. In October 2013, Technip issued three bonds for an aggregate amount of €355 million with long maturities (10 and 20 years), each subscribed by a different European investor under the form of private placements.

Technip continues to benefit from significant bank guarantees with a large number of financial institutions, enabling Technip to satisfy its contractual obligations.

Continued high banking credit margins, associated with a possible increase in the interest rate, could lead to unfavorable conditions of new credit.

As a significant proportion of the financial debt of the Group has been entered into at fixed interest rates, the Group is protected against an increase in the interest rates with respect to its currently utilized debt.

Nevertheless, adverse changes in the banking market may have a material impact on the future issuance of bank guarantees and letters of credit, and may require the involvement of several banks. These issuances could be more restrictive and more expensive to structure in a banking market where, since 2008, banks have been increasingly reluctant to take risks in the inter-bank market. This could impact Technip's capacity to develop its business, its backlog and its earnings.

Despite Technip's credit risk management and hedging procedures, particularly during project assessments where such procedures begin at the offer stage (as detailed in Sections 6.3.1 and 6.3.2 of this Reference Document), Technip cannot guarantee that it will not be required to directly bear the risk of financial failure of any of its clients, partners or subcontractors following the loss of financing for certain projects and, more generally, due to the impact of the current financial crisis on the availability of credit to certain companies or the increase of negotiation periods for financing of projects for which Technip is a contractor. Such trends may have a significant adverse impact on Technip's activities and results.

■ THE DECREASE IN AVAILABLE EXPORT CREDITS AND BANK LOANS COULD MAKE THE FINANCING OF CERTAIN PROJECTS MORE DIFFICULT FOR TECHNIP'S CLIENTS AND LEAD TO A DECREASE IN THE NUMBER OF NEW PROJECTS, WHICH COULD LIMIT TECHNIP'S GROWTH OPPORTUNITIES.

Technip and its subsidiaries maintain contact with many export credit agencies to promote projects which may generate new contracts, and to obtain their assistance as an exporter in the hedging or guarantee of such projects. Technip's clients negotiate and obtain export credit financed by banks with the support of export credit agencies, as well as credit financed by commercial credit providers; these two forms of credit being used to finance projects of certain clients of Technip. Should the level of support of these export credit agencies decline, or if the amount of the commercial credit, whether or not supported by export credit agencies, were to be reduced from current levels, or if the interest rates or the commercial credit margins were to significantly grow for these credit facilities, the Group's customers may decide to undertake fewer projects or decide to postpone completion of the projects. Any resulting decline in the number of new contracts could limit Technip's growth opportunities and have a material impact on its business.

■ **A REDUCTION IN INVESTMENTS IN THE OIL SECTOR COULD CAUSE TECHNIP'S PROJECTS TO BE POSTPONED OR CANCELLED AND COULD LIMIT TECHNIP'S ABILITY TO INCREASE OR MAINTAIN ITS PROFITS.**

Technip's business is largely dependent on investments made in the oil industry to develop onshore or offshore oil and gas reserves, as well as to process oil, natural gas and their by-products, undertaken in refining units, on petrochemical sites and at natural gas liquefaction plants.

The level of investment in this sector is significantly impacted by oil and gas prices on world markets, as well as expectation of changes of these prices.

In the upstream sector of the oil industry, a prolonged decrease in oil and gas prices, where development costs, such as equipment procurement costs, do not simultaneously decline, could force customers to postpone new investments, or significantly reduce the amount of such investments, or even cancel such investments.

In the downstream sector of the industry, a sustained increase in oil and gas prices may put downward pressure on consumer demand for products derived from oil and gas, including fuel and plastics. Any slowing of demand would reduce incentives for Technip's clients to invest in additional treatment capacity.

Furthermore, in both of these sectors, high volatility in oil and gas prices could also lead oil and gas companies to delay or even cancel their investment projects.

Finally, investments in the oil industry are not only influenced by oil prices, but also by other factors, principally including:

- the level of exploration and development of new oil and gas reserves;
- the rate of decline of existing reserves;
- changes in the global demand for energy;
- international economic growth;
- political, economic and geopolitical conditions; and
- changes in environmental legislation and regulations.

A decrease in investment in the oil industry, as a result of one of the factors described above, or for any other reason, could decrease Technip's capacity to maintain or increase its operating income and profits.

■ **WEATHER CONDITIONS RISKS.**

Technip's business could be materially adversely affected by severe weather conditions in the countries in which it operates, which could require the evacuation of its employees and the suspension of its activities. Such events may cause a decline in revenue for the relevant business unit and a substantial increase in the costs involved in the maintenance or repair of such assets.

4.3. Regulatory and Legal Risks

■ **NEW GOVERNMENTAL LAWS OR REGULATIONS MAY HAVE THE POTENTIAL TO BE UNFAVORABLE TO TECHNIP.**

Technip's operations and means of production are governed by international, regional, transnational and national laws and regulations of approximately 50 countries worldwide, in various constantly evolving fields such as export control, securities laws, internal control, health and safety, personal data protection, ethics, anti-corruption, labor and environmental protection laws. In order to adapt itself to and comply with these laws and regulations and any changes thereto, Technip could be required to make financial and technical investments or otherwise withdraw its activities from certain countries. In addition, misconduct or failure to comply with these laws and regulations could expose Technip and/or its employees to criminal, civil and administrative liabilities and could be damaging to its reputation and/or shareholder value.

Technip cannot guarantee that, in exceptional cases, certain assets will not be nationalized or expropriated or that contractual rights will not be challenged. The materialization of such risks could result in a loss of market share and have a material impact on the Group's operations and financial results.

■ **CHANGES IN TECHNIP'S OPERATIONAL ENVIRONMENT, IN PARTICULAR, CHANGES IN TAX REGULATIONS OR INTERPRETATIONS THEREOF IN COUNTRIES WHERE TECHNIP IS ACTIVE, COULD IMPACT THE DETERMINATION OF TECHNIP'S TAX LIABILITIES.**

Technip operates in approximately 48 countries and is, as a result, subject to taxes in a number of different tax jurisdictions. Revenue generated in the various jurisdictions are taxed differently, including net income actually earned, deemed net profit and withholding taxes. The final determination of Technip's tax liabilities requires an interpretation of local tax laws, treaties and the practices of the tax authorities for each jurisdiction in which Technip operates, as well as the making of assumptions regarding the scope of future operations and the nature and timing of the financial results from these operations. Changes in tax regulations and practices could materially impact Technip's tax liabilities if the Group, contrary to the recommendations of the Group Tax Department, were not contractually protected against a risk incurred as a result of a change in tax regulations, interpretations and practices.

■ IF TECHNIP FAILS TO EFFECTIVELY PROTECT ITS TECHNOLOGIES, CERTAIN COMPETITORS COULD DEVELOP SIMILAR TECHNOLOGIES, CAUSING TECHNIP TO LOSE ITS COMPETITIVE ADVANTAGE RESULTING IN A LOSS OF REVENUE.

Certain of Technip's products, as well as the processes used by Technip to produce and market such products, are patented, or are subject to patent applications, or constitute trade secrets. However, not all countries offer the same level of protection for intellectual property rights. If Technip's intellectual property rights were to be considered invalid, could not be protected, or there was a failure to obtain a particular patent, its competitors could then independently develop and exploit technologies similar to Technip's unpatented or unprotected technologies. Such events could have an impact on the Group's brand, operations or financial results.

Technip may need to take legal action to enforce its intellectual property rights, as well as to assess the validity and scope of rights held by third parties. Technip could also be subject to legal action brought by third parties for the purpose of enforcing intellectual property rights that they claim to hold. Any court proceedings could result in major costs as well as requiring the dedication of resources, which could have a material impact on Technip's operating income.

■ THE GROUP MAY BE INVOLVED IN LEGAL PROCEEDINGS WITH CLIENTS, PARTNERS, SUBCONTRACTORS, EMPLOYEES AND TAX OR REGULATORY AUTHORITIES.

The Group is occasionally involved in legal proceedings with clients, partners and subcontractors in its normal course of business. It may also be involved in proceedings conducted by (i) employees or former employees of the Group with occupational disease claims related to certain activities (e.g., diving) or to exposure to hazardous substances (e.g., asbestos), (ii) tax or regulatory authorities and/or (iii) any third parties. Technip cannot exclude the possibility that materialization of this risk may have an impact on the Company's image and/or its financial condition.

■ THE DOUBLE VOTING RIGHTS AND CHANGE OF CONTROL PROVISIONS, WHICH ARE INCLUDED IN CERTAIN AGREEMENTS TO WHICH TECHNIP IS A PARTY, COULD LIMIT THE PREMIUM THAT MAY BE OFFERED BY A POTENTIAL ACQUIRER.

Since the Shareholders' Meeting of November 24, 1995, the Company's articles of association (*statuts*) have provided that shareholders who have held fully paid-up shares in registered form in their name for at least two years have the right to two votes for every share held. Double voting rights are automatically lost in the event that such shares are converted into bearer form or are transferred. Double voting rights can only be cancelled when approved by an Extraordinary General Meeting of the Company's shareholders following approval by a special assembly of such double voting rights holders.

As of February 28, 2014, 10,743,596 shares carried double voting rights, representing approximately 9.45% of the share capital and approximately 17.27% of the voting rights in the Company.

A takeover of Technip could potentially trigger the relevant provisions of certain commercial contracts having an "*intuitu personae*" nature, particularly with respect to license contracts.

The direct effect of provisions that give, for example, a licensor the option to challenge granted rights, should not result in the prevention or delay of a change in control but could, as the case may be, decrease the Group's access to certain markets.

Double voting rights, as well as the change of control provisions discussed above, may make it more difficult for a potential buyer to acquire a percentage of the Company's share capital, or may even impede such an acquisition, and therefore provide a defense against hostile takeovers and may delay or even prevent a change of control in which the Company's shareholders could have received a premium in relation to the market price of the shares.

■ TECHNIP'S REMAINING WORK IN IRAN, ALTHOUGH LIMITED, MAY BE SUBJECT TO US SANCTIONS, WHICH COULD RESTRICT ITS ABILITY, OR EVEN PROHIBIT IT FROM DOING BUSINESS IN THE UNITED STATES OR WITH US PERSONS.

As a multinational corporation organized outside the United States and with operations throughout the world, Technip operates in certain countries where US economic sanctions prohibit US persons, US entities and non-US entities that are US-owned or controlled from doing business in those countries, and also expose non-US persons and non-US entities (even if not US-owned or controlled) to the risk of sanctions in certain situations. Pursuant to the Iran Sanctions Act of 1996 ("ISA"), as further amended and expanded by the Comprehensive Iran Sanctions, Accountability, and Divestment Act of July 2010 ("CISADA"), the Iran Threat Reduction and Syria Human Rights Act of 2012, the Iran Freedom and Counter-Proliferation Act of 2012, as well as US Executive Orders 13590, 13606, 13608, 13622, 13628 and 13645, the President of the United States may investigate and potentially retaliate against non-US persons who engage in certain Iran-related transactions. Such transactions include, among other things, knowingly making investments exceeding certain monetary thresholds that contribute to Iran's development of its petroleum and natural gas resources; providing support or goods or services exceeding certain monetary thresholds that contribute to Iran's development of its petroleum resources or petrochemical products production; and providing significant or material support to, or goods or services in support of, an Iranian individual or entity on the Specially Designated Nationals List (except for certain Iranian depository institutions).

As of the date of this Reference Document, Technip no longer pursues projects in Iran and the revenue generated by residual obligations linked to prior contracts was close to zero. Technip cannot however completely exclude the risk of sanctions under the ISA and CISADA and similar US sanctions laws. In the event that sanctions are imposed under the ISA or similar laws, such sanctions could significantly increase Technip's costs of borrowing and substantially reduce its business opportunities. Under the CISADA and similar US sanctions laws, the US President could apply a wide range of sanctions against Technip, including, in certain cases, prohibiting US persons from doing business with it.

The principles used to evaluate the amounts and types of provisions for liabilities and charges are described in Note 1-C (u) Provisions; and the criteria for classifying an asset/liability as "current" or "non-current" in the statement of financial position is described in Note 1-C Accounting Rules and Estimates which is included in Section 20.1 of this Reference Document.

4.4. Industrial and Environmental Risks

■ THE OPERATION OF FACILITIES THAT TECHNIP USED, BUILT OR IS CURRENTLY BUILDING COULD EXPOSE TECHNIP TO LIABILITY FOR COMPLIANCE WITH ENVIRONMENTAL PROTECTION AND INDUSTRIAL RISK PREVENTION REGULATIONS.

Technip operates in countries which have increasingly stringent and constantly changing regulations that relate to environmental protection and the operation of industrial sites. Technip could be held liable for environmental liabilities pursuant to Directive 2004/35/EC of the European Parliament and of the Council of April 21, 2004 on environmental liability, which has been implemented in the legislation of most of the EU member states in which Technip operates. In particular, Technip could be held liable for pollution, including the release of petroleum products, hazardous substances and waste from the Group's production, refining or industrial facilities, as well as other assets owned, operated or which were operated in the past by the Group, its customers or subcontractors. A breach of environmental regulations could result in: (i) Technip having to restore polluted sites at its own cost, which could prove to be substantial; (ii) the suspension or prohibition of certain operational activities; or (iii) Technip's liability for damages suffered by third parties, each of which could have a negative impact on the Group's operations and financial results.

Although Technip does not directly operate facilities that fall within the scope of Paragraph IV of Article L. 515-8 of the French Environmental Code for high threshold Seveso sites, certain of its activities (construction, installation or start-up) are carried out at industrial facilities that are exposed to industrial and environmental hazards.

In the event of a major industrial accident in a facility exposed to such hazards, Technip's liability, as an onsite participant, for damages to its employees or property, or the loss of an important customer as a result of such accident, could have a negative impact on the Group's results of operations. No provision was made during fiscal year 2013 given the exceptional nature of the occurrence of such risks and the difficulty of quantifying them.

■ CLIMATE CHANGE COULD HAVE AN UNFAVORABLE IMPACT ON TECHNIP'S OPERATIONS AND INCOME.

Technip classifies climate change risks into two categories, each of which is approached separately in terms of economic risks:

1. regulatory risks arising from more stringent international, European or national regulations aimed at reducing greenhouse gas emissions; and
2. competition risks from a further shift in customers' demand for more energy-efficient products and processes to reduce greenhouse gas emissions.

Each of these risks could materially adversely affect Technip's compliance with contractual completion deadlines as well as Technip's results of operations:

1. Technip has no facilities that fall within the scope of either the French national scheme for greenhouse gas quota (PNAQ III for the 2013-2020 period) or Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (integrated pollution prevention and control). Investments in the petroleum industry can be materially impacted by changes in environmental laws or regulations applicable to the project or to the relevant business sectors. If certain regulations change in an unexpected manner or impose requirements with which Technip may not be able to comply, the obligations imposed by such laws or regulations could have a significant negative impact on the Group's operations and financial results;
2. if the Group does not sufficiently anticipate evolutions in technologies that lower greenhouse gas emissions and based on renewable energies, Technip could no longer be able to satisfy market demand, which could negatively impact its operations and financial results.

■ TECHNIP COULD FACE CLAIMS FOR OCCUPATIONAL DISEASES RELATED TO ASBESTOS AND INCUR LIABILITIES AS AN EMPLOYER.

Like most diversified industrial groups, Technip may be exposed to claims for occupational diseases related to its employees' exposure to various risks such as noise, muscular-skeleton troubles or asbestos. To avoid any harm to its employees, Technip implements prevention programs designed to reduce specific health risks. In the event that occupational diseases related to asbestos are discovered or reported, an employer could be held liable and be required to pay indemnities to victims or to their heirs and assigns in a substantial amount.

■ THE COUNTRIES WHERE TECHNIP CONDUCTS ITS OPERATIONS MAY MAKE THEIR REGULATIONS REGARDING NATIONAL ISSUES MORE STRINGENT, EXPOSING TECHNIP TO LIABILITY IN RESPECT OF THESE SOCIAL REGULATIONS AND OTHER CONNECTED RISKS.

Technip operates in countries with increasingly stringent and constantly changing regulations in relation to social protection and employment. Certain countries, in particular emerging economies and developing countries, are moving towards regular and sustained increases in the severity of national regulations imposed on operations conducted by and/or for foreign businesses, particularly concerning the employment of local workers, provision of products and services by local businesses, and social investment in favor of host communities.

Beyond the fact that Technip could be held liable for a breach of any of these regulations, a failure to take into account national requirements may expose Technip to operational risks: for example, if the company failed to meet an obligation to improve the employability of local workers, Technip may be unable to conduct its operations due to a shortage of skilled personnel. In addition, the failure to contribute to sustainable development of the broader local economy, Technip could suffer from difficulties further along the supply chain. Finally, carrying out operations in a context of social injustice, poverty or poor management of natural resources, without taking into consideration the needs of the host communities in terms of human development and environmental conservation, can be a source of discontent and generate or exacerbate local instability, thereby exposing the company to risks of direct losses including, among others, the boycott of supply and/or production, in addition to risks relating to reputational damage.

Due to the national conditions of the countries where Technip operates, and also the nature of the industry, in addition to the risks mentioned above, Technip is also exposed to one risk in particular, which is common to all sustainable development concerns: the risk of damage to its image and reputation due to irresponsible behavior or a focus on short-term goals. There is a risk that this type of behavior can occur not only within the entities and projects of the company but also at each stage of Technip's value chain. Going beyond Technip's own operations, the subcontracting and supply chain may reveal actions and/or effects that undermine Technip's ethical principles and sustainability policies. Clients and project sponsors may also act contrary to these principles and policies, resulting in accidents or exposure to reputational damage. All this may directly or indirectly affect the image and reputation of Technip, which could ultimately impact Technip's ability to break into new markets, create jobs or to exercise its operations in certain countries and result in financial losses.

4.5. Credit/Counter-Party Risk

The global market for the production, transportation and transformation of hydrocarbons and by-products, as well as the other industrial sector markets in which the Group operates, is dominated by a small number of companies. As a result, Technip's business relies on a limited number of customers. The Group regularly performs a credit risk analysis before entering into contracts and, where the risk is considered to be too high, puts in place payment guarantees and procedures for monitoring customer payments as necessary.

In 2013, and as of the date of this Reference Document, the Group had not experienced any significant payment defaults by its clients. Please see Note 16 to the Consolidated Financial Statements included in Section 20.1 of this Reference Document, indicating the amounts for doubtful accounts and provisions made for their depreciation.

For information purposes, the percentages of consolidated revenue generated from Technip's top client and the consolidated revenue generated by its top five and top 10 customers are reported in Section 4.1 of this Reference Document.

4.6. Liquidity Risk

The Group's exposure to liquidity risks is presented in Note 33 (a) to the Consolidated Financial Statements included in Section 20.1 of this Reference Document.

As of December 31, 2013, Standard & Poor's corporate credit rating for Technip was BBB+/Stable/A-2.

Technip's business generates negative working capital requirements. The contractual terms and conditions for payment are negotiated between the Group's entities and their clients,

suppliers or subcontractors for the completion of projects. These terms and conditions provide the Group's entities with cash resources and are reflected in the accounts, in particular the consolidated accounts, by a negative working capital requirement.

- Technip's financing needs are met pursuant to a Group policy implemented by the Finance and Control Division.
- Cash management is centralized at the head office and coordinated through finance departments located in the Group's main operating subsidiaries.

Technip Eurocash SNC, a French general partnership (*société en nom collectif*), acts to centralize cash pooling for the Group's main entities, in compliance with applicable laws and regulations in each of the relevant countries. Technip Eurocash SNC has entered into cash pooling agreements with most of the Group's subsidiaries to consolidate surplus cash and to meet their needs, except where local economic and financial considerations have required recourse to external local debt.

- As of December 31, 2013, the Group had multiple sources of finance whether for its general corporate needs or for financing new assets or operations.

■ 2010 PRIVATE PLACEMENT NOTES

On July 27, 2010, Technip received the proceeds of the €200 million private placement notes in accordance with contractual terms and conditions agreed on November 19, 2009. The purpose of this private placement was a partial refinancing of the 2004-2011 bond issue, which was repaid at its maturity date of May 26, 2011. The notes have a 10-year term commencing on July 27, 2010 and an annual coupon of 5%. This placement includes the usual covenants and default provisions that are standard for this type of bond issue and does not include any financial ratios. These notes are listed on the Luxembourg Stock Exchange.

■ 2010-2016 CONVERTIBLE BOND

On November 17, 2010, Technip issued 6,618,531 bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million. The bonds will be redeemed at par value on January 1, 2016, except in the event of an early conversion, exchange or redemption. Bondholders have the option to convert their bonds into shares at any time at the ratio of one share for one bond. In addition, the Group has the option to call for the early redemption of all outstanding bonds at any time on or after the third anniversary of the issue date for a price at par value plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

The nominal value of each bond was set at €83.10. The bonds are listed on the Euronext Paris market.

The bonds bear interest at an annual rate of 0.50% payable annually in arrears on January 31 of each year, *i.e.*, €0.42 per year and per bond.

The main purpose of the convertible bond issue was to partially refinance the 2004-2011 bond issue, as well as to secure long-term financing to cover the Group's recent investments.

The bonds are convertible into or exchangeable for new or existing Technip shares at the ratio of one share per bond, subject to future anti-dilution adjustments as described in the documentation, *i.e.*, the *Note d'opération* approved by the AMF on November 9, 2010 under No.10-392.

The bond issue was rated BBB+ by Standard & Poor's. The *Note d'opération* includes covenants and default clauses standard for this type of bond issue, and does not include any financial ratios. The issue provides that in the event of a change of control of Technip, any bondholder may, at its sole option, request early redemption in cash of all or part of the bonds it owns.

As of the date of the issue of the bonds, the debt booked as non-current financial debt in the statement of financial position amounted to the fair value of the debt component. The fair value of the debt component is decreased by a proportion of the expenses related to the issue. The difference between the nominal value of the OCEANE and the fair value of its debt component is recorded as shareholders' equity. As of December 31, 2013, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €521.7 million and the amount booked as shareholders' equity amounted to €63.3 million. Please see Note 21 (b) in Section 20.1 of this Reference Document.

■ 2011-2017 CONVERTIBLE BOND

On December 15, 2011, Technip issued 5,178,455 bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for approximately €497.6 million. The bonds will be redeemed at par value on January 1, 2017, except in the event of an early conversion, exchange or redemption. Bondholders have the option to convert their bonds into shares at any time at the ratio of one share for one bond. In addition, the Group has the option to call for early redemption of all outstanding bonds at any time on or after the third anniversary of the issue date for a price at par value plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

The nominal value of each bond was set at €96.09. The bonds are listed on the Euronext Paris market.

The bonds bear interest at an annual rate of 0.25% payable annually in arrears on January 31 of each year, *i.e.* approximately €0.24 per year and per bond. The first coupon payment on January 31, 2013 amounted to approximately €0.03 per bond.

The main purpose of the convertible bond issue was to partially replenish the Group's cash balances following the payment of Global Industries, Ltd shares for USD936.4 million in December 2011.

The bonds will be convertible into or exchangeable for new or existing Technip shares at the ratio of one share per bond, subject to future anti-dilution adjustments as described in the documentation, *i.e.*, the *Note d'opération* approved by the AMF on December 7, 2011 under No.11-562.

The bond issue was rated BBB+ by Standard & Poor's. The *Note d'opération* includes standard covenants and default clauses for this type of bond issue and does not include any financial ratios. The issue provides that in the event of a change of control of Technip, any bondholder may, at its sole option, request the early redemption in cash of all or part of the bonds it owns.

As of the date of the issue of the bonds, the debt booked as non-current financial debt in the statement of financial position amounted to the fair value of the debt component. The fair value of the debt component is decreased by a proportion of the expenses related to the issue. The difference between the nominal value of the OCEANE and the fair value of its debt component is recorded as shareholders' equity. As of December 31, 2013, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €450.0 million and the amount booked as shareholders' equity amounted to €73.1 million. Please see Note 21 (b) in Section 20.1 of this Reference Document.

■ 2012 PRIVATE PLACEMENT NOTES

In June 2012, Technip concluded three long-term private placement notes, each subscribed by a different investor, for an aggregate amount of €325 million. These bond issues consist of:

- €150 million 10-year private placement notes concluded on June 14, 2012, with an annual coupon of 3.40% payable annually in arrears on June 14 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the market Euronext Paris;
- €75 million 15-year private placement notes concluded on June 15, 2012, carrying an annual coupon of 4.0% payable annually in arrears on June 15 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the market Euronext Paris; and
- €100 million 20-year private placement notes concluded on June 14, 2012, with an annual coupon of 4.0% payable annually in arrears on June 14 of each year. These private notes are listed on the Frankfurt Stock Exchange.

These private placements are part of the general management of the Group's cash and liabilities and raise funds for general corporate purposes.

The *Notes d'opération* of these private placement notes include standard covenants and default clauses for these types of bond issues, and do not include any financial ratios. The issues provide that in the event of a change of control of Technip and a corresponding rating downgrade of the notes below BBB- deemed to have occurred in respect of that change of control, any bondholder may, at its sole option, request the early redemption of all the bonds it owns.

■ 2013 PRIVATE PLACEMENT NOTES

In October 2013, Technip concluded three long-term private placement notes, each subscribed by different investors, for an aggregate amount of €355 million. These bond issues consist of:

- €100 million 20-year private placement notes concluded on October 7, 2013, with an annual coupon of 3.75% payable annually in arrears on October 7 of each year;
- €130 million 10-year private placement notes concluded on October 16, 2013, with an annual coupon of 3.15% payable annually in arrears on October 16 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the Luxembourg Stock Exchange; and
- €125 million 10-year private placement notes concluded on October 18, 2013, carrying an annual coupon of 3.15% payable annually in arrears on October 18 of each year. These private notes are listed on the Luxembourg Stock Exchange.

These private placements are part of the general management of the Group's cash and liabilities and raise funds for general corporate purposes.

The *Notes d'opération* of these private placement notes include standard covenants and default clauses for these types of bond issues, and do not include any financial ratios. The issues provide that in the event of a change of control of Technip and a corresponding rating downgrade of the notes below BBB- deemed to have occurred in respect of that change of control, any bondholder may, at its sole option, request the early redemption of all the bonds it owns.

■ SKANDI ARCTIC FINANCING

In March 2009, Doftech DA (a 50% owned subsidiary of Technip) entered into a NOK1 billion facility agreement for the financing of the *Skandi Arctic* vessel. This facility will be reimbursed in 24 equal semi-annual installments from September 16, 2009 to March 16, 2021. As of December 31, 2013, the facility, fully drawn, amounted to NOK625.0 million following semi-annual payments commencing on September 16, 2009.

One tranche of the facility, corresponding to 70% of the total amount is granted at a fixed rate of 5.05% by the Norwegian financing institution Eksportfinans and benefits from a guarantee by GIEK. The other tranche of the facility is granted at a floating rate by a commercial bank.

This credit facility is guaranteed jointly, but not severally, by Technip Offshore International and by the ultimate parent company of the other shareholder of Doftech DA, on an equal basis. The credit facility also benefits from a mortgage over the *Skandi Arctic* vessel.

This credit agreement includes the covenants and default provisions that are standard for this type of credit agreement and does not include any financial ratios.

■ SKANDI VITÓRIA FINANCING

In April 2010, the Brazilian subsidiary Dofcon Navegação, a 50% owned subsidiary of Technip, and *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) entered into two loan agreements for a total amount of USD240 million with a fixed interest rate of 3.09% which has increased to approximately USD244 million (by capitalization of interest up until December 31, 2010), for the financing of the *Skandi Vitória* vessel.

The two loans will be reimbursed in 204 equal monthly installments from January 10, 2011 until December 10, 2027. As of December 31, 2013, the facility amounted to USD198.5million following the installments repaid since January 2011. Each of the loans is secured by joint and several guarantees given by Technip and the ultimate parent company of the other shareholder of Dofcon Navegação and over a mortgage on the *Skandi Vitória* vessel.

The loan agreements include covenant and default provisions that are standard for such facilities with BNDES, including a covenant that the loan amount does not exceed an amount such that the estimated value of the *Skandi Vitória* is greater than or equal to 110% of the loan amount.

■ SKANDI NITERÓI FINANCING

On May 5, 2011, the Brazilian subsidiary Dofcon Navegação, a 50% owned subsidiary of Technip, and *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) entered into two loan agreements for an initial total amount of USD136.5 million with a fixed interest rate of 3.40% p.a., for the financing of the *Skandi Niterói* vessel.

The first loan of USD105.5 million will be reimbursed in 210 equal monthly installments from July, 2011 until December, 2028. The second loan of USD31 million will be reimbursed in 204 equal monthly installments from January, 2012 until December, 2028. As of December 31, 2013, the facilities amounted to USD118.0 million following successive installments repaid since July 2011 and January 2012 in accordance with the terms of the loans.

Each of the loans is secured by joint and several guarantees given by Technip and the ultimate parent company of the other shareholder of Dofcon Navegação and by a mortgage over the *Skandi Niterói* vessel.

The loan agreements include covenants and default provisions that are standard for such facilities with BNDES, including a covenant that the loan amount does not exceed an amount such that the estimated value of the *Skandi Niterói* is greater than or equal to 110% of the loan amount.

■ TWO 550-TON LAYING TENSION CAPACITY PIPELAY SUPPORT VESSELS (PLSVS) FINANCING

On April 16, 2013, Technip Odebrecht PLSV CV, a limited partnership, formed between entities fully owned, directly and indirectly, by Technip and Odebrecht Oil & Gas (each holding 50% of the partnership), signed a USD584 million credit agreement as borrower, with several international banks and Eksportkreditt Norge AS (Norway) acting as lenders.

The purpose of the limited recourse credit agreement is for the borrower, as owner, to partially finance the construction of the two flexible pipeline installation vessels, for which, in May 2012, the borrower and a consortium between Technip Brazil (a subsidiary fully owned, directly and indirectly, by Technip) and its partner in the joint venture respectively signed two charter and service agreements with Petróleo Brasileiro S.A. (Petrobras) for a fixed period of five years, with an option to extend the agreements for five additional years by mutual consent.

The credit facility comprises three tranches: (a) a USD468.8 million commercial tranche, (b) a USD88 million Korea Trade Insurance Corporation (K-Sure) Tranche which is to be lent by a number of the international banks under insurance by K-Sure, and (c) a USD27.2 million *Garantiinstituttet for eksportkreditt* (GIEK) Tranche to be lent by Eksportkreditt Norge AS which will be guaranteed by GIEK (Norway), the last two tranches being available on delivery of the first vessel.

The interest rate of the GIEK tranche is a 2.4% *p.a.* fixed rate plus the annual GIEK premium. The interest rates of the commercial tranche and K-Sure tranche are based on floating interest rates.

In June 2013, the interest rate with respect to a USD422.7 million notional amount of the credit was hedged, with a forward start on September 30, 2013, until March 31, 2020, to comply with a covenant to fix the interest rate of at least 75% of the floating interest rate tranche within 120 days after signature of the contract.

The credit will be repaid over the first five years, starting from the earlier of (i) six months after commencement of operations by the second vessel and (ii) September 30, 2015, and is based on a 12-year semi-annual amortization profile, including a principal repayment amount equal to 58.33% of the credit amount to be made immediately after the earlier of (i) the 10th semi-annual repayment and (ii) March 31, 2020, or subject to certain conditions three months after such applicable date. Subject to the approvals at the end of the first five years, pursuant to certain criteria, as determined by K-Sure or GIEK and by the lenders involved in the respective tranches, the repayment of the amounts due after the 10th semi-annual repayment under the K-Sure Tranche or the GIEK Tranche respectively could be extended over the following five years in accordance with the original 12-year semi-annual amortization profile of these tranches, including a principal repayment amount equal to 16.67% of the credit amount and to be made no later than three months after the 20th semi-annual repayment.

Subject to similar approvals at the end of the first ten years, the repayment of the amounts due after the 20th semi-annual repayment, if any, under the K-Sure Tranche or the GIEK Tranche respectively could be extended over the following two years in accordance with the original 12-year semi-annual amortization profile of these tranches, with a final maturity date of no later than March 31, 2027.

The credit includes a number of commitments severally made by entities fully owned, directly and indirectly, by Technip and by its partner in the joint venture, which are customary for limited recourse financing.

Each of Technip Ships (Netherlands) B.V. and Technip's partner in the joint-venture undertakes severally to provide their respective 50% share in (i) the USD146 million equity amount to be paid up prior to any drawing under the credit to Technip Odebrecht PLSV CV to maintain a projected minimum equity to debt ratio of 20:80 and (ii) the required amount, estimated as of December 31, 2013 at USD59.7 million, to be deposited in reserve accounts to be initially partially funded prior to the delivery of the first vessel, and entirely funded on the earlier of (i) six months after the commencement of operations by the second vessel and (ii) March 31, 2015.

Each of Flexibras and Technip's partner in the joint-venture undertakes severally to provide their respective 50% share in the payment to the joint-venture (i) of the additional equity contribution to the Partnership to cover potential cost overrun up to USD109.5 million in excess of the cost, as agreed with the lenders, to complete the vessels and (ii) of the 58.33% principal repayment amount to be made under each tranche of the credit after the 10th semi-annual repayment has been made, an amount up to USD340.6 million plus accrued interests then due, or thereafter (iii) if applicable, of the 16.67% principal repayment amount to be made under the K-Sure Tranche or of the GIEK Tranche after the 20th semi-annual repayment is made, an amount up to USD19.2 million plus accrued interests then due.

The credit will be secured by mortgages over the two vessels owned by the borrower; by pledges of its other assets (including several bank accounts); by assignment of its contracts including the charter agreements; by the pledge of some dedicated bank accounts of the consortium between Technip Brazil and Technip's partner in the joint venture; and by the assignment of the service agreements entered into by the consortium with Petrobras.

The credit agreement includes a financial covenant to maintain on every semi-annual repayment date, the ratio of the project cash flow before interest and after tax over the debt service paid in principal and interest for the last 12 months ("the debt service cover ratio") equal to or higher than 1.15x.

Dividends may be made by the borrower from the first anniversary of the date of commencement of operations by the second vessel, until the eighth semi-annual repayment (unless the repayment schedule of the K-Sure tranche or the GIEK tranche has been extended at the end of the first five (or 10 years), in the absence of default and if the most recently calculated debt service cover ratio was equal to or higher than 1.2x.

The credit agreement includes other covenants and default provisions that are standard for this type of project finance agreement.

The first drawing on the commercial tranche of the credit was made on May 16, 2013, and in part used to repay in full the USD84.1 million outstanding principal amount and USD5 million accrued interest due under a USD90 million Bridge Loan Agreement. The Bridge Loan Agreement, which had been extended with several guarantees by Flexibras and Technip's partner in the joint venture (each holding 50%) on behalf of the borrower in favor of the commercial bank acting as credit agent, was then terminated.

As of December 31, 2013 the outstanding amount of the commercial tranche of the credit was USD118.8 million.

■ AÇUFLEX PLANT FINANCING

On September 2, 2013, Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, met the last condition subsequent to the signing on December 18, 2012 of a loan agreement entered into with *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) for a total amount of BRL485 million, dedicated to the financing of the construction of the new Açuflex flexible pipes plant located in the Açu harbor in Brazil.

Part of the loan is granted at a floating interest rate, while 37% of the total amount is granted at a fixed rate of 2.5%.

The loan will be reimbursed in 96 equal monthly installments from January 15, 2015 until December 15, 2022.

The loan agreement includes covenants and default provisions that are standard for such facilities with BNDES excluding any financial ratios. The loan is secured by a guarantee from Technip and is not secured by any asset.

As of December 31, 2013, the outstanding amount of the loan was BRL235 million.

■ BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL (BNDES) FACILITIES

As of December 31, 2013, Flexibras Tubos Flexiveis had seven separate loans pursuant to agreements entered into between August 2012 and April 2013 for a total amount of BRL400 million, to sustain the pre-financing of its export operations.

Each facility was entered into on behalf of BNDES in connection with BNDES financing. The seven loan agreements include the standard default provisions for such facilities with BNDES and do not include any financial ratios.

As of December 31, 2013, these fixed-rate loans were fully drawn and consisted of:

- two separate loan agreements for a total amount of BRL85 million entered into in August 2012, each with different commercial banks (each facility of BRL50 million and BRL35 million, respectively). Both facilities have a single redemption date of September 15, 2015;
- three separate loan agreements for a total amount of BRL115 million, each concluded with different commercial banks in November 2012. Two facilities of BRL32.5 million each have a single redemption date of November 15, 2015. The facility of BRL50 million has a redemption date of December 15, 2015; and
- two separate loan agreements for a total amount of BRL200 million entered into in April 2013, each with a different commercial bank for EUR100 million. Both facilities have a single redemption date of April 15, 2016.

On the respective maturity dates in April, June and July 2013, Flexibras Tubos Flexiveis redeemed the ten separate loans for a total amount of BRL500 million, which had been entered into between June 2010 and December 2011.

■ EXPORT CREDIT NOTES (NCE–NOTA DE CRÉDITO À EXPORTAÇÃO)

As of December 31, 2013, Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, had six separate NCE loans entered into between February and March 2013 for a total amount of BRL572 million to sustain the pre-financing of its export operations.

The loans were entered into with five different commercial banks. The six loan agreements include the standard default provisions for such facilities and do not include any financial ratios.

As of December 31, 2013, these fixed interest rate loans were fully drawn and consisted of:

- three separate loan agreements for a total amount of BRL300 million, each concluded with different commercial banks in February 2013, each loan agreement of the sum of BRL100 million. These loans have respective redemption dates of January 15, 2016, February 15, 2016 and February 19, 2016; and
- three separate loan agreements for a total amount of BRL272 million concluded in March 2013, each with different commercial banks. The BRL92 million loan has a redemption date of February 15, 2016, the BRL80 million loan has a maturity date of March 7, 2016 and the BRL100 million loan has a maturity date of March 15, 2016.

■ GLOBAL INDUSTRIES BOND

On January 11, 2012, following the acquisition of Global Industries, Ltd. by Technip and its delisting from NASDAQ (New York), to comply with the conditions set out in the original offering memorandum of the 2.75% USD325 million Senior Convertible Debentures, due on August 1, 2027, issued on July 27, 2007, Global Industries, Ltd. reimbursed a principal amount of USD322.6 million, corresponding to 99.3% of the outstanding debentures, and paid accrued interest of approximately USD3.9 million to the bondholders. As of December 31, 2013, the non-tendered bonds amounted to USD2.4 million.

■ SYNDICATED CREDIT FACILITY AND BILATERAL FACILITIES

As of December 31, 2013, the Group had various unutilized financing sources for an aggregate amount of €1,435.8 million that allow it to meet its general financing needs. These facilities are not secured by any of the Group's assets. They contain covenants and default provisions that are standard for such financing, to be met by Technip and a number of its affiliates, and do not include any financial ratios. These credit agreements do not include early payment provisions in case of deterioration of the borrower's credit rating.

1. The credit facility in the amount of €1 billion put in place on July 21, 2011 and which may be drawn in Euros, in US dollars or in British pounds, has been extended to July 21, 2018, following the second one-year extension in June 2013 at the borrowers' option, subject to the lenders' approval.

In the event the facility is utilized, it will entail a floating interest rate and an applicable margin which varies according to a schedule of Technip's credit rating.

2. In 2012, five separate credit facilities with a total amount of €420 million, which may be drawn in Euros, were granted to Technip and replaced the existing facilities. Following bilateral negotiations, the amounts and maturity dates are as follows:
- an €80 million facility, which has been extended to July 25, 2015 subsequent to the second one-year extension at the borrowers' option, subject to the lender's approval;
 - a €100 million facility with a maturity date of July 25, 2015;
 - an €80 million facility with a maturity date of July 31, 2015;
 - an €80 million facility with a maturity date of August 2, 2015; and
 - an €80 million facility with a maturity date of July 27, 2016, after a €40 million reduction on July 27, 2015.
3. Various unutilized credit facilities amounting to €15.8 million were granted to Technip.

These credit agreements include a floating interest rate in the event that they are utilized as well as standard default provisions.

As of December 31, 2013, the credit facilities confirmed and available to the Group amounted to €1,681.3 million, of which €1,588.7 million is available after December 31, 2014. Out of this total of €1,681.3 million, €261.3 million is reserved for the financing of certain assets or for certain subsidiaries, such as USD168.7 million allocated for Technip's 50% share in the 550-ton laying tension capacity pipelay support vessels financing and USD76.8 million relating to the financing of the Açuflex plant.

In 2013, Technip issued once more on the commercial paper market in light of favorable market conditions. As of December 31, 2013, the outstanding commercial paper amounted to €134 million. The Group retains an authorization from the Banque de France for a maximum amount of €600 million.

As of December 31, 2013, debt falling due in 2014 and 2015 amounted to €260.9 million including €21.1 million of accrued interest and fees and €239.8 million of the principal amount.

4.7. Market Risks

4.7.1. CURRENCY RISK

Operating Currency Risk

Technip considers that its operations generate the principal currency risk faced by the Group. Therefore, over the past several years, strict policies and procedures have been put in force with the objective of optimizing hedging of the Group's operating currency exposure.

For each contract, a currency risk analysis is performed to take into account currency inflows and outflows. During the tender phase of a contract, and where possible, in collaboration with the client and partners, currency exposure is minimized by the use of natural hedging. At the inception of the contract, any remaining exposure is systematically hedged using financial instruments. During the execution of the contract, the exposure to currency risk is reviewed on a regular basis and the hedge is adjusted as necessary. Each contract is individually monitored pursuant to the Group's internal procedures, with the results included in the Group's internal reporting.

Currency hedging is conducted in accordance with the relevant international accounting standards (IFRS) and takes into account future cash flow, thereby providing "microeconomic cover".

For most entities, financial hedging instruments are contracted centrally by Technip Eurocash SNC and are in turn contracted across several banking counterparties that have been selected following an appropriate analysis.

Currency hedging instruments used by the Group and their respective sensitivities are presented in Notes 1-C (c), 26 and 33 (b) in Section 20.1 of this Reference Document. As of December 31, 2013, the Group had not used any currency options.

The Group's internal rules require that all transactions contracted in foreign currencies must be hedged. As a result, even if the Group's consolidated currency position is not measured, on the basis of individual monitoring and internal reporting, almost all of the assets, liabilities and cash flows that are denominated in a currency other than the functional currency of the operating entity are hedged, using either natural hedging or financial instruments. Technip believes that any residual currency risk is not significant.

As of December 31, 2013, Technip's outstanding hedging instruments by currency were as follows:

In millions of Euro						
USD/EUR Purchase	USD/EUR Sale	GBP/EUR Purchase	GBP/EUR Sale	Purchase/Sale of Foreign Currency vs. EUR	Purchase/Sale of Foreign Currency vs. Foreign Currency	Total Nominal Value of Hedging Instruments
58.4	1,992.8	10.2	512.0	365.0	1,355.8	4,294.2

Financing Currency Risk

The majority of the short-term financing needs of the Group's subsidiaries in relation to a requested currency are met by the entity which centralizes the cash pool, Technip Eurocash SNC. Technip Eurocash SNC centralizes excess cash in any currency for the majority of the Group's subsidiaries and therefore has the necessary cash available in a requested currency. If necessary, the company enters into currency swap contracts.

The Group has no external financial debt contracted in a currency other than the functional currency of the contracting entity, which means that the Group does not have significant exposure to currency risk related to its financial debt.

Foreign Investment Currency Risks

The Group does not have any hedge of a net investment in a foreign operation.

In 2013, approximately 70% of the Group's revenue was realized outside the Eurozone, including 23% by companies having US dollars as the functional currency and 13% by companies having British pounds as the functional currency.

A variation of 10% in the USD/EUR exchange rate would impact Group revenue by €145.4 million, while a variation of 10% in the GBP/EUR exchange rate would impact Group revenue by €64.2 million.

4.7.2. RATE RISK

The following table presents a schedule of the maturities for Technip Group's financial assets and financial debts, after yield management, as of December 31, 2013. The schedule of maturities corresponds to the date of revision for interest rates.

In millions of Euro	Call Money rate within 1 year	1 to 5 years	Over 5 years	Total
Convertible Bonds (including Accrued Interest Payable)	3.7	971.6	-	975.3
Bond Issue (including Accrued Interest Payable)	13.4	-	868.8	882.2
Bank Borrowings and Credit Lines (including Accrued Interest Payable)	18.0	368.7	119.1	505.8
Commercial Papers	134.0	-	-	134.0
Fixed Rate	169.1	1,340.3	987.9	2,497.3
Cash and Cash Equivalents	(3,241.0)	-	-	(3,241.0)
Bank Borrowings and Credit Lines	3.0	34.2	41.0	78.2
Bank Overdrafts	2.4	-	-	2.4
Floating Rate	(3,235.6)	34.2	41.0	(3,160.4)
TOTAL	(3,066.5)	1,374.5	1,028.9	(663.1)

The outstanding fixed rate debt for which the residual maturity is greater than one year amounts to €2,328.2 million. The outstanding fixed rate debt predominantly consists of the convertible bonds (OCEANE) and the private placements. It is also made of drawings on bank loans.

Analysis of the Sensitivity of the Situation

Technip's floating rate debt amounted to €80.6 million compared to an aggregate total debt of €2,577.9 million.

Cash is invested short-term to ensure liquidity. Financial products are subject to fluctuations in currency interest rates.

As of December 31, 2013, the net short-term cash position of the Group (cash and cash equivalents, less short term financial debts) amounted to €3,066.5 million.

As of December 31, 2013, a 1% (100 basis points) increase in interest rates would lower the fair value of the fixed rate convertible bonds (OCEANE) and private placements by €88.5 million before tax. A 1% (100 basis points) increase in interest rates would raise the fair value by €102.3 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of €29.9 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would generate a loss of the same amount.

In millions of Euro	Impact on Estimated Financial Charges and Revenues before Taxes ⁽¹⁾	Impact on Equity before Taxes
Impact of +1% Change on Interest Rates	29.9	-
Impact of -1% Change on Interest Rates	(29.9)	-

(1) On the basis of outstanding amounts as of December 31, 2013.

Interest Rate Risk Monitoring Method

Technip regularly analyses its exposure to interest rate risk. This activity is the responsibility of the Treasury Department, which reports directly to the Deputy CFO.

The Group does not use financial instruments for speculative purposes.

In 2013, an interest rate swap was set up to fix part of the rate of the debt granted to a Dutch subsidiary for the purpose of financing two new vessels.

4.7.3. STOCK RISK AND OTHER FINANCIAL INSTRUMENTS

Risks related to Technip's Shares and Other Financial Instruments

In millions of Euro	Portfolio of treasury shares
Asset Balance	133.6
Provisions for Risk	(131.9)
Off Balance Sheet	-
NET TOTAL POSITION	1.7

Sensitivity to Changes in Share Price

As of December 31, 2013, the Company held 1,774,751 treasury shares. In the event of a 10% decrease in Technip's share price, which was €69.86 as of that date, the Company would be required to record a provision in its annual accounts, unless those shares were allocated to plans.

As of December 31, 2012, the Group owned approximately 5.5% of Gulf Island Fabrication, Inc. (GIFI), a company listed in New York on NASDAQ. The Group sold those shares during the first semester of 2013. As of December 31, 2013, the Group no longer owned shares of GIFI.

In 2010, the Group acquired an 8% interest in Malaysia Marine and Heavy Engineering Holdings Bhd (MHB) for €114.5 million (i.e., 128,000,000 shares). In 2011, Technip increased its interest in MHB by 0.35% for a consideration of €7.1 million (i.e., 5,555,000 supplementary shares). In 2012, Technip further increased its interest by an additional 0.15% for a consideration of €3.2 million (i.e., 2,455,000 supplementary shares), for a total interest of 136 million shares. As of December 31, 2013, the Group hold 8.5% of this company. This company is listed in Malaysia on Bursa Malaysia Securities Bhd.

As of the date of this Reference Document, other than the shareholdings mentioned above, the Group did not hold any other third party listed shares, either directly or through a collective investment vehicle (*Organisme de Placement Collectif en Valeurs Mobilières*, or "OPCVM").

For a summary of investments categorized by financial instrument and accounting classification, please refer to Note 26 to the Consolidated Financial Statements in Section 20.1 of this Reference Document.

4.7.4. COMMODITY RISK

Technip's principal procurement is of equipment, in relation to which suppliers and subcontractors purchase raw materials. Key equipment includes, but is not limited to, rotating equipment, pressure vessels and heat exchangers.

The direct impact of fluctuations in the price of raw materials on equipment cost is limited, except in relation to certain products such as pipes or electrical cables, because there is a limited margin of added value.

Since flexible pipes and their components produced by Technip have a very specific purpose, plants limit their stock to the level needed for ongoing projects and backlog.

Technip participates in the commodity market as part of its procurement in relation to flexible pipes and umbilicals for its plants. In 2013, this represented 4% of the Group's procurement by value. Such procurement is made up of steel wires, thermoplastics and stainless steel strips (ordered by decreasing value).

A significant increase in commodity prices, especially in relation to energy prices for oil and gas, as well as iron ore, may impact the operating costs of the Group and its subcontractors. Where Technip is committed to a lump-sum contract, it is not always possible to recover an increase in commodity prices from clients.

4.8. Risk Management Policy and Insurance

Technip aims to deliver high quality installations and services and to perform within the deadlines and budgets negotiated with its clients. Furthermore, its leading global position in project management, engineering and construction for the oil and gas industry, as well as the large technological portfolio that it is able to offer to its clients, exposes it to technological, strategic and reputational risk, which are particularly affected by the development of the environment in which the Company operates and by applicable regulations. Consequently, the balanced management of risks and opportunities of a financial, industrial, environmental, geopolitical and business nature is a key element of the economic and operational development and performance of the Group.

4.8.1. OVERVIEW

Technip's risk management policy is to adopt the best practices in the identification, evaluation and quantification of risks to ensure that these risks are reduced and maintained at a level acceptable to the Company. All managers within the organization must understand the nature of risk and accept responsibility for risks associated with their area of authority.

Risk management is an important commitment within the Group (see Section 4.2.2 of the Report of the Chairman of the Board of Directors in Annex C of this Reference Document) and is managed at every level of the organization, from the Group to Regional functions, entities and Projects.

The Group is organized into Corporate Divisions under the authority of the Chairman and Chief Executive Officer of the Company. Each Corporate Division contributes, within its scope of responsibility, to the management and assessment of the risks faced by the Group. Risk assessment is directed by the Corporate Divisions, across the Regions and the other structures of the Group, down to the level of each Project. The risk management process is monitored by a network of Risk Managers who are responsible for its implementation and the procurement of the necessary resources.

Additional information on risk management and the participants involved is included in Section 4.2.2 of the Report of the Chairman of the Board of Directors included in Annex C of this Reference Document.

A statistical survey and an analysis of risks are undertaken within the Group under the supervision of the Senior Vice President Audit & Risks. Identified risks are monitored using internal risk-mapping and improvement programs and accounting provisions where necessary. This process covers all categories of risk, including operational and transverse risks.

The risk management objectives of the Company are to:

- incorporate risk management within the culture of the Company;
- identifying the Group's exposure to risks;
- implement cost effective and rational actions to reduce risks;
- ensure risk is properly assessed in the decision-making process.

These objectives will be achieved through the implementation of:

- an appropriate periodic review at all levels of the organization;
- an integrated risk management process in every decision-making process; and
- regular training all of the Group's employees on risk management techniques.

At Group level, an evaluation of the financial risk for the project Portfolio is conducted, together with specific key metrics to assess efficiently the overall risk profile of the Company.

4.8.2. CRISIS AND BUSINESS CONTINUITY MANAGEMENT

As part of its global Security Management System, Technip implemented a three-level organization to manage crisis that reflects the Company's specific organizational and operational requirements.

Within Technip, crisis management system is a joint approach developed by and between all relevant departments, in particular the Security, Medical, HSE and Communication.

At each level of the organization, dedicated emergency response teams, processes, and facilities are set up to be immediately mobilized in the event of an incident. Regular exercises are organized by Technip Security Division to test the efficiency of crisis management procedures in different entities, under as close to real conditions as possible.

In 2013 major efforts in terms of crisis management preparedness were concentrated on the revision of Technip's joint Notification and Incident management Standard. Some exercises were organized within the entities of the Group including in the headquarters to maintain a good sensitivity and relevant preparation level to this matters.

In order to provide better guarantees to clients and partners, Technip Security Division supports Regions and Entities through the organization of seminars and trainings on their own approach to implementing business continuity policies.

Business continuity approach is being developed in order to minimize necessary time for the resumption of Group's critical operations in case of a major incident notably by having operational business continuity plan in every Technip entity which is considered to be critical to the Group. A special focus has been implemented on offshore assets and manufacturing plants. Technip Incident and Continuity Application (TICA) has been designed as an integrated tool in order to support Crisis Management (through the creation of a virtual Crisis Center) and Business continuity (through dedicated checklists).

4.8.3. MANAGEMENT OF RISKS RELATING TO THE GROUP AND ITS OPERATIONS

In addition to the standard legal precautions undertaken at the project selection stage (see Sections 6.3.1 and 6.3.2 of this Reference Document), the Group endeavors to reduce its exposure to risks it encounters in connection with its operations. From this perspective, Technip manages its project portfolio from the pre-selection phase onwards based on a systematic identification of the associated risk profile. The Group conducts a detailed analysis of its projects, aimed at diversifying contractual arrangements and the geographic regions where it performs its contracts, at diversification of the backlog composition across business segments, and at developing partnership strategies that will allow it to share the risks on projects.

More specifically, the Group endeavors to limit risks relating to contract margins through a selective approach to projects as early as the project's request for tender stage. See Section 6.3.2 of this Reference Document for further information.

The contracts entered into by Technip contain standard clauses under which its customers agree to provide information relating to design or engineering, as well as materials or equipment for use on a particular project. These contracts may also require the customer to indemnify Technip for any additional work or expenses relating to (i) changes in instructions or (ii) failure to provide Technip with required information relating to the design or engineering of the project or adequate materials and equipment necessary for the project.

In these circumstances, Technip generally negotiates monetary compensation from the customer for any additional time or money spent as a consequence of the customers' failure.

Risk management for projects currently in progress is ensured at every organizational level. At the Group level, a detailed and regular analysis by segment is conducted to ensure the management of risks that could affect the results of contracts. This analysis is supplemented by a detailed monitoring of major risks linked to the Group's operations and an assessment by category. At an operational level, Technip has developed a systematic risk management process. The entire chain of command for a project is involved and participates in the implementation of measures intended to evaluate execution risks and provide a reasonable degree of certainty in relation to a project's financial performance.

Risk management procedures also include the development of know-how relating to providing security for its large projects (a dedicated tool has been specifically developed: Technip Security Management System) and, if applicable, the subscription of insurance policies covering political risks.

4.8.4. MANAGEMENT OF RISK OF SUBCONTRACTORS AND SUPPLIERS

Technip includes in its selection process for subcontractors and suppliers a credit analysis, the results of which could lead Technip to decide not to select a subcontractor or a supplier, or to require that they provide bank guarantees or adapt their payment terms and conditions to the specific risks identified.

4.8.5. MANAGEMENT OF COMPETITION RISKS

The Group endeavors to reduce its exposure to competition risks by seeking to differentiate itself from its competitors in the various business segments in which Technip operates, in particular through its technologies, geographic organization and execution capabilities. Finally, distributing operations across geographic regions and business segments contributes to reducing competition risks (see Section 6.3.1 of this Reference Document).

4.8.6. MANAGEMENT OF RISKS RELATING TO THE ASSET OF TECHNIP

The Group implements a regular maintenance program to keep its industrial and naval assets in good working condition.

4.8.7. MANAGEMENT OF COMMODITY AND EQUIPMENT RISKS

Technip has an information network which aims to adequately anticipate the risk of an increase in commodity prices. For projects requiring a large quantity of raw materials that are the most sensitive to market fluctuations, Technip endeavors to fix its prices at the time that the contract is entered into. For those contracts in which a specific raw material or specific equipment represents a significant portion of the project, Technip may specify a fixed purchase price of such raw materials or equipment as part of its

project bid in order to pass on the risk of any increase in the price of such raw materials or equipment for the duration of the contract.

Technip continuously strives to consolidate its procurement sources and to maintain a sufficient panel of suppliers for its strategic equipment and raw materials. The objective is to allow each project within the Group to benefit from best market terms at any point in time.

For these facilities and whenever it is possible, Technip aims to enter into long-term contracts with its suppliers to limit the impact of unforeseen events that may lead to fluctuations in the prices of the relevant commodity.

4.8.8. MANAGEMENT OF ENVIRONMENTAL AND INDUSTRIAL RISKS

Technip's heads of operations working at industrial facilities that are exposed to risks, in cooperation with Technip's customers, are subject to a number of obligations and in particular must take all necessary measures to monitor, evaluate and manage risks and to evacuate personnel in the event of an incident. Technip's policy in relation to the management of these environmental and industrial risks recognizes the importance of training and benefits from efforts spent on quality-assurance and employee accident prevention. In 2013, more than 1,300,000 hours have been invested in HSE training within the Group.

Since 2003, in addition to its strict compliance with applicable legislation, Technip has adhered to the 10 principles of the United Nations Global Compact (UNGC) and discloses its initiatives in this respect (see Section 6.6 of this Reference Document).

Technip has also implemented an internal control system based on the framework of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and the risk management processes described in Section 4 to the Report of the Chairman of the Board of Directors to the Shareholders' Meeting, included in Annex C of this Reference Document. This internal control system assesses the main risks faced by the Group, in addition to providing risk management at the various levels of the Group. These risks are assessed annually and may give rise to corrective actions, which are in turn analyzed by the Internal Audit Plan.

4.8.9. MANAGEMENT OF CHANGE IN CLIMATE RISKS

Technip classifies climate change risks and opportunities into two categories, each of which is approached separately in terms of economic risks and opportunities:

1. regulatory risks and opportunities arising from more stringent international, European or national regulations aimed at reducing greenhouse gas emissions; and
2. competition risks from a further shift in customers' demand for more energy-efficient products and processes to reduce greenhouse gas emissions.

Technip considers these two categories more as opportunities than risks.

Technip itself would in any case not be directly impacted by regulatory changes as it does not have many industrial facilities and conducts regular regulatory surveys for all its facilities. For example, Technip has no facilities that fall within the scope of the French scheme for national greenhouse gas quota (PNAQ III for the 2013-2020 period) or Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (integrated pollution prevention and control).

These two categories of climate change risks and opportunities are an opportunity for Technip to work together with its customers towards a better environmental performance, in compliance with Technip's policies and Values. Technip is able to propose innovative solutions to help its customers comply with any new environmental law or regulation and satisfy market demand, including technologies with lower greenhouse gas emissions or based on renewable energies.

In 2013, Technip successfully continued its expansion on the Offshore Wind market through several initiatives launched in France and the rest of Europe. Technip also provided an important support to geothermal power plants in the United States, as detailed in Paragraph 3.3.5 of the Society and Environment Report included in Annex E to this Reference Document.

4.8.10. MANAGEMENT OF WEATHER CONDITIONS RISKS

The Group has implemented a three-tier Crisis or Emergency organization system to quickly respond to any crisis situation that the Group may face requiring the evacuation of its employees and the halt of operations because of severe weather conditions. This system is detailed in Section 4.8.2 of this Reference Document.

In addition, expenses incurred by Technip in these circumstances may be partially covered by insurance policies.

4.8.11. MANAGEMENT OF MARITIME SECURITY RISKS

Maritime security processes for Technip vessels and its crews are regularly updated by Technip Security Division in order to reduce the Group exposure to maritime risks in the ports such as thefts, attacks, consequences linked to potential stowaways, intrusion of illegal products, as well as to piracy risks during transits or operations in high-risk areas.

A permanent security analysis and monitoring of the "piracy" incidents and a close coordination with the relevant international authorities enable Technip to implement security processes adapted to the evolution of the threat.

Emphasis is also placed on raising awareness and training crews on how to react in the event of a major incident. Awareness-raising is carried out through training and exercise prior to transits and/or operations in high-risk areas, as well as the release of tools such as specific travelers booklets containing security recommendations

and the Anti-Piracy DVD developed by Technip Security division and largely distributed to Technip fleet executives and crew members.

To be closest to Technip operations worldwide and be able to react immediately and efficiently if needed, the maritime security organization has been adjusted by maritime correspondents with a follow up specific depending on geographical areas. This enables to have an accurate and close security follow-up. Maritime security experts ensure a smooth coordination between the various areas and ensure a similar application of measures in compliance with Group commitments.

Technip vessels are integrated in Technip internal maritime security software. It is designed to enable the real-time identification of the position of Technip fleet and the piracy risks prevention thanks to the permanent analysis of the piracy acts. Every time a vessel enters a sensitive maritime area, Technip Security Division teams are informed by this dedicated software to monitor the transit of the vessel in real time. For any transit or operations in high risk areas, mandatory ad hoc protective measures are implemented under the leadership of a single authority.

Technip Security experts, exclusively dedicated to maritime security, report directly to the managers of fleet operations in order to provide expertise and maintain contact with the various relevant authorities on a permanent basis.

4.8.12. BEST PRACTICES/LARGE-SCALE PROJECTS SECURITY MANAGEMENT

Technip is continuing to develop its specific security know-how for large scale construction projects. In an increasingly complex and unstable environment, Technip has developed its own security assessment system, based on its internal sources, for an upstream identification of potential risks and a global security management system based on innovative solutions that are adapted to local and regional specificities.

Technip permanently analyses the security context and evolutions in all countries where the Company operates – or anticipates operating – in order to anticipate any potential deterioration of the security situation. In addition, dedicated security procedures and a specific security organization are developed and updated to clarify the roles and responsibilities of each stakeholder on a project and ensure the protection of Technip staff at all times. Dedicated physical security measures, security awareness-raising of staff, and the project crisis management system are key-elements for the implementation and development of a coherent and efficient security management system to mitigate the risks on a project in a sensitive area.

A handbook was specifically developed by the Security Division for the projects, defining the security measures to be carried out at each stage of a Project. It underscores the need for the definition of security measures at the very early stages of a project in order to propose bespoke solutions (especially in terms of human involvement and expenses). In 2013, various training programs were organized for Project and Proposal Managers to raise their awareness regarding project security.

4.8.13. MANAGEMENT OF AIR TRAVEL RISKS

Technip pays particular attention to the secure travelling of its employees especially by air. The Group internal Travel Management procedure and requirements in terms of risk assessment and audit regarding air travel has been designed to minimize the risk and its potential operational impact. This documentation was largely distributed to the Regions and Entities.

4.8.14. MANAGEMENT OF RISKS RELATED TO INFORMATION AND INFORMATION SYSTEMS

Protection of Technip technological know-how is crucial for the Group. Information Systems Security, notably on Projects, preserves this know-how and reduces the risk of IT incidents, which could affect Technip operations and the proper functioning of the Group business.

In 2013, the Chief Information Security Auditor (CISA) and his team performed several random audits within the Group. This approach ensures neutrality and independence of internal audits carried out by Technip Security Division. It allows the identification of the potential major vulnerabilities of information systems that are to be consequently fixed in full coordination with the IT Division.

4.8.15. MANAGEMENT OF RISKS LINKED TO ITS PERSONNEL

Due to the large-scale and the complexity of some projects, Technip faces a real human challenge.

In the current economic situation, especially regarding labor market conditions, most of Technip's entities face difficulties in recruiting experienced engineers because they are very few locally. In some countries where the demand in junior engineers is higher and higher, there are very few graduates

In order to solve this issue and to support the growth of the Group, recruitment solutions – alternative to the job portal – are used through social network, partnerships with high schools, and the organization of recruitment forum.

Furthermore, an experimental initiative was launched in 2013 to anticipate the need for key resources in the offshore sector. This initiative is supported by the Senior Management of the Offshore sector in cooperation with Human Resources and heads of Regions. Still in the context of this initiative and in order to anticipate some potential expertise need in Offshore, a frame agreement was executed with a recruitment agency which makes it possible for the Group to ask for retired persons who used to be Technip's employees to ensure various missions – training, counsel and relationships with Technip's partners.

The Group also relies on a network of Talent Managers who are in charge of career development management.

The Group has implemented more transparent internal mobility conditions in line with the Group strategy to facilitate expatriation and the mobilization between the several Technip centers.

Introduced in 2009, in order to retain qualified employees, Technip established a list of personnel considered essential, who hold critical positions or who have high advancement potential and for whom retention mechanisms, as well as an alert system, have been put in place.

This list of critical personnel is prepared jointly by business managers and the HR management and is updated twice a year. These critical personnel represent 25% of the total headcount.

4.8.16. FINANCIAL RISKS MANAGEMENT

Within the framework of its operations, Technip is subject to certain types of financial risks: credit/counter-party risk, liquidity risk, currency risk, interest rate risk and share price risk. The Group has implemented a policy to cover such risks as described in Sections 4.5 to 4.7 of this Reference Document.

4.8.17. INSURANCE

The general policy for covering the Group's risks relating to contracts, damage to properties, business interruption and third-party liability is determined by the Group Legal Division, in close consultation with the Heads of the Regional Insurance Departments. Technip aims to optimize its insurance on the basis of the coverage available on the market and in light of the specific features and risks of its projects. The Group believes that its coverage is in line with normal business practices in this sector. However, it cannot guarantee that its insurance policies are sufficient to cover all possible circumstances and contingencies or that it will be able to maintain adequate insurance coverage at reasonable rates and under acceptable conditions in the future.

Technip's insurance policy currently focuses on two main areas:

- insurance policies relating to contracts; and
- permanent insurance policies.

1. Insurance Policies Relating to Contracts

Insurance policies relating to contracts are specific policies which are subscribed to in order to cover the needs of, and last the duration of, a single contract. Technip is the beneficiary under these policies, either as a direct subscriber on its own behalf and on behalf of its contracting partners on the project (the costs relating to these policies are passed on to the client as part of the contract price) or as an additional insured party where policies are directly subscribed by the client.

Generally, policies relating to contracts are "Builders' All Risks", which have the advantage of covering the installation to be completed, including equipment, products and materials to be incorporated, against the risk of damage during the design, transport, transit, construction, assembling, load testing and defects liability period/maintenance. These policies will ordinarily cover the total value of the installations to be completed.

The high premiums (generally between 0.3% to 0.6% for “Onshore” risks and from 3.5% to 5% as regards to “Subsea” and “Offshore” risks) and deductibles (occasionally up to USD5 million) of these policies encourage the Group to pursue those means of prevention and protection.

In this regard, a panel of specific guidelines for the negotiation of insurance provisions in contracts applies throughout the Group and is regularly updated.

Moreover, the Group maintains worker’s compensation insurances of workers’ industrial injuries outside France (workmen’s compensation/employer liability) depending on the specific profile of each contract and on the applicable regulations in the countries where such contracts are being performed and it monitors the insurance coverage of its car fleets on a local basis.

2. Permanent Insurance Policies

Permanent insurance policies cover as a priority the consequences of losses that are not covered by specific policies relating to contracts, so that together the policies relating to contracts and permanent policies provide an optimal breadth of coverage.

Technip’s professional liability Insurance Program

The Group’s liability insurance program covers the risk of professional liability as well as general liability across all activities of the Group and is implemented by way of a unique mechanism developed at the Group level. This integrated program is based on a Master Policy that includes all policies subscribed locally by the Group’s subsidiaries, complemented by additional policies where additional coverage is required.

A dedicated mechanism – Marine Employer Liability – was implemented to cover risks linked to some categories of staff in the context of maritime activities of the Group.

The Group’s maritime business

The main policies relating to the Group’s maritime business are the following:

- a “Hull and machinery” policy, which covers the fleet in the event of total loss or physical damage;
- a liability incurred by shipowner’s policy, referred to as “Protection & Indemnity” (“P&I”), which is placed with P&I Clubs. This policy also covers pollution risks attributable to vessels; and
- a “Transferable Materials” policy, covering all risks of physical loss to offshore materials and equipment intended to be mobilized on-board vessels for carrying out “Subsea” and “Offshore” projects.

Insurance of industrial sites and assets

Industrial sites for the manufacture of Group products are covered by “All Risks with Exceptions” policy (*Tous dommages sauf*), with respect to both physical and business interruptions losses resulting from a damage.

In addition, the Group’s various premises, in particular, the head office, are covered by dedicated multi-risk policies.

Prospects of permanent policies

In 2013, the following significant events occurred:

- the civil and professional liability program was renegotiated as a whole on July 1, 2013. The conditions of this renewal are set for three years; and
- in 2013, the aggregate cost of the Group Insurance for all permanent policies remained under 1% of the Group’s consolidated revenues.

As of January 1, 2014, insurance cover relating to Group’s environmental risks was implemented in order to cover risks linked to industrial sites of the Group and risks on projects.

In 2014, Technip began a study to adapt the cover levels to the evolution of the Group’s activities.

3. Group Risk Management Tools

Over the past ten years, there has been a process of continually optimizing the Group Insurance programs by increasing the role of Technip’s reinsurance subsidiary, Engineering Re. In 2011, a second reinsurance subsidiary named “Front End Re” was acquired.

Engineering Re

Engineering Re takes part in the following programs:

■ PROFESSIONAL AND GENERAL LIABILITY

Engineering Re manages its risk exposure by limiting its participation in the lower tranches of risk, which are themselves guaranteed by means of reinsurance.

Engineering Re also intervenes on the lower tranche of the risk “Marine Employer Liability”.

The holding level is adapted in order to optimize the access conditions to the various insurance and reinsurance markets.

■ HULL & MACHINERY AND TRANSFERABLE MATERIALS

Engineering Re took an interest as reinsurer in the “Hull & Machinery” and “Transferable Materials Policies” in lower tranches of risk.

Front End Re

After having gradually diversified the scope of Engineering Re, Technip purchased a second reinsurance captive company “Front End Re” incorporated and located in Luxembourg. This decision was taken in consideration of the development of the characteristics of specific projects (*i.e.*, contractual undertakings, the magnitude and duration of the projects, technology).

5

Information on the Company and the Group

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5.1. History and Development

5.1.1. NAME

The name of the Company is “Technip”.

5.1.2. REGISTRATION PLACE AND NUMBER

The Company is registered with the Paris Company and Commercial Register under number 589 803 261 RCS Paris.

The APE code of the Company is 7010 Z.

5.1.3. DATE OF INCORPORATION AND TERM

The Company was incorporated on April 21, 1958 for a period of 99 years. The expiration date is April 20, 2057.

5.1.4. REGISTERED OFFICE, LEGAL FORM AND APPLICABLE LAW

The registered office is located at 89, avenue de la Grande-Armée – 75116 Paris (France).

The registered office telephone number is +33(0)1 47 78 24 00.

Technip is a French limited liability company (*société anonyme*) with a Board of Directors, governed by French law, including the provisions of Book II of the French Commercial Code.

5.1.5. HISTORY

1958-1960s

Technip was created on April 21, 1958. Its first significant orders were refinery and natural gas contracts with Total. Building on its initial success in France, Technip began to look abroad. Technip also played a pioneering role within the gas industry.

By the late 1960s, Technip had expanded its expertise to include petrochemicals, chemicals and fertilizers.

1970s

In the early 1970s, Technip further developed as an international engineering group with the creation of Technipetrol in Rome, Italy and Tecplant in Barcelona, Spain.

In 1971, Coflexip was created as a company specializing in the design and manufacture of flexible pipes used in subsea hydrocarbon extraction.

Over the course of this decade, Technip also established Technip-Geoproduction, a hydrocarbon field equipment specialist, and merged with COCEI, an engineering company specialized in various non-oil industrial sectors such as bottling factories and cement production plant and equipment, providing Technip with sector diversification.

1980s

The early 1980s brought significant progress in the Middle East with contracts to build gas processing plants (in Iraq, Qatar and Saudi Arabia). Technip further reinforced its local presence in the Middle East and in Asia with the creation of Technip Abu Dhabi in the United Arab Emirates, and TPG Malaysia in Kuala Lumpur. Additionally, Technip launched phase one of the Astrakhan gas complex in the former USSR and purchased Creusot Loire Entreprise (CLE), gaining a foothold in the cement industry.

In the mid-1980s, Technip added to its reputation as a pioneer by raising the Ekofisk platforms in the North Sea, which was a technological breakthrough. In cooperation with SGN, Technip also helped expand La Hague, France's nuclear fuel reprocessing plant. In 1986, Coflexip strengthened its foothold in Brazil with the opening of a flexible pipe manufacturing plant in Vitória.

1990s

In 1990, Coflexip founded Duco Ltd. to manufacture umbilical pipes at a plant in Newcastle, United Kingdom.

In the early 1990s, EPC turnkey contracts became a major part of Technip's business. Continuing its expansion with the acquisition of Spie-Batignolles' industrial engineering operations (Speichim and EGI) and Lentep, based in Saint Petersburg, Russia. Coflexip also acquired Perry Trittech Inc., a radio-guided subsea robot manufacturer.

In 1993, Coflexip was listed on the New York Stock Exchange (NYSE) and Technip was listed on the Paris Stock Exchange in 1994.

In the 1990s, turnkey construction began for the Leuna refinery (Germany) and the Bonny Island natural gas plant (Nigeria). Technip also delivered breakthroughs in the global upstream oil sector with the construction of the world's largest floating production unit in the N'Kossa, field (Republic of the Congo) and the first TGP 500 platform in the Harding field (the North Sea).

In mid-1990s, following another period of rapid expansion, Technip founded Technip Tianchen (China) and acquired a majority stake in the upstream oil specialist CBS Engineering (Houston, Texas) and established, with SGN, the chemical engineering company Krebs-Speichim. Technip rounded out the decade by strengthening its global positioning with the acquisition of KTI/MDEU and the establishment of Technip Germany, Technip USA and Technip Benelux, thereby increasing its workforce by more than one-third in just a few short years to 10,000 employees. It was at this point that Technip became the industry's leader in Europe.

Meanwhile, Coflexip acquired Stena Offshore, specializing in the installation of reeled pipes, and expanded business with the creation of an umbilical manufacturing unit operated by Duco, Inc. in Houston, Texas.

2000s

In April 2000, Technip took an important step by becoming Coflexip's largest shareholder.

Coflexip acquired Aker Maritime's Deep Sea division. In 2001, Technip launched a takeover bid for Coflexip. The two companies were merged into Technip-Coflexip, Europe's leading operator in the engineering, technology and oil and gas services sectors, and fifth largest worldwide. In 2001, Technip was listed on the New York Stock Exchange (NYSE).

Once it had integrated its acquisitions, Technip underwent a structural reorganization and adapted its asset base to changes in its markets.

Technip then continued to consolidate its leadership in the oil and gas markets by acquiring complementary technologies and technological expertise, as well as reinforcing its global presence.

Technip also strengthened its construction and manufacturing activities.

In early 2007, Technip sold its 100% holdings in Perry Slingsby Systems Ltd and Perry Slingsby Systems Inc. to Triton Group Holdings. Meanwhile Technip acquired Citex (Rouen, France), a wholly-owned subsidiary of Technip specializing in chemical engineering. The same year, Technip Offshore (Nigeria) Ltd, a wholly-owned subsidiary of Technip, acquired a 39% stake in Crestech Engineering Ltd, a Nigerian company with approximately 100 employees.

Technip also grew organically by increasing its flexible pipe production and plant capacity in Vitória, Brazil and at the *Le Trait* plant in France.

Later in 2007, Technip voluntarily delisted from the New York Stock Exchange (NYSE) and deregistered from the U.S. Securities and Exchange Commission (SEC). Technip maintains its American Depositary Receipts (ADR) through American Depositary Shares (ADS) that are traded over the counter (OTC).

Despite the tumultuous economy in 2008, Technip seized the opportunities that arose to develop its activities. The Company acquired engineering and consulting company Eurodim and formed a joint venture with Areva called the TSU Project to develop major mining projects. Technip's Onshore activity acquired EPG Holding BV, an engineering specialist with strong positions in the oil and gas and petrochemical sectors.

Technip continued to assist clients that were developing innovative renewable energy projects, such as Hywind, the world's first full-scale offshore floating wind turbine, and a non-exclusive partnership with Geogreen. This partnership allows Technip and Geogreen to offer to their clients integrated solutions for the entire CO₂ capture, transport and storage chain.

Technip expanded its Angoflex umbilical manufacturing plant in Lobito, Angola as part of a unique hub of local assets serving the West African deepwater market.

In September 2009, Technip was added to the CAC 40, the primary index of NYSE Euronext Paris, where Technip's shares are listed. This puts Technip among a selected group of leading companies, giving it the opportunity to increase its visibility, especially in the financial markets.

2010-2012

Since 2010, Technip continued to confirm its position as a world-wide leader with projects in its traditional market, while also accompanying clients into new frontiers where Technip's R&D efforts are providing clients with innovative technologies and solutions.

By way of example, in recognition of Technip's pioneering technology and deepwater expertise, it was awarded the contract on behalf of the Marine Well Containment Company (MWCC) to design an emergency response system to contain oil in the event of a potential future deepwater well incident in the Gulf of Mexico.

In December 2011, Technip finalized the acquisition of Global Industries, Ltd, which brings its complementary subsea knowhow, assets and experience, notably including two newly-built leading edge S-Lay vessels, as well as strong positions in the Gulf of Mexico (in both US and Mexican waters), Asia-Pacific and the Middle East. This broadens Technip's capabilities and expands its addressable market by roughly 30% in deep-to-shore projects and reinforces its leadership in the fast-growing subsea market.

In 2011, Technip also acquired Cybernétix S.A., a French listed company world leader in robotics of complex systems in hostile environment.

Created in 1985, the company relies on more than 150 engineers and technicians to answer business needs with strong competence in the fields of mechanics, electronics, automation, vision and data processing.

In October 2012, Technip signed a worldwide alliance agreement with Heerema Marine Contractors ("Heerema") pursuant to which the two groups will combine their capabilities to jointly respond to calls for tender on major projects in relation to the ultra-deepwater market.

In September 2012, Genesis Oil and Gas Consultants Ltd. (Genesis), a subsidiary of Technip, acquired Suporte Consultoria e Projetos Ltda, a Brazilian pipeline and structural engineering company based in Rio de Janeiro, Brazil. This transaction strengthened Genesis's positions in one of the fastest growing oil and gas markets in the world.

Technip expanded its global scope in the Asia-Pacific region with the inauguration of a new flexible plant in Malaysia and an 8% participation in Malaysia Marine & Heavy Engineering Holdings (MHB), a subsidiary of Malaysia's national oil corporation, Petroliaam Nasional Berhad (Petronas), in connection with its listing and initial public offering on the Main Market of Bursa Malaysia (Kuala Lumpur stock exchange). Technip and MHB's subsidiary MMHE⁽¹⁾ have worked together previously and are currently co-contractors for Petronas' onshore and offshore facilities in Asia.

In 2011, Technip achieved another world's first by being awarded Floating Liquefied Natural Gas (FLNG) FEED contracts from three different clients (Shell, Petronas and Petrobras). Shell's contract consists of a frame agreement for a term of up to 15 years with the Technip-Samsung consortium to work on the design, construction and installation of multiple FLNG facilities. The floating design will allow Shell to place gas liquefaction facilities directly over offshore gas fields, precluding the need for long-distance pipelines and extensive onshore infrastructures.

Technip won a FEED contract with Statoil ASA for the Aasta Hansteen Spar, which will be the first Spar in the North Sea belonging to Statoil, as well as the largest Spar ever built with a total hull length of 195 meters.

In August 2012, Technip acquired Stone & Webster Process Technologies from the Shaw Group, which included its associated oil & gas engineering capabilities. With this transaction, Technip became a world-class leader in downstream technology. This was exemplified in the award of a FEED contract and cracking furnaces engineering and procurement services contract for a large new world-scale ethylene production plant at Dow Texas Operations in Freeport (Texas), the largest single-company chemical complex in North America.

Technip's business in 2013 is described in Section 6.1.1 of this Reference Document.

5.1.6. TECHNIP AND THE STOCK EXCHANGE

Technip's shares are listed on the Euronext Paris exchange and in the United States, within the OTC market in the form of American Depositary Shares (ADS), with one Technip share representing four ADS.

As of December 31, 2013, Technip's shares ranked 35th on the CAC 40 by weighted capitalization (0.84%), compared to 36th (0.64%), when Technip joined the index in September 2009.

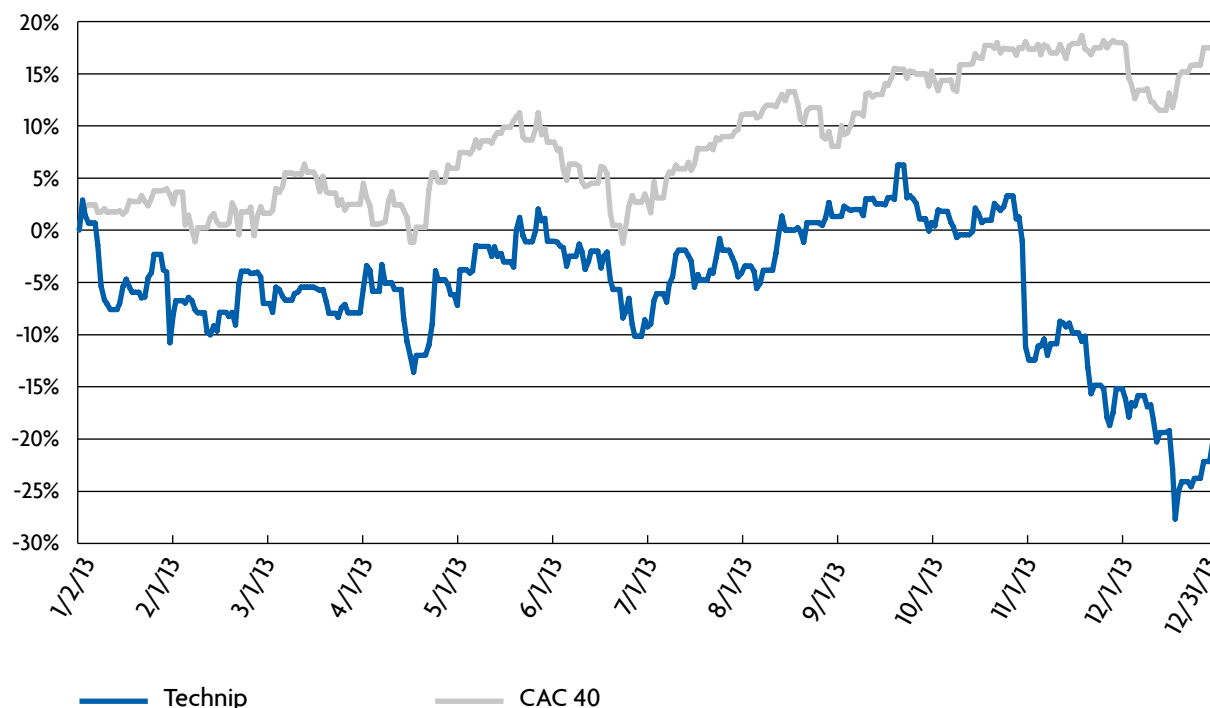
In 2013, in a very challenging sector context, Technip's share price decreased by 19.55% which underperformed the STOXX® 600 Oil & Gas Index by over 23% and the CAC 40 index by 37.54%.

In 2013, Technip continued to implement its strategy focused on a profitable and sustainable growth particularly based on successful project execution, technological excellence and diversified order intake. As of January 2, 2013, Technip's share price was €89.33 and was at €69.86 as of December 31, 2013.

(1) MHB: Malaysia Marine and Heavy Engineering Holdings Berhad, and its 100% subsidiary Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE), provide a wide spectrum of oil and gas production facilities and services in marine repair, marine conversion and engineering & construction.

Share Performance

Share price performance on Euronext Paris – Compartment A
(from January 2, 2013 to December 31, 2013)



Source: Bloomberg.

Technip share performance on Euronext Paris over the last 18 months

	Date	High/low prices (in Euro)		Number of shares traded	Capital exchanged
		Highest	Lowest		
2012	September 2012	91.84	82.75	8,077,420	708,698,400
	October 2012	92.36	85.82	10,194,626	889,130,100
	November 2012	89.93	82.09	7,231,323	621,173,900
	December 2012	90.10	85.36	5,894,524	515,800,600
2013	January 2013	89.40	76.82	13,099,332	1,070,207,000
	February 2013	84.40	77.83	11,586,725	938,817,800
	March 2013	83.23	79.53	6,704,557	545,015,300
	April 2013	84.82	74.74	9,931,110	800,813,000
	May 2013	89.00	79.32	8,667,531	738,748,700
	June 2013	87.00	77.24	8,612,278	710,910,900
	July 2013	87.76	77.54	9,714,632	805,427,000
	August 2013	89.40	81.78	8,051,864	691,185,600
	September 2013	92.49	86.11	7,259,468	648,016,000
	October 2013	90.00	77.13	10,988,033	933,074,600
	November 2013	79.64	70.55	13,818,331	1,045,231,000
	December 2013	73.97	60.2	12,904,893	873,968,400
2014	January 2014	70.15	62.8	10,924,311	728,956,400
	February 2014	73	62.14	12,078,358	812,838,100

Source: Bloomberg.

5.2. Investments

5.2.1. INVESTMENTS MADE SINCE 2011

To meet sustained demand in this sector, Technip launched major investments since 2011, following on from preceding years, in particular, to expand its fleet and to increase its flexible and rigid pipe production capacity. These investments mainly include:

- two flexible pipelay vessels in Brazil, the *Skandi Vitória* and *Skandi Niterói* jointly owned (50:50) with DOF, which accompany the increase in the Group's flexible pipe laying capacity in this country. These two vessels built in Brazil, under Brazilian flag, were delivered respectively in October 2010 and October 2011. They are on long-term charter with the oil company Petrobras;
- at the end of 2011, the acquisition of Global Industries which included two newly-built leading edge S-Lay vessels, the *Global 1200* and the *Global 1201*;
- a flexible pipelay vessel, the *Deep Orient*, delivered in February 2013, deployed in Asian markets and consolidating Technip's position in the Asia-Pacific region;
- a rigid pipelay vessel, the *Deep Energy*, delivered in November 2013, with a top speed of 20 knots per hour, designed to be used in all subsea markets around the world; and
- increase in production capacity at the umbilicals plant in Angola to meet the increasing demand of deepwater projects in West Africa.

5.2.2 MAJOR CURRENT AND FUTURE INVESTMENTS

In 2013, to strengthen its position in the high-growth Subsea market and to meet a demand which is shifting towards the development of deep water fields with high technology added value, Technip has continued its steady investment program. The main current investments are:

- two new 550 tons flexible pipelay vessels, *TOP Coral do Atlantico* and *TOP Estrela do Mar*, in partnership with Odebrecht Oil & Gas, for the installation of umbilicals, flowlines and risers, off the Brazilian coast to connect subsea wells to floating production units in deep water (*i.e.*, depths of up to 2,500 meters). These vessels are under long-term chartering arrangements with Petrobras;
- four new flexible pipelay vessels, two 650 tons and two 300 tons, in partnership with DOF, which accompany the increase in the Group's flexible pipe laying capacity in Brazil. These vessels are under construction in Brazil and Norway and are under long-term chartering arrangements with Petrobras;
- a new diving and construction vessel, to be dedicated to the North Sea and Canada. Construction is underway in Norway and Romania. The vessel will be a sister ship to the *Skandi Arctic*;
- in the umbilicals sector, Technip is developing in Newcastle (United Kingdom), a steel umbilical production unit dedicated to the deep offshore market; and
- to support the pre-salt development in Brazil and to satisfy the demand for flexible pipes with a high technological level capacity and uses, the building of a new plant specialized in the manufacture of high technological flexible pipes in the new port complex Açú (Brazil).

As of December 31, 2013, the total amount of these investments amounted to €623.3 million. The breakdown by segment is as follows:

- Subsea: €540.6 million;
- Onshore/Offshore: €82.7 million.

In 2013, capital expenditure amounted to €623 million compared to €519 million in 2012, underlining Technip's sustained effort to introduce new assets as quickly as possible.

For further information on the funds retained for the principal investments currently in progress please refer to Sections 4.6 and 8.1.2 of this Reference Document.

6

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6.1. Technip's Business in 2013

6.1.1. BUSINESS ACTIVITIES IN 2013

Subsea

Throughout 2013 the Subsea business segment won contracts around the globe. To begin with, Technip was awarded an engineering, procurement, installation and construction contract by GDF SUEZ E&P UK Limited for the Juliet project, located 40 kilometers East of the Humberside estuary. This tie-back to the Pickerill A platform includes the installation of a 12" 22-kilometer rigid flowline, a 22-kilometer static controls umbilical, a 12" riser, as well as the assembly of a 16" J-Tube and a 100-ton manifold. This contract demonstrates Technip's strength as an international company sharing expertise and resources across national boundaries and it also confirms Technip's position as a leading contractor in the North Sea area.

In February, Technip was awarded an engineering, procurement, installation and construction contract by Shell UK Limited for the Gannet F Reinstatement project, located in the North Sea, 180 kilometers east of Aberdeen. The contract concerns the replacement of the Gannet F flowline at the Gannet Alpha Platform and covers the fabrication and pipelay of an 11.8 kilometer pipe-in-pipe, the installation of a 4.5" gas lift pipeline, the trenching and installation of an 11.9 kilometer umbilical.

The new vessel, the *Deep Orient*, was officially named on February 11 in Vigo, Spain. This medium construction vessel, is dedicated to subsea construction and flexible pipelay projects. Thanks to a successful cooperation between Technip's Marine New Builds team in Aberdeen, UK and the MSD team, vessel construction was completed within a tight time frame. The initial contracts were agreed in December 2010, and both fabrication and assembly started in mid-2011. Sea trials were successfully completed after final outfitting and commissioning. The *Deep Orient* is equipped with a 250-metric ton main crane, DP2 dynamic positioning station-keeping capability, two work-class remotely operated vehicles and a large 1,900-m² deck area for ample storage of equipment while working on remotely located projects. Moreover, she can accommodate 120 people and complies with the latest marine environmental standards.

Also in February, Sabah Shell Petroleum Company Ltd (SSPC) granted Technip an important subsea pipelines contract for the Malikai Deepwater Development project, located 100 kilometers off Sabah in Malaysia. The contract includes transportation, installation and pre-commissioning of an 8" 50-kilometer gas pipeline and a 10" 55-kilometer liquid pipeline including steel catenary risers. These pipelines stretch from the Malikai tension leg platform (TLP) site to the Kebabangan platform.

The second Malaysian contract of early-2013 was awarded by Sarawak Shell Berhad for the engineering, procurement, construction, installation and commissioning of two new gas-export lines at the Laila and D12 fields, respectively located

50 kilometers northwest of Miri and 140 kilometers offshore Bintulu. The contract covers the design, fabrication and installation of a five-kilometer flexible pipe and a 10-kilometer flexible pipe with respectively 7" and 12.8" diameters, diver installation of riser clamps at both jacket platforms, pre-commissioning of the flowlines, and project management. The *Deep Orient*, Technip's new-built multipurpose installation and construction vessel will be used for the installation.

In April, Technip was awarded a major lump-sum contract by Total E&P Congo for the engineering, procurement, supply, construction, installation (EPSCI) and pre-commissioning for the Moho Nord development project. This project is located approximately 75 kilometers off the coast of the Republic of the Congo at water depths ranging from 650 to 1,100 meters. It consists of two developments, the Moho Phase 1 *bis* and Moho Nord, with first oils expected in 2015 and 2016 respectively. The Moho Nord development, which will be tied back to a new floating production unit (FPU) and a newbuild TLP, includes an oil export line to the Djeno onshore terminal and will also be tied back to the shallow-water N'Kossa platform for gas exchange. The Moho Phase 1 *bis* development consists of tie-backs to the existing deepwater Alima FPU. This contract covers the project management, engineering, supply, fabrication and installation of 230 kilometers of rigid pipelines; 23 kilometers of flexible pipes; 50 kilometers of umbilicals; 50 subsea structures; various other structures; and rigid jumpers. It also includes the installation of client-supplied manifolds and pumps, control system components and multiphase jumpers. This strategic contract confirms Technip's leadership on large and complex EPSCI projects, as it is the largest subsea contract that the Group will execute on its own. This award was made possible thanks to our unique vertically-integrated organization and the acquisition of Global Industries in 2011, notably with the S-Lay and heavy-lift capabilities of the *G1200* vessel.

The *Deep Energy*, Technip's new state-of-the-art pipelay vessel was officially named on May 3 in Florø, Norway. Technip, Westcon and their suppliers worked in close cooperation since the *Deep Energy's* arrival in Florø, in October 2011, and sea trials were successfully completed after final outfitting and commissioning. The *Deep Energy* is the fastest and one of the largest and most capable pipelay vessels ever built in our industry. She supports subsea developments in shallow to ultra-deep waters of down to 3,000 meters. Specifically designed to operate in the North Sea and Atlantic basin and on intercontinental projects, her service speed of 19.5 knots enables fast transit between work sites, increasing vessel availability for clients. The *Deep Energy* is a DP class 3 vessel primarily designed to handle subsea installation of reeled rigid pipes of up to 18" outer diameter. She has a normal operating dynamic top tension of 450 tons and is equipped with a highly efficient PLET handling system. She is also capable of installing flexible products, umbilicals, steel tube umbilicals and a variety of mid-line and end structures.

Technip won four contracts in the North Sea-Canada region in May. First up, Technip was awarded a contract by Statoil for the removal and replacement of the two oil-loading systems at the Gullfaks field. This field is located in the North Sea, offshore Norway. The contract covers the engineering, preparation and removal of the existing system, installation of the new systems, towing and handover to a disposal contractor of the existing Gullfaks loading system. This contract follows the award in 2012 by Statoil of a contract for the fabrication and installation of flowlines for the Gullfaks South field development.

Also in Norway, Technip was awarded an engineering, procurement, construction and installation lump-sum contract by Statoil for the Norne field development, at a water depth of approximately 380 meters. The contract covers the engineering and fabrication of two flexible smoothbore gas export risers; marine operations to remove one existing roughbore riser connecting the Norne floating production storage and offloading (FPSO) unit with the gas export pipeline and replace it with one of the new flexible smoothbore risers; and provision of the second flexible smoothbore gas export riser on a reel to Statoil as spare for future use. Technip's patented leading flexible smoothbore riser technology eliminates noise and vibration issues, reduces pressure losses as well as need for compression (being an overall benefit to the environment) and helps increase the overall capacity of the system.

Successively, Technip won two subsea contracts in Canada. The contracts with Husky Oil Operations for the planned subsea tieback of the South White Rose Extension field have a substantial combined value. The field is an extension of the White Rose field located in the Jeanne d'Arc Basin, approximately 350 kilometers southeast of St John's, Newfoundland and Labrador, Canada.

The first contract will be executed in 2013 and will include the supply and installation of gas injection flowlines, umbilicals and subsea structures. The second contract will take place in 2014 and will cover the supply and installation of flowlines and subsea structures to support oil production and water injection. These two awards reinforce Technip's continuous involvement in Canada's Atlantic offshore oil and gas projects.

With the summer came contracts awards across the globe. Technip was awarded a substantial lump-sum contract by Exxon Mobil Corporation for the development of the Julia field located in the Walker Ridge area of the Gulf of Mexico. The contract covers the project management, engineering, fabrication, installation and pre-commissioning of more than 48 kilometers of 10.75" outer diameter insulated flowlines, steel catenary risers and flowline end terminations. This new project further reinforces the Group's leading position in the Gulf of Mexico ultra-deepwater market.

Likewise, Technip was awarded a major contract by Petrobras for the supply of flexible pipes for the Iracema Sul (former Cernambi Sul) field, located in the Santos Basin pre-salt area, Brazil, at a water depth of up to 2,500 meters. The contract covers the quali-

fication and supply of up to 250 kilometers of flexible pipes for oil production, gas lift, water and gas injection as well as related equipment for the pre-salt area to be installed on the FPSO unit Cidade de Mangaratiba. The highly technological flexible pipes are designed to meet Petrobras' requested service life. Gas injection pipes are designed for high internal pressure, using the Teta profile developed by Technip's R&D team in its Flexi France plant in Le Trait, France. Technip is at the forefront of frontier projects and this contract confirms the suitability of flexible pipes for high-pressure and corrosive fluids requirements found in ultra-deepwater pre-salt conditions. It also reinforces Technip's leading position in the buoyant Brazilian subsea market, where the Group has been present for more than 35 years.

Back in Europe, Technip was awarded an important lump sum contract by Statoil ASA for pipelay and subsea installations for the Snøhvit CO₂ Solution project. The production of natural gas of this field is based on CO₂ being separated at the Melkøya onshore plant and re-injected into the field. The Snøhvit project development will establish an additional well at a new CO₂ injection template as well as prepare for gas production from existing templates. This contract covers fabrication and installation of flowlines, including two five-kilometer 13% chrome stainless steel production flowlines and a five-kilometer CO₂ injection flowline; installation and tie-ins of spools, jumpers and umbilicals; and installation of a new combined production and injection template and manifold. This award demonstrates Technip's unique abilities when it comes to the fabrication and complex reeling of large diameter stainless steel flowlines.

Multiple contracts were awarded for the Egina field in Nigeria. Technip's wholly-owned subsidiary, Duco Ltd, was awarded an important contract by Total Upstream Nigeria Ltd to supply umbilicals to the field, which is located within the Oil Mining Lease 130, approximately 200 kilometers from Port Harcourt. The contract covers project management, engineering and manufacture of about 76 kilometers of steel tube umbilicals including production, water injection and subsea isolation valve (SSIV) umbilicals. Significant amounts of project management (80%) and engineering (30%) will be carried out locally, in Nigeria.

The other two contract wins, worth a substantial total value, are to supply flexible pipes for the Egina field operated by Total Upstream Nigeria Ltd. These contracts cover the qualification and supply of 12 dynamic flexible jumpers from 3.5" to 12.5" for oil production, gas lift, water injection and gas export, to connect the single top tension risers to the FPSO unit; two 20.5" unbonded flexible pipes as oil offloading lines (OOL) connecting the FPSO to the offloading buoy; and associated ancillary equipment. These contracts cover complex dynamic applications and include the largest flexible pipes manufactured to date by Technip, confirming our leading position for the supply of high-specification and large-diameter flexible pipes.

In the North Sea a substantial engineering, procurement, installation and construction (EPIC) contract awarded by Chevron North Sea Ltd for the Alder field. Chevron is developing the Alder field as a subsea tieback to the Britannia Bridge Link Platform (BLP). This field is located in the central North Sea, about 200 kilometers northeast of Aberdeen, Scotland. The contract will cover a wide scope of work, from engineering to manufacturing and installation: the detailed design and pipelay of a 28-kilometer 16" pipe-in-pipe system; the installation of a 28-kilometer hybrid umbilical; and various subsea works such as the installation of a manifold structure including HPPS, subsea isolation valve structure, valves and spoolpiece components. Vessels from the Group's fleet will be used for the offshore campaign, including its newest state-of-the-art pipelay vessel, the *Deep Energy*. Technip has a proven track record in delivering EPIC contracts of this scale and our unique vertical integration is an added-value advantage for its clients as Technip's capabilities cover the entire value chain for subsea infrastructures.

The Subsea segment's success in markets around the world continued in the second half of 2013. In August, the joint venture formed by Technip (50%) and DOF (50%) was awarded eight contracts by Petrobras. These contracts cover the construction of four new pipelay support vessels (PLSVs) and operation in Brazilian waters to install flexible pipes. The combined value for Technip is approximately €1.35 billion. Delivery of the PLSVs is scheduled for 2016-2017. Two of the PLSVs will have a 300-ton laying tension capacity and will be fabricated in Brazil, with a high national content. The other two vessels will be designed to achieve a 650-ton laying tension capacity, thus enabling the installation of large diameter flexible pipes in ultra-deepwater environments, such as the Brazilian pre-salt. Vard Holdings Limited (VARD), one of the major global designers and shipbuilders of offshore and specialized vessels, will be in charge of the design and construction of the four PLSVs. Under the Technip/DOF joint venture agreement, Technip will manage flexible pipelay and DOF will be responsible for marine operations.

Adding to its reputation as a pioneer, in August Technip was awarded an important engineering, procurement and installation contract by Shell Offshore Inc. (Shell) for the development of subsea infrastructure for the Stones field. The development will host the deepest FPSO unit in the world and will be Shell's first FPSO in the Gulf of Mexico. Technip will be in charge of installing the subsea production system and Stones lateral gas pipeline, including associated project management, engineering and stalk fabrication. With greater depths come greater challenges for the Group's clients and Technip is pushing back subsea frontiers by laying the deepest gas pipeline worldwide.

In September, Technip signed an important five-year contract with ArcelorMittal, the world's leading steel and mining company, for the supply of high-performance steel wires. This is ArcelorMittal's most significant European contract for its wire activities. ArcelorMittal's site in Bourg-en-Bresse (Rhône-Alpes – France) is part of its Distribution Solutions division and will fabricate highly-resistant, semi-manufactured rolled products to be used on flexible sheaths for the development of ever deeper oil and gas fields worldwide. The site, in which ArcelorMittal has invested €6 million over the past three years and gradually reinforced its production teams and technical capabilities, supplies Technip's

manufacturing plants located in France, Brazil and Malaysia. The commercial contract is accompanied by a research and innovation contract. The agreement envisages the development of new wire solutions to meet Technip's needs, and will consolidate the Bourg-en-Bresse site's technological leadership.

In October Technip was awarded a substantial contract by LLOG Exploration Offshore L.L.C. for the development of the Delta House field, located in the US Gulf of Mexico. The contract covers the project management, engineering, fabrication, installation and pre-commissioning of more than 200 kilometers of infield and export flowlines and risers. This contract reinforces Technip's leading position in the Gulf of Mexico deepwater market. It also confirms its position for the export lines between ultra deepwater and the coast, thanks to the acquisition of Global Industries Ltd.

Also, in October, Technip further strengthened its presence in West Africa with the announcement that, as leader of a consortium with Subsea7, it had been awarded two contracts by Tullow Ghana Limited for the TEN Project at a water depth reaching up to 2,000 meters. The TEN Field is located in the Deepwater Tano Contract Area, 60 kilometers off the coast of Ghana and approximately 30 kilometers west of the Tullow Operated Jubilee Field. Together, the two contracts have a combined value of approximately USD1.23 billion. Technip's share is about USD730 million. Technip's scope of work includes the engineering, fabrication and installation of flexible risers, flexible flowlines and flexible spools totaling 48 kilometers; engineering, fabrication and installation of 33 kilometers of water injection and gas injection rigid flowlines; installation of about 63 kilometers of static and dynamic umbilicals; and engineering, pre-fabrication, final assembly and installation of 10 well rigid jumpers, plus delivery of another six prefabricated rigid jumpers. To tackle this ultra-deep water project requiring innovative solutions, Technip mobilized a worldwide organization combining know-how and numerous areas of expertise. The offshore installation is scheduled to be completed in the second half of 2016. The contract covers the project management, engineering, fabrication, installation and pre-commissioning of more than 200 kilometers of infield and export flowlines and risers. The water depth of this development is comprised between approximately 100 and 2,000 meters.

The latter part of 2013 brought a series of contract wins in the North Sea region. To start with, Technip was awarded a contract by Statoil to fabricate and supply flexible risers for several fields on the Norwegian Continental Shelf. The contract also includes options for further risers and flowlines. These flexible pipes will be used to renew the flexible pipe-based infrastructure on Statoil's operated fields.

Statoil made a call-off for the framework contract Technip has with Statoil for diving services. The work will be performed in connection with the future Edvard Grieg Oil Pipeline as well as the Utsira high gas pipeline. The project will help connect the oil pipeline from the Edvard Grieg platform to the existing Grane oil export pipeline, towards the Sture terminal. Moreover, the Utsira high gas pipeline will be connected from the Edvard Grieg platform to the Scottish Area Gas Evacuation (SAGE) pipeline. The contract is scheduled to be completed in the second half of 2015. The offshore campaigns will happen in 2013, 2014 and 2015 and will utilize state-of-the-art diving support and construction vessels from Technip's fleet.

Over the course of 2013, Technip was awarded four contracts for life of field services by Shell UK, Fairfield Energy, Ithaca Energy and TAQA. Field longevity represents a key challenge for the energy industry, and Technip aims to deliver a suite of subsea maintenance services including inspection, repair, maintenance, decommissioning, and asset integrity management, as well as brownfield construction. More specifically, Technip has delivered, or is in the process of delivering, the following scopes of work: diving operations to prepare for decommissioning of the Shell Delta Brent facilities, under a newly-awarded framework agreement to support its UK and Norway assets; intelligent pigging operations for Fairfield Energy's Merlin field development; light construction work for Ithaca Energy on the Causeway field; and conductor centralizer maintenance services for TAQA's Harding field. The specialized work scopes, which equate to around 75 vessel days, have utilized the Group's diving support vessels, including the *Orelia*, *Skandi Arctic* and *Skandi Achiever*. Technip provides our clients with a complete range of life of field services, with each scope demanding a specific set of core skills and expertise.

Rounding out the subsea segment's project awards for 2013, Technip and China Offshore Oil Engineering Co. Ltd (COOEC), the largest offshore engineering and construction company in China, signed a joint venture agreement in December. The five-year agreement, which builds on existing relationships, combines the know-how, technical resources, and complementary assets of both companies, along with their commercial and financial capabilities, to target deepwater engineering, procurement, construction and installation (EPCI) Subsea Umbilicals, Risers, and Flowlines (SURF) projects at a water depth greater than 200 meters in China. This agreement follows the COOEC-Technip Consortium's win, at the end of 2012, of the CNOOC Panyu 34-1/2 development project.

Onshore/Offshore

The Onshore/Offshore business segment was very active worldwide throughout 2013. In January, Technip was awarded the front-end engineering and design (FEED) contract, as well as preparation of the corresponding engineering, procurement and construction (EPC) proposal, for a new ammonia plant under consideration in Louisiana by global crop nutrient producer The Mosaic Company who wants to locate the proposed plant adjacent to the company's existing Faustina fertilizer manufacturing operations in St James Parish, Louisiana. The planned facility would be one of the most modern and efficient plant with a capacity of 2,200 metric tons per day. The proposed design would feature Haldor Topsøe's proprietary ammonia process technology, which Technip has successfully engineered and constructed in projects for more than 40 years. Technip will also perform the preliminary design work for the plant offsites, utilities, interconnections, and other supporting units for the facility.

Also in January, Technip was awarded an important contract by JBF Petrochemicals, a wholly-owned subsidiary of JBF Industries Ltd, for a 1.25 million-tons-per-year, latest-generation purified terephthalic acid (PTA) unit, to be located in the Special Economic Zone in Mangalore, India. PTA is the primary feedstock for polyesters used in textiles and packaging. The contract covers the basic engineering, front-end engineering design, detailed engineering and procurement services for the ISBL (Inside Battery Limit) and

the OSBL (Outside Battery Limit) of the unit. The scope of work also includes supply of materials and construction management services for the ISBL.

Rounding out the month, Technip was awarded engineering and procurement contracts by Westlake Chemical Corporation for the expansion and modernization of the ethylene cracking furnaces and the recovery section of Westlake's ethylene plant in Calvert City, Kentucky. The ethylene production capacity will be increased by 40 percent – from 450 million pounds per year to 630 million pounds per year – and will use ethane feedstock instead of propane as per the original design. Westlake is one of the major ethylene producers in the US, and its Calvert City operation is a large integrated PVC site. Technip is the largest ethylene licensor and contractor with state-of-the-art proprietary technology from its portfolio, recently expanded by the acquisition of Stone & Webster process technologies in 2012.

A multitude of projects were awarded to Technip in February. To start with, Technip, in a consortium with AFCONS Infrastructure Ltd and TH Heavy Engineering Berhad, were awarded a contract by Oil & Natural Gas Corporation Ltd (ONGC) worth approximately €220 million (Technip share: about €50 million), for the Heera Redevelopment (HRD) process platform project in the Arabian Sea, at approximately 70 kilometers southwest of Mumbai, India. The scope of work covers the engineering, procurement, fabrication, transportation, installation, hook-up and commissioning of the HRD process platform; as well as shifting the existing cable in the seabed, installing a new bridge connecting the existing HRC process platform, strengthening the existing bridge, and modifying an existing HRC process platform to ensure interconnections between all the process lines and the utilities. The topsides will be designed for the float-over installation using Technip's world leading proprietary Unideck® integrated deck installation system.

February also brought a contract in Malaysia. The joint venture between Technip and Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE) was awarded a substantial contract by Sabah Shell Petroleum Company Ltd (SSPC) for the engineering, procurement and construction of a tension leg platform (TLP) for the TLP Malikai Deepwater Project. This TLP will be designed as a fully-manned platform to be installed 110 kilometers offshore Sabah, Malaysia. The TLP will weigh approximately 26,000 metric tons, incorporating topsides to process 60,000 barrels of oil and 1.4 million cubic meters per day of gas, and a hull. This award to the Technip-MMHE joint venture extends our participation in pioneering deepwater field development projects in Malaysia.

Meanwhile in Mexico, Technip was awarded a contract to revamp one of the conversion units of the Ing. Héctor R. Lara Sosa refinery, located in Cadereyta, Mexico, awarded by Petróleos Mexicanos (PEMEX) through its subsidiary PEMEX Refinación. Technip won the contract in a consortium with Construcciones Industriales Tapia. Technip's share of the contract is worth approximately USD40 million. The scope of work includes the detailed engineering, procurement, construction, training, commissioning and start up for the recondition of the combustion gases system of the No.1 catalytic plant of the refinery.

In Africa, Technip was awarded an important five-year contract by BP Angola for engineering and modification services for the existing *Greater Plutonio* and *Plutao*, *Saturno*, *Venus* and *Marte* (PSVM) FPSO units, located in Blocks 18 and 31 offshore Angola.

This contract follows the successful completion of a previous five-year contract for engineering services for the *Greater Plutonio* FPSO. This new award covers two FPSOs and involves not only engineering, but also procurement and management of offshore and onshore construction activities.

In the spring, leading a consortium with JGC, Technip was awarded a contract by JSC Yamal LNG, owned by Novatek (80%) and Total (20%), to carry out the engineering, procurement, supply, construction and commissioning of an integrated facility for natural gas liquefaction. The project will start immediately with a phase of detailed engineering, estimation and early procurement. The facility will have an annual production capacity of 16.5 million tons and will be based on the resources of the South Tambey Gas Condensate field located on the Yamal Peninsula, Russia.

Later in April, Technip was awarded a lump-sum contract by the Bahrain Petroleum Company B.S.C. – BAPCO, for the engineering, procurement, construction, and pre-commissioning of, as well as commissioning and start-up assistance for, the modification project of the #3 sulfur recovery unit (SRU) of the Bahrain refinery. The project will ensure that the #3 SRU is capable of safely burning sour water stripper off gas and becomes a viable spare for the new #4 SRU.

In Brazil, leading a 50/50 consortium with Techint, Technip was awarded a substantial contract by PNBV for the topside construction, integration and commissioning of, and start-up assistance for, the P-76 FPSO unit. Located in the Santos Basin pre-salt area offshore Rio de Janeiro, Brazil, this unit will produce 180,000 barrels of oil and seven million cubic meters per day of gas. This project will contribute to the local economy as it will require approximately 70% of Brazilian local content.

May was a busy month, kicking off with a detail engineering and procurement services contract awarded by NOVA Chemicals Corporation for the Polyethylene 1 expansion project located at their Joffre site near Red Deer in Alberta, Canada. The project includes the installation of a world-scale 431-kiloton-*per-annum* (950 MM lbs/yr) single-train linear low density polyethylene (LLDPE) unit. NOVA Chemicals will expand its total Joffre site polyethylene capacity by approximately 40% and will utilize existing site ethylene capacity. Technip, in addition to detail engineering and procurement of the new reaction section, extrusion section, and railcar loading section, will modify the existing purifications systems. Technip will also design the plant off-sites, utilities, interconnections, and other supporting units for the facility.

The second contract win in May, awarded to Technip as leader of a consortium with Samsung Engineering Co Ltd and China Huanqiu Contracting & Engineering Corporation, was granted by Pacific NorthWest LNG Limited Partnership for the FEED and the early detailed engineering services of a grassroots LNG project. This project is proposed to be located on Lelu Island, British Columbia, Canada. It will include two six-million-tons-per-year LNG trains, process units and marine facilities; inlet facilities, utilities and power generation; and off-sites including buildings and jetty topside facilities. This contract is part of a multiple design competition scheme.

Shortly thereafter, Technip was awarded a lump-sum turnkey contract by ADMA-OPCO for the engineering, procurement, construction, pre-commissioning, commissioning and start-up assistance for a flares modification and revamp project on Das Island. Das Island is located 290 kilometers offshore Abu Dhabi, United Arab Emirates, in the Gulf. The project aims to mitigate the hazards due to the existing atmospheric flares on offshore associated gas and upcoming integrated gas development facilities, and the risk of gas exposure for personnel during operation and maintenance of these facilities in case of flame out. The scope of work includes the relocation of the South Relief flare to the east of the existing flare F-14; installation of two new ground flares at the existing South Relief flare location; demolition of the F-11 and F-14 flares; replacement of a tip for flare; and a new electrical substation.

Finishing out the month, Technip was awarded a significant contract comprising technology, engineering services and supply of core equipment for Abu Dhabi Oil Refining Company – Takreer's new coke calcination unit. This new unit is part of the Carbon Black & Delayed Coker project being implemented adjacent to Takreer's existing Ruwais refinery located in the United Arab Emirates. The unit will consist of two trains and is designed to process 700,000 tons *per annum* of superior-quality anode green petroleum coke through two kilns, thanks to the implementation of world-leading licensed technologies. This contract follows the successful completion of the process design package for this new coke calcination unit for Takreer last year. The award reinforces the world-leading position of the rotary kiln and cooler technologies representing about 70% of the world's total calcined coke production capacity.

The business segment continued its globe-trotting success over the summer. Starting in Iraq, Technip was awarded a significant contract by Oil Projects Company – SCOP for project management consultancy (PMC) services for the engineering, procurement and construction (EPC) phase of the Karbala refinery. This award follows the front-end engineering design executed by Technip in 2010. The scope of work will cover two phases. Phase 1 will include the issue of enquiries for the EPC contract, bids clarification, evaluation and contracts finalization with the EPC contractors, while phase 2 will comprise overall management of the EPC contract execution.

Next, in Finland, Technip was awarded a contract by Forest BtL Oy worth approximately €5 million for the FEED of a new second generation biomass-to-liquid (BTL) plant to be built on Ajos Island. The plant will produce approximately 140,000 tons of biodiesel and naphtha from wood and by-products from the wood-processing industry. This feedstock has many advantages, as it is not used for human food, does not jeopardize existing local biomass usage, and has a low CO₂ footprint. Technip will develop the process design package of the hydrogen production unit of the plant, based on its steam reformer proprietary technology, and will prepare the FEED for the hydrogen production, Fischer-Tropsch synthesis and refining units. The Ajos BtL project is supported by the European Union NER300 funding program for innovative renewable energy technologies. This project will be an industrial first and will reinforce Technip's leading position on new generation biofuels projects.

In Asia, Technip was awarded a services contract by BP Zhuhai Chemical Company Limited, a joint venture between BP and Zhuhai Port Co. Ltd, for the execution of a new world-scale Purified Terephthalic Acid (PTA) plant at their Zhuhai site in the Guangdong Province, China. Technip's scope includes the management of the engineering, procurement and construction services, executed by a team integrated with the client. The new plant, with a capacity of 1,250,000 tons per year, will use BP's latest proprietary technology and is expected to come on stream at the end of 2014. This award falls within the framework of the ongoing alliance between BP and Technip for PTA and follows Technip's completion of the Zhuhai 1 and 2 plants, the Zhuhai 2 expansion project as well as the basic and front-end engineering design for the Zhuhai 3 plant.

Hopping over to the Americas, after successfully completing the basic design package, Technip was awarded a significant contract by the Hyundai-Wison consortium to supply its proprietary technology as well as engineering and procurement services for two hydrogen reformers in Venezuela. These 135-million-standard-cubic-feet-per-day (151-thousand normal cubic meters per hour) reformers are part of the Deep Conversion project being executed by the consortium for Venezuela's state oil company, Petroleos de Venezuela SA (PDVSA), to upgrade the Puerto La Cruz refinery. The contract covers all engineering, fabrication, modularization, and procurement, as well as pre-commissioning and start-up assistance. This project will utilize Technip's high-efficiency top-fired steam reformers to produce high-purity hydrogen and export steam, and the latest nitrogen oxide reduction technology to ensure minimum emissions.

Beginning of August, Technip was awarded by Total E&P Congo an important engineering, procurement, and supply contract for the Moho Nord project, the largest development ever in the Republic of Congo. The Moho Nord project consists of two developments: Moho Phase 1 *bis* and Moho Nord. This contract is part of the Moho Phase 1 *bis* development. It is a brownfield development consisting of tie-backs to the existing deepwater Alima floating production unit (FPU) and the shallow-water N'Kossa platform. The contract covers the project management, detail engineering, procurement and supply for the modifications of the Alima FPU, with two new subsea tie-backs. *This contract, the second one awarded to Technip for the Moho Nord development project, illustrates Total E&P's confidence in Technip's expertise.*

In August, Technip was awarded an engineering, design and procurement contract by Shaanxi LNG Investment & Development Co Ltd worth approximately €35 million for a mid-scale LNG plant. The plant will be located in the Yangling Demonstration Area, Shaanxi Province, China. The contract covers the conceptual engineering study, the basic engineering design (BED) for its processes, BED and detailed design of the LNG storage tank, as well as procurement for key equipment, including the main cryogenic heat exchanger, the mix refrigerant compressor, the boil-off gas compressor and the cryogenic control valves, among others. The LNG plant will have a capacity of 500,000 tons per year and will be based on an Air Products liquefaction process. This project acknowledges Technip's historical and unique LNG expertise but also reinforces its continuous involvement in the growing mid-scale LNG market in China, after the success of the Ningxia Hanas LNG plant.

The business segment was particularly active in North America, where Technip, in consortium with its construction partner Performance Contractors Inc., was awarded a contract by the National Cooperative Refinery Association (NCRA). The contract covers supply of Technip's proprietary reforming technology, as well as EPCI of the No.2 hydrogen plant equipment at NCRA's refinery in McPherson, Kansas. The 40 million standard cubic feet per day (45 thousand normal cubic meters per hour) plant is part of an expansion project that will allow NCRA to upgrade this refinery. The project will utilize Technip's high efficiency top-fired steam reformer to produce high purity hydrogen and export steam and the latest nitrogen oxide reduction technology to ensure minimum emissions. The contract covers engineering, fabrication, supply, installation, pre-commissioning and start-up assistance.

Also in the US, Technip was awarded by a FEED contract Trunkline LNG Export, LLC for the potential expansion of the existing LNG import terminal located in Lake Charles, Louisiana. The potential expansion project includes a LNG liquefaction plant, with a total export capacity of up to approximately 15 million tons *per annum*. The total liquefaction capacity could be achieved through up to three identical trains, with associated utilities and offsite facilities, as well as the re-use of the existing LNG offloading, storage and marine facilities.

In a consortium led by National Petroleum Construction Company (NPCC), which won a contract with Abu Dhabi Marine Operating Company (ADMA-OPCO) for the engineering, procurement and construction (EPC) work on the Umm Lulu Full Field Development project – Package 2 (Process Facilities). The contract, with an approximate value of USD1.7 billion (Technip share: about 35%), was awarded at the conclusion of a competitive bidding process in which a number of EPC contractors participated.

The contract's scope of work consists of the detailed engineering, procurement, fabrication, offshore installation, commissioning and start-up of a large offshore super complex comprising of six bridge linked platforms including gathering, separation, gas treatment and water disposal facilities, utilities and accommodation modules, totaling over 66,000 metric tons (with associated jackets, flares, bridges and subsea composite cables). The platforms will be installed by the floatover method developed by Technip, which allows a high proportion of the hook-up and pre-commissioning work to be completed onshore prior to load-out, and thereby significantly reduces both the duration and cost of the offshore commissioning phase.

Meanwhile in Brazil, Technip was awarded a four-year frame agreement with Petrobras for projects modifications services for the Rio de Janeiro Operations Unit (UO-RIO), including existing offshore platforms located in the Campos Basin area, Brazil. The services comprise basic and detailed design, documentation update, engineering consulting, planning, control and execution supplies for 13 offshore platforms. Technip was previously awarded contracts on some of these projects, most notably designing and constructing the topsides of three of Petrobras' deepwater production semis: P-51, P-52 and P-56, the largest topsides floatovers onto semi hulls in the world.

October and November brought three more contracts in the US, starting with a win by Technip and Zachry Industrial, in a partnership called Gulf Coast Partners, of a substantial contract to design and build two Polyethylene Plants for Chevron Phillips Chemical Company LP (Chevron Phillips Chemical) as a part of its US Gulf Coast Petrochemicals project in Old Ocean, Texas, USA. The scope of work includes the design, supply and installation of two 500,000 metric tons *per annum* polyethylene plants, together with the related offsites, utilities and rail yard. The polyethylene plants are part of Chevron Phillips Chemical's US Gulf Coast Petrochemicals project, which includes a new grassroots Ethylene Plant at Cedar Bayou, Texas, designed by Technip Stone & Webster process technology and includes the supply of proprietary furnaces and equipment.

The second was a contract awarded by Sasol to supply its proprietary ethylene technology and FEED services for a world-class grassroots ethane cracker. This cracker, to be located at Sasol's Lake Charles site in Louisiana will produce an estimated 1.5 million tons *per annum* of ethylene.

Lastly, Technip was awarded a FEED contract by Sasol for a gas-to-liquids (GTL) plant to be built in Louisiana. The GTL facility will have a capacity of more than 96,000 barrels per standard day. The contract falls within the existing Front End Loading (FEL) Alliance between Technip and Sasol in the GTL domain.

The Onshore/Offshore business segment finished the year with contract awards in the Middle East and Asia. Technip's joint venture with Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE) received confirmation from Petronas Carigali for a substantial engineering, procurement, construction, installation and commissioning (EPCIC) contract for the development of two gas fields in Block SK316. Those fields are located approximately 180 kilometers North of Bintulu, Sarawak, at a water depth of 104 meters.

The Technip-MMHE joint venture had earlier participated in the FEED competition with subsequent rollover to EPCIC execution. The EPCIC contract includes a central processing platform and a bridge-linked wellhead platform, which will be constructed at MMHE's fabrication yard at Pasir Gudang in Johor, Malaysia, as well as a 75-kilometer pipeline, which will be installed by one of Technip's pipe-laying vessels.

Technip was also awarded an engineering, procurement, installation and commissioning contract by Qatar Petroleum for a strategically important Offshore Project comprising a living quarter platform and a utility platform, with a bridge connecting the two platforms. The project location is within QP offshore facilities. Technip will be responsible for the execution of the entire Project. The topsides for both platforms will be installed using the floatover technology, which Technip pioneered.

In mid-December, Technip was awarded a contract by Kuwait Oil Company (KOC) worth over USD400 million for consultancy services for project management and engineering. This covers the construction of new oil and gas infrastructure facilities, as well as the upgrading of existing facilities in Kuwait. Technip will provide services for the next five years with an option for an additional period of one year. As a world leader in project management,

engineering and construction for the energy industry, Technip has decided to leverage the experience it has gained over the past fifty years for the benefit of energy players by developing a new expertise focused on Project Management Consultancy services (PMC) and named as Technip PMC. Providing an independent and experienced management team, Technip PMC enables clients to ensure safe and successful execution of their projects. The new contract with KOC will draw on this expertise. More specifically, Technip will assist KOC with various services, including project management, feasibility studies, front-end design, project controls, planning, engineering, procurement, construction management and training of KOC project staff. The services will mainly be performed by Technip's teams in an operating center created specifically for the occasion and greeted at KOC's headquarters in Ahmadi, Kuwait, with the support of Technip's organization in the Middle East, while the Group's operating center in Milton Keynes, United Kingdom, will execute the feasibility studies and FEED.

Rounding out the year was a contract win with CNOOC Oil & Petrochemicals Company Ltd to supply its proprietary ethylene technology and process design package for a grassroots 1,000 KTA ethylene plant in Huizhou, Guangdong Province, People's Republic of China. This contract also covers technical support during detailed engineering, pre-commissioning and start-up.

The key components of Technip's ethylene technology for this project include: its Ultra Selective Conversion (USC[®]) furnace technology preferred for high-capacity, low-cost liquid and gas cracking capabilities; and its Advanced Recovery System (ARS) technology utilizing the Heat Integrated Rectifier System (HRS), which reduces energy consumption in liquids cracker designs. The products of this ethylene plant will feed other downstream units at the complex, including a 300,000 metric tons *per annum* grassroots cumene plant.

In 2013, the Onshore/Offshore business segment formed a number of partnerships. To begin with, Technip and Sasol, the owner of the world's leading gas-to-liquids (GTL) technology, announced that they had established an alliance for front-end engineering services for future Sasol GTL projects. The agreement also allows for Technip's participation during the execution stage of future GTL projects. This alliance, which builds on existing relationships, aims to achieve industry-leading capital productivity through the highest standards of HSE, operability, accelerated innovation and reduced project cycle times.

GTL technology is a process for converting natural gas into petroleum products such as naphtha and diesel fuel. These fuels are very clean, with effectively no pollution-causing sulfur or aromatic hydrocarbons. The high cetane number of the diesel fuel will help meet more stringent specifications in the future. GTL technology is becoming increasingly important, not only for the environmental advantages of its products, but also because it provides an efficient and safe solution for the transportation of natural gas. A large portion of gas reserves are considered unusable or "stranded" because they are too far from consumers and difficult to transport. GTL offers a way to convert stranded gas into petroleum products that can be transported and sold using conventional tankers, pipelines, storage facilities and retail distribution systems.

Technip announced in September an agreement with China Huanqiu Contracting & Engineering Corporation (HQC) to set up two joint-venture companies. Headquartered in Rome (Italy) and in Beijing, China, they will be responsible for procurement activities, respectively on the European and Chinese markets. The companies will perform procurement activities for worldwide onshore and offshore projects. By establishing a local presence, and thus eliminating the cultural and language barriers, these new companies will allow an immediate knowledge and access to the local suppliers market, based on Technip and HQC's experience.

Also in September, Technip signed an agreement with Shell Cansolv to leverage their respective expertise in marketing an end-to-end solution for Carbon Capture and Sequestration (CCS) projects. The agreement will enable both Technip and Shell Cansolv to offer a full chain of engineering, procurement and construction (EPC) services for a post-combustion CO₂ capture project to the power generation industry. The collaboration between two industry leaders will see Shell Cansolv capitalize on Technip's experience in the design, construction, and management of large EPC projects and its commercial global footprint. This new cooperation will also expand Shell Cansolv's international reach by giving the company a platform to offer its CO₂ capture technology in increased scope as well as to new markets. And lastly, Technip announced in December that it would extend its long-standing agreement with BP in the PTA domain. Technip will now also become the exclusive provider of the ISBL (Inside Battery Limit) FEED to BP for third-party licensing. This builds upon the agreement signed in 2000, whereby Technip and BP entered into an exclusive alliance for FEED services for BP's PTA projects. BP is one of the largest PTA producers in the world and its PTA technology has significantly lower capital and operating costs, compared with conventional PTA plants. Besides, it is more energy efficient, uses less water and produces less solid waste than its competitors. The alliance aims to deliver improved capital productivity, applying the highest standards of HSSE, operability, innovation and reduced project cycle times. Since the creation of the alliance, Technip has engineered approximately five million tons per year of PTA capacity. The recently designed Number 3 PTA plant for BP Zhuhai Chemical Company Ltd. will deliver a step change in environmental performance; compared with conventional technologies, the new plant will achieve 75% lower water discharge, 65% lower greenhouse gas emissions and 95% lower solid waste generation.

Corporate

Early 2013 also saw a number of investments and deals designed to fuel future development. In March, Technip announced that it had signed two agreements with State Corporation Russian Technologies (Rostec). The agreements call for the manufacturing of flexible pipes and umbilicals in Russia for the Arctic region and the Black Sea oil fields, as well as at the construction and renovation of refining and petrochemical units in Russia.

Technip and RT-Chemcomposite Holding Company, a Rostec subsidiary, signed a memorandum of understanding to express their intention to form a joint venture company for subsea activities in Russia. Under the terms of this memorandum, the joint venture is a cooperation in the production of equipment for the oil and gas industry, and in particular flexible composite pipes based on Technip's technology. This equipment makes it possible to produce oil and gas at the depth of down to 3,000 meters

and provides for speedy pipe laying operations. The companies will also evaluate the possibility of establishing a research and development center.

In an agreement between Technip and Rustechexport, another company operating under the umbrella of Rostec, the parties set forth the main terms and conditions for a jointly-owned company they intend to establish to provide engineering, design, and turnkey construction for oil refinery, petrochemical and gas chemical production projects in Russia, including the facilities required for offshore oil field operations.

Later that same month, Technip acquired Ingenium AS, a highly-experienced offshore engineering and services contractor located in Oslo, Norway (for further details, please refer to Section 6.1.2 of this Reference Document).

Over the summer, Technip inaugurated its Innovation and Technology Center located near Paris, France at a unique site in Rueil-Malmaison. This center already brings together more than 50 managers and specialists of subsea technologies necessary to the development of underwater oil and gas fields. Its vocation is to centrally manage Technip's technological development, and to coordinate all relevant Research and Development (R&D) centers and regional entities. Its main mission is to boost innovation and in particular to direct the action of the Group's strategic R&D partners, to develop synergies between technologies, to reinforce Technip's competencies, and attract highly-qualified professionals. The center will develop so as to efficiently support the growth of Technip's business.

6.1.2. MAJOR ACQUISITIONS AND DIVESTMENTS IN 2013

Technip's external growth policy aims to consolidate the Group's leadership in its markets by strengthening its geographic positions, technological portfolio and resources and capabilities in critical areas for successful project execution.

In financial year 2013, Technip completed the following transactions:

- On March 8, 2013, Technip announced the acquisition of Ingenium AS, a highly-experienced offshore engineering and services contractor located in Oslo, Norway. Ingenium AS designs and develops mechanical and electrohydraulic tools and equipment, for the offshore oil and gas industry, and provides engineering services for sub-marine operations, such as the installation of pipes and cables. The company comprised over 20 highly-skilled engineers in the Subsea business.
- This company was merged with Technip Norge AS in August 2013.

6.1.3. EVENTS BETWEEN JANUARY 2014 AND THE REFERENCE DOCUMENT PUBLICATION DATE

The information presented below is taken from Technip's 2014 press releases, which are available in their entirety on the Group's website (www.technip.com). The following is a summary to be read in conjunction with the quantified information included in these press releases, where applicable.

January 2014

- Technip was awarded by Petrobras two ultra-deep water contracts for the supply of flexible pipes for the Sapinhoá Norte field and I5 at Lula field (former Tupi field), located in the Santos Basin pre-salt area (Brazil), at a water depth of up to 2,500 meters.

The combination of both contracts covers the supply of approximately 100 kilometers of flexible pipes for oil production, gas lift, and gas injection. It also includes related equipment for the pre-salt area, to be installed on the floating production storage and offloading (FPSO) units, *Cidade de Angra dos Reis* and *Cidade de Ilhabela*.

- Technip was awarded a substantial contract by Dubai Petroleum Establishment (DPE). This covers the engineering, procurement, construction and installation of the Jalilah B field development project, located nearly 90 kilometers offshore Dubai (United Arab Emirates, UAE), at water depth reaching 60 meters.

Technip's scope of work consists of the construction and installation of the Jalilah B platform, a 900-ton deck, a 500-ton jacket, as well as 13 new risers on existing platforms. It also includes the installation of 110 kilometers of pipelines ranging from 6 to 24 inches in diameter. This contract will use three of Technip's specialized vessels, including the *G1201*, one of the Group's flagship S-Lay installation vessel designed for work in both deep and shallow water.

Technip's operating center in Abu Dhabi will execute this fast-track project, scheduled for completion in the second half of 2014.

February 2014

- Technip was awarded by Statoil a substantial contract for future intervention services on the Åsgard Subsea Compression Stations. The award is a call-off of options under the Åsgard Subsea Compression Marine Operations contract. Ranking among the largest developments on the Norwegian continental shelf, the Åsgard field lies on the Halten Bank in the Norwegian Sea, about 200 kilometers off Norway. The Åsgard subsea compression facility is the world's first project of its kind.

The awarded project corresponds to an extension of both the dedicated vessel and equipment, developed under the current Åsgard Subsea Compression Marine Operations contract. The new contract will also cover the use of this vessel for other IMR and construction work, whether for the Åsgard field or for other licenses in Statoil's portfolio on the Norwegian continental shelf.

- Technip was awarded by Abu Dhabi Marine Operating Company (ADMA-OPCO) a contract for project management consultancy (PMC) services for the engineering, procurement and construction (EPC) phases of the Zakum Oil Lines Replacement Project-Phase 1 (ZKOL).

The ZKOL project serves ADMA-OPCO's objective of replacing aged oil pipelines in the Zakum field, aiming to enhance integrity assessment and sustain oil production. Accordingly, the first phase consists of about 90 kilometers of oil pipelines replacement and associated wellhead towers modification work.

With Technip's scope of work covering the overall management consultancy of the EPC phases, the Group's operating center in Abu Dhabi, United Arab Emirates, will carry out the project, which is scheduled to be completed in 2016.

This new award continues to reinforce Technip's positioning on PMC activities. Leveraging its long-lasting experience in executing challenging projects, the Group has developed a comprehensive competency and created an entity dedicated to PMC, providing experienced personnel.

- Technip was awarded by Open Joint Stock Company (OJSC) Kazanorgsintez a contract to provide technology and services for a grassroots furnace at Kazan, Republic of Tatarstan, Russia. The project consists of the engineering and procurement of an SMK™ double-cell cracking furnace. This is preferred for cracking high-capacity, low-cost ethane and propane gas feedstock.

This project is in the framework of the cracking furnaces replacement program of Kazanorgsintez.

- Technip has been awarded a significant contract by Total E&P Borneo B.V., covering engineering, procurement, supply, construction and commissioning (EPSCC). This project aims at the modification of the onshore facilities as well as the construction of a new onshore pipeline, in order to transport Maharaja Lela & Jamalulalam South (MLJS) gas to the Brunei Liquefied Natural Gas (BLNG) plant.

The onshore modification work includes:

- de-bottlenecking of the processing plant to enable handling up to 5 million cubic meters per day (annual average) from the greater MLJ field;
- associated assistance in start-up and performance test.

March 2014

- Technip has been awarded a contract by Shell UK Limited to provide front-end engineering design (FEED) for the onshore elements of the Peterhead Gas Carbon Capture and Storage (CCS) demonstration project in Aberdeenshire, Scotland. The project is designed to capture, compress and transport by pipeline one million tons a year of carbon dioxide to an offshore gas reservoir for long-term storage beneath the North Sea.

The FEED scope includes a grassroots carbon capture and compression plant and modifications to an existing combined cycle gas turbine power plant.

- Technip has been awarded a major subsea contract by Eni Muara Bakau B.V. (Eni) the Operator of the Muara Bakau PSC, for the Jangkrik project located in the Muara Bakau PSC working area, approximately 70 kilometers off the coast of Makassar Strait, Indonesia, at water depth ranging from 200 to 430 meters.

The contract covers the engineering, procurement, commissioning and installation of:

- 36 kilometers of flexible risers and flowlines with diameters ranging from 4" to 14";
- 195 kilometers of pipeline with diameter ranging from 4" to 24";
- subsea equipment which includes mid-water arch and flowline end termination.

Technip will also carry out the installation of 51 kilometers of umbilicals, five manifolds and seven SSIV subsea structures and associated flying leads. Finally, the project also includes the engineering, procurement and construction of an onshore receiving facility including pig traps, metering systems and utilities.

6.2. Group Business Environment

6.2.1. MARKET ENVIRONMENT

In 2013, investment by oil companies in the upstream sector experienced another year of growth. In 2013, investments in exploration and production increased by 10% globally, according to the Barclays study "Global 2014 E&P Spending Outlook" that surveyed more than 300 oil companies worldwide.

In 2013, the downstream sector saw high capital expenditure concentrated in the following markets: emerging economies with a rapidly increasing demand for energy; countries with a significant stock of hydrocarbons that are committed to expanding into downstream activities; and in North America, which is benefiting from the shale oil and gas revolution. Conversely, capital expenditure remained limited for Onshore Downstream in industrialized countries, such as those in Western Europe.

The IFP *Énergies nouvelles* report entitled "Investment in Exploration & Production and Refining" published in October 2013 similarly describes the positive trend over 2013 with a predicted persistent upward trend regarding investments in 2014.

In 2013, there were delays in a number of final investment decisions by major oil and gas companies despite oil prices remaining at strong levels throughout the year, due to several factors including: uncertainty about the global economic recovery; geopolitical tensions (particularly in Egypt, Iran, Iraq, Libya and Syria); and development costs of certain projects, considered too high once shareholders' profit distribution constraints were taken into account. Currently, national oil companies have the highest capital expenditure.

In both the medium-term and long-term, Technip's growth drivers remain robust, supported by solid global demand for oil and gas, with estimated global demand revised upward by the International Energy Agency (IEA) in 2013 to 101 Mboe/d in 2035, compared to 99 Mboe/d in 2035 predicted in the previous forecast in 2012. The need for oil and gas companies to offset the natural depletion of their reserves and an ongoing shift towards harsh environments (e.g., deepwater developments) and complex projects (e.g., Floating LNG solutions), should also sustain Technip's activity in the coming years.

6.2.2. GROUP BUSINESS SEGMENTS

Technip is a world leader in project management, engineering and construction in the oil and gas industry.

Its main markets include onshore plants (e.g., refining, petrochemical and gas treatment), offshore platforms (e.g., Spar, Semi-sub and FLNG) and subsea construction (e.g., installation of subsea pipelines).

Technip is a key integrated player on the Subsea market thanks to its portfolio of state-of-the-art subsea pipe technologies (notably flexible since the 1970s) and industrial and operational assets. The Group has four flexible pipe manufacturing plants (taking into

account the ramp-up of Açu in 2014), four umbilical production units, five reeled rigid pipe spoolbases and a constantly evolving fleet of vessels that is strategically deployed to serve the world's major markets.

Technip is a major player on the Onshore/Offshore business segment. Indeed, Technip holds both many proprietary technologies and technological know-how covering the full spectrum of onshore installation from gas treatment to petrochemical. Moreover, Technip has an outstanding track-record in the design and construction of LNG, gas treatment plant, refineries, hydrogen, ethylene and synthetic gas plant. Finally, Technip has been a pioneer to push boundaries further in terms of capacity for hydrocarbon treatment projects: LNG, production unit of ethylene and hydrogen.

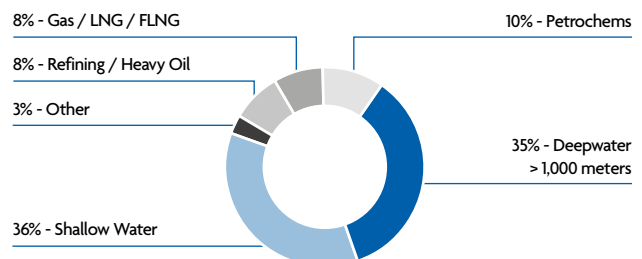
Technip services offering goes from early conceptual studies to EPC(I) for projects in shallow water (conventional sub-structures and self-installing platforms such as the TPG 500) and for deepwater facilities (including Spar, semi-submersible, TLP, FPSO and FLNG units). The Group is also a world leader in floatover installation of topsides. The Heidelberg Spar will be the 17th delivered by Technip (out of 20 worldwide) and thus demonstrates the Group's leadership for this kind of floating platform and ability to tackle ultra-deepwater developments.

Building upon its experience in major LNG, FPSO and subsea infrastructure projects, Technip is uniquely positioned to manage all aspects of the design and delivery of new generation FLNG vessels as shown by the award of ground-breaking contracts in this field, notably the 15-year master agreement awarded by Shell to Technip, leader of a consortium, for the design, construction and installation of multiple Floating Liquefied Natural Gas (FLNG) facilities.

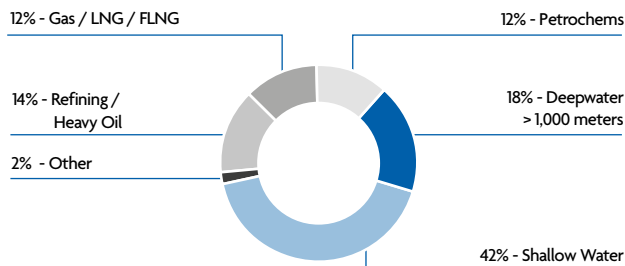
Technip revenues by business segment

In millions of Euro	2013	2012
Subsea	4,083	4,047
Onshore/Offshore	5,253	4,156
TOTAL	9,336	8,203

Technip backlog as of December 31, 2013



Technip backlog as of December 31, 2012



Subsea

Subsea market environment

The Subsea market includes the manufacture of products for the development of oil and gas fields and the installation of subsea pipelines (rigid pipelines, flexible pipelines, umbilicals, etc.).

In October 2013, the survey by Wood Mackenzie entitled “*The End of Upstream Spending Boom*” predicted the deepwater market to be a growth driver for capital expenditure over the next three years, predominantly supported by field developments in historically deepwater regions: Australia, Brazil, the Gulf of Mexico, the North Sea and West Africa. New deepwater regions, such as Indonesia or Mozambique, should also contribute to investment growth.

Subsea strategy

Technip aims to strengthen its worldwide leadership in the Subsea market. Its strategy relies on the following priorities:

- increasing its local presence in high-potential regional markets (such as Africa, Asia Pacific and Brazil);
- further improving project execution capabilities;
- improving the efficiency of its fleet of vessels;
- upgrading its manufacturing capabilities for flexible pipelines and umbilicals; and
- developing the technologies and know-how required to serve subsea projects in increasingly deep waters and harsh environments.

Subsea competition

Technip competes against subsea construction contractors and manufacturers of flexible pipes and umbilicals. Its main competitors in subsea construction include Subsea7, Emas, Allseas, Heerema, McDermott, Saipem, SapuraKencana, Petrofac and Odebrecht Oil & Gas. With respect to flexible pipes, Technip's main competitors are NKT-Flexibles and Wellstream, part of National Oilwell Varco and the General Electric Group respectively. With respect to umbilicals, Technip's main competitors include Aker Solutions, Nexans, Oceaneering and Prysmian.

Onshore/Offshore

Onshore/Offshore market environment

The Offshore market includes various types of projects, from small fixed platforms in shallow water to large floating platforms in deep water. Floating LNG has recently emerged as a new type of project in this market.

The global Offshore oil and gas industry is expected to continue its growth in the coming years. The offshore fields in the Gulf of Mexico, the Middle East and the North Sea in Europe were the traditional backbone for investments in the last decade. Recent discoveries of offshore fields with impressive reserves in other regions such as Brazil, Asia, Australia and East Africa are increasingly becoming drivers of investment.

Global liquefaction capacity should continue to increase as demand for gas continues to grow. Floating LNG should also contribute to support investment growth in Asia where demand is strong.

The Onshore market covers different types of plants, including gas treatment, LNG, refining, and petrochemicals (including ethylene).

This expansive market focuses on developing countries with rapidly growing energy demand (in particular, in Asia and Latin America) and countries with abundant oil and gas reserves that have decided to expand downstream (in particular, in the Middle East and Russia). The Onshore market remains relatively small in developed economies (such as in Western Europe). The North American Onshore market is experiencing a strong recovery in the wake of the oil and gas shale revolution.

The acquisition of Stone & Webster process technologies, which was completed in 2012, expands Technip's potential Onshore market and should allow Technip to continue to benefit from the North American market revolution. This acquisition has strengthened Technip's position in this region as well as its technology portfolio, particularly in ethylene and other petrochemicals in the domain of refinery.

Onshore/Offshore strategy

In the Offshore market, Technip is positioning itself on the most demanding “frontier” projects, including ultra-deepwater floaters, large topsides, floatover solutions and floating LNG.

Its strategy is based on the following priorities:

- consolidating its leadership in the emerging floating LNG market;
- further developing its local delivery capabilities in regions with substantial market potential;
- investing in its technologies and technical know-how; and
- improving its project-execution capabilities.

Technip is one of the world's leading Onshore contractors, with recognized know-how in technologies and a sound track record on large-scale projects around the globe.

Technip's strategy is based on the following priorities:

- investing in technologies and associated know-how;
- strengthening its internal execution capabilities for large projects;
- expanding its local foothold in large regional markets with strong growth potential;
- developing its customer relationships and involvement in the early project phases; and
- diversifying its contract portfolio (conceptual studies and FEED, EPCM, LSTK and reimbursable projects).

Onshore/Offshore competition

In the Onshore market, Technip faces a large number of competitors, including US companies (Bechtel, CB&I, Fluor, Foster Wheeler, Jacobs and KBR), Japanese companies (Chiyoda, JGC and Toyo), European companies (Petrofac, Saipem, Tecnicas Reunidas and Amec) and Korean companies (GS, Hyundai, Samsung, SK, and Daelim). In addition, in a number of countries, Technip competes against smaller, locally-based engineering and construction companies.

The competition in the Offshore market is relatively fragmented and includes various players with different core capabilities. There are offshore construction contractors, such as Aker Solutions, McDermott and Saipem; shipyards, such as Hyundai, Daewoo and Samsung; leasing contractors, such as SBM and Modec; and local yards in Asia Pacific, the Middle East and Africa.

6.2.3. GEOGRAPHIC AREAS WHERE THE GROUP IS PRESENT

Technip is a global player in the oil and gas industry with significant revenues and backlog in most regions of the world, which were split as follows in 2013:

- Middle East: 10% of Technip's revenues and 10% of its backlog;
- Europe, Russia and Central Asia: 29% and 25%, respectively;
- Americas: 31% and 32%, respectively;
- Asia Pacific: 21% and 16%, respectively; and
- Africa: 9% and 17%, respectively.

6.3. Description of Project Strategy

Projects are increasingly ambitious, complex and performed in pioneering fields.

In this environment, Technip must focus its management and financial resources on its specialty sectors, develop teams and assets adapted to these challenges and prepare for the future by strengthening its technological assets and expertise.

Within this strategic framework, Technip's operational organization has evolved and now focuses, in particular, on continuing to develop its geographical presence and optimizing Project execution capabilities.

Technip's Regions and autonomous Business Units are responsible for sales and marketing activities, as well as for Project execution and results.

This decentralized structure contributes to the Group's development while also permitting the Group's management to make decisions relating to major Projects that exceed certain thresholds, with decisions below these thresholds made by the Regions or the Business Units, as the case may be.

To manage inherent business risk, Technip continues to manage the composition of its Project portfolio from the pre-qualification phase up until invitations to tender. The Group carries out a detailed risk-analysis at every stage of its Projects. Such an analysis contributes to the diversification of the order composition, contractual forms and geographic areas. This analysis also allows the Group to promote a balance in its Project portfolio across business segments and technologies, as well as allowing the Group to develop partnership strategies that enable it to share the risks on the Projects.

6.3.1. A BALANCED MANAGEMENT OF THE BACKLOG

Diversification in Contractual Forms

Depending on the nature of the risks highlighted during the Early Tendering ("ET") and/or Authorization To Tender ("ATT") processes, Technip proposes to its clients "cost plus fee" contracts rather than contracts on a lump sum basis and/or proposes to exclude certain services, such as equipment procurement and/or construction, particularly where design studies are not sufficiently developed at the proposal stage; or proposes contracts which may be converted into progressive lump sum turnkey contracts, instead of lump sum turnkey contracts.

In its management risk approach, Technip also strives to obtain firm commitments from its suppliers prior to submitting proposals to clients.

Geographic Backlog Diversification

The Group strives to diversify the list of countries in which it performs contracts to avoid or mitigate the potential effects of an event or particular situation such as an excessive concentration of Projects in a region or in a specific country, which may render the execution of such Projects more difficult, longer and/or more expensive.

Backlog Balance by Business Segment

The Group also endeavors to balance its backlog by business segment between the Subsea segment on one hand and the Onshore/Offshore segment on the other, to lower its exposure to the cycles in each of these business segments.

Association Strategy

To mitigate its risks on a specific Project, Technip may decide to submit a bid in association with one or more companies through either a joint venture or a consortium.

The type of association is carefully reviewed at the proposal stage by taking into account all relevant parameters, including client's requirements and needs, respective expertise of each member of the association, and interfaces. In general, the members of a joint venture or a consortium are jointly and severally liable to the client.

6.3.2. INTERNAL PROCESS FOR REVIEW OF POTENTIAL TRANSACTIONS

Because of the high cost associated with preparing a proposal, Technip only bids on Projects that have been scrutinized through a selection process. Each Project is without exception evaluated on its own merits and this includes a consideration of market share and/or asset utilization.

To achieve an optimized "Risk/Reward" profile satisfying the Group's criteria, all transactions are reviewed at the level of the Group, Region or Business Unit to properly assess all risks that may arise. The decision to pursue a Project, submit an offer and/or accept a letter of intent or sign a contract is systematically subject to prior approval at the appropriate delegation threshold. The delegation threshold is defined by the Group's internal procedures by business segment and by Region, on the one hand, and by Business Unit, on the other.

Before a decision is made to submit a proposal, Technip first reviews each specific prospect through an ET process. At the end of this process, the Management of the Group, of a Region, or of a Business Unit, as the case may be, decides whether or not Technip should submit a proposal.

Where a decision has been made to submit a proposal, Technip enters the proposal formulation process, during which all terms and conditions of the transaction are analyzed. These aspects are reviewed during an ATT meeting at the conclusion of which the Management of the Group, of a Region, or of a Business Unit, as the case may be, will decide the terms under which the proposal will be submitted or, in very few cases, that a proposal will not be submitted.

Once a proposal is made by Technip and accepted by the client, the analysis and risk assessment performed during the ATT process is updated during an Authorization To Commit ("ATC") meeting. Technip cannot accept any letters of intent and cannot enter into any contracts prior to receiving approval from the Management of the Group, of a Region, or of a Business Unit, as the case may be, during an ATC meeting.

6.3.3. DESCRIPTION OF CONTRACTUAL STRUCTURES

"Cost Plus Fee" Contracts

Contrary to lump sum contracts, under which Technip bears the full risk of any overrun of the initial budget, cost plus fee contracts allow Technip to avoid bearing a risk on the final cost. Under this type of contract, Technip is paid for its services on an hourly rate and it is also paid for procurement and construction activities based on actual costs, plus an added pre-determined profit margin.

EPCM Contracts

For specific types of Projects where Technip cannot take risks with respect to the supply of equipment and construction activities, particularly where design studies are not clearly defined at the time of the submission of a proposal, EPCM contracts will be preferred. Under an EPCM contract, Technip's activities are limited to providing services (e.g., engineering, procurement and construction services, as well as assistance during the construction phase). All risks associated with procurement and construction activities are thus transferred to the client. Cost plus fee arrangements are also preferred for major contracts. In addition, these types of contracts often provide for a bonus/malus scheme related to the investment cost and the overall Project performance schedule.

Progressive Turnkey Contracts

Given today's uncertain market conditions, Technip has introduced a new contractual scheme to reduce its risks and costs for itself and its clients. With progressive turnkey contracts, payment is made on a cost plus fee basis during the design and procurement phases until an appropriate time, after which Technip may propose a conversion into turnkey contract being able to take into account all latest developments of the project. Once this is completed, payment is converted to a lump sum basis. This type of contract allows Technip to mitigate risks related to the design phase and to increasing costs and allows clients to better evaluate their provisions for risks.

Lump Sum Turnkey Projects

Under lump sum turnkey contracts, Technip takes full responsibility with regards to the execution of a Project (i.e., design and engineering activities, supply of equipment and materials, and construction works) with respect to:

- (i) technical aspects (including on any portion subcontracted to suppliers and to construction companies);
- (ii) completion deadlines; and
- (iii) financial aspects.

In this regard, Technip takes full responsibility with respect to any budget overruns, as initially agreed for the performance of the Project at the time the contract was entered into, with the exception of those resulting from specific events that give a contractual right to renegotiate the price and/or applicable deadlines.

Technip remains a major actor in lump sum turnkey contracts, which remains the prevailing standard in certain parts of the world such as in the Middle East, and in other regions where the Group considers the construction costs manageable.

6.3.4. TYPES OF ASSOCIATIONS

To mitigate risks associated with mega Projects or Projects presenting technological challenges or risks associated with construction, Technip may decide to submit a bid in association with one or more companies through a joint venture or a consortium.

A joint venture or a consortium is generally formed for the sole purpose of a specific Project and is dissolved when all respective obligations and liabilities of the client and the members have been duly satisfied.

Joint Ventures

A joint venture is a temporary association of companies (which may or may not be incorporated) under which its members perform their respective scope of work, generally as an integrated team, and share the risks and rewards according to a predetermined prorata rule.

Consortium

A consortium is also a temporary association of companies, but differs from a joint venture in that each member is solely and individually responsible for the performance of its scope of work and, in general, individually bears all of the risks associated with such performance.

A consortium is preferred where the split of work between the members is clearly identified and in particular when Technip works in association with a construction company or a shipyard.

6.4. The Group's Business Segments

Technip is active on the two following business segments: Subsea, and Onshore/Offshore. See Section 9.2 of this Reference Document for a breakdown of revenues by geographical area. Since 2012, in order to reflect the combined management of Onshore and Offshore resources, Technip uses two business segments to present its financial results and its operations: the Subsea segment on one hand and the Onshore/Offshore segment on the other hand. Further information in relation to the Group's reliance upon patents or licenses, contracts (whether industrial, commercial or financial) or new manufacturing processes is reported in Section 4.1 of this Reference Document.

6.4.1. SUBSEA

Technip provides integrated design, engineering, manufacturing and installation services for infrastructures and subsea pipe systems used in oil and gas production and transportation.

Technip is considered as one of the world leaders in the Subsea construction sector. Thanks to its engineers and technicians, Technip is internationally recognized for its technological expertise. Its focus on developing technologies allows the Group to offer its own technologies both as products and for installation processes.

In 2013, the Subsea segment generated revenues of €4,083 million, representing 43.7% of the Group's consolidated revenues (see Section 9.4 of this Reference Document for a description of the Subsea segment's operating income).

Services for Subsea Oil Fields

One alternative to using platforms with surface wells for offshore hydrocarbon production is placing wellheads on the seabed and connecting them to processing and removal platforms with rigid and/or flexible pipes. Wellheads and subsea collection systems are remotely controlled through umbilicals that send data, steer the subsea wellheads and send service fluids from a platform or a production vessel. Technip's services include the turnkey delivery of these subsea systems, particularly, offshore work (pipelay and subsea construction) and the manufacture of critical equipment such as umbilicals and flexible pipes. Technip can also handle the supply of other subsea equipment and the procurement of rigid pipes that the Group acquires from third parties on an international bid. As markets move towards greater sea depths, there is a growing need of new resources and approaches. Due to its technological innovations, Technip can serve customers defining and opening new ultra-deep sea fields.

In addition to the engineering and installation of new systems, Subsea activities also include the maintenance and repair of existing subsea infrastructures and the replacement or removal of subsea equipment.

Technip has one of the world's top-performing fleets of subsea pipelay (rigid and flexible pipe installation) and construction vessels, which is essential to its Subsea activities. This fleet has increased its perimeter with the launch of the *Deep Energy* in July 2013. The *Deep Energy* is the fastest and one of the largest and most capable pipelay vessels ever built in our industry.

She supports subsea developments in shallow to ultra-deep waters of down to 3,000 meters. Specifically designed to operate in the North Sea, the Atlantic basin and intercontinental projects, her service speed of 19.5 knots enables fast transit between work sites, increasing vessel availability for clients.

As technology and innovation are the cornerstones of Technip's strategy, Technip inaugurated in June 2013 the Innovation and Technology Center in Rueil-Malmaison (near Paris, France). This center brings together an increasing number of managers and specialists of subsea technologies necessary to the development of underwater oil and gas fields. Its vocation is to centrally manage Technip's technological development, and to coordinate all relevant Research and Development (R&D) centers and regional entities. Its main missions are to boost innovation and in particular to direct the action of our strategic R&D partners, to develop synergies between technologies, to reinforce our competencies and attract highly-qualified professionals. The center will develop so as to efficiently support the growth of Technip's business.

Flexible Pipe Supply

In this segment, Technip performs the engineering and manufacturing of the flexible pipes, relying on:

- its engineering centers in Rio de Janeiro (Brazil), Paris (France), Oslo (Norway), Aberdeen (UK), Kuala Lumpur (Malaysia), Perth (Australia), Houston (USA) and Abu Dhabi (EAU); and
- its manufacturing units in Vitória (Brazil), in Le Trait (France) and in Tanjung Langsat (Malaysia).

The goods are delivered alongside the dock of the manufacturing unit and are loaded on a vessel operated by the client.

Technip has initiated the construction of a second high-end flexible plant in Brazil within the new Porto do Açú development.

Umbilical Supply

Duco, a Technip subsidiary, responds to calls for tender issued by different types of clients such as oil companies, subsea well-head manufacturers, and turnkey projects using its engineering expertise and substantial business experience. In this respect, Duco relies upon the engineering centers in Newcastle (UK) and Houston (USA) and the thermoplastic or steel tube umbilicals manufacturing units in Newcastle (UK), Channel View (USA), Lobito (Angola) and Tanjung Langsat (Malaysia).

Long-Term Charter Vessels

This sector of the market is specific to Brazil where Petrobras charters vessels fitted with flexible and umbilical laying equipment. In 2012, Technip operated five vessels in long term charter for Petrobras: the *Sunrise 2000*, with the capacity to lay three lines simultaneously, the *Normand Progress*, fitted with a VLS (Vertical Laying System), the *Skandi Vitória*, the *Deep Constructor* and the *Skandi Niterói*, all three fitted with a vertical and horizontal laying system.

In addition, the joint venture formed by Technip (50%) and Odebrecht Oil & Gas (OOG, 50%) is currently building two flexible pipeline installation vessels for charter and operation awarded by Petrobras. Characterized by their high pipelay tension capacity of

550 tons, the twin vessels will be principally employed to install umbilical and flexible flowlines and risers to connect subsea wells to floating production units in waters up to 2,500 meter deep offshore Brazil, including in the pre-salt area.

In 2013, the joint venture formed by Technip (50%) and DOF (50%) was awarded by Petrobras eight contracts. These contracts cover the construction of four new pipelay support vessels (PLSVs) and operation in Brazilian waters to install flexible pipes. The combined value for Technip is approximately €1.35 billion. Two of the PLSVs will have a 300-ton laying tension capacity and will be built in Brazil with a high national content. The other two vessels will be designed to achieve a 650-ton laying tension capacity, thus enabling the installation of large diameter flexible pipes in ultra-deepwater environments, such as the Brazilian pre-salt.

Turnkey Projects

Most of the Subsea contracts are performed under lump sum contracts, with Technip performing engineering, procurement and project management for the entire field development. Rigid pipeline installation is performed by the *Deep Blue*, the *Deep Energy*, the *Apache II*, the *G1200* and the *G1201*. Support is provided by the spoolbases located in Mobile (US), Dande (Angola), Evanton (UK) and Orkanger (Norway). Flexible pipes and other subsea infrastructures are installed with offshore construction vessels, diving support vessels and multisupport vessels.

Recent large-scale EPCI projects undertaken by Technip include Pazflor in Angola, West Delta Deep Marine in Egypt and Islay in the North Sea.

Inspection, Maintenance and Repair (IMR), and Asset Integrity Management

The inspection and maintenance of subsea infrastructure is an increasing market, particularly in mature fields. Due to its long-standing presence in the North Sea, Technip has developed recognized expertise using a high performance fleet of diving vessels.

The development of deepwater fields and the ageing of these installations increase the need for IRM services using ROVs.

The asset integrity management, with the increasing focus on safety of the industry by the Group, is becoming a paramount characteristic for the market. Technip proposes several technical innovations in this field that improve flow assurance and corrosion resistance. Cybernétix's development of comprehensive solutions for remote operation, monitoring/control or by measures based on the EPICOM (Engineering, Procurement, Installation, Commissioning, Operation and Maintenance) model perfectly complements Technip's own solutions.

6.4.2. ONSHORE/OFFSHORE

Technip's Onshore activity covers all types of onshore facilities for the production, treatment and transportation of oil and gas as well as petrochemicals and other non-oil and gas activities of the Group. Technip also designs and builds infrastructures related to these activities, in particular hydrogen production units, electricity units and sulfur recovery units as well as storage units.

In 2013, the Onshore/Offshore business segment generated revenues of €5,253.1 million, representing 56.3% of the Group's consolidated revenues. See Section 9.4 of this Reference Document for a description of Onshore/Offshore operating income.

Onshore

Development of onshore fields

Technip designs and builds all types of facilities for the development of onshore oil and gas fields, from wellheads to processing facilities and product export systems. In addition to participating in the development of onshore fields, Technip also renovates existing facilities by modernizing production equipment and control systems, and brings them into line with applicable environmental standards.

Land pipelines

Technip builds pipeline systems chiefly for natural gas, crude oil and oil products, water and liquid sulfur. Through its operating center located in Düsseldorf (Germany), Technip is one of the world's most experienced pipeline builders and has completed projects in the most challenging of environments, such as the Desert, the Tundra, mountains or boggy fields. Since 1960, Technip has completed more than 160 pipeline projects in more than 40 countries, amounting to an aggregate length of 34,000 kilometers of pipelines.

Natural gas treatment and liquefaction

Technip offers a complete range of services to clients who wish to produce, process, fractionate and market the products of natural gas. The majority of business conducted pertains to the liquefaction of methane. Services provided by Technip to its customers range from feasibility studies to construction of entire industrial complexes under a turnkey contract. In the field of liquefied natural gas (LNG), Technip is among the most experienced engineering contractors having designed and built the first high capacity liquefaction plant in the world in Arzew, Algeria, 50 years ago. Technip is also well positioned in the Gas-To-Liquids (GTL) market and, in 2006, completed the engineering and construction of Oryx, the first GTL project of significant size in Qatar. In addition, Technip has extensive experience in natural gas processing and has access to corresponding licensed technologies. Technip is specialized in extracting sulfur from natural gas and is, according to the Group's assessment of the market, the world leader in terms of number of units installed. With its Cryomax technology, Technip specializes also in the highly efficient extraction of C₂ and C₃ hydrocarbons from natural gas.

Refining

Technip is a world leader in oil refining. The Group manages all aspects of projects from the preparation of concept and feasibility studies to the design, construction and start-up of complex refineries or single refinery units. Since its founding in 1958, Technip has been involved in the design and construction of

30 grassroots refineries, and is one of the few contractors in the world to have built six grassroots refineries since 2000. Technip has extensive experience with any type of technologies relating to refining and has completed more than 840 individual process units, from 100 major expansion or refurbishment projects implemented in more than 75 countries. Based on decades of cooperation with the most highly renowned technology licensors and catalyst suppliers and due to its strong technological expertise, Technip ensures a completely independent selection of the best technologies to meet specific Project/Client targets.

With a strong track record in refinery optimization projects, Technip has gained experience and competence, simultaneously, in all technological fields that impact both present and future development in the oil refining sector.

Hydrogen

Technip is a major actor in the design and construction of hydrogen and synthesis gas production units as well as sulfur recovery units. Hydrogen is used to treat and/or process refinery products and petrochemicals. Synthesis gas is used to make various chemical products such as acetic acid and methanol. Technip designs and builds hydrogen and synthesis gas plants for the refining, petrochemical and chemical industries. Since 1992, Technip has participated in a worldwide alliance with Air Products notably to supply high-purity hydrogen to the refining and other industries. High-purity hydrogen is critical for converting heavy crude oil into low-sulfur fuels that meet the most stringent environmental standards. Since its founding, Technip has participated in the design and construction of close to 300 units of this type worldwide for the refining and other related industries.

Ethylene

Technip holds proprietary technologies and is a leader in the design, construction and commissioning of ethylene production plants. In 2012, Technip acquired the process technologies of Stone & Webster from The Shaw Group (see Section 11.4 of this Reference Document) which contributed to the strengthening of the Group's leadership in the ethylene sector.

Petrochemicals and fertilizers

Thanks to solid experience and to an established cooperation with leading technology providers in the petrochemicals and in the fertilizers domains, Technip is in an excellent position on these markets.

Biofuels and renewable energies

Technip is active in the renewable energies market through engineering studies and execution of production units in the fields of biofuels, geothermal, concentration solar power and offshore wind farms.

Other industries

Technip also offers its engineering and construction services to industries other than oil and gas, principally to mining and metal companies.

Offshore

Technip designs, manufactures and installs worldwide fixed and floating platforms for the drilling, production and processing of oil and gas reserves located in offshore.

Technip is also worldwide renowned for its first-of-kind execution in this activity, the latest being the FLNGs – Prelude for Shell and LNG1 for Petronas – and the first Spar in the Arctic for Statoil in the Aasta Hansteen field.

Regarding hulls, Technip can now propose a portfolio with a complete range of solutions thanks to the award of the Malikai TLP by Shell which completes its recognized competences in the design of Spar hull (leader) and of semi-submersible facilities (Brazil and HVS).

Even if Technip has limited floating means in heavy lift (*G1200* and *G1201*), the Group is however present on this market thanks to its Unideck technology (cf. Ofon 2).

Traditional offshore development

Despite the slowing down of the investments in the North Sea, Technip confirms its presence on this market with the award of important projects such as Umm Lulu phase 2 for Adma Opco, FMB for Qatar Petroleum and SK316 NC3 for Petronas (for further details, please refer to Section 6.1.1 “Onshore/Offshore” of this Reference Document).

It is also to be noted for 2013 that the construction of the jacket began in the Netherlands at HFC and of the topsides in Korea at DSME for Dong Hejre project, as well as the loading of the Ofon 2 deck at HHI for Total Exploration Production Nigeria.

Floating Production Storage and Offloading FPSO unit

Technip pursued its activities regarding the Inpex Ichthys FPSO in Australia for DSME as well as regarding the Cesao Onarosa in Brazil in the context of the joint venture with Techint.

Floating LNG installation

In addition to the end of the design studies for the floating installations of LNG (FLNG) for Noble Energy in the Mediterranean Basin and ConocoPhillips in Australia, and the continuation of conceptual studies for Shell within the context of the agreement FLNG 2020, important steps were completed on projects of Shell Prelude and of Petronas LNG1:

- the transfer of management teams from Paris to Goeje which means the end of the engineering phase and the beginning of the topsides construction and the launch of the 140,000 tons hull;
- the beginning of the construction of the LNG1 hull.

Spar

The Spar activity for Technip in 2013 was highlighted by the delivery of the hull of the Lucius Spar and the beginning of the construction of the Heidelberg Spar for Anadarko.

TLP (Tension Leg Platform)

The beginning of the construction on a Technip design of the Shell Malikai TLP gives necessary credibility to Technip to be part of those few engineers capable of providing a TLP on the market as a turnkey contract.

6.5. Suppliers

Projects managed by Technip as well as Technip's businesses require the use of numerous raw materials, parts and equipment. Equipment purchases are made through participation in competitive bids, and suppliers are selected based on specific economic and technical qualification criteria. Technip has stable working relationships with its main suppliers and has not had difficulties finding high-quality raw materials to meet the needs of its manufacturing processes. Technip continuously strives to consolidate its procurement sources and to maintain an adequate number of suppliers for strategic equipment and raw materials.

Technip procures its equipment and components for Onshore and Offshore project execution from a large number of international suppliers recognized as leaders in their respective sectors. In 2013,

Air Products, Emerson, General Electric, Siemens, Yokogawa, were among the Group's main suppliers.

In 2013, with regard to suppliers and main raw materials used in the Subsea segment to manufacture flexible pipes and umbilicals, the Group turned to leading suppliers such as ArcelorMittal, Balmoral, Fugro, Serimax, Tenaris.

Raw materials prices were overall stable in 2013, with the price of certain materials, such as steel, decreasing. During 2013, the conditions in the market, with its impact on suppliers, did not result in any shortage of strategic raw materials and equipment for Technip.

6.6. Environment ⁽¹⁾

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

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

These aspects, as well as new environmental operations and initiatives developed in 2013 within the Group, are described in paragraph 3 of the Society and Environmental Report in Annex E of this Reference Document.

Environmental Reporting

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

Additional information on the methodology, scope and coverage of the Group's environmental reporting is provided in paragraph 3.1 of the Society and Environmental Report in Annex E of this Reference Document. The Group's results in terms of environmental performance are also detailed in that paragraph.

6.6.1. CONSUMPTION OF WATER RESOURCES

See Section 3.4.2 of Annex E to this Reference Document.

6.6.2. CONSUMPTION OF RAW MATERIALS, ENERGY USE AND EFFICIENCY

See Section 3.4.2 of Annex E to this Reference Document.

6.6.3. GREENHOUSE GAS EMISSIONS (GGE)

See Section 3.4.3 of Annex E to this Reference Document.

6.6.4. WASTE MANAGEMENT

See Section 3.4.3 of Annex E to this Reference Document.

6.6.5. NOISE AND OLFACATORY POLLUTION

See Section 3.4.5 of Annex E to this Reference Document.

6.6.6. BIODIVERSITY PROTECTION

See Section 3.4.5 of Annex E to this Reference Document.

6.6.7. LEGAL AND REGULATORY COMPLIANCE

See Section 3.2.4 of Annex E to this Reference Document.

6.6.8. ENVIRONMENTAL CERTIFICATION POLICY AND PROCESS

See Section 3.2.5 of Annex E to this Reference Document.

6.6.9. EXPENSES RELATED TO REDUCING THE GROUP'S ENVIRONMENTAL IMPACT

See Section 3.4.6 of Annex E to this Reference Document.

6.6.10. HEALTH, SAFETY AND ENVIRONMENT ORGANIZATION

See Section 3.2.3 of Annex E to this Reference Document.

6.6.11. ENVIRONMENTAL PROVISIONS AND INDEMNITIES – COMPENSATION PAID DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2013 RESULTING FROM COURT DECISIONS ON ENVIRONMENTAL ISSUES IMPOSING SUBSEQUENT ACTION TO REMEDY DAMAGE

See Section 3.2.6 of Annex E to this Reference Document.

6.6.12. TARGETS ASSIGNED TO SUBSIDIARIES OUTSIDE FRANCE

See Section 3.2.1 of Annex E to this Reference Document.

(1) An Activity and Sustainable Development Report is published by the Company and is available on the Group's website (www.technip.com).



Organizational Structure

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7.2. Subsidiaries and Investments.....	56

7.1. Simplified Group Organizational Structure as of December 31, 2013

Technip SA is the Group parent company.

The Company is primarily a holding company that receives dividends and invoices management and administrative costs (in the form of management fees) as well as specific costs such as insurance and guarantee fees.

The Company's revenues are, to a large extent, fully invoiced to its subsidiaries.

In addition, Technip Corporate Services (TCS), a legal structure dedicated to the Group's corporate activities, organizes the corporate teams and supports the Group's growth strategy. TCS teams serve all Regions and provide expertise in cross-Group functions such as QHSE, Human Resources, Finance, Tax matters, Legal, Product Lines, Communication, Security and IT.

7.2. Subsidiaries and Investments

The subsidiaries manage and execute the Group's contracts. The Group's major subsidiaries include the following:

- Technip France, a simplified joint-stock company (*société par actions simplifiée*) located at 6-8, allée de l'Arche, 92400 Courbevoie (France). It is registered with the Company and Commercial Register of Nanterre under Number 391 637 865. Technip France has been active for over 50 years in the engineering and project construction fields for the oil and gas and chemical industries. It manages contracts in both segments of the Group's activities (Subsea and Onshore/Offshore). As of December 31, 2013, the Group held 100% of this company's share capital.
- Technip Italy S.p.A., located at Viale Castello della Magliana, 68 Roma 00148 (Italy). Since 1969, Technip Italy has been a leading contractor in the engineering, technologies and project construction fields, with consolidated experience in the design and implementation of large plants in all sectors of the oil and gas industry. It has a vast capacity to develop large projects in several industrial fields. It is active in the Onshore/Offshore segment. As of December 31, 2013, the Group held 100% of this company's share capital.
- Technip UK Ltd (Aberdeen), located at Enterprise Drive, Westhill, Aberdeenshire AB32 6TQ (United Kingdom). The company specializes in subsea segment and provides the delivery of subsea projects (typically the fabrication, construction, installation and maintenance of pipelines and other subsea structures) for oil and gas operators, and provides specialist project support, research and development activities, as well as vessels and associated personnel and equipment for Technip's global subsea business. As of December 31, 2013, the Group held 100% of this company's share capital.
- Technip Geoproduction (M) Sdn Bhd, located at 2nd Floor Wisma Technip 241 Jalan Tun Razak, 50400 Kuala Lumpur (Malaysia). Created in 1982, this company is active in both segments of the Group's activities (Subsea and Onshore/Offshore). It is the leading engineering technology solutions and turnkey contract provider in the Asia Pacific region for the design and construction of hydrocarbon field development, oil refining, gas processing, petrochemicals and selected non-hydrocarbon projects. As of December 31, 2013, the Group held 30% of the ordinary shares and 30% voting rights in this company.
- Flexibras Tubos Flexíveis Limitada, a Brazilian company, located at 35 Avenida Jurema Barroso, Parte Centro, 29010 380 Vitória (Brazil). Created in 1984, this company's operational activity consists in the manufacture and sale of high-quality flexible pipes. Its manufacturing plant is strategically located near offshore oil and gas fields. As of December 31, 2013, the Group held 100% of this company's share capital.
- Technip USA, Inc., a US company, located at 11700 Katy Freeway, Suite 150, Houston, Texas 77079 (United States). It is active in the Subsea and Onshore/Offshore segments, in particular, with the construction of Spars. As of December 31, 2013, the Group held 100% of this company's share capital.

- Technip Marine B.V. is a Dutch company, located at Boerhaavelaan 31, 2713HA Zoetermeer (The Netherlands). It is active in the Subsea segment and is used for vessel ownership.

As of December 31, 2013, the Group held 100% of this company's share capital.

The table below shows key figures for Technip's major subsidiaries for the year ended December 31, 2013:

Consolidated figures (except dividends) In million of Euro	Technip France	Technip Italy	Technip UK	Technip Geoproduction (M)	Flexibras Tubos Flexiveis	Technip USA, Inc.	Technip Marine B.V.
Revenues	2,055.1	454.2	935.8	273.1	334.7	1,157.7	0.3
Fixed Assets (not including Goodwill)	35.3	23.6	602.6	12.4	216.1	99.7	359.7
Financial Debts (out of the Group)	-	-	-	-	376.6	1.7	-
Cash in Balance Sheet	1,197.6	493.3	(52.1)	78.8	119.6	405.0	69.8
Dividends Paid during the Year to Technip SA	79.3	70.0	-	-	-	-	-
Amount Invoiced by Technip SA during the Year	82.3	13.1	18.6	6.8	2.4	20.3	-

The most significant acquisitions in 2013 are mentioned in the Note 2 (a) "Major Acquisitions" in Section 20.1 of this Reference Document.

On March 8, 2013, Technip announced the acquisition of Ingenium AS, a highly-experienced offshore engineering and services contractor located in Oslo, Norway. Ingenium AS designs and develops mechanical and electro-hydraulic tools and equipment, for the offshore oil and gas industry, and provides engineering services for sub-marine operations, such as the installation of

pipes and cables. The company comprised over 20 highly-skilled engineers in the Subsea business. The set-up of a subsea pipes network thanks to the *North Sea Giant* vessel for the development of the Goliat field in Norway, in 2012, is one of its latest achievements.

For a List of Subsidiaries and Investments please refer to Note 7 of the Company's Statutory Accounts as of December 31, 2013, included in Section 20.2 of this Reference Document.



Property, Plant and Equipment

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8.1. Significant Existing or Planned Property, Plant and Equipment and Major Related Expenses

8.1.1. FACILITIES

Technip's main facilities, with the exception of its vessels, comprise offices, operational centers, assembly plants and factories. As of December 31, 2013, Technip owned offices, including sites in Rome and New Delhi, as well as various factories such as the Le Trait plant in Normandy. Technip leases the majority of its office space such as offices at La Défense (France) and its

headquarters in Paris. It owns or leases construction sites and production sites for the operations of the Subsea Division and for the production of flexible pipes and other subsea products. Technip believes that its facilities are suited to its needs. In the Group's consolidated Financial Statements for the financial year ended December 31, 2013, Technip's land, buildings, machines and equipment were recorded at a net amount of €579.9 million, including €157.9 million of land and buildings.

8.1. Significant Existing or Planned Property, Plant and Equipment and Major Related Expenses

As of December 31, 2013, the Group had access to the following principal properties, either owned or leased:

Location	Purpose	Legal status
(EUROPE)		
Paris, France	Head Offices/Offices	Lease
Courbevoie (Paris – La Défense), France	Offices	Lease
Le Trait, France	Plant (flexible pipes), Offices and Land	Owned
Lyon, France	Offices	Lease
Mont-Saint-Aignan, France	Offices	Lease
Venette, France	Offices	Lease
Nîmes, France	Offices	Lease
Marseille, France	Offices	Owned
Les Pennes-Mirabeau, France	Plant	Lease
Montbonnot-Saint-Martin, France	Plant	Lease
Peynier, France	Plant and Offices	Lease
Compiègne, France	Offices and Warehouses	Lease
Toulouse, France	Offices	Lease
Rueil-Malmaison, France	Offices	Lease
La Garenne-Colombes, France	Offices	Lease
La Seyne-sur-Mer, France	Offices and Land	Lease
Chatenay-Malabry, France	Offices	Lease
Rome, Italy	Offices	Owned/Lease
Zoetermeer, The Netherlands	Offices	Lease
Capelle a/d. IJssel, The Netherlands	Offices	Lease
Den Bosch, The Netherlands	Offices	Lease
Bergen op Zoom, The Netherlands	Offices	Lease
Düsseldorf, Germany	Offices	Lease
Bremerhaven, Germany	Offices	Lease
Newcastle, United Kingdom	Plant (umbilicals) and Offices	Owned/Lease
Aberdeen (Scotland), United Kingdom	Offices and Warehouses	Owned/Lease
London, United Kingdom	Offices	Lease
Milton Keynes, United Kingdom	Offices	Lease
Edinburgh (Scotland), United Kingdom	Warehouses	Owned/Lease
Evanton (Scotland), United Kingdom	Plant (spoolbase) and Land	Owned/Lease
Gateshead, United Kingdom	Offices	Lease
Sunderland, United Kingdom	Offices and Land	Lease
Pori (Mäntyluoto), Finland	Plant (shipyard) and Land	Owned
Antwerp, Belgium	Offices	Lease
Barcelona, Spain	Offices	Lease
Madrid, Spain	Offices	Lease
Tarragona, Spain	Offices	Lease
La Coruña, Spain	Offices	Lease
Oslo, Norway	Offices	Lease
Stavanger, Norway	Offices	Lease
Orkanger, Norway	Spoolbase, Offices and Land	Owned/Lease
Athens, Greece	Offices	Lease
Warsaw, Poland	Offices	Lease
(EASTERN EUROPE)		
Saint Petersburg, Russia	Offices	Lease
Moscow, Russia	Offices	Lease
N. Novgorod, Russia	Offices	Lease
Kstovo, Russia	Offices	Lease
Salehard, Russia	Offices	Lease
Baku, Azerbaijan	Offices	Lease
(ASIA)		
New Delhi, India	Offices/Workshop	Owned
Chennai, India	Offices	Lease
Mumbai, India	Offices	Lease
Noida, India	Land and Offices	Owned
Kuala Lumpur, Malaysia	Offices	Lease
Pasir Gudang, Malaysia	Plant (flexible pipes and umbilicals) and Land	Lease
Shanghai, China	Offices	Lease
Beijing, China	Offices	Lease
Tianjin, China	Offices	Lease
Jakarta, Indonesia	Offices	Lease
Balikpapan, Indonesia	Offices	Lease

Location	Purpose	Legal status
Miri, Indonesia	Offices	Lease
Batam Island, Indonesia	Offshore base	Lease
Bangkok, Thailand	Offices	Lease
Rayong, Thailand	Offices	Lease
Singapore, Singapore	Offices	Lease
Hanoi, Vietnam	Offices	Lease
Ho Chi Minh, Vietnam	Offices	Lease
Seoul, South Korea	Offices	Lease
Yangon, Myanmar	Offices	Lease
Brunei	Offices	Lease
(OCEANIA)		
New Plymouth, New Zealand	Offices	Lease
Brisbane, Australia	Offices	Lease
Perth, Australia	Offices	Lease
Koné, New Caledonia	Offices	Lease
(NORTH AMERICA)		
Houston (Texas), United States	Plant, Land and Offices	Owned/Lease
Claremont (California), United States	Offices	Lease
Mobile (Alabama), United States	Plant (spoolbase) and Land	Owned/Lease
Theodore (Alabama), United States	Spoolbase	Owned
Carlyss (Louisiana), United States	Spoolbase	Owned
New Iberia (Louisiana), United States	Research and Development Center	Lease
Boston (Massachusetts), United States	Offices	Lease
Stoughton (Massachusetts), United States	Offices	Lease
Weymouth (Massachusetts), United States	Laboratory	Lease
St. John's, Canada	Offices	Lease
Calgary, Canada	Offices	Lease
Mexico City, Mexico	Offices	Lease
Ciudad Del Carmen, Mexico	Offices, Workshop and Port Facilities	Owned/Lease
(SOUTH AMERICA)		
Vitória, Brazil	Plant (flexible pipes) and Land	Owned/Lease
Rio de Janeiro, Brazil	Offices	Owned/Lease
Natal, Brazil	Offices	Lease
Guamaré, Brazil	Offices	Lease
Cubatão, Brazil	Offices	Lease
Vila Velha, Brazil	Warehouses	Lease
São João da Barra, Brazil	Plant	Lease
Viana, Brazil	Warehouses	Lease
Macaé, Brazil	Logistics base and Offices	Owned
Angra dos Reis, Brazil	Harbor facilities and Offices	Lease
Açu, Brazil	Plant under construction/Land	Owned / Lease
Caracas, Venezuela	Offices	Owned
Bogota, Colombia	Offices	Owned/Lease
(AFRICA)		
Lagos, Nigeria	Offices	Lease
Port Harcourt, Nigeria	Plant (naval construction site), Offices and Land	Owned/Lease
Lobito, Angola	Plant (umbilicals) and Land	Lease
Dande, Angola	Plant (spoolbase) and Land	Lease
Luanda, Angola	Offices	Lease
Johannesburg, South Africa	Offices	Lease
Algiers, Algeria	Offices	Lease
Accra, Ghana	Offices	Lease
Cairo, Egypt	Offices	Lease
(MIDDLE EAST)		
Dubai, UAE	Offices	Lease
Abu Dhabi, UAE	Offices	Lease
Jebel Ali, UAE	Offices	Lease
Doha, Qatar	Offices	Lease
Al Khobar, Saudi Arabia	Offices	Lease
Sana'a, Yemen	Offices	Lease
Baghdad, Iraq	Offices	Lease

None of the leased properties belong to any of the Group's executives.

8.1.2. FLEET OF VESSELS

Technip's fleet had a utilization rate for financial year 2013.

As of December 31, 2013, the Group holds a stake in or operates the following vessels:

Vessel Name	Vessel Type	Special Equipment	Diving Systems	ROV Systems
<i>Deep Blue</i>	PLSV	Reeled pipelay/flexible pipelay/umbilical systems	0	2
<i>Apache II</i>	PLSV	Reeled pipelay/umbilical systems	0	0
<i>Sunrise 2000</i>	PLSV	Flexible pipelay/umbilical systems	0	2
<i>Skandi Vitória</i>	PLSV	Flexible pipelay/umbilical systems	0	2
<i>Skandi Niterói</i>	PLSV	Flexible pipelay/umbilical systems	0	2
<i>Deep Energy</i>	PLSV	Reeled pipelay/umbilical systems	0	2
<i>Coral do Atlântico</i> ⁽¹⁾	PLSV	Reeled pipelay/umbilical systems	0	2
<i>Estrela do Mar</i> ⁽¹⁾	PLSV	Reeled pipelay/umbilical systems	0	2
<i>Chickasaw</i>	PLSV	Reeled pipelay	0	0
<i>G1200</i>	PLSV/HCV	Conventional pipelay/Heavy handling operations	0	2 ⁽⁴⁾
<i>G1201</i>	PLSV/HCV	Conventional pipelay/Heavy handling operations	0	1 ⁽⁴⁾
<i>Deep Pioneer</i>	HCV	Construction/installation systems	0	2
<i>Deep Constructor</i>	HCV	Construction/installation systems	0	2
<i>Deep Orient</i>	HCV	Construction/installation systems	0	2
<i>North Sea Atlantic</i> ⁽¹⁾	HCV	Construction/installation systems	0	2
<i>North Sea Giant</i> ⁽²⁾	HCV	Construction/installation systems	0	2
<i>Normand Pioneer</i> ⁽²⁾	LCV	Construction/installation systems	0	1
<i>Normand Progress</i> ⁽²⁾	LCV	Construction/installation systems	0	2 ⁽⁴⁾
<i>Normand Ranger</i> ⁽²⁾	LCV	Construction/installation systems	0	1
<i>Skandi Achiever</i> ⁽³⁾	DSV/LCV	Diver support systems	1	2
<i>Alliance</i>	DSV/LCV	Diver support systems	1	1
<i>Orelia</i>	DSV/LCV	Diver support systems	2	1
<i>Seamec Princess</i>	DSV/LCV	Diver support systems	1	0
<i>Seamec 1</i>	DSV/LCV	Construction support systems	0	0
<i>Seamec 2</i>	DSV/LCV	Diver support systems	1	0
<i>Seamec 3</i>	DSV/LCV	Diver support systems	1	0
<i>Skandi Arctic</i> ⁽³⁾	DSV/HCV	Diver support systems	2	3
<i>Wellservicer</i>	DSV/HCV	Diver support systems	2	2
<i>Global Orion</i>	MSV/LCV	Diver support system and ROV operations	1	1 ⁽⁴⁾
<i>Normand Commander</i> ⁽³⁾	MSV/LCV	Diver support system and ROV operations	1	1 ⁽⁴⁾
<i>Olympic Challenger</i> ⁽³⁾	MSV	Construction/installation systems	0	2
<i>Global Pioneer</i>	LCV	Diver support system	0	2 ⁽⁴⁾

PLSV: Pipelay Support Vessel.

HCV: Heavy Duty Construction Vessel.

LCV: Light Construction Vessel.

DSV: Diving Support Vessel.

TSV: Trenching Support Vessel.

OSV: Offshore Supply Vessel.

MSV: Multi Service Vessel.

(1) Vessels under construction.

(2) Vessel under charter.

(3) Vessels under long term charter.

(4) Third party ROV under rental contract.

This specialized fleet allows the Group to provide the full range of services, with or without divers, to oil and gas industry clients worldwide. Technip's state-of-the-art fleet is able to conduct operations to install subsea pipelines, umbilicals and other infrastructure in water depths of up to 3,000 meters.

Changes in the Group's Fleet during Financial Years 2013 and 2014

In 2013, Technip continued the strategic program that it started in 2006, which included the following changes in the fleet:

- During the third quarter of 2013, the new pipelay vessel *Deep Energy* joined the Technip fleet and successfully completed her first projects in the Gulf of Mexico. In 2014 she will transit to the North Sea to work on campaigns in Norway and the UK. The *Deep Energy* is a dynamically positioned Class III vessel measuring 194 meters in length, with a pipe capacity of 5,600 tons on two reels. This high transit speed vessel operates worldwide, with a capability to install rigid pipes with diameters of up to 22 inches, flexible pipes up to 24 inches and umbilicals in a range of water depths of up to 3,000 meters.
- During the first quarter of 2013, the *Deep Orient* joined the Technip fleet and successfully completed her first projects in Norway before transiting to Asia Pacific to commence work in her home region. The ship measures 135 meters and is equipped with a 250 ton capacity crane and two Triton XLX 150 work class ROVs.
- During the third quarter of 2012, the construction of the *Coral do Atlantico* was launched at Okpo in Korea. Built in partnership with the Brazilian company Odebrecht Oil and Gas, this vessel will be dedicated to the laying of large diameter flexible pipelines in very deep water. This vessel measures 146 meters in length with a flexible pipeline storage capacity of 4,000 tons, and it will be fitted with a vertical laying tower supporting up to 600 tons tension and a 250 ton deep water crane. This vessel is expected to arrive in Brazil during the fourth quarter of 2014 to start a long-term contract with the Brazilian oil company Petrobras. Construction of a sister ship, the *Estrela do Mar*, started in February 2013. Identical to the *Coral do Atlantico*, this vessel is expected to arrive in Brazil during the second quarter of 2015 and will also start a long-term contract with Petrobras.
- In 2012, Technip entered a long-term charter agreement for a new offshore construction vessel with North Sea Shipping, the *North Sea Atlantic* (ST261). The vessel will be built at Bergen Group BMV AS in Bergen, Norway. In January 2013, the vessel's construction started with delivery expected during the third quarter of 2014. Designed and built to meet the needs of the construction industry in Norway, this advanced subsea construction vessel is 142 meters in length and 27 meters wide. She is equipped with a 550 ton active heave compensation crane working up to a depth of 3,000 meters, and will also be fitted with a 2,000-ton under-deck carousel for storage of flexible pipes. The new vessel's design specification meets the highest requirements for subsea work and although it will work predominantly in the North Sea, it is also suitable for deepwater operations worldwide.
- In August 2013, the joint venture formed by Technip (50%) and Subsea ("DOF") (50%) was awarded contracts by Petrobras to cover the construction of four new pipelay support vessels (PLSVs). Two of the PLSVs will have a 300 ton laying tension capacity and will be fabricated in Brazil with a high national content. The other two vessels will be designed to achieve a 650 ton laying tension capacity, thus enabling the installation of large diameter flexible pipes in ultra-deep water environments, such as the Brazilian pre-salt. VARD Holdings Limited ("VARD"), one of the major global designers and shipbuilders of offshore and specialized vessels, will be in charge of the design and construction of the four PLSVs. Under the Technip/DOF joint venture agreement, Technip will manage flexible pipelay and DOF will be responsible for marine operations. Delivery of the PLSVs is scheduled for 2016-2017. Contracts will last eight years from start of operations, and may be renewed for another eight-year period.

8.2. Environmental Matters that May Impact the Group's Use of its Property, Plant and Equipment

Please see sections 4.3 and 4.4 of this Reference Document.

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Preliminary

The following section presents Technip's consolidated financial results for the two financial years ended December 31, 2013 and December 31, 2012, which have been prepared in accordance with the IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standards Board) and adopted by the European Union as of the date of the Board of Directors' meeting held on February 18, 2014.

The presentation below is to be read with the entire Reference Document, including the Consolidated Financial Statements and the Notes appended to them, as presented in Section 20.1 of this Reference Document.

The 2012 consolidated financial statements described in Notes 1 and 2 have been restated. As a consequence, the following developments and comments have been modified.

9.1. Presentation of the Consolidated Financial Statements Included in the Reference Document

MAIN CHANGES IN THE SCOPE OF CONSOLIDATION

(See Note 2 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

Main Acquisitions

Year ended December 31, 2013

On March 8, 2013, Technip announced the acquisition of Ingenium AS, a highly-experienced offshore engineering and services contractor located in Oslo, Norway. Ingenium AS designs and develops mechanical and electro-hydraulic tools and equipment, for the offshore oil and gas industry, and provides engineering services for sub-marine operations, such as the installation of pipes and cables. The company comprised over 20 highly-skilled engineers in the Subsea business.

The goodwill recognized in the consolidated financial statements as of June 30, 2013 for the acquisition of the company Ingenium AS amounts to €8.3 million.

The acquisition costs of this company, net of cash acquired, amounted to €8.2 million.

This company was merged with Technip Norge AS on August 29, 2013.

Year ended December 31, 2012

On August 31, 2012, Technip acquired Stone & Webster process technologies and associated oil and gas engineering capabilities from The Shaw Group.

This transaction will enable Technip to enhance substantially its position as a technology provider to the refining and petrochemicals industries, to diversify further its Onshore/Offshore segment, to strengthen its relationships with clients worldwide, to expand in promising growth areas such as the US, where downstream markets will benefit from the supply of unconventional gas, and to add skilled resources, notably in research in the US, India and the UK.

The total purchase price was USD295.3 million in cash (that is €234.2 million). During the third quarter 2013, Technip achieved the purchase price allocation. This evaluation was mainly led on of the fair value of technologies and other intangible assets. The goodwill recognized in the consolidated financial statements as of December 31, 2013 for the acquisition of the company amounts to USD226.0 million (that is €179.2 million).

Restatement of 2012 consolidated accounts

Following the completion of the purchase price allocation of Stone & Webster process technologies, the consolidated statement of financial position as of December 31, 2012, including the Notes appended to the Consolidated Financial Statements presented in Section 20.1 of the Reference Document, were restated as per revised IFRS 3 "Business Combinations".

According to the amended IAS 19, the consolidated statements of financial position as of December 31, 2012, including the Notes appended to the consolidation statements presented in Section 20.1 of the Reference Document, were restated.

There is no other significant change in the scope of consolidation compared to December 31, 2012.

REPORTING BY BUSINESS SEGMENT AND BY GEOGRAPHICAL AREA

Effective as from January 1, 2012, the Group modified the reporting of its operating performances, by consolidating the former Onshore and Offshore segments.

Both activities have been pooled in 2011 under the authority of one of the two Chief Operating Officers. They involve shared resources in terms of engineering, and have similar characteristics in terms of economic performances, as well as range of products, processes and markets.

The three business segments as reported to the main operating decision-maker, the Group Executive Committee, are therefore organized as following:

- the Subsea segment includes the design, manufacture, procurement and installation of subsea equipment;

- the Onshore/Offshore segment includes the entire engineering and construction business for petrochemical and refining plants as well as facilities for developing onshore oil and gas fields (including gas treatment units, liquefied natural gas (LNG) units and onshore pipelines). It also includes the renewable energies and the engineering and construction of non-petroleum facilities; as well as the design and construction of fixed or floating facilities and surface installations; and
- the Corporate segment includes holding company activities and central services rendered to Group subsidiaries, including IT services and reinsurance activity.

From a geographical standpoint, Technip's reporting of its operating activities and performance is based on the following five geographical areas:

- Europe, Russia and Central Asia;
- Africa;
- Middle-East;
- Asia Pacific; and
- Americas (including Brazil).

9.2. Changes in Backlog, Order Intake and Revenues

CHANGES IN BACKLOG

Backlog is an indicator showing the remaining revenues of all ongoing contracts.

As of December 31, 2013, it amounted to €16,581.0 million compared to €14,250.6 million as of December 31, 2012 (+16%). This increase of approximately €2.3 billion was entirely driven by the Subsea segment, whereas the Onshore/Offshore segment remained stable, as shown in the table below:

Backlog by Segment

In millions of Euro	As of December 31, 2013	As of December 31, 2012	Variation
Subsea	8,642.1	6,049.8	43%
Onshore/Offshore	7,938.9	8,200.8	-3%
TOTAL BACKLOG	16,581.0	14,250.6	16%

Backlog by Geographical Area

In millions of Euro	Europe, Russia, Central Asia		Africa		Middle-East		Asia Pacific		Americas		Total						
	%	Var.	%	Var.	%	Var.	%	Var.	%	Var.	%	Var.					
Backlog as of December 31, 2013	4,171.7	25%	-4%	2,777.6	17%	130%	1,585.0	10%	0%	2,638.1	16%	-13%	5,408.6	32%	32%	16,581.0	16%
Backlog as of December 31, 2012	4,339.4	30%	127%	1,207.4	8%	-4%	1,577.9	11%	-9%	3,029.5	21%	78%	4,096.4	29%	7%	14,250.6	37%

The increase in backlog for 2013 was contrasted between the geographical areas. The Americas area became the first contributor to the Group backlog, with a strong growth, thanks to various Brazilian projects (flexible supply, pipelay support vessel PLSV, floating production & storage offloading unit FPSO P76) and to the petrochemical complexes of Braskem Idesa in Mexico and of CP Chem in the United States. The positive African dynamism

is explained by the award of the T.E.N. and Moho North large contracts. The Europe, Russia and Central Asia area kept an important place in Technip's future activity with numerous contracts in the North Sea (Quad 204, Bøyla, Åsgard, Martin Linge, Hejre, and Aasta Hansteen) and the Yamal early works in Siberia. The Middle-East backlog remained stable whereas the Asia Pacific backlog showed a slight slowdown after a high level year 2012.

The main contributors to Group backlog as of December 31, 2013 are presented by geographical area and by segment in the table below:

Main contributors to backlog as of December 31, 2013	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	<ul style="list-style-type: none"> ■ Quad 204 for BP (North Sea) ■ Bøyla for Marathon (North Sea) ■ Åsgard Subsea Compression for Statoil (North Sea) 	<ul style="list-style-type: none"> ■ MOHO North for Total (Congo) ^(*) ■ T.E.N. for Tullow Oil (Ghana) ^(*) 		<ul style="list-style-type: none"> ■ Wheatstone for Chevron (Australia) ^(*) 	<ul style="list-style-type: none"> ■ Long term charter of flexible pipe laying vessels for Petrobras (Brazil) ^(*) ■ Flexible supply for the Iracema Sul field for Petrobras (Brazil) ^(*) ■ Mariscal Sucre Accelerated Production System (APS) for PDVSA (Venezuela)
Onshore/Offshore	<ul style="list-style-type: none"> ■ Martin Linge platform for Total (North Sea) ■ Burgas refinery for Lukoil (Bulgaria) ■ Hejre platform for Dong Energy (North Sea) ■ Aasta Hansteen SPAR for Statoil (North Sea) ■ Early works for Yamal LNG (Russia) ^(*) 	<ul style="list-style-type: none"> ■ Algiers refinery extension for Sonatrach (Algeria) 	<ul style="list-style-type: none"> ■ Halobutyl unit for Kemya (Saudi Arabia) ■ Umm Lulu Phase II for Adma Opco (United Arab Emirates) ^(*) 	<ul style="list-style-type: none"> ■ Prelude FLNG (<i>Floating Liquefied Natural Gas</i>) for Shell (Australia) ■ Malikai Deepwater (Tension Leg Platform) TLP EPC (Malaysia) ■ Block SK 316 platforms for Petronas (Malaysia) ^(*) 	<ul style="list-style-type: none"> ■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico) ■ Polyethylene plant for CP Chem, in Old Ocean (USA) ^(*) ■ FPSO P76 construction for Petrobras (Brazil) ^(*)

(*) New contract.

CHANGES IN ORDER INTAKE

Order intake for each segment in 2013, compared to 2012, is presented in the table below:

In millions of Euro	As of December 31, 2013	As of December 31, 2012	Variation
Subsea	6,818.6	5,334.5	28%
Onshore/Offshore	5,180.8	6,314.1	-18%
TOTAL ORDER INTAKE	11,999.4	11,648.6	3%

The significant increase in order intake between 2012 and 2013 resulted from the Subsea segment dynamism. Over 2013, this segment order intake has been impacted by the award of significant contracts, in Africa with Moho North and T.E.N. and in Brazil with the flexible supply for the Iracema Sul field and also with the four new PLSV. Decrease in order intake in Onshore/Offshore has to be relativized by the very good 2012 performance and the contract awards of the polyethylene complex in Old Ocean in Texas, of the Yamal early works contract in Siberia, as well as of

several platform contracts in Middle-East (Umm Lulu phase II and FMB "Forward Mounted Base & Associated Cables for NSS"), in Asia Pacific (platforms of Block SK 316) and in America (Heidelberg Spar). An FPSO unit has also been awarded in Brazil (P76). These multiple contracts allow the Group to keep a high backlog level, similar to the previous year.

The main contributors to 2013 order intake are presented by geographical area and by segment as "new contracts" in the above backlog table.

CHANGES IN REVENUES

Revenues on contracts at completion include:

- the initial selling price;
- every additional clause, variation order and modification (“changes”) to the initial contract if it is probable that these changes could be reliably measured and that they are accepted by the client; and

- the financial result of treasury management related to construction contracts is recorded together with the revenues when the corresponding treasury management is completely separate from the Central treasury.

Revenues on ongoing contracts are measured on the basis of costs incurred and of margin recognized at the percentage of completion. Margin is recognized only when the visibility of the riskiest stages of the contract is deemed sufficient and when estimates of costs and revenues are considered to be reliable.

The table below shows consolidated revenues by business segment for the years ended December 31, 2013 and December 31, 2012:

In millions of Euro	Subsea		Onshore/Offshore			Total		
		%	Var.	%	Var.		Var.	
2013 Revenues	4,083.0	44%	1%	5,253.1	56%	26%	9,336.1	14%
2012 Revenues Restated	4,047.6	49%	36%	4,156.3	51%	8%	8,203.9	20%

The increase in revenues in 2013 by €1,132.2 million compared to 2012 was mainly driven by the Onshore/Offshore segment. Yet, the relative weight of each segment is evenly balanced this year.

Moreover, the impact of foreign exchange rates on revenues was negative in 2013 (for €355.0 million), mainly driven by the depreciation of the US Dollar (-3%), the Brazilian Real (-14%), the Norway Krone (-4%) and the British Pound (-5%) against the Euro, whereas it was positive (for €234.6 million) in 2012.

Revenues by Segment

The main contributors by segment are listed in a synthesis table below.

Subsea

In 2013, the revenues remained stable compared to 2012 despite different activity scenarios by Region. Activity continued its sharply growth in the North Sea. Several projects were also under execution in Asia, increasing the importance of this region within the Group. Brazil and Africa revenues were decreasing, due to, for Brazil, the slowdown of EPCI projects and for Africa to the completion of key projects, not offset by the start of our contracts T.E.N. and Moho North.

Onshore/Offshore

The strong Onshore/Offshore segment increase in revenues in 2013 was driven by the Prelude FLNG project execution, which hull has been launched during the year and by the petrochemical complex of Ethylene XXI for Braskem Idesa. Refineries construction contracts of Jubail, Burgas and Algiers have also largely contributed to the 2013 segment revenues growth. SPAR, Lucius, installed over the second semester and Heidelberg under construction, have generated high revenues over the year as well as PMP in Ras Laffan for Qatargas 1.

Revenues by Geographical Area

The following table shows consolidated revenues by geographical area for the years ended December 31, 2013 and December 31, 2012:

In millions of Euro	Europe, Russia, Central Asia			Africa		Middle-East		Asia Pacific		Americas		Total					
	%	Var.		%	Var.	%	Var.	%	Var.	%	Var.	%	Var.				
2013 Revenues	2,711.1	29%	12%	802.8	9%	10%	959.9	10%	-16%	1,944.4	21%	46%	2,917.9	31%	13%	9,336.1	14%
2012 Revenues restated	2,414.1	29%	38%	729.0	9%	-31%	1,147.6	14%	-24%	1,331.0	16%	43%	2,582.2	31%	65%	8,203.9	20%

The principal contributors by geographical area are listed in the table below.

Europe, Russia and Central Asia

This area represented an important part of the Group's revenues in terms of value. This year was particularly impacted by a very dynamic activity in the North Sea with the projects Quad 204, Åsgard, Golden Eagle, Hejre, Martin Linge and Greater Stella and in Eastern Europe with the Burgas refinery construction. As a result, the contribution to this area remained relatively stable compared to last year but proved a strong increase in terms of value.

Africa

Africa's contribution to the Group's revenues remained stable in 2013, nevertheless the value of this area increased thanks to the Algiers refinery extension, and various Subsea projects in start-up phases in Western Africa (Total – Moho North and ENI – Block 15/06 flexible supply).

Middle-East

The decrease of the area's contribution to the Group's revenues was due to projects nearing completion, such as the Jubail refinery construction in Saudi Arabia or the Al Khafji Offshore facilities, combined to projects in start-up phases, such as the platforms of the Umm Lulu field in the United Arab Emirates and of the FMB project in Qatar.

Asia Pacific

This region continued its strong development within the Group, driven by the Prelude FLNG project's construction for Shell in

Australia, as well as other Onshore/Offshore projects. As a result this area represented over one fifth of the Group.

Americas

The strong growth of this area's activity was mainly driven by the Subsea segment with the substantial contribution of the Mariscal Sucre Dragon APS project for PDVSA in Venezuela, as well as flexible supply in Brazil and the execution of the SPAR for Anadarko in the Gulf of Mexico. This zone remained the most significant contributor to the Group's revenues 2013.

Major Contributors to 2013 Group Revenues Split by Segment and Geographical Area

Principal contributors to 2013 revenues	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	<ul style="list-style-type: none"> ■ Quad 204 for BP (North Sea) ■ Åsgard Subsea Compression for Statoil (North Sea) ■ Golden Eagle Block 20/1 for Nexen (North Sea) 				<ul style="list-style-type: none"> ■ Flexible supply for the Sapinhoa and Lula NE fields for Petrobras (Brazil) ■ Accelerated production system of Mariscal Sucre Dragon for PDVSA (Venezuela)
Onshore/Offshore	<ul style="list-style-type: none"> ■ Hydrocracking complex of the Burgas refinery construction for Lukoil (Bulgaria) 	<ul style="list-style-type: none"> ■ Algiers refinery extension for Sonatrach (Algeria) 	<ul style="list-style-type: none"> ■ Jubail refinery construction (Saudi Arabia) ■ PMP project in Ras Laffan for Qatargas 1 (Qatar) ■ Upper Zakum 750 EPCI (United Arab Emirates) 	<ul style="list-style-type: none"> ■ Prelude FLNG for Shell (Australia) ■ Ichthys FPSO detailed engineering for DSME (Australia) 	<ul style="list-style-type: none"> ■ Lucius and Heidelberg SPAR for Anadarko (Gulf of Mexico) ■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico)

9.3. Presentation of Operating Costs and Income

COST OF SALES

In 2013, cost of sales amounted to €7,718.7 million, compared to €6,652.3 million in 2012 (+16%). In comparison, revenues increased by 13.8% between 2012 and 2013.

Gross margin rate slightly decreased at 18.9% in 2012 and at 17.3% in 2013.

The main components of cost of sales, presented in Note 4 in Section 20.1 of the present Reference Document, were as follows:

- other purchases and external charges: €5,471.6 million, representing 71% of cost of sales. This line item includes equipment purchases and construction subcontracting;
- payroll expenses: €1,826.5 million, representing 24% of cost of sales;
- amortization and depreciation of fixed assets: €224.5 million, representing 3% of cost of sales; and
- long-term rental costs: €196.1 million, representing 3% of cost of sales.

The 2013 cost of sales by segment were as follows:

In millions of Euro	Subsea	Onshore/ Offshore	Total
2013 Cost of Sales	(3,179.1)	(4,539.6)	(7,718.7)
2013% Gross Margin	22.1%	13.6%	17.3%

The Subsea segment represented 41% of 2013 aggregate cost of sales, a decrease compared to 2012 (47%). The Onshore/Offshore segment represented 59% of 2013 aggregate cost of sales, compared to 53% in 2012.

The nature of the cost of sales varies from one segment to another. The Subsea segment is involved in manufacturing flexible pipes and construction, and therefore requires industrial assets (plants, pipelay vessels) and a labor force for production, whereas the Onshore/Offshore segment is involved in engineering, which requires few industrial assets under Technip's ownership, other than the construction yard of Pori in Finland). Onshore/Offshore external costs include equipment purchases and subcontracted construction work, while the Subsea segment builds some of its own equipment, then transports it and installs it with its pipelay vessels.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs amounted to €75.5 million in 2013, compared to €68.7 million in 2012, *i.e.* an increase of €6.8 million (+9.9%). This growth was mainly driven by the Subsea segment with large efforts made to improve the flexible structures.

SELLING AND ADMINISTRATIVE COSTS

Selling cost amounted to €219.8 million (decreasing to 2.4% of Group revenues) in 2013, compared to €230.8 million in 2012 and administrative cost amounted to €497.0 million (stable at 5.3% of Group revenues) in 2013, compared to €442.7 million in 2012.

This increase was driven in particular by the integration of Global Industries and to a lesser extent, the recent acquisition of Stone & Webster. The revision of the performance conditions related to share subscription options and performance share grants, as well as the efforts made by Technip on bids also contributed to the increase of this item.

PAYROLL EXPENSES

The income statement discloses expenses by destination. Consequently, payroll expenses are included in the cost line items mentioned above. Payroll expenses represented €2,224.5 million in 2013, compared to €2,215.4 million in 2012.

OTHER OPERATING INCOME/EXPENSES

Other operating income amounted to €34.3 million in 2013, compared to €30.7 million in 2012 and other operating expenses amounted to €14.9 million, compared to €11.4 million in 2012. The result was a net income of €19.4 million in 2013, compared to a net income of €19.3 million in 2012.

Other operating income comprised mainly of net proceeds from disposal of property, plant and equipment for €12.4 million, insurance premiums, re-insurance premiums and reversals of provisions for charges recognized by Technip's captive re-insurers, which amounted to €13.2 million in 2013 (compared to €12.0 million in 2012) as well as an insurance indemnity of €5.1 million. Claim charges and provisions for claims booked by Technip's captive re-insurers amounted to €10.6 million in 2013, compared to €5.8 million in 2012.

9.4. Comments on the Operating Results for the Financial Year ended December 31, 2013, Compared to the Restated Financial Year ended December 31, 2012

OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES (OIFRA)

OIFRA was €844.5 million in 2013 compared to €828.7 million in 2012 (+2%). The OIFRA margin was 9.0% of revenues, compared to 10.1% in 2012.

The impact of foreign exchange rates on OIFRA was negative in 2013 for €45.9 million, driven by the depreciation of the US dollar (-5%), the Norway Krone (-4%) and the Brazilian Real (-14%) compared to euro. In 2012, the impact was positive for €17.2 million.

OIFRA by Segment

In millions of Euro	Subsea		Onshore/ Offshore		Corporate		Non Allocable		Total	
		Var.		Var.		Var.				Var.
2013 OIFRA	584.6	-4%	351.8	20%	(91.9)	-28%	-	844.5	2%	
% OIFRA in 2013	14.3%		6.7%					9.0%		
2013 Operating Income	584.6	-4%	351.8	20%	(91.9)	-28%	-	844.5	2%	
% Operating Income in 2013	14.3%		6.7%					9.0%		
2012 OIFRA Restated	606.2	22%	294.3	8%	(71.8)	16%	-	828.7	17%	
% OIFRA in 2012 Restated	15.0%		7.1%					10.1%		
2012 Operating Income Restated	606.2	22%	294.3	8%	(71.8)	16%	(9.5)	819.2	18%	
% Operating Income in 2012 Restated	15%		7.1%					10.0%		

The Subsea segment confirmed its leadership as largest contributor to Group OIFRA. This performance reflects a good utilization of Group assets (vessels, flexible plants) and very satisfactory project executions worldwide, despite difficulties in the Gulf of Mexico. In general, the use rate of vessels was 75% in 2013 compared to 73% in 2012.

The Onshore/Offshore is a very large market, with projects that can reach very high prices. Yet, it is now an extremely competitive market with a significant number of players, many of them coming

from Asia. As a result, pressure on contract prices remained high. The operating margin rate of the segment remained however stable at 6.7%, due in particular to the good contribution of engineering projects and satisfactory completion of some projects.

The Corporate segment recorded an operating loss of €91.9 million in 2013, compared to a loss of €71.8 million in 2012. It included in particular costs related to share purchase options and share subscription options, and to grants of performance shares.

OIFRA by Geographical Area

In millions of Euro	Europe, Russia, Central Asia		Africa		Middle-East		Asia Pacific		Americas		Non Allocable		Total	
		Var.		Var.		Var.		Var.		Var.				Var.
2013 OIFRA	378.5	2%	49.0	-4%	99.5	-27%	232.6	163%	176.8	-30%	(91.9)	844.5	2%	
% OIFRA in 2013	14.0%		6.1%		10.4%		12.0%		6.0%			9.0%		
2013 Operating Income	378.5	2%	49.0	-4%	99.5	-27%	232.6	163%	176.8	-30%	(91.9)	844.5	3%	
% Operating Income in 2013	14.0%		6.1%		10.4%		12.0%		6.0%			9.0%		
2012 OIFRA Restated	371.0	444%	51.3	-85%	136.1	-4%	88.5	-20%	253.6	141%	(71.8)	828.7	17%	
% OIFRA in 2012 Restated	15.4%		7.0%		11.9%		6.6%		9.8%			10.1%	-	
2012 Operating Income Restated	371.0	444%	51.3	-85%	136.1	-4%	88.5	-20%	253.6	141%	(81.3)	819.2	18%	
% Operating Income in 2012 Restated	15.4%		7.0%		11.9%		6.6%		9.8%			10.0%		

The main contributors split by geographical area are summarized below.

Europe, Russia and Central Asia

The OIFRA stability came from, as in 2012, the well execution of Subsea projects in the North Sea. The positive progress of Onshore/Offshore projects located in Eastern Europe has also contributed to the area's OIFRA.

Africa

This area remained a weak contributor to the Group, due to Subsea projects in their early phase, generating little or no profit.

Middle-East

There is a slight decrease of operating margin from recurring activities of this area compared to last year. This area's profitability remained driven by the execution of important projects of the Onshore/Offshore segment in 2013.

Asia Pacific

After a strong growth in 2012, this area delivered a large part of the Group's results. Either the Subsea segment or the Onshore/Offshore segment were significantly increasing.

Americas

Results have been contrasted between the good performance of the Offshore construction activities combined with flexible supply in Brazil and between a difficult year in the Gulf of Mexico for the Subsea Segment.

Main Contributors to 2013 Group OIFRA Split by Segment and Geographical Area

Main contributors to 2013 OIFRA	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	<ul style="list-style-type: none"> ■ Quad 204 for BP (North Sea) ■ Åsgard Subsea Compression for Statoil (North Sea) 	<ul style="list-style-type: none"> ■ Flexible supply for Block 15/06 for ENI (Angola) 			<ul style="list-style-type: none"> ■ Flexible supply for the Sapinhoa and Lula NE fields (Brazil) ■ Accelerated production system of Mariscal Sucre Dragon for PDVSA (Venezuela)
Onshore/Offshore	<ul style="list-style-type: none"> ■ Hydrocracking complex of the Burgas refinery construction for Lukoil (Bulgaria) ■ Petrochemical plant construction for Rusvinyl (Russia) 		<ul style="list-style-type: none"> ■ Jubail refinery construction (Saudi Arabia) ■ Khursaniyah refinery construction for Saudi Aramco (Saudi Arabia) 	<ul style="list-style-type: none"> ■ Prelude FLNG for Shell (Australia) ■ Wheatstone detailed engineering for DSME (Australia) ■ Greater Gorgon detailed engineering for Chevron (Australia) 	<ul style="list-style-type: none"> ■ Lucius and Heidelberg SPAR for Anadarko (Gulf of Mexico) ■ Koniambo Nickel mining installation for Xstrata (New Caledonia) ■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico)

RESULT FROM SALE OF ACTIVITIES

In 2013 as in 2012, the Group did not sell any activities.

RESULT FROM NON-CURRENT ACTIVITIES

For the financial year ended December 31, 2013, no non-current expenses were recognized.

In 2012, non-current expenses related to the acquisitions of Stone & Webster process technologies were recognized for an aggregate amount of €9.5 million over the period.

OPERATING INCOME

Operating income amounted to €844.5 million in 2013 (9% of revenues), compared to €819.2 million in 2012 (10.0% of revenues), *i.e.*, a €25.3 million increase (+3.1%). The split by segment can be detailed as follows:

- Subsea: €584.6 million (compared to €606.2 million in 2012), *i.e.*, an operating margin of 14.3% in 2013 (compared to 15.0% in 2012);
- Onshore/Offshore: €351.8 million (compared to €294.3 million in 2012), *i.e.*, an operating margin of 6.7% in 2013 (compared to 7.1% in 2012);
- Corporate and non-attributable: a negative contribution of €91.9 million in 2013, compared to a negative contribution of €71.8 million in 2012 (see Note 3 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

FINANCIAL RESULT

Net financial result in 2013 was a loss of €84.3 million, compared to an income of €67.3 million in 2012. This variation was mainly driven by:

- the decrease in net foreign exchange result: the net foreign exchange loss amounted to €26.4 million in 2013, compared to a loss of €22.8 million in 2012;
- the increase of the interests recognized in 2013 for the private placement notes: the expenses reach €25.2 million in 2013 compared to a €17.2 million in 2012 following the private placements issuance in June 2012 and October 2013.

Financial expenses amounted to €441.4 million and included mainly the foreign exchange loss for €312.9 million, interests on bond loans for €57.4 million, financial charges relating to other borrowings and bank overdrafts for €34.4 million and financial expenses related to long-term employee benefit plans for €12.7 million.

Financial income amounted to €357.1 million and included the foreign exchange gain for €286.5 million, interests from treasury management for €51.7 million (primarily proceeds from the disposal of marketable securities and interest on term deposits), financial income related to long-term employee benefit plans for €5.6 million and the net proceed of the Gulf Island Fabrication, Inc. (Gifi) shares of €7.0 million.

INCOME TAX

Income tax expense amounted to €191.3 million in 2013, compared to €206.2 million in 2012, for pre-tax earnings of €761.3 million. Technip's effective tax rate in 2013 was 25.1%, while applicable French tax rate was 38% in 2013.

NET INCOME FROM DISCONTINUED ACTIVITIES

In 2013 and 2012, no activity was closed, sold or in the process of being sold.

NET INCOME ATTRIBUTABLE TO MINORITY INTERESTS

Net income attributable to minority interests was a €6.9 million gain in 2013, compared to a €3.4 million gain in 2012.

SHARE OF INCOME OF EQUITY AFFILIATE

Subsequent to the acquisition of Stone & Webster process technologies in August 2012, the Group has consolidated under the equity method the 50% owned company Badger Licensing LLC – JV. The net income of this affiliate was a €1.1 million profit in 2013, compared to €1.0 million in 2012.

NET INCOME

Net income attributable to shareholders of the parent company amounted to €563.1 million in 2013, compared to €543.3 million in 2012, *i.e.*, an increase of €19.8 million (+3.6%). It represented 6.0% of Group revenues, compared to 6.6% in 2012.

EARNINGS PER SHARE

Earnings per share calculated on a diluted basis amounted to €4.68 in 2013, compared to €4.53 in 2012. The average number of shares calculated on a diluted basis increased by 0.3%, from 124,420 shares taken into account in the 2012 calculation to 124,777 shares in the 2013 calculation.

Basic earnings per share were €5.06 in 2013, compared to €4.94 in 2012.

To the best of Technip's knowledge, no significant change in Technip's financial or business position has occurred since the financial year ended December 31, 2013.

9.5. Change in the Statement of Financial Position between the Year ended December 31, 2013 and the Restated Year ended December 31, 2012

NON-CURRENT ASSETS

Fixed Assets

Net intangible assets amounted to €3,332.7 million as of December 31, 2013, compared to €3,379.1 million as of December 31, 2012. They primarily consisted of €3,226.1 million in net goodwill. As of December 31, 2013, impairment tests performed on the net book value of goodwill did not result in the accounting of an impairment loss. In 2013, there is no significant movement, thus the goodwill has not changed. In 2012, the increase in consolidated goodwill recognized as of December 31, 2012 was mainly driven by the recognition of a temporary goodwill on account of the acquisition of Stone & Webster process technologies, for a total amount of USD250.4 million allocated to the Onshore Cash-Generating Unit.

Net tangible assets amounted to €2,619.4 million as of December 31, 2013, compared to €2,410.5 million as of December 31, 2012 (+8.7%). They principally included the vessels used in Subsea operations, with a carrying value of €1,495.5 million, as well as the assets under construction for €349.7 million, and machinery and equipment for €422.0 million. The increase in net value of €208.9 million in 2013 was mainly driven by and new investments made in the financial year for €612.8 million, reduced primarily by yearly amortization and depreciation expenses of €217.0 million (see Note 9 to the Consolidated Financial Statements for the financial year ended December 31, 2012).

Capital expenditures amounted to €623.0 million in 2013, compared to €518.9 million in 2012 (+20.1%). These investments were primarily related to machinery and equipment (€85.0 million), vessels (€106.1 million), plus assets under construction (€313.9 million, mainly vessels and one plant under construction).

The Group has maintained its policy of high levels of investment, in particular in order to expand its vessel fleet. As of December 31, 2013, the principal vessels recorded as "Assets under Construction" for a total amount of €349.7 million were as follows:

- six new flexible pipeline installation vessels in joint venture, dedicated to Brazilian markets.

The principal flexible and umbilical plants were as follows:

- the new flexible plant located in Açú, in Brazil;
- the update of the umbilical plant located to Lobito, in Angola;
- the extension of the umbilical plant located in Newcastle, in the United Kingdom.

The increase in the "Vessels" item mainly relates to the delivery of the commissioning of the *Deep Energy* and the *Deep Orient*.

Pledged fixed assets amounted to €242.2 million as of December 31, 2013 and principally consisted of mortgages related to the *Skandi Vitória*, *Skandi Arctic*, *Skandi Niterói* vessels and Açú plant. No assets are subject to a capital lease.

Other Non-Current Assets

The other non-current assets included mainly:

- deferred tax assets for €274.8 million as of December 31, 2013, compared to €333.0 million as of December 31, 2012, *i.e.* a €58.2 million decrease;
- investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB), recognized as "Available-for-Sale Financial Assets" for an amount of €105.3 million.

CURRENT ASSETS

The "Construction contracts" items include accumulated costs incurred on contracts, as well as the margin recognized on the basis of the contract's percentage of completion, less payments received from clients, with the net balance appearing as an asset or a liability depending on whether the balance is a debit or a credit.

The line item "Construction Contracts – Amounts in Assets" shown on the asset side amounted to €405.0 million as of December 31, 2013, compared to €454.3 million as of December 31, 2012.

The line item "Construction Contracts – Amounts in Liabilities" amounted to €1,721.4 million as of December 31, 2013, compared to €873.0 million as of December 31, 2012.

These changes are related to the progress made on various contracts (see Note 15 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

Inventories, trade receivables and other receivables amounted to €3,189.7 million in 2013, compared to €2,504.1 million in 2012 (+27.4%).

The cash and cash equivalent position increased from €2,289.3 million in 2012 to €3,241.0 million in 2013 (+41.6%). Technip also had sufficient available resources to finance, if necessary, operating and investing activities (see "Financing Structure" in Section 10.2 of this Reference Document). Cash generated from operating activities amounted to €1,318.6 million in 2013, compared to €444.7 million in 2012.

PROVISIONS

As of December 31, 2013, provisions amounted to €482.7 million, compared to €590.0 million in 2012 (-18.2%). As of December 31, 2013, these amounts consisted of provisions for contract risks (€109.2 million compared to €175.7 million in 2012), provisions for pensions and other long-term employee benefits (€264.4 million compared to €210.7 million in 2012), provisions for taxes (€33.3 million compared to €68.4 million in 2012) and provisions for claims recorded by Technip's captive reinsurers (€7.8 million) (see Note 23 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

FINANCIAL DEBTS

As of December 31, 2013, Technip's consolidated financial debts amounted to €2,577.9 million, of which €174.5 million were current financial debts (see Note 21 to the Consolidated Financial Statements for the financial year ended December 31, 2013). Consolidated debt in 2013 increased by €471.8 million (+22.4%) compared to 2012 (€2,106.1 million as of December 31, 2012) due to the achievement of three private placements.

As of December 31, 2013, the non-current financial debt amounted to €2,403.3 million, principally comprising the two convertible bonds for €973.4 million (respectively €521.7 million for the 2010 OCEANE and €450.0 million for the 2011 OCEANE), private placements for €867.1 million including €355.0 million concluded in 2013 and bank borrowings for €562.9 million essentially to Brazilian and Norwegian subsidiaries for the purpose of pre-financing exports, re-financing investments and financing new vessels (see Note 21 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

As of December 31, 2013, the current financial debt amounted to €174.5 million, mainly comprising commercial papers for €134.0 million and short term credit lines.

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10.1. Changes in Net Cash Position and in Cash Flows for the Financial Year ended December 31, 2013 and the Restated Financial Year ended December 31, 2012

(See Note 18 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

Technip's net cash position as of December 31, 2013 and as of December 31, 2012 was as follows:

In millions of Euro	2013	2012 restated (*)
Cash	1,660.6	1,323.6
Cash Equivalents	1,580.4	965.7
Total Cash and Cash Equivalents	3,241.0	2,289.3
Bond Loans	-	-
Convertible Bonds	973.4	945.2
Private Placement	867.1	517.2
Commercial Papers	134.0	150.0
Other Financial Debts	603.4	493.7
Total Financial Debts	2,577.9	2,106.1
NET TREASURY	663.1	183.2

(*) The restatement of the 2012 consolidated financial statements is described in Notes 1 and 2 to the Consolidated Financial Statements for the financial year ended December 31, 2013.

Technip's net cash position amounted to €663.1 million as of December 31, 2013, compared to €183.2 million as of December 31, 2012 i.e. a €479.9 million increase, which principally resulted from cash generated from operating activities.

There is no significant restriction on cash transfers between the Company and its subsidiaries.

NET CASH GENERATED FROM OPERATING ACTIVITIES

Net cash generated from operating activities amounted to €1 318.6 million in 2013, compared to €444.7 in 2012. This increase resulted mainly from the change in working capital needs.

Free cash flow amounted to €897.3 million in 2013 compared to €883.6 million in 2012.

The change in working capital needs amounted to €421.3 million in 2013, compared to €(438.9) million in 2012.

NET CASH USED IN INVESTING ACTIVITIES

Net cash used in investing activities decreased by €171.5 million from €(723.4) million in 2012 to €(551.9) million in 2013:

- In 2013, capital expenditures relating to property, plant and equipment and intangible assets amounted to €623 million, compared to €518.9 million in 2012. The high level of investment reflected Technip's ongoing policy of increasing its capacity in terms of both its fleet of vessels and its flexible pipe production.
- In 2013, proceeds from sales of assets amounted to €79.3 million, compared to €43.8 million in 2012. In 2013, proceeds from disposals of tangible assets for a total amount of €67.2 million principally stemmed from the disposal of several sales of ageing vessels (€39.1 million). The €12.1 million proceeds from disposals of financial assets are related to the sale of the Gulf Island Fabrication, Inc (GIFI) shares.
- The decrease in net cash position from acquisition costs of consolidated companies represents the aggregate purchase price or disposal price of the acquired or sold company, less

the cash position of the latter, measured on the purchase or disposal date, *i.e.* a decrease of €8.2 million in 2013, compared to a decrease of €245.0 million in 2012. It mainly resulted in 2013 from the acquisition of Ingenium. In 2012, it primarily came from the acquisition of Stone & Webster process technologies for a total net amount of €232.0 million, as well as, to a lesser extent, Cybernétix S.A. and Suporte Consultoria e Projetos Ltda.

NET CASH GENERATED FROM FINANCING ACTIVITIES

In 2013, net cash generated from financing activities amounted to €324.6 million, compared to €(204.5) million in 2012.

The increase in financial debts by €755.6 million in 2013 is primarily driven by the three private placements notes issued for a total amount of €355.0 million, the five new credit facilities on behalf of BNDES entered into by one of the Group's Brazilian subsidiaries totaling BRL200.0 million, a credit facility used up to BRL235.0 million and six export loans entered into by one of the Group's Brazilian subsidiaries of BRL572.0 million.

Financial debt decreased by €230.6 million in 2013, resulting primarily from the reimbursement of BRL500.0 million by Flexibras Tubos Flexíveis at maturity date and the reimbursement of €16.0 million of commercial paper by Eurocash.

Dividend paid in 2013 amounted to €186.0 million, compared to €172.6 million in 2012. Capital increases in 2013 amounted to €25.6 million, mainly as a result of the exercise of share subscription options and of the capital increase reserved for employees. The amount cashed out for purchasing treasury shares for employees amounted to €40.0 million.

10.2. Changes in Shareholders' Equity and Financing between the Financial Year ended December 31, 2013 and the Restated Financial Year ended December 31, 2012

SHAREHOLDERS' EQUITY

(See Note 20 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

Equity attributable to the Group amounted to €4,156.8 million as of December 31, 2013, compared to €3,948.9 million as of December 31, 2012. This increase primarily resulted from the net income realized over the period (€563.1 million) and the capital increase (€25.6 million), partly offset by the dividend paid in 2013 (€186.0 million, *i.e.* €1.68 per share), the decrease in foreign currency translation reserve (€185.9 million) and in fair value reserves (€19.2 million).

As of the date of this Reference Document, there are no restrictions on the use of capital that had any impact over the 2013 financial year or may significantly affect Technip's business.

FINANCING STRUCTURE

(See Note 21 to the Consolidated Financial Statements for the financial year ended December 31, 2013).

As of December 31, 2013, the Group had various unutilized sources of financing for a total amount of €1,681.3 million that allow it to meet its general financing needs. These facilities are not secured by any of the Group's assets. They contain covenant and default provisions that are standard for such financing from Technip and

some of its affiliates, and do not include any financial ratio. These credit agreements do not include early payment provisions in case of deterioration of the borrower's credit rating.

The expected sources of funding which will be necessary to honor the main on-going investments in progress or considered are presented in the sections 4.6 and 5.2.2 of the present Reference Document.

As of December 31, 2013, the debt is essentially issued at fixed rate. The fixed rate debt mainly comprises the two convertible bonds, the private placements, drawings on subsidized export finance loans granted to one of the Brazilian subsidiaries for the purpose of pre-financing exports and re-financing investments, as well as drawings on loans granted to a Norwegian subsidiary for financing a new vessel, drawings on a loan granted to a Brazilian affiliate aimed at financing two new vessels, drawings on a loan granted to a Dutch affiliate for financing new vessels and finally the commercial paper issue by Technip.

Over the financial year 2013, the average rate of the fixed rate debt was 3.72% compared to 3.92% in 2012. Over the same period, the average rate of the Group's overall debt (fixed and floating rate) was 3.73% compared to 3.93% per year in 2012. The average rate of debt is calculated by dividing the amount of financial expenses for the financial year (excluding bank fees not expressly related to the debt) and the average outstanding debt for the financial year.

Research and Development, Patents and Licenses

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11.1. Research and Development

Research and Development (“R&D”) conducted by Technip is essential to the Group’s success for all its operations as it enables Technip to anticipate the future needs of its clients as well as to improve its competitiveness.

Technip is working on development and engineering programs in a number of advanced technical fields related to deepwater oil and gas (including large platforms, FPSOs and low-temperature, deepwater liquid natural gas and crude oil transport systems) and carbon dioxide capture and storage processes.

Technip has a three-phase strategy for acquiring new technologies related to its operations: (i) development through in-house R&D carried out by its teams; (ii) external growth through the acquisition of specialized companies; and (iii) mixed organic and external growth through research partnerships in the research field.

Technip has R&D sites in the Group’s main centers: Le Trait, Aberdeen, Paris, Rome, Houston, Claremont, Kuala Lumpur and Rio de Janeiro. As of December 31, 2013, these teams comprised approximately 300 employees. The R&D sites helped Technip file 51 patents in 2013, 39 patents in 2012 and 36 patents in 2011.

Technip also contracts with external R&D teams to develop strategic technological partnerships that are intended to facilitate its commercial development in certain identified sectors.

In financial years 2013 and 2012, Technip’s R&D expenditures amounted to €75,5 million and €68,7 million, respectively. Most of Technip’s R&D activities and engineering operations are focused on specific projects that are lead by Technip and this is not taken into account in the calculation of these figures.

SUBSEA

In 2013, a considerable level of activity was generated as a result of the cross-function and multidisciplinary Subsea Innovation team that was established in 2011 to identify possible synergies between the R&D programs for various products, promoting open innovation and engagement with clients early in field development programs. While the initial focus was on the applications of Electrically Heated Pipe In Pipe as a means of enabling development for some marginal fields, this team has established solid relationships between clients and regional Technip operating centers. These relationships have facilitated dialogue with operators and the consideration of alternative field development scenarios, which has in turn enabled Technip to identify technology gaps in the portfolios of operators that may be addressed through the adjustment or re-orientation of a number of R&D projects. In addition, this new team is active in the establishment of an open innovation policy to identify sources of innovation from other industries.

In 2013, Technip opened the Innovation and Technology Center (“ITC”) in Rueil-Malmaison near Paris to enhance and drive Technip’s focus on subsea technology development. ITC is now at the heart of Technip’s Subsea technology network and acts as the central hub for the management of subsea technology development. ITC’s primary mission is to coordinate and consolidate the efforts of the dedicated R&D centers worldwide, ensuring that Technip’s R&D projects are organized into suitable portfolios that are aligned with the strategic market orientations decided upon as part of a global technology vision. These R&D projects focus on ultra-deep water, difficult reservoirs conditions, smart pipelines and advanced subsea architectures as well as

subsea asset reliability and integrity management. ITC is in charge of establishing and leading the overall 3-year R&D plan, ensuring that an adequate balance of programs is defined in accordance with the Technology Readiness Level scale, ranging from “blue-sky” efforts to develop future game changing technologies to “consolidation” efforts to further improve upon today’s proprietary products.

In 2013, the traditional R&D activities of the Subsea segment continued to define the core of Technip Subsea R&D activities. This includes the ongoing development of technologies related to flexible pipes, “reeled” rigid pipes and umbilical products to maintain a leadership position in the market. The following are examples of activities which continue to play a key role in the Group’s R&D program:

- the consolidation and the optimization of products and installation equipment for use at water depths of 3,000 meters and beyond;
- the development of products to meet the challenges presented by deepwater reservoirs such as corrosive fluids, increased pressure and temperature. This includes the certification of an anti-H₂S sheath flexible pipe as well as the ongoing optimization, management and understanding of its annulus environment;
- the continuing promotion of Carbon Fibre Armour (CFA) flexible pipes and their integration with the Technology Qualification programs of clients. Specific full-scale testing for use of CFA for the large diameter Offshore Oil Offs-loading lines was successfully conducted, providing another application for CFA in addition to their use in UDW risers;
- the extension of the range of application for Electrically Heated Pipe In Pipe (ETH-PIP), to enable longer tieback distances. In particular, a successful testing program supported by three large operators has demonstrated the capacity of the ETH-PIP to safely resorb large hydrate plug formation, this has the potential to significantly change the subsea architecture for future deep water oil field developments;
- the development of aluminum-core conductor power cables for use in umbilicals to enable umbilicals to operate at significantly greater depths than is possible with current copper conductor electrical cables; and
- the development of “smart” riser systems whose operational integrity and production parameters can be monitored.

ONSHORE/OFFSHORE

Onshore R&D programs are undertaken on the basis of three main principles: (i) the improvement of energy efficiency and reduction of the environmental impact of industrial complexes built by Technip, (ii) the development of new technologies to enlarge Technip’s technical offering, and (iii) the deployment of design solutions to maintain performance and safety at lower cost.

This is reflected:

- for ethylene, through the development of equipment optimized to improve the quality, performance and costs of cracking furnaces and heat exchangers. These initiatives reduce energy

consumption as well as the environmental impact by reducing NO_x and CO₂ emissions. In addition, Technip has created an alternative process to increase propylene production;

- for hydrogen, through the development of new steam reforming catalytic reactor arrangements, a more cost-effective two-compartment process heater and more efficient burners. These initiatives increase the performance of hydrogen plants and to minimize NO_x emissions;
- for LNG and gas monetization, through an emphasis that has been placed on designing plants with an increased scale of production, using high efficiency heat exchangers, improving the design of sulfur recovery units, as well as improved efficiency in NGL recovery;
- for petrochemicals, through the enlargement of the portfolio of technological alliances and partnerships with special attention to current industry trends such as the integration of refining & petrochemicals complexes, as well as “green chemistry”;
- for fertilizers, through the rejuvenation of the proprietary phosphoric acid technology and the adjustment of its design to satisfy the market’s demand for larger capacities, as well as developing partnerships in fields such as nitric acid and ammonium nitrate;
- for refining, through the development of synergies in terms of feedstock, energy efficiency and cost effective design between refining and petrochemicals, and by acquiring new refining technologies that are key for expansion projects and large-scale integrated refining & petrochemicals complexes;
- for renewable energies (in particular, wind offshore energy), through the development of superior solutions, in terms of speed and safety for the installation of underwater cables, and developing breakthrough technology for floating wind turbines with EDF Énergies Nouvelles and Nenuphar.

In 2013, the major achievements and highlights of the Offshore R&D activities can be summarized as follows:

- the further development of Technip’s HVS (Heave & VIM Suppressed) semi-submersible platform design to support dry-tree completions and permit DVA (Direct Vertical Access) to wells;
- the creation of an execution plan for a deep-water Tension Leg Platform (“TLP”) capable of global deployment;
- the development of a catamaran float-over methodology to permit the installation of wellhead platform topsides in offshore Brazil;
- the continued investment by Technip in the development of new technologies and tools to analyze the ice canopy, which will make future Arctic projects possible; and
- the ongoing evaluation of ways to optimize the design of FLNG vessel topsides and the further enhancement of platform safety in relation to LNG spills. As initiator and leader of a Joint Industry Project (JIP) on cryogenic spillage protection, Technip completed the Proof Testing of different cryogenic protective coating materials. The development of software to predict the behavior and impact of LNG spills is ongoing.

Technip's research partners are critical to its success in promoting innovation and gaining external knowledge. Technip increasingly enters into R&D alliances to obtain "bridging" ideas from different offshore domains by combining complementary competencies in the pursuit of new innovative technologies.

In 2013, major offshore R&D alliances included:

- working jointly with Cervval (a specialized software company located in France) and Bureau Veritas to develop an ice-modeling simulation program that predicts the flow of ice around fixed and floating structures and calculate the ice-loadings on the platforms. For a description of this program, please refer to Section 11.3 of this Reference Document; and

- working jointly with Bluewater to develop and evaluate the SST (Spiral Stacked Turret), a flexible flowline based flow transfer system, for niche applications.

The Group's R&D activities are coordinated on a global basis to ensure a broad benefit from their results. In 2014, Technip expects that its talented and dedicated teams, located in Technip centers around the world, will continue to create innovative solutions for the offshore industry that will improve respect for the environment, develop world-class standards and deliver fit-for-purpose solutions that are all designed to overcome the challenges of ultra-deep water and harsh environments such as the Arctic.

11.2. Patents and Licenses

To carry out its operations, Technip holds a large number of patents, registered trademarks and other intellectual property rights, including industrial and intellectual property rights acquired from third parties. As of February 28, 2014, Technip held the rights to approximately 600 patent families (*i.e.*, approximately 4,500 patents in force in more than 90 countries), mainly in Offshore and Subsea (subsea pipes, umbilicals, flexible systems, platforms and equipment), but also in Onshore (cryogenics,

refining, cement, hydrometallurgy, ethylene and hydrogen production). Technip jointly holds a limited number of patents with IFP Énergies nouvelles and other industrial partners.

Petrochemical and refining operations depend on the implementation of licenses belonging to third parties (such as UOP, Air Products and BASF). They are implemented on a project-by-project basis and the royalties are charged to clients.

11.3. Technological Partnerships

Technological partnerships constitute an important element of Technip's innovation strategy and technological differentiation in the Onshore market. These partnerships complement the investment in R&D as well as the technological acquisition policy.

In 2012, Technip completed the acquisition of Stone and Webster process technologies and the associated oil and gas engineering capabilities from The Shaw group (see Section 11.4 of this Reference Document). Through this acquisition, Technip has substantially enhanced its partnerships with the world's leading providers of Onshore technology across multiple sectors.

Technip participates in technological partnerships, either by providing Technip's proprietary technologies to major producers (*e.g.*, the supply of hydrogen units to Air Products and ethylene furnaces to Dow Chemicals), or by establishing exclusive or privileged relationships with key technology providers in their respective fields such as: Axens, for resid fluid catalytic cracking (RFCC); Sinopec, for deep catalytic cracking (DCC); Sabic, for acrylonitrile butadiene styrene (ABS); Exxon Mobil (Badger JV, for alkylation technologies (cumene, bisphenol A, ethylbenzene and styrene monomer); Total Petrochemical, for polystyrene; BP

Chemicals, for purified terephthalic acid (PTA); Ineos, for linear low-density polyethylene (LLDPE), high-density polyethylene (HDPE), polystyrene and polypropylene; Sabtec, for low-density polyethylene (LDPE); Haldor Topsøe, for ammonia; Saipem, for urea; UFT, for urea granulation technology; MECS, for sulfuric acid; Asahi Kasei, for chlorine and caustic soda membrane electrolysis; and Wieland for enhanced heat transfer tubes for LNG and ethylene applications. In addition, Technip works in partnership with Nenuphar for floating wind turbines, with Kalex for geothermal applications.

For the Offshore market, Technip has entered into a contract extension agreement with Cervval and Bureau Veritas to continue developing an ice-modeling simulation program. Its purpose is to predict the flow of ice around fixed and floating structures and calculate the ice-loadings on the platforms. Initially, the program has been developed to predict ice behavior in shallow waters since there are several imminent projects in the North Caspian, but will be equally applicable in Arctic regions. The program allows platform structures to be optimized to minimize ice loadings and the build-up of ice debris, prior to final design verification in a test ice basin.

In the Subsea market, Technip has an ongoing R&D partnership with the French Petroleum Institute (IFP Énergies nouvelles or IFPEN) which for many years focused primarily on flexible pipe development but has since expanded to include umbilicals and rigid pipeline R&D. In 2012, the management of this partnership was restructured to optimize the return to Technip and to encompass a focus on more innovative directions. Technip is currently developing with IFPEN new materials such as the anti-H₂S sheath that prevents H₂S from coming in contact with metallic load bearing wires in the flexible pipe, which allows the use of more cost effective steel grades with higher mechanical characteristics, or carbon fiber composite armor (CFA) that has much higher tensile capacity than the traditional steel armor wire while also being significantly lighter and resistant to corrosion. This is an enabling technology for flexible pipe for the ultra deep water developments. Technip and IFPEN are also carrying out state of the art material testing on different metallic and polymers grades in, for example, very high pressure CO₂ environments (so-called "super-critical state" CO₂). Such testing is key to validate the long-term performance of flexible pipe in conditions analogous to those of Brazil's pre-salt developments.

In 2011, the establishment of a strategic partnership agreement with the French Atomic Energy Commission ("CEA Tech")

provided Technip with a broad view of the technologies available to other industries and how they might contribute to Technip's overall strategic R&D program, in particular for the development of smart and active technologies incorporated within the flexible, rigid and umbilical products. Some development programs initiated with the CEA are already showing good potential, particularly in the areas of sensor technologies and robotics applied to processes and the non-destructive examination of products during manufacturing and in-service phases. The certification of "morphopipe", a network of sensors embedded within the flexible riser to provide live curvature monitoring, is progressing well.

In 2013, Technip continued its review of the various universities and technology institutes that are widely used to assist in technology development throughout the various R&D activities. It is intended to structure, consolidate and expand this network in the coming years to provide greater added value in terms of open innovation and access to high level R&D facilities and personnel and, for example, a technology partnership with NASA is currently being finalized.

Technip is also involved in common R&D initiatives with key suppliers as well as taking part in many Joint Industry Projects.

11.4. Acquisitions

As part of its strategy of innovation and technological differentiation, Technip rigorously pursues the identification and evaluation of potential acquisitions of technology, whether

individual technologies or portfolios of technologies, such as the acquisition of Stone & Webster's process technologies in 2012.

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12.1. Prospects

2013 was a year of both achievements and challenges. In Onshore/Offshore, Technip's 2013 operational performance was overall in line with its objectives. The Group made good progress in completing major projects such as the Lucius Spar and the Jubail refinery. In Subsea, after nine months of revenue and profit growth, it had to revise its expectations for the fourth quarter. However, project delivery was good in many areas, notably for example the North Sea. It is important to note that the Group met all its revised financial and operational goals for the fourth quarter.

Throughout the year, Technip was able to add value to its clients, thanks to its sustained recent investments in people, assets, technology and geographic presence, both organically and by acquisition. Consequently, the Group was awarded a record level of orders worth €12 billion. These include the first orders for the new Açú flexible pipe plant in Brazil, the Moho Nord project in Congo utilizing our S-Lay fleet, the CP Chem downstream investment in the US and a major project management consultancy assignment in Kuwait, both capitalizing on the Stone and Webster process technologies acquisition in 2012.

Year-end backlog stands at €16.6 billion and is profitable and well diversified by segment, client and geography. Technip's relatively high level of visibility on its business outlook has enabled the Group to set out realistic and achievable financial targets for these two years. These targets are reiterated in full. Accordingly, following the growth in 2013 of its revenues, profit and cashflow, Technip propose to shareholders a 10% increase in dividend to €1.85 per share.

Looking forward, clients' capex continues to increase globally, even if at a more moderate rate than in the past decade. Some themes remain clear in the industry – amongst them the fast depletion of older reservoirs, the abundance of new finds potentially to replace them, a long-term trend towards gas production, the importance of shale oil and gas to the US onshore market. For some years now, larger projects have taken longer to sanction, but recent actual project awards as well as announcements confirm that the clients remain focused on moving most of them forward. More and more, they are engaging their supply chain in the definition and implementation of fit-for-purpose solutions.

Technip is well placed to benefit from its presence in regions such as Brazil, Africa and North America, as well as technology areas such as (F)LNG, where client investment is rising. The Group is consistently able to help its clients optimize their investments, participating in projects from conceptual, through to FEED and, notably, value-engineering phases. It can offer technology and engineering solutions to make projects, large and small, cost-effective. Technip sees the benefits of its positioning today in its ability to take many projects on the basis of its added-value. For the medium-term, this is manifested in a growing number of long-term alliances with clients and industrial partners, such as Shell, ExxonMobil, BP, Sasol, COOEC, Huanqiu and Heerema.

Its focus in the year ahead will be on demonstrating its execution capability, delivering its projects safely and reliably, so as to drive profitable growth over 2014, 2015 and beyond. Technip will maintain its strategic direction – profitability and diversification in its project portfolio, prudent investment in key assets, development of proprietary technology, and being closer to its clients through local presence and investment. The Group expects the result to be a reinforcement of its leading position in its industry.

FULL YEAR 2014 OUTLOOK

- Subsea revenue growing to between €4.35 and €4.75 billion, with operating margin of at least 12%.
- Onshore/Offshore revenue growing to between €5.4 and €5.7 billion, with operating margin between 6% and 7%.

FULL YEAR 2015 OUTLOOK

- Subsea revenue to be well above €5 billion, with operating margin between 15% and 17%.
- Onshore/Offshore revenue growing modestly with stable operating margin.

12.2. Financial Communications Agenda

The financial communications agenda for 2014 is as follows:

April 24, 2014	2014 First Quarter Results
April 24, 2014	Annual Shareholders' Meeting
July 24, 2014	2014 Second Quarter and First Six Months' Results
October 30, 2014	2014 Third Quarter Results

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Profits Estimates and Forecasts

None.

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Compliance with Code

In accordance with Article L. 225-37 of the French Commercial Code, the Company states that it refers to and voluntarily applies the entire AFEP-MEDEF corporate governance code for listed companies which results from the consolidation of the AFEP-MEDEF report of October 2003 and the AFEP-MEDEF recommendations of January 2007 and October 2008 concerning the compensation of executive directors of listed companies along with the recommendation of April 2010 on the reinforcement of the number of women sitting on boards (the "AFEP-MEDEF Code" which was revised in June 2013). The AFEP-MEDEF Code is available on the MEDEF's website (www.medef.fr).

At the request of the Company, Labrador Conseil, an independent corporate governance consultant firm, reviewed Sections 14, 15, 16 and Annex C of this Reference Document and has confirmed that the Company complies with the AFEP-MEDEF Code.

14.1. Board of Directors

14.1.1. COMPOSITION OF THE BOARD OF DIRECTORS

As of February 28, 2014, the Board of Directors comprised 12 members. It does not comprise any directors representing employees or employee shareholders. Six of the directors are not of French nationality and five are women. In accordance with Article 6 of the AFEP-MEDEF Code, the Board regularly examines the balance in its composition, notably regarding the fair representation of women and men, nationalities and skills diversity.

The average age of directors is 57.

The term of office of Board members is set at four years, which is consistent with the recommendations made by the AFEP-MEDEF Code (Article 14).

In accordance with the recommendations of the AFEP-MEDEF Code and based on an amendment of the Articles of Association adopted by the Company's Combined Shareholders' Meeting of April 27, 2007, to permit smooth transitions in Board renewal and to prevent "renewal en masse" (Article 14), the Board of Directors, at its meeting of April 27, 2007, introduced a rolling renewal system, pursuant to which one-half of its members' terms of office will be renewed every two years.

The French Law dated January 27, 2011, on the fair representation of women and men within Board of Directors' meetings sets the conditions for a more balanced representation of men and women within the governing bodies of large companies. Since the Annual Shareholders' Meeting of April 25, 2013, Technip meet in advance the second threshold of 40% to be achieved by 2016.

In accordance with the AFEP-MEDEF Code recommendations, the qualification of "independent director" is discussed and reviewed every year by the Board of Directors upon the recommendation of the Nominations and Remunerations Committee (Article 9.3 of the AFEP-MEDEF Code).

At its meeting of February 17, 2014, the Nominations and Remunerations Committee reviewed the qualification of the Company's Board members as "independent director" in light of the definition and criteria used in the AFEP-MEDEF Code, which states that: "A director is independent when he or she has no

relationship of any kind whatsoever with the corporation, its group or the management of either that is such as to color his or her judgment.

Accordingly, an independent director is understood to be not only as a non-executive director, *i.e.*, one not performing management duties in the corporation or the group, but also as one devoid of any particular bonds of interest (significant shareholders, employee, other) with them" (Article 9.1 of the AFEP-MEDEF Code).

Furthermore, an independent director must not (Article 9.4 of the AFEP-MEDEF Code):

- be an employee or executive director of the corporation, or an employee or director of its parent or a company that it consolidates, and not having been in such a position for the previous five years;
- be an executive director of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive director of the corporation (currently in office or having held such office going back five years) is a director;
- be a customer, supplier, investment banker or commercial banker that is material for the corporation or its group, or for a significant part of whose business the corporation or its group accounts;
- be related by close family ties to an executive director;
- have been an auditor of the corporation within the previous five years;
- have been a director of the corporation for more than 12 years. Loss of the status of independent director on the basis of this criterion should only occur upon expiry of the term of office during which the 12-year limit is reached.

The Nominations and Remunerations Committee presented its conclusions to the Board of Directors, which approved them at its meeting of February 18, 2014.

As of February 28, 2014, the Board comprised nine independent members out of 12 members. It therefore exceeds the recommendations made in the AFEP-MEDEF Code, which stipulates that half of the Board members should be independent in widely-held companies that have no controlling shareholders (Article 9.2 of the AFEP-MEDEF Code).

As of February 28, 2014, the Board of Directors comprised the following members:

Name Main position Professional address Age – Nationality	Position within the Board of Directors	Term
Thierry Pilenko Technip's Chairman and Chief Executive Officer 89, avenue de la Grande Armée – 75116 Paris 56 – French	Technip's Chairman and Chief Executive Officer	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Gérard Hauser 89, avenue de la Grande Armée – 75116 Paris 72 – French	Senior Independent Director Independent director	Date of first appointment: April 30, 2009. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
Olivier Appert Chairman of IFP Énergies nouvelles Institut Français du Pétrole 1 et 4, avenue de Bois-Préau – 92852 Rueil-Malmaison Cedex 64 – French	Director	Date of first appointment: May 21, 2003. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Pascal Colombani Senior Advisor AT Kearney 23, rue de l'Université – 75007 Paris 68 – French	Independent director	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Leticia Costa Partner in Prada Assessoria Ltda Rua Quatã, 300 – 04546-042 – São Paulo – SP – Brazil 53 – Brazilian	Independent director	Date of first appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Marie-Ange Debon Senior Executive Vice President of Suez Environnement in charge of the International Division Tour CB21 – 16, place de l'Iris – 92040 Paris La Défense Cedex 48 – French	Director	Date of first appointment: July 20, 2010. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
C. Maury Devine Corporate Director 1219 35th Street NW Washington – DC 20007 – USA 63 – American	Independent director	Date of first appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Manisha Girotra Chief Executive Officer of Moelis & Company India Pvt Ltd Suite 3103 – Hotel Four Seasons Dr E. Moses Road, Worli – Mumbai 400018 – India 44 – Indian	Independent director	Date of first appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
Alexandra Bech Gjørøv Partner in Advokatfirmaet Hjort Da Akersgaten 51 – N-0150 – Oslo – Norway 48 – Norwegian	Independent director	Date of first appointment: October 23, 2012. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
John O'Leary Chief Executive Officer of Strand Energy Strand Energy – PO Box 28717 – Dubai Industrial Park – Dubai – United Arab Emirates 58 – Irish	Independent director	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Joseph Rinaldi Partner in Davis Polk & Wardwell Davis Polk & Wardwell – 450 Lexington Avenue – New York NY 10017 – USA 56 – Australian and Italian	Independent director	Date of first appointment: April 30, 2009. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
Pierre-Jean Sivignon Chief Financial Officer of Carrefour Group 50, avenue Émile Zola 92649 Boulogne-Billancourt 57 – French	Independent director	Date of first appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.

The other offices held by the members of the Board of Directors are indicated in Annex A of this Reference Document.

14.1.2. BIOGRAPHIES OF THE DIRECTORS

Thierry Pilenko is Chairman and Chief Executive Officer of Technip. Before joining Technip in 2007, Thierry Pilenko was Chairman and Chief Executive Officer of Veritas DGC, a seismic services company based in Houston. While at Veritas DGC he successfully managed its merger with the *Compagnie Générale de Géophysique*.

Prior to this appointment, Pilenko held various management and executive positions with Schlumberger where he started in 1984 as a geologist. He held several international positions in Europe, Africa, the Middle East and Asia before becoming President of Schlumberger GeoQuest in Houston and subsequently Managing Director of SchlumbergerSema in Paris until 2004.

Thierry Pilenko holds degrees from France's Nancy School of Geology (1981) and the IFP School (1982). He serves on the Board of Directors of Hercules Offshore (USA). Since April 2012, Thierry Pilenko is also a member of the Supervisory Board of Peugeot S.A.

Olivier Appert has been Chairman of IFP Énergies nouvelles since April 2003. Previously, he has been Director of Long Term Cooperation and Energy Policy Analysis at the International Energy Agency (1999-2003). From 1994 to 1999, he held technical and financial responsibilities within IFP and its subsidiary ISIS. Previously, he held several posts in the French Ministry for Industry and at the Prime Minister's Cabinet. He has been responsible for the strategy in TRT, a subsidiary of the Philips group (1987-1989). He began his career in 1974 in the Administration in various positions where he was responsible for energy and industrial development.

Former student of the French *École Polytechnique*, Olivier Appert is a Civil Engineer.

Pascal Colombani is Chairman of the Board of Directors of Valeo and Senior Advisor for innovation, high technology and energy at the A.T. Kearney strategic consultancy firm; he is a member of the French Academy of Technology, and a director of Alstom. In 2000, he was appointed Chairman and CEO of the French Atomic Energy Commission (*Commissariat à l'Énergie Atomique – CEA*), a post that he held until December 2002. After the restructuring the industrial holdings of the CEA into Areva, he chaired the Supervisory Board of Areva from its creation until May 2003. Between 1997 and 1999, he was the Director of Technology at the Ministry for Research.

Pascal Colombani spent close to 20 years (1978-1997) at Schlumberger in various posts, in the US and in Europe, before becoming Chairman and CEO of its Japanese subsidiary in Tokyo. He began his career at CNRS.

Pascal Colombani is a graduate of the French *École Normale Supérieure* in Saint-Cloud (1969) and Doctor of sciences (1974).

Leticia Costa has been a partner in Prada Assessoria and Coordinator for the Center of Strategy Research at Insper since 2010. In May 2011, she also became the Dean for Graduate Programs at Insper. She currently serves as Board member of Localiza, the largest car rental company in Brazil and Marcopolo, a bus manufacturer also in Brazil. Additionally, she is a member of the Audit Committee for Votorantim Cimentos, a privately held company in Brazil. She has served as a Board member of Gafisa, one of the main construction companies in Brazil and Sadia, a food manufacturer in Brazil. In 1986, she joined Booz & Company (formerly Booz Allen Hamilton) and in 1994, became a Vice President and in 2001 was appointed President of the operations in Brazil. She also served the firm's

Board of Directors. At Booz & Company, Leticia Costa completed a wide range of assignments in Europe and Latin America, and also conducted studies in North America and Asia. Prior to joining Booz & Company, she worked from 1982 to 1984 as a systems analyst for *Indústrias Villares S.A.*

Leticia Costa is a graduate of Cornell University and of *Escola Politécnica* of the University of São Paulo.

Marie-Ange Debon is Senior Executive Vice President of the Suez Environnement Group, in charge of the International Division since April 2013. Before, she held the position of General Secretary. She is a member of the *Collège de l'Autorité des marchés financiers* (the French Financial Market Authority). Prior to joining Suez Environnement in 2008, Marie-Ange Debon has served in various positions in both the public and private sectors. In November 1998, Marie-Ange Debon joined Thomson as Deputy Chief Financial Officer and later served as General Secretary.

Marie-Ange Debon is a graduate of HEC, ENA and has a Master's Degree in Law.

C. Maury Devine is a member of the Board of Directors of FMC Technologies (NYSE: FTI) and John Bean Technologies (NYSE: JBT). She serves on the Audit Committee and Nominating and Governance Committee of both companies.

She is a member of the Council on Foreign Relations and is a member of the independent Nominating and Governance Committee of Petroleum Geo Services.

She served as Vice Chairman of the Board of Det Norske Veritas (DNV) from 2000 to 2010, and was a fellow at Harvard University's Belfer Center for Science and International Affairs between 2000 and 2003.

C. Maury Devine also held various positions in ExxonMobil Corporation between 1987 and 2000, notably President and Managing Director of ExxonMobil's Norwegian affiliate from 1996 to 2000 and Secretary of Mobil Corporation from 1994 to 1996.

From 1972 to 1987, she held various assignments in the US government notably in the US Department of Justice, the White House and the Drug Enforcement Administration.

C. Maury Devine is a graduate of Middlebury College, the University of Maryland and Harvard University (Masters of Public Administration).

Manisha Girotra has been Chief Executive Officer (CEO) of Moelis & Company India, a global investment bank based in Mumbai since 2012.

Prior to joining Moelis, she had a 16-year career with UBS where she was most recently CEO & Country Head in India managing its investment bank, commercial bank, markets, equity research and wealth management divisions. From 1994 until 1996, Manisha Girotra was Head for North India at Barclays Bank, responsible for marketing and credit support to corporates and managing the relationship with the government. Between 1992 and 1994, she worked for ANZ Grindlays Bank.

In 2011, Manisha Girotra was nominated to *Fortune* magazine's and she has appeared in *Business Today's* 25 Most Powerful Women in Business in India for the past five years.

Manisha Girotra graduated from the Delhi School of Economics (M.A. Economics) in 1992.

Alexandra Bech Gjørnv is a partner in the law firm Hjort (Norway) and also chaired the public July 22, 2011 Commission on the terrorist attacks.

She began her career in law firms before joining Norsk Hydro ASA from 1993 to 2007 where she held a number of positions, including Executive Vice President HR and HSE and Senior Vice President, New Energy. She then moved to Statoil ASA as Senior Vice President, New Energy from 2007 until 2010 before joining Hjort in 2010.

Alexandra Bech Gjørnv graduated from the University of Oslo (Norway). She also holds a diploma in legal studies from Oxford University (UK) and has studied at Suffolk Law School in Boston (USA), after which she was admitted to practice law in New York in 1993.

Gérard Hauser was Chairman and Chief Executive Officer of Nexans from June 2000 to June 2009. He joined Alcatel in 1996 and became President of its Cable and Component Sector in 1997 and member of the Executive Committee of Alcatel. From 1975 till 1996, he worked for the Pechiney Group, as Chairman and Chief Executive Officer of Pechiney World Trade first and of Pechiney Rhénalu later; he was later appointed Senior Executive Vice President of American National Can and member of the Group Executive Board.

From 1965 till 1975, Gérard Hauser covered several senior positions in the Philips Group.

John O'Leary has, since January 2007, held the post of Chief Executive Officer of Strand Energy (Dubai), a company involved in seeking out investment and development opportunities in the oil and gas sector and also sits on the Supervisory Boards of Huisman Itrec and Jumbo Shipping. From 2004 to 2006, he was a partner in Pareto Offshore ASA, a Norwegian company specialized in advising customers in the exploration/production sector. In 1985, he joined the Forasol-Foramer group where he successively held the posts of Development and Partnerships Manager (1985-1989) and Vice Chairman for Marketing (1990-1997). After the takeover in 1997 of Forasol-Foramer by Pride International, a company specialized in onshore and offshore drilling, he became the Chief Executive Officer of the new group until 2004. He began his career as a trader in the Irish National Petroleum Corporation (1979-1980) before joining Total as a drilling engineer (1980-1985).

John O'Leary is a graduate of Trinity College in Dublin, the University College in Cork as well as the *Institut Français du Pétrole*.

Joseph Rinaldi is a partner in the international law firm of Davis Polk & Wardwell. He advises on mergers and acquisitions transactions, corporate governance and securities and corporate law. Joseph Rinaldi is a frequent speaker and author on merger and acquisition and corporate governance issues. From 2002 to 2007 he was the senior partner in the Paris office of Davis Polk & Wardwell after joining it in 1984 and becoming a partner in 1990.

Joseph Rinaldi graduated from the University of Sydney, Australia, with first class honors in 1979, and in 1981 received his LL.B, with first class honors, from the University of Sydney, where he was a member of the editorial committee of the *Sydney Law Review*. He received an LL.M from the University of Virginia School of Law in 1984. He is admitted to practice law in New York.

Pierre-Jean Sivignon is, since September 2011, Chief Financial Officer of the group Carrefour in charge of the supervision of the Financial Services, of Spain and of Italy.

Pierre-Jean Sivignon began his career in 1979 with the firm Peat Marwick Mitchell. In 1982, he joined the Schlumberger group, where he held various positions in the Financial Department of the Dowell Schlumberger Oilfield Services division (in Europe and Africa), then became General Manager of the Bank and Industry division (in Paris) and, finally, Group Treasurer in Paris and New York. From 2001 to 2005, he was Chief Financial Officer and member of the Executive Committee of Faurecia group based in Paris. Pierre-Jean Sivignon joined the Philips Group (in Amsterdam) in May 2005, where he held the positions of Chief Financial Officer and member of the Executive Committee until March 2011.

He was also member of the Board of Directors of Imerys Group until 2013.

He graduated from *École Supérieure des Sciences Économiques* (ESSEC) Paris.

Patrick Picard is Secretary of the Board of Directors.

14.1.3. FAMILY RELATIONSHIP

To the Company's knowledge, no close family relationships exist between the members of the Company's Board of Directors.

14.2. The Company's Management

On January 15, 2007, the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee, appointed Thierry Pilenko as the Company's Executive Vice President (*Directeur Général Délégué*).

The Combined Shareholders' Meeting of April 27, 2007 appointed Thierry Pilenko to the Board of Directors for a four-year term expiring after the Shareholders' Meeting approving the financial statements for the year ended December 31, 2010, which was held on April 28, 2011. The latter renewed Thierry Pilenko's term of office as a director for a four-year term expiring at the end of the Shareholders' Meeting approving the financial statements of the year ending December 31, 2014.

At its meeting of April 27, 2007, the Board of Directors appointed Thierry Pilenko as Chairman of the Board of Directors. At its meeting on the same day and in accordance with Article 18 of the Company's Articles of Association, the Board opted to combine the offices of Chairman and Chief Executive Officer of the Company, after having resolved that this management form is best suited for the Company, and consequently appointed Thierry Pilenko as Chairman and Chief Executive Officer for the duration of his term of office as a director.

The Ordinary Shareholders' Meeting of April 28, 2011 renewed Thierry Pilenko as a director for a four-year term expiring after the Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.

At its meeting of April 28, 2011, the Board of Directors renewed Thierry Pilenko as Chairman of the Board of Directors. At this meeting, in accordance with Article 18 of the Company's Articles of Association, the Board of Directors elected to combine the offices of Chairman and Chief Executive Officer of the Company into one office, after having determined that this form of organization was the most appropriate to the Company, and renewed Thierry Pilenko as Chairman and Chief Executive Officer for the duration of his term of office with the Board of Directors. This option, which was decided by the Board of Directors, upon the Ethics and Governance Committee's recommendation, pragmatically relies on the experience of the Group and the good results of this form of organization but particularly takes into account the prevailing

practices in companies of the same sector. This has led Technip to reinforce existing control mechanisms and to create a function of Senior Independent Director whose missions are detailed in Section 16.1.1 of this Reference Document. On October 23, 2012, the Board of Directors entrusted this position to Gérard Hauser for a period of two years and extended in exceptional circumstances until the date of the Shareholders' Meeting approving the financial statements for the year ending December 31, 2014.

At its meeting on February 18, 2013, the Ethics and Governance Committee re-stated its approval to combine the offices of Chairman and Chief Executive Officer, considering that this remained the management method most adapted to the Company.

At the date of this Reference Document, the Board of Directors had not appointed any Executive Vice President (*Directeur Général Délégué*).

STATEMENTS ON THE ADMINISTRATIVE, MANAGEMENT, SUPERVISORY AND CORPORATE MANAGEMENT BODIES

To the Company's knowledge over the past five years:

- no judgment for fraud has been rendered against a member of the Board of Directors or the Chairman and Chief Executive Officer;
- none of the members of the Board of Directors or the Chairman and Chief Executive Officer has been, the subject of a bankruptcy, sequestration or liquidation procedure as a member of an administrative, management or supervisory body or as a Chief Executive Officer;
- no criminal and/or official public sanction has been made against any of the members of the Board of Directors of the Company or the Chairman and Chief Executive Officer by any regulatory authority (including professional organizations); and
- none of the members of the Board of Directors or the Chairman and Chief Executive Officer has been prevented by any tribunal from acting as a member of an executive board or a supervisory board of an issuer or to participate in the management or conduct of the business of an issuer.

14.3. Committees of the Board of Directors

In order to assist in the performance of its duties, the Board of Directors has established four special Committees: an Audit Committee, a Nominations and Remunerations Committee and a Strategic Committee, all three of which were formed in 2003, and an Ethics and Governance Committee which was formed in 2008.

The formation of the Audit Committee and the Nominations and Remunerations Committee satisfies the recommendations of the AFEP-MEDEF Code pursuant to which the examination by the Board of Directors of the annual accounts, the monitoring of any internal audit and the compensation policy should each be subject to the preparatory work by a special Board committee (Article 15). The Board established two other special committees: the Strategic Committee and the Ethics and Governance Committee to address specific matters as permitted by the AFEP-MEDEF Code (Article 15).

The function and the organization of these committees are described in Section 16.3 of this Reference Document.

14.3.1. THE AUDIT COMMITTEE

As of February 28, 2014, the Audit Committee's members were as follows:

Member	Title	Date of first appointment
Pascal Colombani	Chairman	October 23, 2012
Leticia Costa	Member	April 25, 2013
Marie-Ange Debon	Member	October 26, 2010
Alexandra Bech Gjørsv	Member	October 23, 2012
Pierre-Jean Sivignon	Member	April 25, 2013

The Committee's internal charter provides that the Audit Committee must comprise at least three directors appointed by the Board of Directors, with at least two thirds qualifying as independent according to the criteria of the AFEP-MEDEF Code. In considering the appointment of directors to the Audit Committee, the Board of Directors carefully reviews their independence and ensures that at least one member has specific qualifications in financial and accounting matters, as required by Article L. 823-19 of the French Commercial Code.

As of February 28, 2014, due to their education and professional experience, qualifications in financial and accounting matters, all of the Audit Committee members satisfied the requirements of Article L. 823-19 of the French Commercial Code which provides that at least one member of the Audit Committee shall have such skills. 80% of the Audit Committee's members were independent directors, *i.e.*, a proportion greater than that required pursuant to the recommendations of the AFEP-MEDEF Code, pursuant to which the proportion of independent directors should be at least two thirds (Article 16.1) and by Article L. 823-19 of the French Commercial Code according to which at least a member of the Audit Committee must be independent. In accordance with the AFEP-MEDEF Code, the Audit Committee does not include as a member the Chairman and Chief Executive Officer who is the sole executive director (Article 16.1).

The Committee appoints its Chairman and its Secretary.

14.3.2. THE NOMINATIONS AND REMUNERATIONS COMMITTEE

In compliance with the AFEP-MEDEF Code, the remunerations policy and the nominations of directors and officers (*mandataires sociaux*) is reviewed by a unique committee, the Nominations and Remunerations Committee (Article 15).

As of February 28, 2014, the Nominations and Remunerations Committee's members were as follows:

Member	Title	Date de first appointment
G�rard Hauser	Chairman	June 23, 2010
C. Maury Devine	Member	April 28, 2011
John O'Leary	Member	April 25, 2013

The Committee's internal charter provides that the Committee must comprise at least three directors appointed by the Board of Directors, the majority of whom must be independent.

The Chairman and Chief Executive Officer, the only executive director, is not a member of the Committee.

As of February 28, 2014, all members of the Nominations and Remunerations Committee were independent directors, which surpasses the recommendations of the AFEP-MEDEF Code, according to which the majority of the Committee's members must be independent directors none of whom can be an executive director (Articles 17.1 and 18.1). Furthermore, in accordance with Article 18.1, the Chairman of the Committee is an independent director.

The Committee appoints its Chairman and its Secretary.

14.3.3. THE STRATEGIC COMMITTEE

As of February 28, 2014, the Strategic Committee's members were as follows:

Member	Title	Date of first appointment
Pascal Colombani	Chairman	April 27, 2007
Joseph Rinaldi	Vice Chairman	June 23, 2010
Olivier Appert	Member	May 21, 2003
Manisha Girotra	Member	June 14, 2013
G�rard Hauser	Member	April 30, 2009
John O'Leary	Member	June 14, 2013

The Committee's internal charter provides that the Committee must be comprised of at least three directors appointed by the Board of Directors.

As of February 28, 2014, more than 80% of the Strategic Committee's members were independent directors.

The Committee appoints its Chairman and its Secretary.

14.3.4. THE ETHICS AND GOVERNANCE COMMITTEE

As of February 28, 2014, the Ethics and Governance Committee's members were as follows:

Member	Title	Date of first appointment
Joseph Rinaldi	Chairman	April 30, 2009
Olivier Appert	Member	December 9, 2008
C. Maury Devine	Member	April 25, 2013
Alexandra Bech Gjørsv	Member	April 25, 2013

The Committee's internal charter provides that the latter must be comprised of at least three directors appointed by the Board of Directors.

As of February 28, 2014, 75% of the Ethics and Governance Committee's members were independent directors.

The Committee appoints its Chairman and its Secretary.

14.4. Conflicts of Interest at the Level of Administrative, Management and Supervisory Bodies and the Senior Management

14.4.1. ABSENCE OF CONFLICTS OF INTERESTS

To the Company's knowledge no potential or recognized conflicts of interest exist between Technip and its directors in respect of the duties they owe to the Company and their private interests.

To the Company's knowledge no arrangement or understanding with major shareholders, customers, suppliers or others exists according to which one Board member was selected in such quality.

To the Company knowledge and with exception of what is described in Sections 15.1.1, 15.1.3, 16.1.1, 17.2.2, 17.2.3 and 17.2.4 of this Reference Document, there are no restrictions agreed by members of the Board of Directors or the Management concerning the transfer of their holding in the Company's share capital.

14.4.2. LOANS AND GUARANTEES GRANTED TO DIRECTORS

The Company has not granted any loans or guarantees to a member of the Board of Directors, including the Chairman and Chief Executive Officer.

14.5. Shareholders' Agreements

To the Company's knowledge, no shareholders' agreements, whether declared or undeclared, have been entered into in relation to its shares.

Compensation and Benefits

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15.1. Compensation and Other Benefits Granted to Directors

15.1.1. TABLES REGARDING COMPENSATION OF EXECUTIVE DIRECTORS

The tables below provide details in a uniform manner for the compensation of the Chairman and Chief Executive Officer, as executive director, the other directors and the first 10 employees in the Group (other than directors and officers (*mandataires*

sociaux)), in accordance with the AMF Recommendation dated December 22, 2008, on information to be disclosed on the compensation of executive directors of listed companies issued following the AFEP-MEDEF recommendations of October 2008 on the compensation of executive directors of listed companies that are included in the AFEP-MEDEF corporate governance code, which was revised in June 2013 (the "AFEP-MEDEF Code").

The total amount of compensation, stock options and performance shares granted to the Chairman and Chief Executive Officer as executive director, for the financial year 2012 and 2013 is as follows:

1. Summary table of the compensation, stock options and shares accruing to Thierry Pilenko, Chairman and Chief Executive Officer, as executive director

In Euro	2012 financial year	2013 financial year
Thierry Pilenko, Chairman and Chief Executive Officer ^(a)		
Compensation due in respect of the financial year	2,579,715	1,758,330
Valuation of the stock options awarded during the financial year ^(b)	758,050	678,248
Valuation of the performance shares awarded during the financial year ^(c)	1,454,516	1,588,657
TOTAL	4,792,281	4,025,235

(a) Thierry Pilenko is Chairman of the Board of Directors of Technip Italy S.p.A. Thierry Pilenko does not receive any compensation for this office.

(b) The valuation assumptions regarding these options are described in Note 20 (h) of the Group consolidated financial statements (see Section 20.1 of this Reference Document).

(c) The valuation assumptions regarding these shares are described in Note 20 (i) of the Group consolidated financial statements (see Section 20.1 of this Reference Document).

The total amount of compensation that fell due and was paid, as well as all other benefits granted to the Chairman and Chief Executive Officer, as executive director, over financial years 2012 and 2013 is as follows:

2. Summary table of the compensation of Thierry Pilenko, Chairman and Chief Executive Officer

Thierry Pilenko, Chairman and Chief Executive Officer In Euro	2012 financial year		2013 financial year	
	Due	Paid	Due	Paid
Fixed compensation	900,000	900,000	900,000	900,000
Variable compensation ^(a)	1,672,704	1,672,704	858,330	858,330
Extraordinary compensation	-	-	-	-
Directors' fees ^(b)	-	-	-	-
Fringe benefits (car) ^(c)	7,011	7,011	7,011	7,011
TOTAL	2,579,715	2,579,715	1,765,341	1,765,341

(a) The amount due is based on a variable reference compensation; on a year N basis, it can vary from 0% to 200% of the N-1 basis of the annual compensation. For more details on the variable compensation, see Section 15.1.3 of this Reference Document.

(b) Thierry Pilenko does not receive any directors' fees for the positions he holds as a Company director or in the Group's companies.

(c) Company car.

The gross individual amounts of directors' fees for financial year 2012, which were paid in January 2013, and for financial year 2013, which were paid in January 2014 to each Board member were as follows:

3. Directors' fees table

Board members	Directors' fees paid for the 2012 fiscal year (in Euro)	Directors' fees paid for the 2013 fiscal year (in Euro)
Olivier Appert	43,000	58,500
Pascal Colombani	81,500	89,000
Leticia Costa	48,500	72,000
Marie-Ange Debon	45,500	61,000
C. Maury Devine	69,000	76,000
Alexandra Bech Gjörv	8,832	68,000
Manisha Girotra	N/A	43,666
Gérard Hauser	67,500	87,500
Marwan Lahoud	31,000	13,333
Daniel Lebègue	51,334	N/A
John O'Leary	62,000	72,500
Joseph Rinaldi	62,500	78,000
Pierre-Jean Sivignon	N/A	40,666
Thierry Pilenko	-	-
TOTAL	570,666	760,165

Directors (other than the Chairman and Chief Executive Officer) do not receive any other compensation from the Company or other companies of the Group.

The total amount of share purchase options or share subscription options granted during financial year 2013 to the Chairman and Chief Executive Officer, as executive director, by the Company or by any Group company is as follows:

4. Share purchase options or share subscription options granted by the Company during the financial year 2013 to the executive director

Name of the executive director	Number and date of the plan	Nature of the options (purchase or subscription)	Valuation of the options according to the method used for the consolidated financial statements	Number of options awarded during the financial year	Exercise price	Exercise period
Thierry Pilenko	2013 Plan Tranche 1 June 14, 2013	subscription	€678,248 ^(a)	50,000 ^(b)	€85.73	From June 14, 2017 to June 14, 2021

(a) The valuation assumptions regarding these options are described in Note 20 (h) of the Group's consolidated financial statements (see Section 20.1 of this Reference Document).

(b) The number of share subscription options granted by the Board of Directors on June 14, 2013, is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2013, 2014 and 2015 in terms of Total Shareholder Return (TSR), Operating Income from Recurring Activities (OIFRA) and Return on Capital Employed (ROCE).

The share purchase options or share subscription options exercised during financial year 2013 by the Chairman and Chief Executive Officer, as executive director are as follows:

5. Share subscription or purchase options exercised during financial year 2013 by the executive director

Name of the executive director	Number and date of the plan	Number of options exercised during the financial year	Exercise price	Award year
Thierry Pilenko	2005 Plan Tranche 3 March 12, 2007	105,107	€49.1705	2007

Thierry Pilenko, the Company's only executive director, does not engage in any risk hedging transactions with respect to the share purchase options or share subscription options that were granted to him.

In addition, the Board of Directors fixed for the Chairman a holding rule for stock options which have been granted to him since 2007 corresponding to 25% of the realized net gain.

The total amount of performance shares granted by the Company to the Chairman and Chief Executive Officer, as executive director, during financial year 2013 is as follows:

6. Performance shares granted during the 2013 financial year to the executive director

Name of the executive officer	Number and date of the plan	Number of performance shares granted	Valuation of shares according to the method used for the consolidated financial statements	Acquisition date	Availability date	Performance conditions
Thierry Pilenko	2013 Plan Tranche 1 June 14, 2013	30,000	€1,588,657 ^(a)	June 14, 2016	June 14, 2018	see ^(b) here below

(a) The valuation assumptions regarding these shares are described in Note 20 (i) of the Group's consolidated financial statements (see Section 20.1 of this Reference Document).

(b) The number of performance shares granted by the Board of Directors on June 14, 2013, is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2013, 2014 and 2015 in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated From Operational Activities.

The total amount of performance shares which became available for the Chairman and Chief Executive Officer, as executive director, during financial year 2013 is as follows:

7. Performance shares which became available for each executive director for financial year 2013

Performance shares which became available for each director and officer	Number of performance shares	Price	Grant date	Acquisition date, subject to compliance with the conditions set by the Board of Directors	Plan number
Thierry Pilenko	30,000 ^(*)	€81.50	June 23, 2010	June 23, 2013 ^(l)	2010 Plan Tranche 1

(*) The number of performance shares acquired under the Plan granted on June 23, 2010 was determined by the progression in the Company's Group Consolidated Operating Income compared with the average of that of a representative sample of the Group's competitors. In accordance with the plan's regulations, 100% of the shares have been acquired.

(l) These shares are unavailable for a period of two years i.e. until June 23, 2015 (for a complete description of the performance share plans: see Section 17.2.4 of this Reference Document).

Thierry Pilenko, the Company's sole executive director, does not engage in any risk hedging transactions with respect to the performance shares that were granted to him.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares which have been granted since 2007 corresponding to 25% of the realized net gain.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, on acquisition of performance shares, Thierry Pilenko will be required to purchase a number of shares of the Company corresponding to 5% of the acquired performance shares. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

8. History of share subscription options and share purchase options and information on share subscription and share purchase options

	2005 Plan Tranche 3	1 st additional grant to Tranches 1, 2 and 3 of the 2005 Plan	2 nd additional grant to Tranches 1, 2 and 3 of the 2005 Plan	2008 Plan	2009 Plan	2010 Plan Tranche 1
	Subscription options	Subscription options	Subscription options	Purchase options	Subscription options	Subscription options
Date of Shareholders' Meeting	April 29, 2005	April 29, 2005	April 29, 2005	May 6, 2008	April 30, 2009	April 29, 2010
Date of Board of Directors' meeting	March 12, 2007	December 12, 2007	June 12, 2008	July 1, 2008	June 15, 2009	June 23, 2010
Number of options granted	990,858 ⁽¹⁾	85,329 ⁽¹⁾	106,858 ⁽¹⁾	953,100 ⁽²⁾	1,093,175 ⁽³⁾	1,102,300 ⁽⁴⁾
Subscription/purchase price per option	€49.1705	€55.6727	€59.96	€58.15	€34.70	€51.45
Option exercise start date	March 12, 2011	December 12, 2011	June 12, 2012	July 1, 2012	June 15, 2013	June 23, 2014
Expiry date*	March 12, 2013	December 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016
Total number of options available for subscription/purchase of as December 31, 2013	-	-	16,000	330,275	599,436	1,020,900
Number of options that may be subscribed/ purchased as of December 31, 2013 by: the Chairman and Chief Executive Officer, corporate officer**	-	N/A	N/A	80,000	109,000	109,000
Number of options subscribed/purchased as of December 31, 2013	902,413	78,302	81,858	555,835	416,589	1,300
Number of options canceled as of December 31, 2013	88,445	7,027	9,000	66,990	77,150	80,100

* All the plans are subject to certain restrictions limiting the exercise of options in the event the employee or the manager ceases to work for the Company.

** The other directors and officers of the Company are not beneficiaries of Plans.

(1) With respect to options granted under Tranche 3 of the 2005 Plan and the two additional grants to the tranches of this Plan, the exercise of options is subject to the achievement by Technip of a satisfactory performance for its shareholders. This performance will be measured by the change in the Company's fully diluted net profits per share compared with the average of that of a representative sample of the Group's competitors. Thus, the number of options that may be exercised is subject to the level of achievement of the aforementioned performance recorded at the option exercise start date.

With respect to the Tranche 3 of 2005 Plan, the performance calculation over the period 2007-2010 amounted to 140%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

With respect to the 1st additional grant to Tranches 1, 2 and 3 of 2005 Plan, the performance calculation over the period 2007-2010 amounted to 140%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

With respect to the 2nd additional grant to Tranches 1, 2 and 3 of 2005 Plan, the performance calculation over the period 2008-2011 amounted to 271%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

(2) The number of purchase options granted by the Board of Directors on July 1, 2008 is subject to a satisfactory performance by Technip for its shareholders over the period 2008-2011. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. As the level of performance is equal or higher compared to the reference index, consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

(3) The number of subscription options granted by the Board of Directors on June 15, 2009 is subject to a satisfactory performance by Technip for its shareholders over the period 2009-2012. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. 50% of the granted shares are subject to the level of achievement of the aforementioned performance recorded at the option exercise start date. No options can be exercised by the Chairman and Chief Executive Officer if the progression of the Group's Operating Income is less than that of each of the companies included in the sample.

2010 Plan Tranche 2	2010 Plan Tranche 3	2011 Plan Tranche 1	2011 Plan Tranche 2	2011 Plan Tranche 3	2012 Plan Tranche 1	2012 Plan Tranche 2	2013 Plan Tranche 1
Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options
April 29, 2010	April 29, 2010	April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013
December 15, 2010	March 4, 2011	June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013
19,400 ⁽⁴⁾	81,300 ⁽⁵⁾	339,400 ⁽⁶⁾	53,900 ⁽⁶⁾	49,007 ⁽⁶⁾	284,700 ⁽⁷⁾	35,350 ⁽⁷⁾	323,200 ⁽⁸⁾
€63.23	€72.19	€72.69	€66.94	€78.39	€74.54	€87.13	€85.73
December 15, 2014	March 4, 2015	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017
December 15, 2016	March 4, 2017	June 17, 2018	December 14, 2018	March 2, 2019	June 15, 2019	December 12, 2019	June 14, 2021
17,400	72,800	331,400	44,600	48,107	278,700	34,950	322,200
N/A	N/A	70,000	N/A	N/A	55,000	N/A	50,000
0	0	0	0	0	0	0	0
2,000	8,500	8,000	9,300	900	6,000	400	1,000

- (4) The number of subscription options granted by the Boards of Directors on June 23, 2010 and December 15, 2010 is subject to a satisfactory performance by Technip for its shareholders over the period 2010-2013. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. 50% of the granted shares are subject to the level of achievement of the aforementioned performance recorded at the option exercise start date. No options can be exercised by the Chairman and Chief Executive Officer if the progression of the Group's Operating Income is less than that of each of the companies included in the sample.
- (5) The number of subscription options granted by the Board of Directors on March 4, 2011 is subject to a satisfactory performance by Technip for its shareholders over the period 2011-2014. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors.
- (6) The number of subscription options granted by the Boards of Directors on June 17, 2011, December 14, 2011 and March 2, 2012 is subject to a Reference Performance to be measured for the years 2011, 2012 and 2013. This performance will be measured by the outcome reached by the Group in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 25%.
- (7) The number of subscription options granted by the Boards of Directors on June 15, 2012 and December 12, 2012 is subject to a Reference Performance to be measured for the years 2012, 2013 and 2014. This performance will be measured by the outcome reached by the Group in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 25%.
- (8) The number of subscription options granted by the Board of Directors on June 14, 2013 is subject to a Reference Performance to be measured for the years 2013, 2014 and 2015. This performance will be measured by the outcome reached by the Group in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 75%.

The share purchase or share subscription options granted to and exercised by the 10 employees (other than directors and officers (*mandataires sociaux*)) with the largest number of options during financial year 2013 are as follows:

9. Share purchase or share subscription options granted to and exercised by the 10 employees (other than directors and officers) with the largest number of options

Share purchase or share subscription options granted to and exercised by the 10 employees (other than directors and officers) with largest number of options	Total number of granted shares/of shares subscribed or purchased*	Weighted average price*	Plan number
Options granted during the year by the issuer or by any company included in the grant perimeter to the 10 employees of the issuer or any company included in the grant perimeter, in receipt of the largest number of options (aggregate information)	107,000	€85.73	June 14, 2013 ^(a)
Options held on the issuer and the aforementioned companies exercised during the year by the 10 employees of the issuer or another Group company having bought or subscribed to the highest number of options (aggregate information)	85,769	€50.47402	March 12, 2007 June 12, 2008 July 1, 2008 June 15, 2009

* The Combined Shareholders' Meeting of May 6, 2008 decided to distribute a dividend for 2007 taken in part from the Company's available reserves. The Board of Directors' meeting of May 14, 2008 made adjustments in accordance with applicable regulations. Consequently, the exercise prices and the number of options were adjusted so as to maintain a constant total exercise price for beneficiaries. These adjustments were made in accordance with methods provided for by regulations and resulted in a decrease in the exercise price and an increase in the number of options.

(a) The number of shares resulting from the exercise of share purchase or share subscription options granted by the Board of Directors on June 14, 2013 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2013, 2014 and 2015 in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return On Capital Employed (ROCE).

Other information regarding the Chairman and Chief Executive Officer, executive director is detailed in the following table:

10. Other information regarding the Executive Director

	Employment contract	Supplementary retirement plan	Compensations or benefits due or potentially due in case of suspension or change in the functions	Compensations relating to a non-compete agreement*
Thierry Pilenko	No	Yes ^(a)	No	Yes ^(b)

* For further details regarding commitments concluded with Thierry Pilenko, please refer to Section 19 of this Reference Document.

(a) See Section 15.1.3 of this Reference Document.

(b) See Section 15.1.3 of this Reference Document.

15.1.2. DIRECTORS' FEES

The Shareholders' Meeting of April 25, 2013 set the amount of directors' fees allocated to members of the Board of Directors at €800,000 for each of financial years 2013, 2014 and 2015. The amount actually paid in 2013 was €760,165. In accordance with the recommendations of the AFEP-MEDEF Code, directors' fees include a variable portion to be paid depending on the attendance rate at meetings of the Board and its Committees (Article 21.1 of the AFEP-MEDEF Code).

The amount of directors' fees (*jetons de présence*) for financial years 2012 and 2013 which were paid to each of the Board members are detailed in Table 3 of Section 15.1.1 of this Reference Document.

The Board of Directors of December 10-11, 2013 approved the following distribution of directors' fees for 2013:

- a fixed amount of €480,000 distributed equally among Board members (with the exception of the Chairman and Chief Executive Officer (CEO) who does not receive directors' fees from the Company and its subsidiaries) i.e. €40,000 per director, adjusted, if needed, on a prorata basis;

- an additional amount of €1,500 per Board meeting distributed among directors (other than the Chairman and CEO), depending on the attendance rate of the Board members for 2013, plus €500 when the attendance to the meeting requires travel within a continent or plus €2,000 when the attendance to the meeting requires transoceanic or transcontinental travel;
- an additional amount, for 2013, distributed among directors, depending on the attendance rate of the directors to the meetings of the Committees (other than the Chairman and CEO) as follows:
 - €1,500 per meeting of the Strategic Committee, the Nominations and Remunerations Committee, the Ethics and Governance Committee, with a supplementary amount of €8,000 for each of the Chairmen of these three Committees, adjusted, if needed, on a prorata basis,
 - €2,000 per meeting of the Audit Committee with a supplementary amount of €12,000 for the Chairman of this Committee, adjusted, if needed, on a prorata basis,
 - €10,000 for the Senior Independent Director, adjusted, if needed, on a prorata basis.

15.1.3. COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The compensation of the Company’s Chairman and Chief Executive Officer is determined by the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee (Article 23.1 of the AFEP-MEDEF Code).

Every year, Technip retains external and independent consultants, who are chosen by the Nominations and Remunerations Committee, to analyze the following market practices:

1. CAC 40 companies excluding financial companies (34 companies in 2013);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (31 companies in 2013);
3. European oil companies (nine companies in 2013); and
4. US oil companies based in Texas (20 companies in 2013).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2013, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to 1,765,341.0 (see Section 15.1.1, Table 2, for further details).

The variable portion of compensation is based on the fixed compensation for the previous year. For 2013, the target variable portion is equal to 100% of the annual base compensation. In accordance with Article 23.2.3 of the AFEP-MEDEF Code, the variable portion of the compensation is subject to precise and predetermined objectives. 70% of the target variable portion is linked to the financial performance of the Group (quantitative criteria) and 30% is linked to the achievement of individual objectives (qualitative criteria). These objectives are directly linked to

Technip’s strategy and cannot be disclosed for confidentiality reasons.

The share of the variable portion is linked with a financial target (70% of the total) and broken down into two objectives:

- up to 50% on the Group operating income budgeted for 2013: the share of the variable portion is (i) nil if real performance is below 80% of the budgeted amount (minimum level), (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount, (iii) between 100% and 140% for a performance equal to 100% to 110% of the budgeted amount, (iv) between 140% and 160% for a performance equal to 110% to 120% of the budgeted amount and (v) between 160% and 200% for a performance equal to 120% to 125% of the budgeted amount (maximum level); and
- up to 20% on the percentage of gross margin on order intake: the share will be: (i) nil if real performance is below 80% of the budgeted amount (minimum level), and (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount (maximum level).

The share of the variable portion corresponding to the individual objectives is composed as follows:

- strategic criteria linked to the strategic development of the Group and to Quality;
- HSE criteria which is key to the Group;
- criteria linked to human resources such as gender diversity, management and talents development, succession plan.

If the Group current operating income achieved is superior to the budgeted objective, a multiplier rate is calculated, up to a maximum of 2. It is then applied to the other variable portion criteria to calculate the final variable share for 2013, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2013 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	Financial objectives: (OIFRA, Gross Margin on Order Intake)	0 to 200%	100-110%	71.4%	€642,600
30%	Individual objectives	0 to 100%	80%	24%	€215,730
100%				95.4%	€858,330

The variable portion due to Thierry Pilenko for financial year 2013 is thus €858,330 and will be paid in 2014.

Furthermore, on June 14, 2013, the Board of Directors resolved that Thierry Pilenko may benefit from a deferred compensation equal to, at a maximum, 20% of his gross annual fixed compensation. This deferred compensation may be paid to him in 2016 at the double condition (i) that he is still in the Group and (ii) that performance conditions of the Group are achieved. The performance

will be measured by the progression and achievement by Technip, over the financial years 2013, 2014 and 2015, of satisfactory performance in relation to Health/Security/Environment (HSE), Operating Income From Recurring Activities (OIFRA) and Order Intake.

Thierry Pilenko does not receive any directors’ fees for the positions he holds as a director of the Company or in the Group companies.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, there is no specific retirement plan for Thierry Pilenko as the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer is a beneficiary of the supplementary retirement plan for Group executives, with fixed contributions of 8% of gross annual compensation paid up to the 3rd tranche, *i.e.*, eight times the annual French Social Security ceiling. The contribution for 2013 amounted to €23,700.

The Chairman and Chief Executive Officer also benefits from the Company's existing supplementary retirement plan for Executive Committee (Excom) members: a retirement income guarantee of 1.8% per year of service, on the 4th tranche of gross annual compensation paid, *i.e.*, exceeding eight times the French Social Security ceiling, which is compliant with the conditions established by Article 23.2.6 of the AFEP-MEDEF Code. In order to be eligible for the retirement plan, the minimum seniority to be taken into account is five years as Excom members, up to a limit of 15 years. The amount of gross compensation to which this retirement income guarantee applies corresponds to the average of the gross compensation, paid over the five financial years preceding the date of departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability (as defined under French law); a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence (*faute grave* or *faute lourde*) on his part and that no professional activity is resumed between leaving the Company and receiving a pension under the general French Social Security scheme.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, the annual replacement ratio at retirement should not be higher than 45% of the reference income. The ratio for Thierry Pilenko complies with this condition.

In this last case, by exception, the Company did not maintain the presence condition considering that the requirement for no professional activity was sufficiently restrictive.

50,000 share subscription options and 30,000 performance shares were granted to Thierry Pilenko over financial year 2013 corresponding to 0.07% of the share capital as of the General Meeting on April 25, 2013 (see Section 15.1.1, Tables 4 and 6, for further details).

In financial year 2013, Thierry Pilenko exercised 105,107 share purchase options (Table 5). It should be noted that the compensation policy for the Chairman and Chief Executive Officer, who is the only executive director (*dirigeant mandataire social*), is at risk: 100% of the granted shares, options and deferred compensation is subject to performance conditions.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares and stock options which have been granted since 2007 corresponding to 25% of the realized net gain, thus complying with Article 23.2.1 of the AFEP-MEDEF Code.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, on acquisition of performance shares, Thierry Pilenko will be required to purchase a number of shares of the Company corresponding to 5% of the acquired performance shares. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

Thierry Pilenko is not a beneficiary of any share subscription warrants issued by the Company or any other company of the Group.

At the time of the renewal of Thierry Pilenko as Chairman of the Board of Directors during the meeting of the Board of Directors of April 28, 2011, it was decided to maintain the preexisting principles in the Company relating to a worldwide non-compete agreement for a 24-month period. According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation is the best gross annual compensation paid over the last three years.

15.2. Compensation and Retirement Commitments of the Group's Principal Executives

15.2.1. COMPENSATION OF THE GROUP'S PRINCIPAL EXECUTIVES

In 2013, the total amount of all direct and indirect compensation paid by the Group's French and foreign companies to all of the Group's principal executives on payroll partly or totally during the year 2013 (i.e., the six members of the Excom of the Group) amounted to €4,730,926. The variable portion represented 47.8% of the overall amount.

The charges relating to share purchase and share subscription options, as well as performance shares, granted to the Company's executive officers, and accounted for in 2013, amounted to €6.5 million.

15.2.2. RETIREMENT COMMITMENTS

In 2013, payment made by Group companies under supplementary retirement plans applicable to the principal executives discussed above amounted to €0.2 million. The recorded expense related to the retirement income guarantee plan for Executive Committee members amounted to €1.2 million in 2013.

As of December 31, 2013, the amount for retirement commitments for Executive Committee members amounted to €6.4 million.

Board and Management Practices

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16.1. Policies and Practices of the Board of Directors

16.1.1. POLICIES AND PRACTICES

The Board of Directors' practices are governed by internal rules, as approved by the Board of Directors on May 21, 2003. These rules are periodically updated (they were last updated on December 12, 2012). Each of the four special Committees has its own rules that define its specific duties, responsibilities and practices.

A directors' Charter, approved on May 21, 2003 (as amended on February 19, 2013) outlines the rights and responsibilities of the Company's directors and is distributed to each director at the start of his or her term of office, together with the Board's internal rules. Each director undertakes to exercise his or her independent analysis, judgment and action, and to actively participate in the work of the Board of Directors. Each director must inform the Board of any potential conflicts of interest and must clearly express, where applicable, his or her opposition to any matter under consideration by the Board of Directors.

In addition, the Charter provides that the directors are subject to the Group's Rules of Good Conduct in relation to the communication and use of privileged information (last updated on July 24, 2012) and that they are required to refrain from trading in any of the Company's securities whenever the directors are in possession of material, non public information, as well as during the 30 calendar days prior to the public announcement of the consolidated annual and half-year results and during the 15 calendar days prior to the public announcement of the consolidated results for the first and third quarters and ending at the close of the third trading day on Euronext Paris following such public announcement, or later in the event the Company communicates at a later date.

Each director is required to notify the Company and the AMF of any transactions with respect to the Company's securities, which are carried out either directly or indirectly, on his or her behalf or on behalf of a third party.

In accordance with the recommendations of the AFEP-MEDEF Code, the directors' Charter provides that each director will be provided with training sessions on the Company's specificities, its operations and its business sectors, to the extent he or she considers it necessary (Article 11).

Excerpt from the Board of Directors' internal rules, as updated by the Board of Directors on December 12, 2012⁽¹⁾.

The Board determines the direction of the Company's operations and oversees their implementation. Subject to the powers expressly assigned to the Shareholders' Meetings, and within the scope of the corporate purpose, it shall take up any and all issues affecting the Company's proper operation and shall decide in its meetings any issues concerning it.

The non-exhaustive list of the Board of Directors' duties is as follows:

- to appoint the Chairman, the Chief Executive Officer and the Executive Vice Presidents (*Directeurs Généraux Délégués*);
- to appoint a Senior Independent Director who is to be selected from amongst the list of independent directors recommended by the Ethics and Governance Committee for a renewable two-year term, with the following duties:
 - to assist the Chairman in the organization and the functioning of the Board and its committees,
 - to request at any time the Chairman and Chief Executive Officer to hold a meeting of the Board of Directors on a pre-determined agenda,
 - to fully participate at every meeting of the several specialized Board's committees,
 - to bring to the attention of the Chairman and of the Board of Directors any potential conflict of interests that he/she has identified,
 - to chair the debates of the Board of Directors' meeting organized at least once a year to assess the performance, to set the objectives and the remuneration of the Chairman and Chief Executive Officer outside of his presence. This meeting of the Board of Directors takes place once the Senior Independent Director has carried out the annual performance appraisal of the Chairman and Chief Executive Director, and
 - to have access to documents and information deemed necessary for the accomplishment of his/her duties;
- to define Technip's strategy with the assistance of the Strategic Committee;
- to discuss, with the assistance of the Strategic Committee, major transactions considered by the Group, to determine the conditions subject to which such transactions will be undertaken and to provide its prior approval to significant transactions that depart from the strategy announced by the Company;

- to remain informed of all important events concerning Technip's business, in particular, investments and divestitures in an amount exceeding 3% of the value of shareholders' equity;
- to remain regularly informed as to the Company's financial position, its treasury position and its commitments;
- to proceed with checks and verifications that it deems appropriate and to ensure, in particular:
 - with the assistance of the Audit Committee, that entities subject to internal control function properly and that the Statutory Auditors perform their work in a satisfactory manner, and
 - that the specialized committees that it has created function properly;
- to monitor the quality of disclosure provided to shareholders and to the financial markets through the financial statements that it reviews and the annual report, or in the case of major transactions;
- to convene and set the agenda for Shareholders' Meetings;
- to establish, on an annual basis, upon Nominations and Remunerations Committee's proposal the list of directors considered "independent" pursuant to the corporate governance standards and recommendations applicable in France, as well as, where applicable, in the markets where the Company's securities are traded; and
- to authorize regulated agreements and security interests, guarantees and warranties given by the Company.

The Board of Directors meets at least four times per year, or more frequently as may be required by circumstances.

Directors may attend the Board of Directors' meetings physically, or be represented by proxy or, in all cases where it is legally authorized, participate by videoconference or other means of telecommunication that meet the technical qualifications provided for by applicable regulations.

Directors may speak French or English at meetings of the Board of Directors and its committees.

The Board of Directors may establish specialized committees and determine their composition and responsibilities. Committees that are established will exercise their activities under the direction of the Board of Directors.

The Board of Directors determines the terms of payment of directors' fees (*jetons de présence*) and may allocate additional directors' fees to directors who are members of Board committees, subject to the total amount approved by the Shareholders' Meeting.

The Board of Directors formally evaluates its operating policies at intervals of no more than three years. In addition, it holds an annual discussion on its operations.

(1) The Board of Directors' internal rules are available on the Company's website.

**16.1.2. THE BOARD OF DIRECTORS' WORK
IN 2013**

During financial year 2013, the Board of Directors met seven times, including one being in the form of a two-day strategy seminar in London on December 10 and 11. The attendance rate for all directors was 90%. The average duration of the Board of Directors' meetings was approximately four hours.

Members of the Board of Directors	Attendance rate of the meetings of the Board of Directors in 2013*
Thierry Pilenko	100%
Olivier Appert	100%
Pascal Colombani	100%
Leticia Costa	100%
Marie-Ange Debon	100%
C. Maury Devine	100%
Manisha Girotra**	100%
Alexandra Bech Gjørvi	100%
Gérard Hauser	100%
Marwan Lahoud***	0%
John O'Leary	100%
Joseph Rinaldi	100%
Pierre-Jean Sivignon	100%

* The attendance rate is calculated on a prorata basis taking into account the meetings when the directors were in office.

** In office since April 25, 2013.

*** In office until April 25, 2013.

In accordance with the recommendations of the AFEP-MEDEF Code, the internal rules of the Board of Directors provide that directors who are external to the Company (neither executive directors nor employees) have the option to meet periodically, to the extent they consider it necessary, outside the presence of the one "in-house" director of the Company, *i.e.*, Thierry Pilenko (Article 10.4). External directors thus meet at least once a year, in particular, in order to assess the performance of the Chairman and Chief Executive Officer.

Directors receive all of the information that may be useful to the exercise of their duties, pursuant to the given agenda, prior to each Board meeting. Documents for these purposes, which are to be reviewed in a Board meeting are made available to Board members the week before the meeting in compliance with the rule that the Company establish. Since the end of 2011 the directors receive, in a secure manner, all the documents relating to a Board meeting on a tablet computer provided by the Company.

Each Board meeting is minuted in French, and such draft minutes are included amongst the documents sent to directors in advance of the subsequent Board meeting, and they are submitted for the Board's approval at the beginning of the meeting.

In 2013, after reviewing the reports of the Audit Committee, the Strategic Committee, the Nominations and Remunerations Committee and the Ethics and Governance Committee regarding matters that fall within the scope of their functions, the Board of Directors worked on matters including the following:

- Financial and accounting matters:
 - review and setting of the annual accounts and consolidated financial statements for the financial year 2012, the half-year consolidated financial statements for financial year 2013, upon the Audit Committee's recommendation and the Statutory Auditors' observations;
 - review of draft press releases announcing the financial results under the period reviewed;
 - review of the half-year financial report and quarterly information for 2013 upon recommendation of the Audit Committee;
 - review of the 2014 budget and the investment plan;
 - review of the treasury forecasts; and
 - assessment of the provisional management accounts.
- Preparation of the Annual Shareholders' Meeting:
 - the notice of the meeting, determination of the agenda and draft resolutions;
 - review of the Reference Document and setting of the Board of Directors Report, of the Financial Report of the Chairman's Report on internal control and of the Society and Environment Report which are included in the Reference Document.
- Decision, including those regarding:
 - the determination of the Chairman and Chief Executive Officer's compensation and of its objectives for 2013;
 - the list of the members of the special committees of the Board of Directors;
 - the list of qualified "independent directors";
 - the distribution of directors' fees;
 - the update of the Audit Committee's internal rules and of the directors' Charter;
 - bond issuances, through private placements;
 - the approval of a share subscription option plan and the grant of one tranche of options, the approval of a performance share plan and the grant of one tranche of performance shares, the recording of the share capital increase resulting from the exercise of the share subscription options; and
 - the authorization to issue parent company guarantees.
- Review, in particular, of information on the Group's operations and strategy.

The Board of Directors convenes at the end of each meeting in executive session (in the sole presence of the directors). Furthermore when debates personally relate to the Chairman and Chief Executive Officer (CEO) himself and notably when it refers to the evaluation of his performances, directors met without the presence of the latter.

In 2013, the Senior Independent Director actively participated in the work of the Board of Directors and its committees including the ones of which he is not a designated member, as permitted by the internal rules of the Board. He attended several meetings of the Audit Committee and Ethics and Governance Committee. Furthermore, he was in contact with the Chairman and CEO on a regular basis during the financial year, in order notably to prepare the meetings of the Board.

In addition, the Senior Independent Director held Thierry Pilenko's annual performance appraisal meeting and set his objectives for the year to come.

16.2. Company's Management

16.2.1. THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Board of Directors granted to the Chairman and Chief Executive Officer the most extensive powers to act in all circumstances in the Company's name, with the possibility of delegating

these powers in specific areas. The Chairman and Chief Executive Officer exercises his powers subject to the corporate purpose, the provisions of the internal rules of the Board of Directors and the powers expressly reserved by law to the Shareholders' Meetings and the Board of Directors.

He represents the Company in its interactions with third parties.

16.2.2. THE EXECUTIVE COMMITTEE (EXCOM)

The Excom assists the Chairman and Chief Executive Officer in his management duties.

As of February 28, 2014, the members of the Executive Committee were as follows:

Member	Title	Date of appointment to the Excom
Thierry Pilenko	Chairman and CEO	01/15/2007
Philippe Barril	President and Chief Operating Officer	07/01/2010
Knut Boe	Senior Vice President North Sea Canada	01/13/2014
John Harrison	General Counsel	12/03/2007
Hallvard Hasselknippe	Chief Operating Officer Subsea	01/13/2014
Thierry Parmentier	Human Resources Director	06/22/2009
Nello Uccelletti	Chief Operating Officer Onshore/Offshore	01/01/2008
Julian Waldron	Chief Financial Officer	10/28/2008

The Excom prepares decisions for submission to Technip's Board of Directors, concerning, in particular, the approval of the financial statements, the development of objectives and budgets, strategic orientations and the acquisitions or divestitures of assets and companies. It reviews the progress of major contracts

and important investment decisions and also reviews plans and recommendations relating to internal auditing, IT and telecommunications, human resources and asset management issues.

It met 20 times in 2013.

16.3. Policies and Practices of the Board of Directors' Committees

16.3.1. THE AUDIT COMMITTEE

On December 17, 2003, the Board of Directors adopted the internal rules of the Audit Committee and updated them on February 19, 2013.

Function of the Audit Committee

In accordance with law (Article L. 823-19 of the French Commercial Code) and Article 16 of the AFEP-MEDEF Code, the primary function of the Audit Committee is to enable the Board of Directors to ensure the quality of internal control and the integrity of the disclosure made to the Company's shareholders and to the financial markets.

The Audit Committee monitors issues relating to the preparation and control of accounting and financial information. In particular, it is mainly responsible for:

- monitoring the process for the preparation of financial information;
- monitoring the effectiveness of internal control and risk management systems, in particular:
 - evaluating internal control procedures as well as any measures adopted to fix any significant problems encountered,
 - reviewing the scope of work for internal and external auditors, and
 - assessing the relevance of risk analysis procedures;

- monitoring the legal verification by Statutory Auditors' of the annual accounts and the consolidated financial statements, especially:
 - analyzing the assumptions used in closing the accounts and reviewing the Company's financial statements and the consolidated annual and interim financial statements or information prior to the Board of Directors' review by remaining informed of the Company's financial situation, liquidity and commitments,
 - evaluating the relevance of the adopted accounting principles and methods in collaboration with the Statutory Auditors, and
 - at some time between the end of the financial year and the date on which the Audit Committee reviews a draft of the financial statements, discussing the relevance of the adopted accounting principles and methods, the effectiveness of accounting control procedures and any other relevant matters with Technip's Chairman and Chief Executive Officer and Chief Financial Officer;
- issuing a recommendation to the Shareholders' Meeting in relation to the appointment and compensation the Statutory Auditors;
- ensuring the independence of the Statutory Auditors, in particular, by:
 - recommending procedures to be followed when engaging the Statutory Auditors for purposes other than the auditing of the financial statements to guarantee the independence of the auditing provided by the Statutory Auditors, in accordance with rules, regulations and recommendations applicable to Technip, and ensuring that such procedures are appropriately followed, and
 - authorizing all engagements of the Statutory Auditors for purposes other than in connection with the auditing of the financial statements;
- reviewing the conditions applicable to the use of derivative products;
- remaining informed of major legal proceedings on a periodic basis;
- examining the procedures required to be implemented regarding the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, as well as documents sent anonymously and confidentially by employees raising concerns regarding questionable accounting or auditing matters;
- generally, advising and preparing all appropriate recommendations on the above matters.

Operating Procedures

The Audit Committee may interview the Company's Chairman and Chief Executive Officer and any operational or functional business heads or visit any sites in order to perform its duties. In particular, the Committee may interview persons involved in the preparation or control of the accounts (Chief Financial Officer and main managers of the Financial Division, the Audit Director, and General Counsel).

The Audit Committee also interviews the Statutory Auditors, and may do so outside the presence of Company representatives.

Directors who are not members of the Committee can freely attend the Committee's meetings however this participation does not entitle them to receive directors' fees in this respect.

Audit Committee Work Report

The Chairman of the Audit Committee presents to the Board of Directors a written report so that the Board is fully informed regarding the Committee's work.

If, over the course of exercising its duties, the Committee detects a material risk that appears as though it has not been adequately addressed, the Committee's Chairman must immediately report it to the Chairman and Chief Executive Officer.

The Committee prepares for the Board of Directors each year an assessment of its operating policies, in accordance with the requirements of its internal rules, and proposes improvements to its operating practices.

The Committee's internal rules require it to meet at least four times per year, in particular, to review the annual consolidated financial statements and quarterly financial information.

During financial year 2013, the Committee met six times with an attendance rate of 94%.

In 2013, the Audit Committee's work included the review of the following main matters:

- the 2013 audit budget;
- the Statutory Auditors' fees;
- the results of the Internal Control works in 2012;
- the results of the Internal Audit works in 2012;
- the 2013 Internal Audit Plan;
- the results of the Internal Audit works performed during the first half of 2013;
- the annual financial statements for 2012 and the financial information for the fourth quarter of 2012;
- financial information for the first quarter of 2013;
- financial information for the second quarter of 2013 and of the consolidated financial statements for the first half of 2013;
- financial information for the third quarter of 2013;
- the review of the presentation of accounting standards evolution;
- the conditions of price allocation for the acquisition of the US companies Global Industries and Stone & Webster process technologies;
- the monitoring of tax risks;
- the status of specific contracts to be monitored;
- the review of the Petty Cash process to be implemented within the Group starting from 2013;
- the review of treasury matters and forex exposure management;
- the review of Enterprise risk management report relevant to first quarter 2013;
- the Information Technology policy of the Group, and the ERP projects.

Compensation

With the exception of reimbursement for expenses, Audit Committee members may not receive any compensation from the Company or its subsidiaries, other than (i) directors' fees (*jetons de présence*) for their services as a director and as a member of the Audit Committee and, where applicable, (ii) compensation and pension income for work previously performed for the Company, but not dependent on future services.

Directors' fees paid in 2013 and 2012 are discussed in Sections 15.1.1 (Table 3) and 15.1.2 of this Reference Document.

16.3.2. THE NOMINATIONS AND REMUNERATIONS COMMITTEE

On May 21, 2003, the Board of Directors adopted the internal rules of the Nominations and Remunerations Committee and updated them on February 18, 2009.

Function of the Nominations and Remunerations Committee

In accordance with the AFEP-MEDEF Code, the Nominations and Remunerations Committee carries out preparatory work regarding the appointment of new Board members and corporate officers, the compensation policy and the policy for granting share subscription or share purchase options and performance shares to executive directors, directors, and senior officers (Articles 17 and 18).

The Committee is mainly responsible for the following:

- making recommendations to the Board of Directors for the appointment of directors, the Chairman, the Chief Executive Officer and Executive Vice Presidents (*Directeurs Généraux Délégués*), where applicable; and
- examining executive compensation policies implemented within the Group and the compensation of senior management, proposing the compensation of the Chairman, the Chief Executive Officer and Executive Vice Presidents and, where applicable, and preparing any reports that the Company is required to establish on the foregoing.

Its main duties include the following:

- a) With respect to appointments:
 1. presenting recommendations to the Board of Directors regarding the composition of the Board of Directors and its committees;
 2. proposing to the Board of Directors, on an annual basis, a list of directors of the Company qualified as "independent directors" pursuant to applicable recommendations in France and of the regulated markets on which the Company's securities are traded;
 3. designing a plan for the replacement of, and assisting the Board of Directors in the choice and evaluation of, the Chairman, the Chief Executive Officer and Executive Vice Presidents, where applicable;
 4. setting forth a list of persons it may recommend for appointment as directors;
 5. setting forth a list of directors it may recommend for appointment as a member of a Committee of the Board of Directors; and
 6. preparing and presenting the annual report to the Board of Directors on the Nominations and Remunerations Committee's work.

b) With respect to compensation:

1. to consider the principal objectives proposed by the general management in relation to the remuneration of the supervisors who are not corporate officers of the Company or the Group, including performance shares and share subscription or share purchase options and other plans based upon the value of their contribution ("equity-based plans");
2. to suggest to the Board of Directors proposals for:
 - the compensation, retirement and health plans, benefits in kind and other financial rights, including the form of severance of the Company's Chairman, Chief Executive Officer and Executive Vice Presidents, where applicable,
 - the Committee will propose amounts, compensation structures and, in particular, rules for determining the variable portion of compensation, after taking into account the Company's strategy, objectives and financial results as well as market practices, and
 - the grant of performance shares and share purchase and share subscription options and, in particular, those granted to the Chairman, the Chief Executive Officer and Executive Vice Presidents, where applicable;
3. reviewing the compensation of the members of the Executive Management, including in the form of performance share plans, share purchase and share subscription option plans, equity-based plans, retirement and health plans and benefits-in-kind;
4. reviewing and proposing to the Shareholders' Meeting the total amount of directors' fees, to fix their distribution among Board of Directors and special committees' members, as well as the terms and conditions for the reimbursement of expenses incurred by directors;
5. preparing and presenting the reports provided for by the internal rules of the Board of Directors; and
6. preparing any other recommendations regarding compensation, which may be requested at any time by the Board of Directors or the Executive Management.

Generally, the Committee advises and provides all appropriate recommendations on the above issues.

The Committee's proposals are presented to the Board of Directors.

Operating Procedures

The Nominations and Remunerations Committee may seek proposals from the Company's Chairman and Chief Executive Officer.

The Company's Chairman and Chief Executive Officer may attend the Committee's meetings without the right to cast a vote, except for those meetings during which matters relating to him are discussed.

Directors who are not members of the Committee can freely attend the Committee's meetings however this participation does not entitle them to receive directors' fees in this respect.

Subject to confidentiality requirements in respect of its discussions, the Committee may request that the Chairman and Chief Executive Officer benefit from the assistance of any Company executives whose expertise may be facilitate a decision with respect to an item on the Committee's agenda.

Nominations and Remunerations Committee Work Report

The Chairman of the Nominations and Remunerations Committee presents to the Board of Directors a written report so that the Board is fully informed regarding the Committee's work.

The Committee reviews a draft Company's report on executive compensation as well as any reports on all matters within the scope of its duties as required by applicable regulations.

The Committee presents to the Board of Directors an assessment each year of its operating policies, in accordance with its internal rules, and suggests improvements to its operating practices.

The Committee's internal rules require it to meet at least twice per year.

During financial year 2013, the Committee met three times with an attendance rate of 100%.

In 2013, the Nominations and Remunerations Committee's work mainly focused on proposals to the Board of Directors on the following matters:

- General:
 - appraisal of the Committee's operation and work in 2013; and
 - the review of the "HR Policy Handbook".
- With respect to appointments:
 - list of directors qualified as independent directors;
 - proposal for the appointment by the General Meeting of Shareholders of two new directors (including the director referred to for the ratification abovementioned);
 - consequential amendments to the composition of Board committees.
- With respect to compensation:
 - compensation for the Chairman and Chief Executive Officer;
 - 2013 objectives of the Chairman and Chief Executive Officer;
 - compensation for the members of the Executive Committee;
 - draft text for inclusion in the Reference Document with respect to the compensation of executives;
 - allocation of options and performance shares for the Chairman and Chief Executive Officer and the principal executives;
 - review of the incentive plan: TIRP 2013;
 - results of the performance conditions for incentive plans effective in 2013;
 - distribution of directors' fees for 2013.

Compensation

Members of the Nominations and Remunerations Committee may not receive from the Company or its subsidiaries, with the exception of reimbursement for expenses, any compensation other than (i) directors' fees (*jetons de présence*) for their services as director and member of the Committee, and, where applicable, (ii) retirement and pension income for work previously performed for the Company, but not dependent on future services.

The directors' fees paid in 2013 and 2012 are mentioned in Sections 15.1.1 (Table 3) and 15.1.2 of this Reference Document.

16.3.3. THE STRATEGIC COMMITTEE

On May 21, 2003, the Board of Directors adopted the internal rules of the Strategic Committee and updated them on February 18, 2009.

Function of the Strategic Committee

The Strategic Committee assists the Board of Directors in examining and making decisions regarding important transactions involving the Group's main strategic orientations.

In order to assist the Company's Board of Directors, the Strategic Committee's main duties include the review of the following matters:

- the Group's global strategy, as proposed by the Company's Chairman and Chief Executive Officer;
- the Group's annual investment budget;
- any major asset acquisitions (as well as any associated financing) or asset divestments; and
- any transactions proposed by the Company's Chairman and Chief Executive Officer that may present a significant business risk.

The Committee's proposals are presented to the Board of Directors.

Operating Procedures

The Strategic Committee may seek proposals from the Company's Chairman and Chief Executive Officer. The Company's Chairman and Chief Executive Officer attends every meeting.

Directors who are not members of the Committee can freely attend the Committee's meetings however this participation does not entitle them to receive directors' fees in this respect.

The Committee may request that the Chairman and Chief Executive Officer benefit from the assistance of any Company executives whose expertise may facilitate a decision with respect to an item on the Committee's agenda.

Strategic Committee Work Report

The Chairman of the Strategic Committee presents a written report to the Board of Directors so that the Board is fully informed regarding the Committee's work.

The Committee presents an annual assessment of its operating policies, in accordance with the requirements of its internal rules, and proposes improvements to its operating practices.

The Committee's internal rules require it to meet at least twice per year.

During financial year 2013, the Committee met twice with an attendance rate of 100%

In 2013, the Strategic Committee's work mainly focused on the following matters:

- the Group's external growth policy;
- the review of the Subsea business segment's Capex plan;
- the implementation of key initiatives from the three-year outlook; and
- the 2014 budget as well as the 2014-2016 three-year plan.

Compensation

With the exception of reimbursement for expenses, Strategic Committee members may not receive any compensation from the Company or its subsidiaries, other than (i) directors' fees (*jetons de présence*) for their services as director and as member of the Strategic Committee, where applicable, (ii) compensation and pension income for work previously performed for the Company, but not dependent on future services.

Directors' fees paid in 2013 and 2012 are discussed in Sections 15.1.1 (Table 3) and 15.1.2 of this Reference Document.

16.3.4. THE ETHICS AND GOVERNANCE COMMITTEE

On December 9, 2008, the Ethics and Governance Committee's internal rules were approved by the Board of Directors and updated them on December 14, 2011.

Function of the Ethics and Governance Committee

The Committee assists the Board of Directors in promoting best practices of governance and ethics within the Group.

The Committee's main duties include:

- developing and recommending to the Board of Directors principles regarding corporate governance applicable to the Company and to monitor their implementation;
- monitoring compliance with principles of ethical conduct and discussing all matters that the Board of Directors (or its Chairman) may refer to it for examination;
- proposing methods for the evaluation of Board practices and monitoring their implementation based on the following:
 - the Board of Directors must, once per year, dedicate an item in its agenda to discussion on its operating procedures, and
 - a formal assessment must be performed at least once every three years; and
- proposing to the Board of Directors the name of a director selected amongst independent directors for the role of Senior Independent Director.

Operating Procedures

Directors who are not members of the Committee can freely attend the Committee's meetings however this participation does not entitle them to receive directors' fees in this respect.

The Committee may request that the Chairman and Chief Executive Officer benefit from the assistance of any Company executives whose expertise may facilitate the decision with respect to an item on the Committee's agenda.

Ethics and Governance Committee Work Report

The Ethics and Governance Committee presents to the Board of Directors a written report so that the Board is fully informed regarding the Committee's work.

The Committee presents an annual assessment of its operating policies, in accordance with the requirements of its internal rules, and proposes improvements to its operating practices.

The Committee's internal rules require it to meet at least twice per year.

During financial year 2013, the Committee met three times with an attendance rate of 100%.

In 2013, the Ethics and Governance Committee's work mainly focused on his proposals to the Board of Directors on the following matters:

- With respect to Ethics:
 - Monitor's report;
 - reports of specific country reviews;
 - Compliance Program improvements (proposal and implementation follow up);
 - discussions with an international financial institution regarding Technip's Compliance Program.
- With respect to Governance:
 - appraisal of the Committee's operation in 2012;
 - combination of the functions of CEO and Chairman of the Board;
 - Say on Pay;
 - representation of employees at the Board of Directors.

Compensation

With the exception of reimbursement for expenses, Ethics and Governance Committee members may not receive any compensation from the Company or its subsidiaries, other than (i) directors' fees (*jetons de présence*) for their services as director and as member of the Ethics and Governance Committee, where applicable, (ii) compensation and pension income for work previously performed for the Company, but not dependent on future services.

Directors' fees paid in 2013 and 2012 are discussed in Sections 15.1.1 (Table 3) and 15.1.2 of this Reference Document.

16.4. Corporate Governance: Evaluation of the Board of Directors and its Committees

In accordance with the recommendation of the AFEP-MEDEF Code, on February 19, 2013, the Board of Directors conducted a global review of its own operation policies as well as those of its committees and concluded that they were all operating properly.

In addition, the Board of Directors has followed, during the financial year 2013, the implementation of the recommendations for the improvement of its operations contained in the conclusions of the in-depth evaluation report prepared by an external consultant at the end of 2011.

The main effective measures, as such, have included:

- the continuation of the implementation of diversity objectives in relation to the composition of the Board: geographic and gender diversity with the appointment of Manisha Girotra as well as the reinforcement of financial skills with the appointment of Pierre-Jean Sivignon;

- directors were given a structured succession plan for the whole top population;
- the strategic seminar in London gave the opportunity to the Board of Directors to deeply examine the strategic options for Technip in its business segments.

As the last formal evaluation of the Board of Director's operation policies and those of its Committee was held in 2011, it is planned that the Board of Directors will undertake a further evaluation in 2014 with the assistance of an external consultant.

16.5. Contracts Between the Board Members and the Company or one of the Group's Company

Neither of the members of the Board of Directors, nor the Chairman and Chief Executive Officer have in place any service agreement with the Company or one of its subsidiaries, which provide for the granting of benefits pursuant to such an agreement.

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17.1. Workforce ⁽¹⁾

17.1.1. CHANGES AND ORGANIZATION

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

(a) Changes and Breakdown

Breakdown of total workforce by contract	December 31,		
	2013 ⁽¹⁾	2012 ⁽¹⁾	2011 ⁽¹⁾
Employees on payroll	32,243	30,241	25,717
Permanent employees	28,593	26,279	22,390
Temporary employees (fixed-term)	3,650	3,962	3,327
Contracted workforce	6,588	6,267	5,375
Contracted workers in fleet, plants and yard	2,537	2,749	2,502
Other contracted workforce	4,051	3,518	2,873
TOTAL WORKFORCE	38,831	36,508	31,092

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

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

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

- the acquisition of a company, Ingenium, a Norwegian subsidiary (25 persons).

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

(1) A Society and Environment Report prepared by the Company is included in Annex E to this report and is available on the Group's website (www.technip.com).

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

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

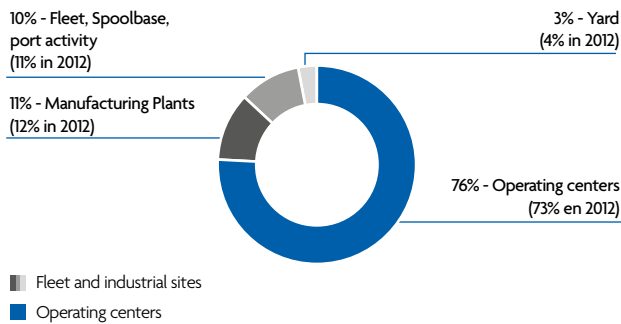
The average number of contracted workforce during 2013 is 6,373 individuals.

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

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

Headcount Structure (as of December 31, 2012)

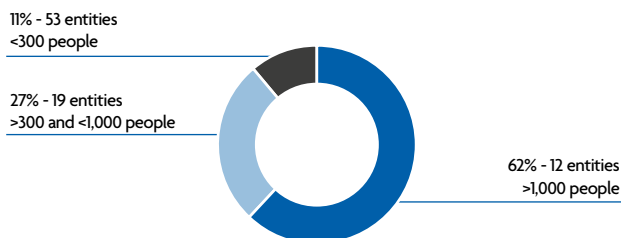
Activities (100% of employees on payroll and contracted workforce)



The chart above illustrates the diversity of operations and of total workforce Group-wide. On the one hand, the operating centers include subsidiaries and construction sites where Technip operates.

On the other, the fleet and industrial sites cover marine employees in the vessels, manufacturing plants with blue collar employees, spoolbases and the Group's ship-yard at Pori (Finland) employing skilled personnel specialized in Offshore construction.

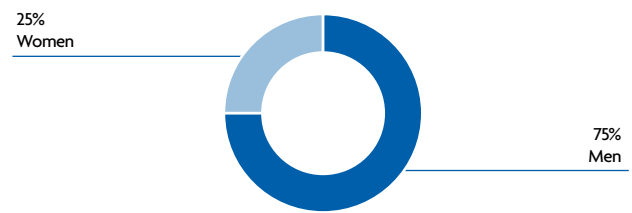
Size of entities (100% of employees on payroll and contracted workforce)



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

Breakdown of employees on the payroll per gender, geographic zone and age (100% of employees on payroll)

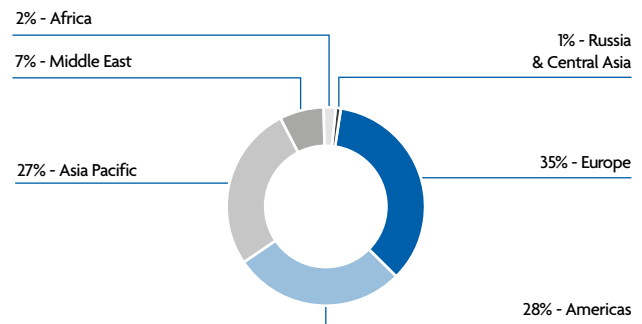
Employees per gender



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

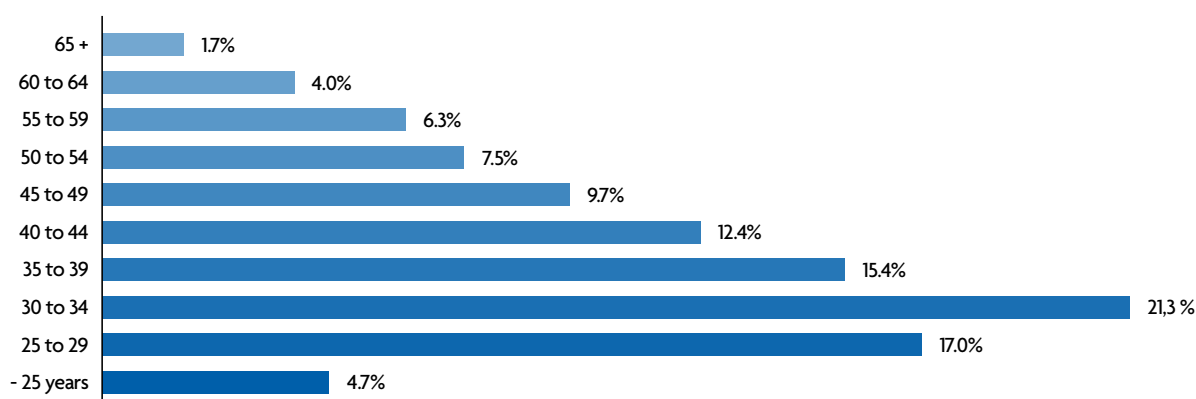
However, the challenge for Technip is firstly to attract women into the oil and gas engineering sector which is seen as being male dominated and secondly to retain and promote these talents so that women are better represented at every level in the organization, including on leadership teams. See Chapter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

Employees per geographical zone



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

Age pyramid 2013 (by range in %)



(b) Hires and Departures

See paragraph 2.2.1.c of the Society and Environment Report included in Annex E of this Reference Document.

(c) Mobility

See paragraph 2.4.1.c of the Society and Environment Report included in Annex E of this Reference Document.

(d) Diversity

See paragraphs 2.5.1, 2.5.2 and 2.5.3 of the Society and Environment Report included in Annex E of this Reference Document.

(e) Organization of working hours

See paragraph 2.2.1.d of the Society and Environment Report included in Annex E of this Reference Document.

(f) Absenteeism (excluding acquisitions)

See paragraph 2.2.1.e of the Society and Environment Report included in Annex E of this Reference Document.

17.1.2. EMPLOYEES DEVELOPMENT

(a) Training Hours

Training of employees on payroll	2013 ⁽¹⁾	2012 ⁽¹⁾
TRAINING HOURS	874,469	863,714
Technical training	301,162	226,864
Non-technical training (including management, cross disciplines training, IT and certification)	216,856	294,770
Project management training	22,900	N/A
Health, Safety, Security (including Pulse training)	234,805	204,092
Languages	76,397	101,223
Human rights, ethics and Technip values awareness training	22,259	36,765
NUMBER OF EMPLOYEES ON PAYROLL WHO BENEFITED FROM AT LEAST ONE TRAINING DURING THE YEAR	25,153	23,402
Women	6,621	5,635
Men	18,532	17,767

(1) Coverage rate: 96.5% of employees on payroll.

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

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

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

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

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

(b) Managing Performance

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

The annual performance reviews are performed through a global HR information system that can be accessed by all Technip

employees having access to the intranet either from work or from home. For those who cannot access the intranet (*i.e.*, workers in plants, the ship-yard or spoolbases), an offline process is available, however the end rating and the form is captured in the system to ensure the data is captured and analysis can be carried out.

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

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

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

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

17.1.3. COMPENSATION AND BENEFITS

See paragraph 2.3.1 and 2.3.2 of the Society and Environment Report included in Annex E of this Reference Document.

17.1.4. OTHER SOCIAL INFORMATION

(a) Strengthening Social Dialogue

See paragraph 2.6 of the Society and Environment Report included in Annex E of this Reference Document.

(b) Civic Responsibility

See paragraph 4.2 of the Society and Environment Report included in Annex E of this Reference Document.

(c) Social Works

In addition to the subsidies paid to the Works Councils (or equivalent), close to 60% of Technip entities provide its personnel with various benefits, such as sport activities, Company concierge services, and help with transport and/or food, school or health expenses.

(d) Sub-Contractors

See paragraph 4.2.1.b of the Society and Environment Report included in Annex E of this Reference Document.

(e) Health, Safety and Environmental Conditions

See paragraphs 2.7, 2.8 and Section 3 of the Society and Environment Report included in Annex E of this Reference Document.

(f) Security Conditions and Crisis Management

See paragraph 2.9 of the Society and Environment Report included in Annex E of this Reference Document.

17.2. Participating Interests and Share Subscription Options or Share Purchase Options Held by Members of the Board of Directors and Other Corporate Officers (*mandataires sociaux*)

17.2.1. SUMMARY STATEMENT OF THE TRANSACTIONS LISTED UNDER ARTICLE L. 621-18-2 OF THE FRENCH MONETARY CODE DURING FINANCIAL YEAR 2013

The table below is a summary statement (in conformity with Article 223-26 of the AMF General Regulation) of the transactions made by members of the Board of Directors and other corporate officers (*mandataires sociaux*) during financial year 2013, as referred to under Article L. 621-18-2 of the French Monetary and Financial Code:

Name and surname	Position	Financial instrument	Date and place of transaction	Type of transaction	Quantity	Unit price	Transaction value
Alexandra Bech Gjørsv	Director	Shares	01/28/2013 Euronext Paris	Purchase	400	€81.30	€32,520
Thierry Pilenko	Chairman and Chief Executive Officer	Stock options	02/27/2013 Euronext Paris	Exercise of stock options	65,107	€49.1705	€3,201,343.74
Thierry Pilenko	Chairman and Chief Executive Officer	Shares	02/27/2013 Euronext Paris	Disposal	65,107	€82.9396	€5,399,492.79
Thierry Pilenko	Chairman and Chief Executive Officer	Stock options	02/27/2013 Euronext Paris	Exercise of stock options	40,000	€49.1705	€1,966,820
Manisha Girotra	Director	Shares	07/10/2013 Singapore	Purchase	400	€88.13	€35,657.39
Pierre-Jean Sivignon	Director	Shares	09/10/2013 Euronext Paris	Purchase	400	€86.81	€34,724

17.2.2. COMPANY'S SHARES HELD BY DIRECTORS

Pursuant to Article 14 of the Company's Articles of Association, effective as of the date of this Reference Document, each director is required to hold at least 400 Company shares in registered form, to comply with the recommendations of the AFEP-MEDEF Code (Article 17), which provide that a director should hold a significant number of shares.

As of February 28, 2014, to the Company's knowledge, each of the Board members held the following number of shares in registered form:

Member of the Board of Directors	Number of Technip shares held as of 02/28/2014
Thierry Pilenko	143,500
Olivier Appert	904
Pascal Colombani	400
Leticia Costa	400
Marie-Ange Debon	400
C. Maury Devine	400
Manisha Girotra	400
Alexandra Bech Gjørsv	400
Gérard Hauser	1,700
John O'Leary	800
Joseph Rinaldi	400
Pierre-Jean Sivignon	400
TOTAL	150,104

17.2.3. COMPANY SHARE SUBSCRIPTION OPTIONS OR SHARE PURCHASE OPTIONS

The table below presents an overview of the information related to share subscription options and share purchase options granted by the Company, outstanding as of December 31, 2013.

History of Share Subscription and Share Purchase Options Granted and Related Information

	2005 Plan Tranche 3 Subscription options	1 st additional grant to Tranches 1, 2 and 3 of the 2005 Plan Subscription options	2 nd additional grant to Tranches 1, 2 and 3 of the 2005 Plan Subscription options	2008 Plan Purchase options	2009 Plan Subscription options
Date of Shareholders' Meeting	April 29, 2005	April 29, 2005	April 29, 2005	May 6, 2008	April 30, 2009
Date of Board of Directors' meeting	March 12, 2007	December 12, 2007	June 12, 2008	July 1, 2008	June 15, 2009
Number of options granted	990,858 ⁽¹⁾	85,329 ⁽¹⁾	106,858 ⁽¹⁾	953,100 ⁽²⁾	1,093,175 ⁽³⁾
Subscription/purchase price per option	€49,1705	€55,6727	€59,96	€58,15	€34,70
Option exercise start date	March 12, 2011	December 12, 2011	June 12, 2012	July 1, 2012	June 15, 2013
Expiry date*	March 12, 2013	December 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015
Total number of options available for subscription/purchase as of December 31, 2013	-	-	16,000	330,275	599,436
Number of options that may be subscribed/ purchase as of December 31, 2013 by:					
■ the Chairman and Chief Executive Officer, corporate officer**	-	N/A	N/A	80,000	109,000
■ the 10 employees having the largest number of options granted	-	-	16,000	49,000	81,800
Number of options subscribed/purchased as of December 31, 2013	902,413	78,302	81,858	555,835	416,589
Number of options cancelled as of December 31, 2013	88,445	7,027	9,000	66,990	77,150
Number of beneficiaries	252	24	21	542	1,569
Number of directors and senior management concerned	2	1	1	9	12

* All the plans are subject to certain restrictions limiting the exercise of options in the event the employee or the manager ceases to work for the Company.

** The other directors and officers (*mandataires sociaux*) are not beneficiaries of Plans.

(1) With respect to options granted under Tranche 3 of the 2005 Plan and the two additional grants to the tranches of this Plan, the exercise of options is subject to the achievement by Technip of a satisfactory performance for its shareholders. This performance will be measured by the change in the Company's fully diluted net profits per share compared with the average of that of a representative sample of the Group's competitors. Thus, the number of options that may be exercised is subject to the level of achievement of the aforementioned performance recorded at the option exercise start date.

With respect to the Tranche 3 of 2005 Plan, the performance calculation over the period 2007-2010 amounted to 140%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

With respect to the 1st additional grant to Tranches 1, 2 and 3 of 2005 Plan, the performance calculation over the period 2007-2010 amounted to 140%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

With respect to the 2nd additional grant to Tranches 1, 2 and 3 of 2005 Plan, the performance calculation over the period 2008-2011 amounted to 271%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

(2) The number of purchase options granted by the Board of Directors on July 1, 2008 is subject to a satisfactory performance for its shareholders over the period 2008-2011. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. The performance calculation over the period 2008-2011 amounted to 221%. Consequently, as provided for by the stock options plan rules, 100% of the granted options can be subscribed.

(3) The number of purchase options granted by the Board of Directors on June 15, 2009 is subject to a satisfactory performance for its shareholders over the period 2009-2012. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. No options can be exercised by the Chairman and Chief Executive Officer if the progression of the Group's Operating Income is less than that of each of the companies included in the sample. In accordance with the Plan rules, since the progression of the Group's Consolidated Income is superior or equal to the Final Reference Index, 100% of the options granted can be subscribed.

On January 10, 2014, the Board of Directors granted 16,520 subscription options to 16 beneficiaries and set the subscription price at €68.47.

Potential Dilution

As of December 31, 2013, assuming the performance criteria have been satisfied in full, the total number of shares that may be issued pursuant to the exercise of outstanding share subscription options described in the tables above was 2,786,493 shares with a par value of €0.7625 per share, representing approximately 2.50% of the Company's share capital as of that date.

As of February 28, 2014, the potential dilutive effect of the outstanding share subscription options amounted to 2.46% of the Company's share capital.

The share purchase options or share subscription options granted to, or exercised by, each director and officer during financial year 2013 are detailed in Tables 4 and 5 in Section 15.1.1 of this Reference Document.

The share purchase options or share subscription options granted to and exercised by the 10 employees of the Company (other than directors and officers (*mandataires sociaux*)) with the largest number of options during financial year 2013 are detailed in Table 9 in Section 15.1.1 of this Reference Document.

17.2. Participating Interests and Share Subscription Options or Share Purchase Options

2010 Plan Tranche 1 Subscription options	2010 Plan Tranche 2 Subscription options	2010 Plan Tranche 3 Subscription options	2011 Plan Tranche 1 Subscription options	2011 Plan Tranche 2 Subscription options	2011 Plan Tranche 3 Subscription options	2012 Plan Tranche 1 Subscription options	2012 Plan Tranche 2 Subscription options	2013 Plan Tranche 1 Subscription options
April 29, 2010	April 29, 2010	April 29, 2010	April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013
June 23, 2010	December 15, 2010	March 4, 2011	June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013
1,102,300 ⁽⁴⁾	19,400 ⁽⁴⁾	81,300 ⁽⁵⁾	339,400 ⁽⁶⁾	53,900 ⁽⁶⁾	49,007 ⁽⁶⁾	284,700 ⁽⁷⁾	35,350 ⁽⁷⁾	323,200 ⁽⁸⁾
€51.45	€63.23	€72.19	€72.69	€66.94	€78.39	€74.54	€87.13	€85.73
June 23, 2014	December 15, 2014	March 4, 2015	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017
June 23, 2016	December 15, 2016	March 4, 2017	June 17, 2018	December 14, 2018	March 2, 2019	June 15, 2019	December 12, 2019	June 14, 2021
1,020,900	17,400	72,800	331,400	44,600	48,107	278,700	34,950	322,200
109,000	N/A	N/A	70,000	N/A	N/A	55,000	N/A	50,000
158,000	17,400	8,800	138,000	31,500	11,407	107,000	20,050	107,000
1,300	0	0	0	0	0	0	0	0
80,100	2,000	8,500	8,000	9,300	900	6,000	400	1,000
2,175	11	313	126	36	92	1,295	592	176
12	1	0	13	1	0	7	0	19

- (4) The number of subscription options granted by the Boards of Directors on June 23, 2010 and December 15, 2010 is subject to a satisfactory performance over for its shareholders the period 2010-2013. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors. 50% of the granted shares are subject to the level of achievement of the aforementioned performance recorded at the option exercise start date. No options can be exercised by the Chairman and Chief Executive Officer if the progression of the Group's Operating Income is less than that of each of the companies included in the sample.
- (5) The number of subscription options granted by the Board of Directors on March 4, 2011 is subject to a satisfactory performance for its shareholders over the period 2011-2014. This performance will be measured by the progression of the Group's Consolidated Income in relation to a representative sample of the Group's competitors.
- (6) The number of subscription options granted by the Boards of Directors on June 17, 2011, December 14, 2011 and March 2, 2012 is subject to a Reference Performance to be measured for the years 2011, 2012 and 2013. This performance will be measured by the outcome reached by the Group in terms of the Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 25%.
- (7) The number of subscription options granted by the Boards of Directors on June 15, 2012 and December 12, 2012 is subject to a Reference Performance to be measured for the years 2012, 2013 and 2014. This performance will be measured by the outcome reached by the Group in terms of the Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 25%.
- (8) The number of subscription options granted by the Board of Directors on June 14, 2013 is subject to a Reference Performance to be measured for the years 2013, 2014 and 2015. This performance will be measured by the outcome reached by the Group in terms of the Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return on Capital Employed (ROCE). No options can be exercised by the Chairman and Chief Executive Officer if the Reference Performance, as defined in the Plan rules, is lower than 75%.

17.2.4. AWARDS OF PERFORMANCE SHARES PURSUANT TO ARTICLES L. 225-197-1 ET SEQ. OF THE FRENCH COMMERCIAL CODE

The following table sets forth information relating to performance share grants outstanding as of December 31, 2013:

Performance share grant	2008 Plan Tranche 3	2009 Plan Tranche 1	2009 Plan Tranche 3	2010 Plan Tranche 1
Date of Shareholders' Meeting	May 6, 2008	April 30, 2009	April 30, 2009	April 29, 2010
Date of Board of Directors' Meeting	February 18, 2009	June 15, 2009	February 16, 2010	June 23, 2010
Number of shares granted	191,542 ⁽¹⁾	981,175 ⁽²⁾	100,000 ⁽³⁾	883,900 ⁽⁴⁾
Share acquisition date of the tax residents	February 18, 2012	June 15, 2012	February 16, 2013	June 23, 2013
Share acquisition date of the non-tax residents	February 18, 2013	June 15, 2013	February 16, 2014	June 23, 2014
Expiry date of the holding period (conversion of shares) for the tax residents	February 18, 2014	June 15, 2014	February 16, 2015	June 23, 2015
Expiry date of the holding period (conversion of shares) for the non-tax residents	February 18, 2013	June 15, 2013	February 16, 2014	June 23, 2014
Remaining shares available for acquisition as of December 31, 2013	-	-	53,100	511,600
Number of shares that may be acquired as of December 31, 2013 by:				
■ the Chairman and Chief Executive Officer	N/A	0	N/A	0
■ the top 10 employees	N/A	N/A	8,000	35,600
Number of shares acquired as of December 31, 2013	176,708	919,000	35,350	292,400
Grants canceled as of December 31, 2013 or as of any acquisition date before December 31, 2013 during the 2013 financial year	14,834	62,175	11,550	79,900
Number of beneficiaries	589	1,569	306	2,174
Number of directors and senior management concerned	11	12	0	12

- (1) The number of performance shares granted by the Board of Directors of February 18, 2009 is subject to a satisfactory performance for its shareholders over the period 2008/2011. This performance will be measured by the progression of the Group's Consolidated Operating Income in relation to a representative same of Group's competitors. 50% of the shares granted are subject to the level of achievement of the aforementioned performance recorded at the share acquisition start date. With respect to Tranche 3 to List 1 of 2008 Plan, the performance calculation over the period 2008/2011 amounted to 108%. Consequently, as provided for by the rules of the performance shares plans, 100% of the shares were acquired.
- (2) The number of performance shares granted by the Boards of Directors of June 15, 2009 and October 25, 2009 is subject to a satisfactory performance for its shareholders over the period 2008/2011. This performance will be measured by the progression of the Group's Consolidated Operating Income in relation to a representative same of Group's competitors. 50% of the shares granted are subject to the level of achievement of the aforementioned performance recorded at the share acquisition start date except in the case of the Chairman and Chief Executive Officer to whom no shares will be granted if the progression of the Group's Operating Income is less than that of each of the companies included in the sample. With respect to Tranche 1 of 2009 Plan, the performance calculation over the period 2008/2011 amounted to 108%. Consequently, as provided for by the rules of the performance shares plans, 100% of the shares were acquired.
- (3) The number of performance shares granted by the Board of Directors of February 16, 2010 is subject to a satisfactory performance for its shareholders over the period 2009/2012. This performance will be measured by the progression of the Group's Consolidated Operating Income in relation to a representative same of Group's competitors. 50% of the shares granted are subject to the level of achievement of the aforementioned performance recorded at the share acquisition start date. The result of the calculation of the performance over the period 2009/2012 is superior or equal to the Reference Index. As a consequence and according to the Plan rules, 100% shares were acquired.
- (4) The number of performance shares granted by the Boards of Directors of June 23, 2010 and December 15, 2010 is subject to a satisfactory performance for its shareholders over the period 2009/2012. This performance will be measured by the progression of the Group's Consolidated Operating Income in relation to a representative same of Group's competitors. 50% of the shares granted are subject to the level of achievement of the aforementioned performance recorded at the share acquisition start date except in the case of the Chairman and Chief Executive Officer to whom no shares will be granted if the progression of the Group's Operating Income is less than that of each of the companies included in the sample. The result of the calculation of the performance over the period 2009/2012 is superior or equal to the Reference Index. As a consequence and according to the Plan rules, 100% shares were acquired.

Technip performance shares granted to, and acquired by, the Company's directors and officers (*mandataires sociaux*) during financial year 2013 are detailed in Tables 6 and 7 in Section 15.1.1 of this Reference Document.

On January 10, 2014, the Board of Directors granted 73,700 performance shares to 280 beneficiaries.

17.2. Participating Interests and Share Subscription Options or Share Purchase Options

2010 Plan Tranche 2	2010 Plan Tranche 3	2011 Plan Tranche 1	2011 Plan Tranche 2	2011 Plan Tranche 3	2012 Plan Tranche 1	2012 Plan Tranche 2	2013 Plan Tranche 1
April 29, 2010	April 29, 2010	April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013
December 15, 2010	March 4, 2011	June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013
13,800 ⁽⁴⁾	86,300 ⁽⁵⁾	355,900 ⁽⁶⁾	37,050 ⁽⁶⁾	49,357 ⁽⁷⁾	430,150 ⁽⁸⁾	126,892 ⁽⁸⁾	492,500 ⁽⁹⁾
December 15, 2013	March 4, 2014	June 17, 2014	December 14, 2014	March 2, 2015	June 15, 2015	December 12, 2015	June 14, 2016
December 15, 2014	March 4, 2015	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017
December 15, 2015	March 4, 2016	June 17, 2016	December 14, 2016	March 2, 2017	June 15, 2017	December 12, 2017	June 14, 2018
December 15, 2014	March 4, 2015	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017
10,800	75,500	338,050	30,050	46,157	413,100	122,192	489,150
N/A	N/A	20 000	N/A	N/A	25 000	N/A	30 000
10,800	9,300	55,000	17,500	6,000	66,000	20,400	72,000
1,500	0	0	0	0	0	0	0
1,500	10,800	17,850	7,000	3,200	17,050	4,700	3,350
11	317	1,196	57	221	1,295	592	1,474
1	0	13	1	0	7	0	19

- (5) The number of performance shares granted by the Board of Directors of March 4, 2011 is subject to a satisfactory performance for its shareholders over the period 2010/2013. This performance will be measured by the progression of the Group's Consolidated Operating Income in relation to a representative same of Group's competitors. 50% of the shares granted are subject to the level of achievement of the aforementioned performance recorded at the share acquisition start date.
- (6) The number of performance shares granted by the Boards of Directors in their meetings on June 17, 2011 and December 14, 2011 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2011, 2012 and 2013. The Reference Performance will take into consideration the results obtained by the Group in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities. 50% of the shares granted are subject to the level of achievement of the Reference Performance of various thresholds recorded at the share acquisition start date. However, in the case of the Chairman and Chief Executive Officer and Comex members shares are only granted depending on the achievement of Reference Performance thresholds.
- (7) The number of performance shares granted by the Board of Directors of March 2, 2012 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2011, 2012 and 2013. The Reference Performance will take into consideration the results obtained by the Group in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities.
- (8) The number of performance shares granted by the Boards of Directors of June 15, 2012 and December 12, 2012 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2012, 2013 and 2014. The Reference Performance will take into consideration the results obtained by the Group in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities. 50% of the shares granted are subject to the level of achievement of the Reference Performance of various thresholds recorded at the share acquisition start date. However, in the case of the Chairman and Chief Executive Officer and Comex members shares are only granted depending on the achievement of Reference Performance thresholds.
- (9) The number of performance shares granted by the Board of Directors of June 14, 2013 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2013, 2014 and 2015. The Reference Performance will take into consideration the results obtained by the Group in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities. 50% of the shares granted are subject to the level of achievement of the Reference Performance of various thresholds recorded at the share acquisition start date. However, in the case of the Chairman and Chief Executive Officer and Comex members shares are only granted depending on the achievement of Reference Performance thresholds.

The following table shows the number of Technip performance shares granted to the 10 employees of the Group (other than directors and officers (*mandataires sociaux*)) who were granted the largest number of performance shares during financial year 2013 as well as the number of performance shares acquired by these persons during the same year:

Performance shares granted to first 10 non-director and non-officer employees	Total number of performance shares	Average weighted price	Grant date	Acquisition date, subject to compliance with the conditions set by the Board of Directors	Plan number
Performance shares granted during financial year 2013 by the issuer or by any company included in the grant perimeter, to the 10 employees of the issuer and of any company included within the grant perimeter who were granted the largest number of performance shares (aggregate information)	72,000*	€85.12	June 14, 2013	June 14, 2016 June 14, 2017	2013 Plan Tranche 1
Performance shares of the issuer or of the aforementioned companies that were acquired during financial year 2013 by the 10 employees of the issuer or of these companies who have the largest number of performance shares (aggregate information)	89,700	€81.80	February 18, 2009 June 15, 2009 February 16, 2010 June 23, 2010	February 18, 2013 June 15, 2013 February 16, 2014 June 23, 2014	2008 Plan Tranche 1 2009 Plan Tranche 1 2009 Plan Tranche 2 2010 Plan Tranche 1

* The number of performance shares granted by the Board of Directors of June 14, 2013 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2013, 2014 and 2015. The Reference Performance will take into consideration the results obtained by the Group in terms of Health/Safety/Environment (HSE), Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities.

17.3. Employee Incentive and Profit-Sharing Schemes

Please see paragraph 2.3.2.b of the Society and Environment Report included in Annex E of this Reference Document.

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18.1. The Company's Major Shareholders

18.1.1. CHANGES IN THE MAJOR SHAREHOLDERS OF THE COMPANY OVER THE LAST THREE YEARS

Major Shareholders as of December 31, 2013

As of December 31, 2013, to the Company's knowledge and based on notices received by it, the following shareholders held 1% or more of the Company's share capital and voting rights:

Shareholders	Number of shares	Percentage of share capital	Number of voting rights ⁽¹⁾	Percentage of voting rights
The Capital Group Companies Inc.	8,386,250	7.40%	8,386,250	6.85%
Banque Publique d'Investissement	5,929,398	5.20%	11,858,796	9.70%
Blackrock Inc.	5,521,768	4.85%	5,521,768	4.50%
Oppenheimer Funds Inc.	4,530,027	4.00%	4,530,027	3.70%
Causeway Capital Management	4,203,355	3.70%	4,203,355	3.45%
Amundi Asset Management	3,621,511	3.20%	3,621,511	2.95%
BNP Paribas Asset Management	3,250,066	2.85%	3,250,066	2.65%
IFP Énergies nouvelles	2,830,917	2.50%	5,661,834	4.60%
Norges Bank Investment Management	2,364,408	2.05%	2,364,408	1.90%
Treasury shares ⁽²⁾	1,774,751	1.55%	-	0.00%
Group employees ⁽³⁾	2,096,247 ⁽⁴⁾	1.85%	3,098,313	2.50%
Public	69,171,558	60.85%	70,085,219	57.20%
TOTAL	113,680,256	100%	122,581,549	100%

(1) Including double voting rights (Article 12 of the Company's Articles of Association). As of December 31, 2013, 10,676,044 shares carried double voting rights. As of December 31, 2013, the total number of voting rights calculated on the basis of all of the shares to which voting rights are attached, including shares stripped of their voting rights (in accordance with Article 223-11 of the AMF's General Regulations), amounted to 124,356,300.

(2) As of December 31, 2013, the Company did not own any of its shares either directly or indirectly other than treasury shares.

(3) Employees according to Article L. 225-102 of the French Commercial Code.

(4) Including 2,096,247 shares held through Company mutual funds.

Changes in the Breakdown of the Share Capital and Voting Rights of the Company over the Last Three Years

Over the last three financial years, to the Company's knowledge and based on notices received by it, the following shareholders held 1% or more of the Company's share capital and voting rights:

	December 31					
	2011		2012		2013	
	Share capital	Voting rights ⁽¹⁾	Share capital	Voting rights ⁽¹⁾	Share capital	Voting rights ⁽¹⁾
The Capital Group Companies Inc.	5.25%	5.10%	5.00%	4.60%	7.40%	6.85%
Banque Publique d'Investissement	5.35%	5.20%	5.25%	9.70%	5.20%	9.70%
Blackrock Inc.	6.20%	6.00%	4.90%	4.60%	4.85%	4.50%
Oppenheimer Funds Inc.	2.90%	2.80%	2.85%	2.65%	4.00%	3.70%
Causeway Capital Management	1.45%	1.40%	2.10%	1.90%	3.70%	3.45%
Amundi Asset Management	3.20%	3.10%	3.30%	3.00%	3.20%	2.95%
BNP Paribas Asset Management	2.35%	2.30%	2.25%	2.10%	2.85%	2.65%
IFP Énergies nouvelles	2.55%	4.95%	2.50%	4.60%	2.50%	4.60%
Norges Bank Investment Management	2.50%	2.40%	3.00%	2.80%	2.05%	1.90%
Treasury shares ⁽²⁾	2.00%	0.00%	2.10%	0.00%	1.55%	0.00%
Group employees ⁽³⁾	2.00%	3.90%	2.65%	4.00%	1.85%	2.50%
Public	64.25%	62.85%	64.10%	60.05%	60.85%	57.20%
TOTAL	100%	100%	100%	100%	100%	100%

(1) Including double voting rights.

The total number of Company shares at the end of financial years 2011, 2012 and 2013 amounted to, respectively, 110,987,758 shares, 113,040,513 and 113,680,256 shares.

(2) Includes the Liquidity Contract.

(3) Employees according to Article L. 225-102 of the French Commercial Code.

18.1.2. SHAREHOLDERS' NOTICES AND CROSSING OF THRESHOLDS

Between January 1, 2013 and December 31, 2013, the Company received the following notices from its shareholders, relating to the crossing of thresholds as provided by law and by its Articles of Association:

Shareholder	Notification Date	Effective Date	Number of shares held	Percentage of stated share capital	Number of voting rights held	Percentage of stated voting rights	Direction of threshold crossing ⁽¹⁾
Amundi Asset Management	01/08/2013	01/07/2013	3,739,842	3.01%			(u)
Amundi Asset Management	01/09/2013	01/08/2013	3,717,395	2.99%			(d)
Amundi Asset Management	01/24/2013	01/23/2013	3,247,316	2.87%			(d)
The Capital Group Companies Inc. (Capital Research and Management Company)	02/06/2013	02/01/2013	8,386,250	7.42%	8,386,250	6.75%	(u)
Alliance Bernstein	02/14/2013	02/08/2013	1,240,849	1.098%	1,240,849	0.998%	(d)
Alliance Bernstein	02/18/2013	02/15/2013	1,013,895	0.90%	1,013,895	0.82%	(d)
AXA Investment Managers	03/07/2013	03/01/2013	1,211,156	1.07%	1,211,156	0.97%	(d)
BNP Paribas Asset Management	03/18/2013	03/15/2013	2,595,454	2.2959%	2,455,488	1.9757%	(u)
BNP Paribas Asset Management	03/19/2013	03/18/2013	2,591,291	2.2922%	2,451,325	1.9724%	(d)
BNP Paribas Asset Management	03/26/2013	03/25/2013	2,601,751	2.3015%	2,436,033	1.9601%	(u)
Amundi Asset Management	05/30/2013	05/29/2013	3,406,095	3.00%			(u)
BNP Paribas Asset Management	06/18/2013	06/14/2013	3,004,293	2.6530%	2,818,497	2.2637%	(u)
Banque Publique d'Investissement	07/18/2013	07/12/2013	5,929,398	5.23%	11,858,796	9.51%	(u)
Natixis Asset Management	08/02/2013	08/01/2013	1,128,239	0.998%	1,128,239		(d)
Natixis Asset Management	08/08/2013	08/08/2013	1,137,124	1.006%	1,137,124		(u)
Blackrock Inc.	08/14/2013	08/08/2013	5,521,768	4.87%	5,521,768	4.43%	(d)
Natixis Asset Management	10/30/2013	10/28/2013	1,052,596	0.931%			(d)
Oppenheimer Funds Inc.	31/10/2013	10/30/2013	4,145,697	3.67%	4,145,697		(u)
Amundi Asset Management	12/20/2013	12/19/2013	4,093,515	3.29%			(u)
Amundi Asset Management	12/23/2013	12/20/2013	3,572,471	2.87%			(d)

(1) d = crossing of threshold downwards; u = crossing of threshold upwards.

This table only includes information provided in the notices received by the Company.

At Technip's request, Euroclear France carried out a survey of identifiable shares held in the bearer form (*titres au porteur identifiable*) dated November 20, 2013 (TPI survey), on the basis of the following thresholds: a minimum of 100,000 shares held by custodians and a minimum of 200 shares held by shareholders. The TPI survey identified 97.01% of Technip's share capital and listed 5,985 shareholders that hold shares in the bearer form.

An analysis of the TPI survey also showed that 81.79% of the shares are held by institutional investors. These investors are geographically distributed as follows: 19.21% in France, 35.93% in

North America, 9.65% in the United Kingdom and Ireland, 10.29% in Continental Europe and 6.71% throughout the rest of the world.

As of the date of this TPI survey, individual shareholders (retail) held 6.11% of Technip's capital.

As of December 31, 2013, 4,844 shareholders held their shares in registered form in their name (*inscrit au nominatif pur*) and 205 shareholders held their shares in administered registered form (*nominatif administré*). Furthermore, 13 shareholders held their shares in both the registered form and the administered registered form.

Between January 1, 2014 and February 18, 2014, the Company received the following notices from its shareholders, relating to the crossing of thresholds as provided by law and by its Articles of Association:

Shareholder	Notification date	Effective date	Number of shares held	Percentage of stated share capital	Number of voting rights held	Percentage of stated voting rights	Direction of threshold crossing ⁽¹⁾
State Street Corporation	01/08/2014	01/01/2014	2,023,272	1.78%	1,509,909	1.21%	(u)
Oppenheimer Funds Inc.	01/14/2014	01/14/2014	4,559,837	4.01%	4,559,837		(u)
Blackrock Inc.	02/07/2014	02/07/2014	5,906,711	5.20%	5,906,711	4.75%	(u)
The Capital Group Companies Inc.	02/10/2014	02/06/2014	5,032,395	4.43%	5,032,395	4.05%	(d)
Franklin Resources Inc.	02/20/2014	02/20/2014	2,549,531	2.2427%	2,549,531	2.0502%	(u)

(1) d = crossing of threshold downwards; u = crossing of threshold upwards.

This table only includes information provided in the notices and declarations received by the Company.

18.2. Shareholder Voting Right

Among the Company's major shareholders as indicated in Section 18.1 of this Reference Document, IFP Énergies nouvelles and Banque Publique d'Investissement as well as the Company mutual funds (*Fonds Communs de Placement d'Entreprise*, or FCPEs) representing the Group's employees hold double voting rights.

18.3. Controlling Interest

Taken into account the distribution of capital and voting rights of the Company, as presented in the tables in Section 18.1.1 and 18.1.2 of this Reference Document, no shareholders hold a controlling interest in the Company, either directly or indirectly.

18.4. Arrangements that May Result in a Change of Control

To the Company's knowledge, there are no arrangements between its major shareholders, the implementation of which could at a subsequent date result in a change of control of the Company.

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Related Party Transactions

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19.1. Main Related Party Transactions

The Company's related party transactions mainly consist of re-invoicing Group management and organization costs through a management fee, as well as costs related to insurance policies, and fees on guarantees given by the Company (see Note 6.14

to the Statutory Accounts as of December 31, 2013, included in Section 20.2 of this Reference Document).

For a description of the Company's regulated agreements (*conventions réglementées*), please refer to the Statutory Auditors' Report included in Section 19.2 of this Reference Document.

19.2. Statutory Auditors' Report on Related Party Agreements and Commitments for the Year Ended December 31, 2013

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and is construed in accordance with French law and professional standards applicable in France.

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Ernst & Young et Autres

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92400 Courbevoie – Paris-La Défense 1

STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

General Meeting of Shareholders to Approve the Financial Statements for the Year Ended December 31, 2013

Technip – 89, avenue de la Grande-Armée – 75116 Paris

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the General Meeting of Shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (*Compagnie nationale des Commissaires aux Comptes*) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

Agreements and Commitments Submitted for Approval by the General Meeting of Shareholders

We hereby inform you that we have not been advised of any agreement or commitment authorized in the course of the year to be submitted the General Meeting of Shareholders for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements and Commitments Already Approved by the General Meeting of Shareholders

Agreements and commitments approved in prior years

a) whose implementation continued during the year

We hereby inform you that we have not been advised of any agreements or commitments already approved by the General Meeting of Shareholders, whose implementation continued during the year.

b) which were not implemented during the year

In addition, we have been advised that the following agreements and commitments which were approved by the General Meeting of Shareholders in prior years were not implemented during the year.

Commitments entered into with Thierry Pilenko in connection with the renewal of his term of office as Chairman and Chief Executive Officer, previously approved by your Board of Directors held on April 28, 2011

Non-compete agreement

A worldwide non-compete agreement for a two-year period has been set up between Technip and Thierry Pilenko.

In case of departure and whatever the reason thereof, Technip is committed to pay Thierry Pilenko an indemnity capped to two years gross compensation based on the highest overall annual compensation (fixed + variable) received over the last three years.

Supplementary retirement plan

Thierry Pilenko benefits from the supplementary retirement plan for Group executives with fixed contributions of 8% of the annual gross compensation paid up to income bracket 3, capped to eight times the annual French social security (*Sécurité sociale*) limit as well as from your Company's existing supplementary retirement plan for Executive Committee Members: a retirement income guarantee of 1.8% per year of service, up to a limit of fifteen years, on income bracket 4 of the annual gross compensation paid, *i.e.*, exceeding eight times the French social security limit.

The amount of gross compensation to which this retirement income guarantee applies to the average of the gross base compensation received over the five complete financial years prior to the date of departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability; a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence on his part and that no salaried activity is resumed between leaving the Company and receiving a pension under the general French social security scheme.

In 2013, the contribution paid by your Company for the supplementary pension plan of Thierry Pilenko amounted to €23,700.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2014

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit
Édouard Sattler

Ernst & Young et Autres
Nour-Eddine Zanouda

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20.1.1. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the Group's Management Report.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit

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STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**For the Year ended December 31, 2013**

Technip – 89, avenue de la Grande-Armée – 75116 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of Technip;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the Consolidated Financial Statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to Note 1 – Accounting principles to the consolidated financial statements presenting changes related to the application of IAS 19 (amended) "Employee benefits".

II. Justification of our Assessments

In accordance with the requirements of Article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

As indicated in Note 1-C (a) "Use of estimates" to the consolidated financial statements, your Company uses significant accounting estimates:

- As indicated in Note 1-C (b) "Long-term contracts" to the consolidated financial statements, your Company uses significant accounting estimates, in particular to determine the margin at completion for each long term contract which is based on analyses of total costs and revenues at completion, that are reviewed periodically and regularly throughout the life of contract. We reviewed the processes set up by your Company in this respect, assessed the data and assumptions used as a basis for these estimates, compared the accounting estimates of the previous periods with the corresponding actual figures and ensured that Note 1-C (b) provided adequate information in this regard.

- As indicated in Note 1-C (d) "Business combinations" to the consolidated financial statements, your Company annually carries impairment tests on goodwills on the basis of the estimates of cash flows generated by the activities on which these goodwills are allocated. The assumptions used are based on the business plans that have been performed by your Company and approved by the Board of Directors. We examined the implementation of this impairment test, the assumptions made, and the calculations performed by your Company, and we ensured that Note 1-C (d) and Note 10 "Intangible assets" provided adequate information in this regard.
- Your Company accounts for business combinations under accounting principles and methods described in Note 1-C (d) "Business combinations" to the consolidated financial statements. We examined the processes applied to identify acquired assets and liabilities as well as the methodology, the data and the assumptions used to compute their fair value. We ensured that Note 1-C (d) and Note 2 "Scope of consolidation" provided adequate information in this regard.
- Note 1-C (v) "Deferred income tax" to the consolidated financial statements indicates that the recoverability of deferred income tax assets recognized as at December 31, 2013, and more specifically those arisen from unused tax losses carried-forward, have been evaluated by your Company on the basis of the forecasts of future taxable results. We reviewed the recoverability analyses on those tax assets performed by your Company and ensured that Note 1-C (v) provided adequate information in this regard.
- As regards to litigations, we ensured that the existing procedures enabled the collection, the valuation and the recording in the financial statements of any litigation in satisfactory conditions. We specifically ensured that significant litigations identified by your Company while performing these procedures were accurately described within the notes to the consolidated financial statements and particularly within Note 32 "Litigation and contingent liabilities" to the consolidated financial statements.

We carried out an assessment of the reasonableness of these estimates. As described in Note 1-C (a) "Use of estimates" to the consolidated financial statements, these estimates may be revised if the circumstances and assumptions on which they are based change, if new information become available, or as a result of greater experience. Consequently, the actual result from these operations may differ from these estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific Verification

As required by law, we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2014

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Edouard Sattler

Ernst & Young et Autres

Nour-Eddine Zanouada

20.1.2. GROUP CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF INCOME

In millions of Euro	Notes	12 months	
		2013	2012 restated (*)
Revenues	4 (a)	9,336.1	8,203.9
Cost of Sales	4 (b)	(7,718.7)	(6,652.3)
Gross Margin		1,617.4	1,551.6
Research and Development Costs	4 (c)	(75.5)	(68.7)
Selling Costs		(219.8)	(230.8)
Administrative Costs	4 (d)	(497.0)	(442.7)
Other Operating Income	4 (e)	34.3	30.7
Other Operating Expenses	4 (f)	(14.9)	(11.4)
Operating Income/(Loss) from Recurring Activities		844.5	828.7
Income from Sale of Activities	4 (g)	-	-
Charges from Non-Current Activities	4 (h)	-	(9.5)
Operating Income/(Loss)		844.5	819.2
Financial Income	5 (a)	357.1	300.2
Financial Expenses	5 (b)	(441.4)	(367.5)
Share of Income/(Loss) of Equity Affiliates	11	1.1	1.0
Income/(Loss) before Tax		761.3	752.9
Income Tax Expense	6	(191.3)	(206.2)
Income/(Loss) from Continuing Operations		570.0	546.7
Income/(Loss) from Discontinued Operations	7	-	-
NET INCOME/(LOSS) FOR THE YEAR		570.0	546.7
Attributable to:			
Shareholders of the Parent Company		563.1	543.3
Non-Controlling Interests		6.9	3.4
Earnings per Share (in Euro)	8	5.06	4.94
Diluted Earnings per Share (in Euro)	8	4.68	4.53

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of Euro	Notes	12 months	
		2013	2012 restated (*)
Net Income/(Loss) for the Year		570.0	546.7
Other Comprehensive Income			
<i>Other Comprehensive Income to Be reclassified to Statement of Income in Subsequent Periods:</i>		(197.5)	(54.8)
Exchange Differences on Translating Entities Operating in Foreign Currency		(189.9)	(68.2)
Fair Value Adjustment on Available-for-Sale Financial Assets	20 (d)	(52.1)	(42.4)
Income Tax Effect	20 (d)	4.8	1.5
Cash Flow Hedging	20 (d)	56.9	76.9
Income Tax Effect	20 (d)	(17.2)	(22.6)
Other	20 (d)	-	-
Income Tax Effect	20 (d)	-	-
<i>Other Comprehensive Income not Being Reclassified to Statement of Income in Subsequent Periods:</i>		(11.6)	(9.0)
Actuarial Gains/(Losses) on Defined Benefit Plans	20 (d)	(15.9)	(16.3)
Income Tax Effect	20 (d)	4.3	7.3
COMPREHENSIVE INCOME FOR THE PERIOD		360.9	482.9
Attributable to:			
Shareholders of the Parent Company		356.7	480.4
Non-Controlling Interests		4.2	2.5

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

In millions of Euro	Notes	As of December 31, 2013	As of December 31, 2012 restated (*)	As of January 1, 2012 restated (*)
Property, Plant and Equipment, Net	9	2,619.4	2,410.5	2,193.5
Intangible Assets, Net	10	3,332.7	3,379.1	3,173.8
Investments in Equity Affiliates	11	6.7	8.7	-
Other Financial Assets	12	72.4	72.8	92.8
Deferred Tax Assets	6 (c)	274.8	333.0	336.1
Available-For-Sale Financial Assets	13	105.3	162.7	201.9
Total Non-Current Assets		6,411.3	6,366.8	5,998.1
Inventories	14	276.3	296.8	254.6
Construction Contracts – Amounts in Assets	15	405.0	454.3	588.0
Advances Paid to Suppliers		472.1	208.2	204.2
Derivative Financial Instruments	26	123.4	54.3	35.6
Trade Receivables	16	1,745.2	1,272.8	1,263.8
Current Income Tax Receivables		102.1	158.5	149.6
Other Current Receivables	17	470.6	513.5	484.8
Cash and Cash Equivalents	18	3,241.0	2,289.3	2,808.7
Total Current Assets		6,835.7	5,247.7	5,789.3
Assets Classified as Held for Sale	19	4.0	9.9	-
TOTAL ASSETS		13,251.0	11,624.4	11,787.4

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

Equity and Liabilities

In millions of Euro	Notes	As of December 31, 2013	As of December 31, 2012 restated (*)	As of January 1, 2012 restated (*)
Share Capital	20 (a)	86.7	86.2	84.6
Share Premium		1,923.3	1,898.2	1,784.0
Retained Earnings		1,972.1	1,619.7	1,324.7
Treasury Shares	20 (c)	(133.6)	(148.8)	(109.3)
Foreign Currency Translation Reserves		(259.5)	(73.6)	(6.3)
Fair Value Reserves	20 (d)	4.7	23.9	19.7
Net Income		563.1	543.3	507.3
Total Equity Attributable to Shareholders of the Parent Company		4,156.8	3,948.9	3,604.7
Non-Controlling Interests		17.3	13.2	21.7
Total Equity		4,174.1	3,962.1	3,626.4
Non-Current Financial Debts	21	2,403.4	1,705.7	1,553.4
Non-Current Provisions	23	261.8	229.0	204.1
Deferred Tax Liabilities	6 (c)	179.3	209.6	138.2
Other Non-Current Liabilities	25	74.8	76.2	93.2
Total Non-Current Liabilities		2,919.3	2,220.5	1,988.9
Current Financial Debts	21	174.5	400.4	598.2
Trade Payables	24	2,481.0	2,094.5	2,244.3
Construction Contracts – Amounts in Liabilities	15	1,721.4	873.0	724.3
Derivative Financial Instruments	26	32.7	38.5	104.0
Current Provisions	23	220.9	361.0	346.9
Current Income Tax Payables		165.1	140.5	164.9
Other Current Liabilities	25	1,362.0	1,533.9	1,989.5
Total Current Liabilities		6,157.6	5,441.8	6,172.1
Total Liabilities		9,076.9	7,662.3	8,161.0
Liabilities Directly Associated with the Assets Classified as Held for Sale	19	-	-	-
TOTAL EQUITY AND LIABILITIES		13,251.0	11,624.4	11,787.4

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

4. CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of Euro	Notes	12 months	
		2013	2012 restated (*)
Net Income for the Year (including Non-Controlling Interests)		570.0	546.7
Adjustments for:			
Amortization and Depreciation of Property, Plant and Equipment	9	217.0	183.8
Amortization and Depreciation of Intangible Assets	10	16.5	11.1
Non-Cash Convertible Bond Expense		28.2	27.4
Charge related to Share-based Payment and Employee Savings Plan («Plan d'Épargne Entreprise»)	4 (i)	46.0	48.6
Non-Current Provisions (including Pensions and other Long-Term Employee Benefit Plans)		22.9	17.2
Share of Income/(Loss) of Equity Affiliates		1.6	0.1
Net (Gains)/Losses on Disposal of Assets and Investments		(18.7)	(5.6)
Deferred Income Tax (Credit)/Expense	6 (a)	13.8	54.3
		897.3	883.6
(Increase)/Decrease in Working Capital Requirement		421.3	(438.9)
Net Cash Generated from Operating Activities		1,318.6	444.7
Purchases of Property, Plant and Equipment	9	(599.0)	(503.2)
Proceeds from Disposal of Property, Plant and Equipment	4 (e)	67.2	26.3
Purchases of Intangible Assets	10	(24.0)	(15.7)
Proceeds from Disposal of Intangible Assets		-	0.7
Acquisitions of Financial Assets		-	(3.3)
Proceeds from Disposal of Financial Assets	5 (a)	12.1	16.8
Acquisition Costs of Consolidated Companies, net of Cash Acquired	2	(8.2)	(245.0)
Net Cash Used in Investing Activities		(551.9)	(723.4)
Increase in Borrowings		755.6	433.7
Decrease in Borrowings		(230.6)	(473.5)
Capital Increase		25.6	115.8
Share Buy-Back	20 (c)	(40.0)	(107.9)
Dividends Paid	20 (g)	(186.0)	(172.6)
Net Cash Generate/Used from Financing Activities		324.6	(204.5)
Net Effects of Foreign Exchange Rate Changes		(141.7)	(36.4)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		949.6	(519.6)
Cash and Cash Equivalents as of January 1	18	2,289.3	2,808.7
Bank Overdrafts as of January 1		(0.3)	(0.1)
Cash and Cash Equivalents as of December 31	18	3,241.0	2,289.3
Bank Overdrafts as of December 31		(2.4)	(0.3)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		949.6	(519.6)

(*) The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

Interest paid in 2013 amounted to €60.1 million compared to €73.5 million in 2012.

Interest received in 2013 amounted to €37.7 million compared to €43.3 million in 2012.

Income taxes in 2013 amounted to €13.5 million compared to €156.5 million in 2012.

5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In millions of Euro	Share Capital	Share Premium	Retained Earnings	Treasury Shares	Foreign Currency Translation Reserves	Fair Value Reserves	Net Income – Parent Company	Shareholders' Equity – Parent Company	Shareholders' Equity – Non-Controlling Interests	Total Shareholders' Equity
As of January 1, 2012 restated ⁽¹⁾	84.6	1,784.0	1,324.7	(109.3)	(6.3)	19.7	507.3	3,604.7	21.7	3,626.4
Net Income 2012 restated ⁽¹⁾	-	-	-	-	-	-	543.3	543.3	3.4	546.7
Other Comprehensive Income	-	-	-	-	(67.3)	4.4	-	(62.9)	(0.9)	(63.8)
Total Comprehensive Income 2012 restated ⁽¹⁾	-	-	-	-	(67.3)	4.4	543.3	480.4	2.5	482.9
Capital Increase	1.6	114.2	-	-	-	-	-	115.8	-	115.8
Appropriation of Net Income 2011	-	-	507.3	-	-	-	(507.3)	-	-	-
Dividends	-	-	(172.6)	-	-	-	-	(172.6)	-	(172.6)
Treasury Shares	-	-	(76.7)	(39.5)	-	-	-	(116.2)	-	(116.2)
Valuation of Share-based Payment and Employee Savings Plan («Plan d'Épargne Entreprise»)	-	-	44.3	-	-	-	-	44.3	-	44.3
Other ⁽²⁾	-	-	(7.3)	-	-	(0.2)	-	(7.5)	(11.0)	(18.5)
As of December 31, 2012 Restated ⁽¹⁾	86.2	1,898.2	1,619.7	(148.8)	(73.6)	23.9	543.3	3,948.9	13.2	3,962.1
Net Income 2013	-	-	-	-	-	-	563.1	563.1	6.9	570.0
Other Comprehensive Income	-	-	-	-	(187.2)	(19.2)	-	(206.4)	(2.7)	(209.1)
Comprehensive Income 2013	-	-	-	-	(187.2)	(19.2)	563.1	356.7	4.2	360.9
Capital Increase	0.5	25.1	-	-	-	-	-	25.6	-	25.6
Appropriation of Net Income 2012 restated ⁽¹⁾	-	-	543.3	-	-	-	(543.3)	-	-	-
Dividends	-	-	(186.0)	-	-	-	-	(186.0)	-	(186.0)
Treasury Shares	-	-	(53.8)	15.2	-	-	-	(38.6)	-	(38.6)
Valuation of Share-based Payment and Employee Savings Plan («Plan d'Épargne Entreprise»)	-	-	46.0	-	-	-	-	46.0	-	46.0
Other ⁽³⁾	-	-	2.9	-	1.3	-	-	4.2	(0.1)	4.1
AS OF DECEMBER 31, 2013	86.7	1,923.3	1,972.1	(133.6)	(259.5)	4.7	563.1	4,156.8	17.3	4,174.1

⁽¹⁾ The restatement of the 2012 consolidated financial statements is described in Note 1 – Accounting principles and in Note 2 – Scope of consolidation.

⁽²⁾ Includes effects of purchases of non-controlling interests and reclassifications due to changes in the consolidation scope.

⁽³⁾ Includes effects of changes in the consolidation scope.

6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Technip's principal businesses are as follows:

- lump sum or cost-to-cost engineering service contracts performed over a short period;
- engineering, manufacturing, installation and commissioning service contracts lasting approximately 12 months; and
- turnkey projects related to complex industrial facilities with engineering, procurement, construction and start-up in accordance with industry standards and a contractual schedule. The average duration of these contracts is three years, but can vary depending on the contract.

The consolidated financial statements of the Group are presented in millions of Euros, and all values are rounded to the nearest hundreds of thousands, except when otherwise indicated. The consolidated financial statements of the Group for the financial year ended December 31, 2013 were approved by the Board of Directors on February 18, 2014.

Note 1 – Accounting Principles

A. Accounting Framework

In accordance with the European Union's regulation No.1606/2002 of July 19, 2002, the consolidated financial statements of Technip ("the Group") for financial year 2013 were prepared as of December 31, 2013 in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and endorsed by the European Union as of

February 18, 2014, the date of the meeting of the Board of Directors that approved the consolidated financial statements. These standards are available on the website of the European Union (http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm).

Effective standards, that apply to the Group

The adoption of new standards, amendments and interpretations that had mandatory application for periods starting after January 1, 2013 had no significant impact on the financial situation and performance of the Group.

■ IAS 19 (amended) "Employee Benefits":

Published on June 2011 by the IASB, the amended standard is applicable retrospectively to annual periods beginning on or after January 1, 2013. It introduces the following changes:

- It modifies the valuation method regarding the long-term return on plan assets, which will be based on the discount rate used to measure the present value of the obligation.
- It eliminates the option of deferring actuarial gains and losses using the « corridor » approach. All actuarial gains and losses must now be recognized directly in other comprehensive income.
- It suppresses the deferral of past service cost on unvested benefits: all costs arising from past service are instead recognized immediately in the net income.

An early application of IAS 19 (amended) as of January 1, 2013 had on the whole an impact on the provisions for pensions and other long-term employee benefits increasing by €76.5 million through equity and corresponding essentially to the unrecognized actuarial gains and losses, as well deferred past service costs. A positive impact of €3.6 million on the net consolidated result and a decrease by €9.0 million of the other comprehensive income were also recognized.

IAS 19 (amended) application impact on the Group consolidated statement of income

In millions of Euro	2012
Revenues	-
Gross Margin	-
Administrative Costs	7,0
Operating Income/(Loss) from Recurring Activities	7,0
Operating Income/(Loss)	7,0
Financial Income	(2,0)
Financial Expenses	-
Income/(Loss) before Tax	5,0
Income Tax Expense	(1,4)
Income/(Loss) from Continuing Operations	3,6
IMPACT ON NET INCOME/(LOSS) OF THE PERIOD	3,6

IAS 19 (amended) application impact on the Group consolidated Other Comprehensive Income

In millions of Euro	2012
Net Income/(Loss) for the Year	3,6
Other Comprehensive Income	-
Other Comprehensive Income to Be reclassified to Statement of Income in Subsequent Periods	-
Other Comprehensive Income not Being reclassified to Statement of Income in Subsequent Periods:	(9,0)
Actuarial Gains/(Losses) on Defined Benefit Plans	(16,3)
Income Tax Effect	7,3
IMPACT ON COMPREHENSIVE INCOME FOR THE PERIOD	(5,4)

IAS 19 (amended) impact on the Group consolidated statement of financial position

■ ASSETS

In millions of Euro	December 31, 2012	January 1, 2012
Deferred Tax Assets	29,8	16,9
Total Non-Current Assets	29,8	16,9
Total Current Assets	-	-
TOTAL ASSETS	29,8	16,9

■ EQUITY AND LIABILITIES

In millions of Euro	December 31, 2012	January 1, 2012
Retained Earnings	(46,9)	(46,9)
Fair Value Reserves	(9,0)	-
Net Income	3,6	-
Total Equity Attributable to Shareholders of the Parent Company	(52,3)	(46,9)
Total Equity	(52,3)	(46,9)
Non-current Provisions	66,7	63,8
Deferred Tax Liabilities	5,6	-
Total Non-Current Liabilities	72,3	63,8
Current Provisions	9,8	-
Total Current Liabilities	9,8	-
Total Liabilities	82,1	63,8
TOTAL EQUITY AND LIABILITIES	29,8	16,9

Pursuant to the transitional rules of retrospectively applicable IAS 19 amended, the consolidated financial statements of the comparative exercise on December 31, 2012, as well as all the notes presented in Section 20.1, were restated in the present Reference Document.

■ IAS 1 (amended) "Presentation of Items of Other Comprehensive Income":

Released in June 2011 and adopted in June 2012, this amendment to IAS 1 requires a separated presentation of items that would be reclassified to profit and loss at a future point in time from those that will never be reclassified.

■ IFRS 7 (amended) "Disclosures: Offsetting financial assets and financial liabilities":

The amendment to standard IFRS 7, published by the IASB in December 2011, adopted on December 29, 2012, and applicable from January 1, 2013, specifies that additional information is required relating to how entities limit credit risk bound to compensation, and also on the contents of legal compensation agreements.

■ IFRS 13 "Fair Value Measurement":

Effective for annual periods beginning on or after January 1, 2013, this standard related to fair value measurement and new disclosures to financial statements has no impact on Technip's financial statements.

Standards effective after December 31, 2013

Technip financial statements as of December 31, 2013 do not include the possible impact of standards published as of December 31, 2013 but which application is mandatory as per European Union as from financial years subsequent to the current year.

■ IFRS 10 and IFRS 12 "Consolidated Financial Statements / Disclosure of Interests in other Entities":

These standards modify IAS 27 "Separate Financial Statements" and cancels SIC 12 "Consolidation – Special Purpose Entities".

IFRS 10 presents a unique model of consolidation, identifying the concept of control as the determining factor in whether an entity should be consolidated.

The standard IFRS 12 specifies the information to be disclosed in the notes to the participations in subsidiaries, partnerships or non-consolidated entities.

The two above-mentioned standards are applicable as of January 1, 2014 in the European Union. The Group will apply these two standards from this date.

■ IFRS 11 "Joint Arrangements":

This standard supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities". The standard distinguishes two types of joint arrangements, joint ventures and joint operations, by assessing the rights and obligations of the entity in the partnership arrangement.

As of December 31, 2013, the Group is mainly involved in two types of joint arrangements: those set up for the purpose of fulfilling a defined construction contract and those set up to build and operate flexible pipeline installation vessels (PLSVs).

The Group will apply this standard from January 1, 2014. No material impact on the consolidated statement of income and the consolidated statement of changes in shareholder's equity is expected.

B. Consolidation Principles

All the companies which are controlled exclusively by the Group are consolidated using the global integration method. All entities are concerned, included special purpose entities, for which the Group has the power to govern the financial and operating policies. The Group usually owns more than half of the voting rights of these entities.

Proportionate consolidation is used for jointly controlled entities. Activities in joint-venture are consolidated using proportionate consolidation.

The equity method is used for investments over which the Group exercises a significant influence on operational and financial policies. Unless otherwise indicated, such influence is deemed to exist for investments in companies in which the Group's ownership is between 20% and 50%.

Companies in which the Group's ownership is less than 20% or that do not represent significant investments (such as dormant companies) are recorded under the "Other Financial Assets (Non-Current)" or "Available-For-Sale Financial Asset" line items and only impact net income through dividends received or in case of impairment loss. Where no active market exists and where no other valuation method can be used, these financial assets are maintained at historical cost, net of depreciation.

The list of the Group's consolidated companies and their respective method of consolidation is provided in Note 2 (c) Scope of consolidation as of December 31, 2013.

The main affiliates of the Group close their accounts as of December 31 and all consolidated companies apply the Group accounting standards.

All intercompany balances and transactions, as well as internal income and expenses, are fully eliminated.

Subsidiaries are consolidated as of the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date control ceases.

C. Accounting Rules and Policies

The consolidated financial statements were prepared in accordance with the IFRS.

The distinction between current assets and liabilities, and non-current assets and liabilities is based on the operating cycle of contracts. If related to contracts, assets and liabilities are classified as "current"; if not related to contracts, assets and liabilities are classified as "current" if their maturity is less than 12 months or "non-current" if their maturity exceeds 12 months.

All assets are valued under the historical cost convention, except for financial assets and derivative financial instruments, which are measured at fair value.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material, are disclosed in the paragraphs below.

(a) Use of estimates

Preparation of the consolidated financial statements requires the use of estimates and assumptions to be made that may affect the assessment and disclosure of assets and liabilities at the date of the financial statements, as well as the income and the reported expenses regarding this financial year. Estimates may be revised if the circumstances and the assumptions on which they were based change, if new information becomes available, or as a result of greater experience. Consequently, the actual result from these operations may differ from these estimates.

The main assessments and accounting assumptions made in the financial statements of the Group relate to construction contracts, the valuation of Group exposure to litigation with third parties, the valuation of goodwill and the assessment of recoverable goodwill, as well as the valuation of income tax assets resulting from tax losses carried forward (the latter is measured in compliance with accounting principles shown in Note 1-C (v) – Deferred income tax). Regarding construction contracts, the Group policy is described in Note 1-C (b) – Long-term contracts. In terms of legal proceedings and claims, the Group regularly establishes lists and performs analyses of significant ongoing litigation, so as to record the adequate provisions when necessary. Possible uncertainties related to ongoing litigations are described in Note 32 – Litigation and contingent liabilities.

Goodwill, valued pursuant to principles described in Note 1-C (d) – Business Combinations, is tested for impairment at least annually and whenever a trigger event is identified. This impairment test determines whether or not the carrying amount exceeds the recoverable amount. Goodwill is allocated to cash-generating units (CGU) for the purpose of impairment testing. These CGUs correspond to the Subsea/Onshore/Offshore activities, which represent the smallest identifiable group of assets that generates independent cash flows. The recoverable amount is the higher of either the selling price or values in use of the CGUs. The latter corresponds to the discounted future cash flows forecasted for these CGUs.

Technip also performs sensitivity analyses on key assumptions used for impairment tests, in order to make sure that no reasonable change of an assumption on which the Group has based its CGUs' recoverable value jeopardizes the conclusions of these impairment tests.

(b) Long-term contracts

Long-term contracts are recorded in accordance with IAS 11 ("Construction Contracts") where they include construction and delivery of a complex physical asset, or in accordance with IAS 18 ("Revenue") in all other cases.

Costs incurred on contracts include the following:

- the purchase of material, the subcontracting cost of engineering, the cost of markets, and all other costs directly linked to the contract;
- labor costs, related social charges and operating expenses that are directly connected. Selling costs of contracts, research and development costs and the potential charge of "overabsorption" are excluded from those evaluations; and
- other costs, if any, which could be invoiced to the client when specified in the contract clauses.

Costs on construction contracts do not include financial expenses.

Revenues on contracts at completion include:

- the initial selling price;
- every additional amendment, variation order and modification (together "changes") to the initial contract if it is probable that these changes could be reliably measured and that they are accepted by the client; and
- financial result on contracts when the corresponding cash management is completely separate from the central treasury and that contracts generate a significant net cash position.

Revenues on ongoing contracts are measured on the basis of costs incurred and of margin recognized at the percentage of completion. Margin is recognized only when the visibility of the riskiest stages of the contract is deemed sufficient and when estimates of costs and revenues are considered to be reliable.

The percentage of completion is calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion can be based on technical milestones defined for the main deliverables under the contracts or based on the ratio between costs incurred to date and estimated total costs at completion.

As soon as the estimate of the final outcome of a contract indicates a loss, a provision is recorded for the entire loss.

The gross margin of a long-term contract at completion is based on an analysis of total costs and income at completion, which are reviewed periodically and regularly throughout the life of the contract.

In accordance with IAS 11, construction contracts are presented in the statement of financial position as follows: for each construction contract, the accumulated costs incurred, as well as the gross margin recognized at the contract's percentage of completion (plus accruals for foreseeable losses if needed), after deduction of the payments received from the clients, are shown on the asset side under the "Construction Contracts – Amounts in Assets" line item if the balance of those combined components is a debit; if the balance is a credit, these are shown on the liability side under the "Construction Contracts – Amounts in Liabilities" line item.

A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset or temporary delivery, even if conditional. Upon completion of the contract:

- the balance of "Construction Contracts – Amounts in Assets", which at that time amounts to the total sale price of the contract, less accumulated payments received under this contract at the delivery date, is invoiced to the customer and recorded as current receivables on contracts (see Note 16 – Trade receivables);
- if necessary, a liability may be accrued and recorded in "Other Current Payables" in the statement of financial position in order to cover pending expenses to get the acceptance certificate from the client.

As per IAS 18, other long-term contracts are recorded as follows in the statement of financial position: invoicing in advance of revenue to be recognized is recorded as advances received in "Other Current Liabilities" (see Note 25 – Other current and non-current liabilities); invoicing that trails revenues to be recognized is recorded in "Trade Receivables" (see Note 16 – Trade receivables).

Costs incurred before contract signing ("bid costs"), when they can be directly linked to a future construction contract where the signature is almost certain, are recorded in "Construction Contracts – Amounts in Assets" (see Note 15 – Construction contracts), and then included in costs of ongoing contracts when the contract is obtained. From a practical point of view, costs effectively capitalized correspond to the bid costs incurred during the quarter of the contract's award. Bid costs are directly recorded into consolidated income statement on the line "Selling Costs" when a contract is not secured.

(c) Foreign currency transactions and financial Instruments

■ FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated into the functional currency at the exchange rate applicable on the transaction date.

At the closing date, monetary assets and liabilities stated in foreign currencies are translated into the functional currency at the exchange rate prevailing on that date. Resulting exchange gains or losses are directly recorded in the income statement, except exchange gains or losses on cash accounts eligible for future cash flow hedging and for hedging on net foreign currency investments.

■ TRANSLATION OF FINANCIAL STATEMENTS OF SUBSIDIARIES IN FOREIGN CURRENCY

The income statements of foreign subsidiaries are translated into Euro at the average exchange rate prevailing during the year. Statements of financial position are translated at the exchange rate at the closing date. Differences arising in the translation of financial statements of foreign subsidiaries are recorded in other comprehensive income as foreign currency translation reserve. The functional currency of the foreign subsidiaries is most commonly the local currency.

■ DERIVATIVES AND HEDGING PROCESSING

Every derivative financial instrument held by the Group is aimed at hedging future inflows or outflows against exchange rate fluctuations during the period of contract performance. Derivative instruments and in particular forward exchange transactions are aimed at hedging future inflows or outflows against exchange rate fluctuations in relation with awarded commercial contracts.

Foreign currency treasury accounts designated for a contract and used to finance its future expenses in foreign currencies may qualify as a foreign currency cash flow hedge.

An economic hedging may occasionally be obtained by offsetting cash inflows and outflows on a single contract ("natural hedging").

When implementing hedging transactions, each Group's subsidiary enters into forward exchange contracts with banks or with Technip Eurocash SNC, the company that performs centralized treasury management for the Group. However, only instruments that involve a third party outside of the Group are designated as hedging instruments.

A derivative instrument qualifies for hedge accounting (fair value hedge or cash flow hedge) when there is a formal designation and documentation of the hedging relationship, and of the effectiveness of the hedge throughout the life of the contract. A fair value hedge aims at reducing risks incurred by changes in the market value of some assets, liabilities or firm commitments. A cash flow hedge aims at reducing risks incurred by variations in the value of future cash flows that may impact net income.

In order for a currency derivative to be eligible for hedge accounting treatment, the following conditions have to be met:

- its hedging role must be clearly defined and documented at the date of inception; and
- its efficiency should be proved at the date of inception and/or as long as it remains efficient. If the efficiency test results in a score between 80 and 125%, changes in fair value of the covered element must be almost entirely offset by the changes in fair value of the derivative instrument.

All derivative instruments are recorded and disclosed in the statement of financial position at fair value:

- derivative instruments considered as hedging are classified as current assets and liabilities, as they follow the operating cycle; and
- derivative instruments not considered as hedging are also classified as current assets and liabilities.

Changes in fair value are recognized as follows:

- regarding cash flow hedges, the portion of the gain or loss corresponding to the effectiveness of the hedging instrument is recorded directly in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recorded in the income statement. The exchange gain or loss on derivative cash flow hedging instruments, which is deferred in equity, is reclassified in the net income of the period(s) in which the specified hedged transaction affects the income statement;
- the changes in fair value of derivative financial instruments that qualify as hedging are recorded as financial income or expenses. The ineffective portion of the gain or loss is immediately recorded in the income statement. The carrying amount of a hedged item is adjusted by the gain or loss on this hedged item which may be allocated to the hedged risk and is recorded in the income statement; and
- the changes in fair value of derivative financial instruments that do not qualify as hedging in accounting standards are directly recorded in the income statement.

The fair value of derivative financial instruments is estimated on the basis of valuations provided by bank counterparties or financial models commonly used in financial markets, using market data as of the statement of financial position date.

■ BID CONTRACTS IN FOREIGN CURRENCY

To hedge its exposure to exchange rate fluctuations during the bid-period of construction contracts, Technip occasionally enters into insurance contracts under which foreign currencies are exchanged at a specified rate and at a specified future date only if the new contract is awarded. The premium the Group pays to enter into such an insurance contract is charged to the income statement when paid. If the commercial bid is not successful, the insurance contract is automatically terminated without any additional cash settlements or penalties.

In some cases, Technip may enter into foreign currency options for some proposals during the bid-period. These options cannot be eligible for hedging.

(d) Business combinations

Assets, liabilities and contingent liabilities acquired within business combinations are recorded and valued at their fair value using the purchase method. Identifiable assets are depreciated over their estimated useful lives.

The goodwill, of which measurement results in difference between the acquisition price and the estimation of identifiable assets, liabilities and contingent liabilities at their fair value, is posted on the "Goodwill" line item when significant, under the "Intangible Assets" category. Goodwill is no longer amortized as per IFRS 3.

Adjustments recorded for a business combination on the provisional values of assets, liabilities and contingent liabilities are recognized as a retrospective change in goodwill when occurring within a 12-month period after the acquisition date. After this measurement period ends, any change in valuation of assets, liabilities and contingent liabilities should be accounted for in profit and loss statement, with no impact on goodwill.

The net value of intangible assets is subject to impairment tests performed on a regular basis, using the discounted cash flow method on the basis of the estimates of cash flows generated by the activities on which these goodwill are allocated, these estimates correspond to the most likely assumptions adopted by the Board of Directors. Impairment tests are based on estimates in terms of growth rates, operating margin rates, discount rates and corporate tax rates. The assumptions used are based on the three-year business plans for each activity that have been approved by the Board of Directors.

The goodwill and corresponding assets and liabilities are allocated to the appropriate activities (Onshore/Offshore/Subsea, corresponding to the Group CGUs).

Goodwill impairment analysis is performed during the fourth quarter of each financial year or whenever there is an indication that an asset may be impaired.

Actual figures may differ from projections. If calculations show that an asset shall be impaired, an impairment expense is recognized.

(e) Segment information

■ INFORMATION BY BUSINESS SEGMENT

As per IFRS 8, an operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the entity's chief operating decision maker; and
- for which distinct financial information is available.

Effective as from January 1, 2012, the Group modified the reporting of its operating performances, by consolidating the former Onshore and Offshore segments.

Both activities have been pooled in 2011 under the authority of one of the two Executive Vice Presidents & Chief Operating Officers. They involve shared resources in terms of engineering, and have similar characteristics in terms of economic performances, as well as range of products, processes and markets.

The three business segments as reported to the main operating decision-maker, the Group Executive Committee, are therefore organized as following:

- the Subsea segment includes the design, manufacture, procurement and installation of subsea equipment;
- the Onshore/Offshore segment includes the entire engineering and construction business for petrochemical and refining plants as well as facilities for developing onshore oil and gas fields (including gas treatment units, liquefied natural gas (LNG) units and onshore pipelines). It also includes the renewable energies and the engineering and construction of non-petroleum facilities; as well as the design and construction of fixed or floating facilities and surface installations; and

- the Corporate segment includes holding company activities and central services rendered to Group subsidiaries, including IT services and reinsurance activity.

Segment information relating to the statement of financial position and the statement of income are prepared in accordance with IFRS.

The items related to segment result disclosed by Technip in its business segment information are the "Operating Income/(Loss) from Recurring Activities" and the "Operating Income/(Loss)". As a result, the segment result does not include financial income and expenses (except financial result on contracts), income tax expense (because of shared treasury and tax management), or the share of income/(loss) of equity affiliates. Segment assets do not include asset items related to the latter, such as income tax assets. Similarly, segment liabilities do not include liability items that are not connected to segment result, such as current and deferred income tax liabilities.

■ INFORMATION BY GEOGRAPHICAL AREA

From a geographical standpoint, operating activities and performances of Technip are reported on the basis of five areas, as follows:

- Europe, Russia and Central Asia;
- Africa;
- Middle East;
- Asia Pacific; and
- Americas.

The items related to segment result disclosed by Technip in its geographical segment information are the "Operating Income/(Loss) from Recurring Activities" and the "Operating Income/(Loss)".

Consequently, the segment result does not include financial income and expenses (except for the financial result on contracts), income tax expense or the share of income/(loss) of equity affiliates. Segment assets do not include asset items related to the latter, such as deferred and current tax assets.

Geographical areas are defined according to the following criteria: specific risks associated with activities performed in a given area, similarity of economic and political framework, regulation of exchange control, and underlying monetary risks.

The breakdown by geographical area is based on the contract delivery within the specific country.

(f) Operating income from recurring activities and operating income

As per IAS 1, gains and losses from sale of activities are included in operating income. They are disclosed on a separate line ("Income/(Loss) from Sale of Activities"), between Operating Income/(Loss) from Recurring Activities and Operating Income/(Loss). The same applies to other non-current income and expenses.

(g) Financial result on contracts

The financial result of cash management related to construction contracts is recorded together with the revenues when the corresponding treasury management is completely separate from the Central treasury and that contracts generate a significant net cash position.

(h) Income/(Loss) from discontinued operations

In compliance with IFRS 5, the result incurred by discontinued operations through sales or disposals is recorded under this line item. Discontinued operations consist of a whole line of business or geographical area.

(i) Earnings per share

As per IAS 33 "Earnings per Share", Earnings Per Share (EPS) are based on the average number of outstanding shares over the period, after deducting treasury shares.

Diluted earnings per share amounts are calculated by dividing the net profit of the period, restated if need be for the after-tax financial cost of dilutive financial instruments, by the sum of the weighted average number of outstanding shares, the weighted average number of share subscription options not yet exercised, the weighted average number of performance shares granted calculated using the share purchase method, and the weighted average number of shares of the convertible bonds and, if applicable, the effects of any other dilutive instrument.

In accordance with the share purchase method, only dilutive instruments are used in calculating EPS. Dilutive instruments are those for which the option exercise price plus the future IFRS 2 expense not yet recognized is lower than the average share price during the EPS calculation period.

(j) Property, plant and equipment (tangible assets)

In compliance with IAS 16 "Property, Plant and Equipment", an asset is recognized only if the cost can be measured reliably and if future economic benefits are expected from its use.

Property, plant and equipment are carried at their historical cost or at their fair value in case of business combinations.

As per IAS 16, Technip uses different depreciation periods for each of the significant components of a single property, plant and equipment asset where the useful life of the component differs from that of the main asset. Following are the useful lives most commonly applied by the Group:

■ Buildings	10 to 50 years
■ Vessels	10 to 30 years
■ Machinery and Equipment	6 to 10 years
■ Office Fixtures and Furniture	5 to 10 years
■ Vehicles	3 to 7 years
■ IT Equipment	3 to 5 years

If the residual value of an asset is material and can be measured, it is taken into account in calculating its depreciable amount.

On a regular basis, the Group reviews the useful lives of its assets. That review is based on the effective use of the assets.

As per IAS 17, assets at the Group's disposal through lease contracts are capitalized where almost all risks and benefits related to the asset property have been transferred to the Group. This standard was not applicable to the Technip Group's Consolidated Financial Statements.

As per IAS 16, dry-dock expenses are capitalized as a separate component of the principal asset. They are amortized over a period of three to five years.

Amortization costs are recorded in the income statement as a function of the fixed assets' use, split between the following line items: cost of sales, research and development costs, selling costs or general administrative costs.

In accordance with IAS 36, the carrying value of property, plant and equipment is reviewed for impairment whenever internal or external events indicate that there may be impairment, in which case, an impairment loss is recognized.

In application of IAS 23, borrowing costs related to assets under construction are capitalized as part of the value of the asset.

(k) Intangible assets

■ RESEARCH AND DEVELOPMENT COSTS GENERATED INTERNALLY

Research costs are expensed when incurred. In compliance with IAS 38, development costs are capitalized if all of the following criteria are met:

- the projects are clearly identified;
- the Group is able to reliably measure expenditures incurred by each project during its development;
- the Group is able to demonstrate the technical feasibility of the project;
- the Group has the financial and technical resources available to achieve the project;
- the Group can demonstrate its intention to complete, to use or to commercialize products resulting from the project; and
- the Group is able to demonstrate the existence of a market for the output of the intangible asset, or, if it is used internally, the usefulness of the intangible asset.

Since not all of these conditions were met for the disclosed period on ongoing development projects, no development expenses were capitalized, except some expenses related to IT projects developed internally.

■ OTHER INTANGIBLE ASSETS

Patents are amortized over their useful life, generally on a straight line basis over ten years. Costs related to software rights are capitalized, as are those related to creating proprietary IT tools, such as the E-procurement platform, or Group management applications which are amortized over their useful life, generally five years.

In accordance with IAS 36, the carrying value of intangible assets is reviewed for impairment whenever internal or external events indicate that there may be impairment, in which case, an impairment loss is recognized.

(l) Other financial assets

Other financial assets are recorded at fair value or at historical cost, as of the transaction date, if they cannot be measured reliably. In the latter case, impairment is recorded if the recoverable value is lower than the historical cost. The estimated recoverable value is computed by type of financial asset based on the future profitability or the market value of the company considered, as well as its net equity if needed.

■ NON-CONSOLIDATED INVESTMENTS

On initial recognition, non-consolidated investments are recognized at their acquisition cost including directly attributable transaction costs.

At the closing date, these investments are measured at their fair value. As investments under this category relate to unlisted securities, fair value is determined on the basis of discounted cash flows or failing that, based on the Group's share in the Company's equity.

■ RECEIVABLES RELATED TO INVESTMENTS

This item comprises loans and advances through current accounts granted to non-consolidated or equity affiliates.

■ SECURITY DEPOSITS AND OTHERS

This item essentially includes guarantee security deposits and escrow accounts related to litigation or arbitration.

(m) Available-for-sale financial assets

Investments in listed companies which are not consolidated are recorded in this line item. They are initially and subsequently measured at fair value.

Variations in fair value are booked directly in other comprehensive income and unrealized gains or losses are recycled in the income statement upon disposal of the investment. An impairment loss is recorded through the income statement when the loss is sustained (over more than two quarters) or significant (more than 30%).

(n) Inventories

Inventories are recognized at the lower of cost and market value with cost being principally determined on a weighted-average cost basis.

Provisions for depreciation are recorded when the net realizable value of inventories is lower than their net book value.

(o) Advances paid to suppliers

Advance payments made to suppliers under long-term contracts are shown under the "Advances to Suppliers" line item, on the asset side of the statement of financial position.

(p) Trade receivables

Trade receivables are measured at fair value. A provision for doubtful accounts is recorded when the Group assesses the recoverable value is lower than the fair value.

Trade receivables only relate to contracts accounted for as per IAS 18 (see Note 1-C (b) – Long-term contracts) and delivered contracts.

(q) Cash and cash equivalents

Cash and cash equivalents consist of cash in bank and in hand, as well as marketable securities fulfilling the following criteria: a maturity of usually less than three months, highly liquid, a fixed exchange value and an insignificant risk of loss of value. Marketable securities are measured at their market value at period-end. Any change in fair value is recorded in the income statement.

(r) Treasury shares

Treasury shares are recorded as a deduction to equity at their acquisition cost. Any gain or loss related to the sale of treasury shares is recognized directly in equity without affecting the income statement.

(s) Grants of share subscription options, share purchase options and performance shares

In accordance with IFRS 2, share subscription options, share purchase options and performance share grants constitute a benefit to the beneficiaries and represent additional compensation paid by the Group. This supplementary benefit is recognized as follows: the fair value of the granted options and shares which correspond to the services rendered by the employees against the options and shares received is determined at the grant date and recorded as an expense against the equity line item over the vesting period.

The fair value of the share subscription options, the share purchase options or the performance share grants is determined using the Cox Ross Rubinstein binomial model. The model takes into account the features of the option plan (exercise price, vesting period, exercise period) and the market data at the grant date (risk-free rate, volatility, dividends, share price).

All share subscription option, share purchase option and performance share plans are exclusively settled in shares.

IFRS 2 applies to share-based payment plans granted after November 7, 2002 and not vested before January 1, 2005.

(t) Capital increase reserved for employees

In compliance with IFRS 2, instruments awarded under employee share purchase plans are measured at fair value, estimated at the grant date based on the discount awarded to employees and the non-transferability period applicable to the shares subscribed.

The cost of employee share purchase plans is recognized in full in the statement of income and offset against consolidated equity, without any impact on total equity.

(u) Provisions (current and non-current)

Accrued liabilities are recognized if and only if the following criteria are simultaneously met:

- the Group has an ongoing obligation (legal or constructive) as a result of a past event;
- the settlement of the obligation will likely require an outflow of resources embodying economic benefits; and
- the amount of the obligation can be reliably estimated; provisions are measured according to the risk assessment or the exposed charge, based upon best-known elements.

■ CURRENT PROVISIONS

Contingencies related to contracts: these provisions relate to litigation on contracts.

Restructuring: once a restructuring plan has been decided and the interested parties have been informed, the plan is scheduled and valued. Restructuring provisions are fully recognized in compliance with IAS 37.

■ NON-CURRENT PROVISIONS

Pensions and other long term benefits: the Group is committed to various employee benefit plans. Those obligations are settled either at the date of employee departures or at subsequent date.

Depending on affiliates, the main defined benefit plans can be:

- end-of-career benefits, to be paid at the retirement date;
- deferred compensation, to be paid when an employee leaves the Company;
- retirement benefits to be paid in the form of a pension.

In accordance with IAS 19 revised in 2011, the obligations of providing benefits under defined benefit plans are determined by independent actuaries using the projected unit credit actuarial valuation method. The actuarial assumptions used to determine the obligations may vary depending on the country. The actuarial estimation is based on usual parameters such as future wage and salary increases, life expectancy, staff turnover rate and inflation rate.

The defined benefit liability equals the present value of the defined benefit obligation after deducting the plan assets.

Present value of the defined benefit obligation is determined using present value of future cash disbursements based on interest rates of convertible bonds, in the currency used for benefit payment, and whose life is equal to the average expected life of the defined benefit plan.

According to amended IAS 19, the gains and losses resulting from experience related adjustments and changes in actuarial assumptions are now recorded in the other comprehensive income. (see Note 22 – Pensions and other long-term employee benefit plans).

(v) Deferred income tax

Deferred income taxes are recognized in accordance with IAS 12, using the liability method (use of the last forecast tax rate passed or almost passed into law at the closing date), on all temporary differences at the closing date, between the tax bases of assets and liabilities and their carrying amounts for each Group's company.

Deferred income taxes are reviewed at each closing date to take into account the effect of any changes in tax law and in the prospects of recovery.

Deferred income tax assets are recognized for all deductible temporary differences, unused tax credits carry-forwards and unused tax losses carry-forwards, to the extent that it is probable that taxable profit will be available.

To properly estimate the ability of a subsidiary to recover the deferred tax assets, the following items are taken into account:

- existence of temporary differences which will cause taxation in the future;
- forecasts of taxable results;
- analysis of the past taxable results; and
- existence of significant and non-recurring income and expenses, included in the past tax results, which should not repeat in the future.

Deferred income tax liabilities are recognized for all taxable temporary differences, except restrictively enumerated circumstances, in accordance with the provisions of IAS 12.

When a tax consolidation mechanism is in place for companies in a given country, the deferred tax calculation takes into account the individual tax situation of each subsidiary located in that country as well as the overall situation of all subsidiaries included in the scope of consolidation.

Assets and liabilities are not discounted except those whose tax base is discounted by nature (for instance, pensions).

(w) Financial debts (current and non-current)

Current and non-current financial debts include bond loans and other borrowings. Issuance fees and redemption premium on convertible bonds are included in the cost of debt on the liability side of the statement of financial position, as an adjustment to the nominal amount of the debt. The difference between the initial debt and redemption at maturity is amortized at the effective interest rate.

The OCEANE convertible bonds are recognized in two distinct components:

- a debt component is recognized at amortized cost, which was determined using the market interest rate for a non-convertible bond with similar features. The carrying amount is recognized net of its proportionate share of the debt issuance costs; and
- a conversion option component is recognized in equity for an amount equal to the difference between the issuing price of the OCEANE convertible bond and the value of the debt component. The carrying amount is recognized net of its proportionate share of the debt issuance costs and corresponding deferred taxes. This value is not remeasured but will be adjusted for all conversion of bonds.

(x) Assets and liabilities held for sale

The Group considers every non-current asset as an asset held for sale if it is very likely that its book value will be recovered principally by a sale transaction rather than by its continued use. Assets classified as held for sale are measured at the lower of either the carrying amount or the fair value less selling costs.

Note 2 – Scope of Consolidation

(a) Main Acquisitions

Year ended December 31, 2013

On March 8, 2013, Technip announced the acquisition of Ingenium AS, a highly-experienced offshore engineering and services contractor located in Oslo, Norway. Ingenium AS designs and develops mechanical and electro-hydraulic tools and equipment, for the offshore oil and gas industry, and provides engineering services for sub-marine operations, such as the installation of pipes and cables. The company comprised over 20 highly-skilled engineers in the Subsea business.

The goodwill recognized in the consolidated financial statements as of June 30, 2013 for the acquisition of the company Ingenium AS amounts to €8.3 million.

The acquisition costs of this company, net of cash acquired, amounted to €8.2 million.

This company was merged with Technip Norge AS on August 29, 2013.

Year ended December 31, 2012

On August 31, 2012, Technip acquired Stone & Webster process technologies and associated oil and gas engineering capabilities from The Shaw Group.

This transaction will enable Technip to enhance substantially its position as a technology provider to the refining and petrochemicals industries, to diversify further its Onshore/Offshore segment, to strengthen its relationships with clients worldwide, to expand in promising growth areas such as the US, where downstream markets will benefit from the supply of unconventional gas, and to add skilled resources, notably in research in the US, India and the UK.

The total purchase price was USD295.3 million in cash (that is €234.2 million). During the third quarter 2013, Technip achieved the purchase price allocation. This evaluation was mainly led on of the fair value of technologies and other intangible assets. The goodwill recognized in the consolidated financial statements as of December 31, 2013 for the acquisition of the company amounts to USD226.0 million (that is €179.2 million).

Restatement of 2012 consolidated accounts

Following the completion of the purchase price allocation of Stone & Webster process technologies, the consolidated statement of financial position as of December 31, 2012, including the Notes appended to the Consolidated Financial Statements presented in Section 20.1 of the Reference Document, were restated as per revised IFRS 3 "Business Combinations".

According to the amended IAS 19, the consolidated statements of financial position as of December 31, 2012, including the Notes appended to the consolidation statements presented in Section 20.1 of the Reference Document, were restated.

■ ASSETS

In millions of Euro	Purchase Price Allocation of Stone & Webster process technologies as of December 31, 2012 restated
Property, Plant and Equipment, Net	(2.7)
Intangible Assets, Net	11.5
Investments in Equity Affiliates	2.8
Deferred Tax Assets	2.7
Total Non-Current Assets	14.3
Trade Receivables	(0.7)
Total Current Assets	(0.7)
TOTAL ASSETS	13.6

■ EQUITY AND LIABILITIES

In millions of Euro	Purchase Price Allocation of Stone & Webster process technologies as of December 31, 2012 restated
Total Equity Attributable to Shareholders of the Parent Company	-
Total Equity	-
Deferred Tax Liabilities	15.0
Total Non-Current Liabilities	15.0
Trade Payables	(0.5)
Other Current Liabilities	(0.9)
Total Current Liabilities	(1.4)
Total Liabilities	13.6
TOTAL EQUITY AND LIABILITIES	13.6

(b) Other Acquisitions

There is no other significant change in the scope of consolidation compared to December 31, 2012.

(c) Scope of Consolidation as of December 31, 2013

Fully consolidated companies	Country	As of December 31, 2013 % control
Technip	France	Consolidating Company
Technip France	France	100%
Angoflex	France	100%
Clecel	France	100%
Cofri	France	100%
Cybernetix	France	100%
CyXplus	France	100%
Flexi France	France	100%
Middle East Projects International (Technip Mepi)	France	100%
Safrel	France	100%
SCI Les Bessons	France	100%
Seal Engineering	France	100%
Technip Ingénierie Défense	France	100%
Technip Corporate Services	France	100%
Technip Eurocash SNC	France	100%
Technip Marine	France	100%
Technip Normandie	France	100%
Technip Nouvelle-Calédonie	France	100%
Technip N-Power	France	100%
Technip Offshore International	France	100%
Technip Offshore Wind France	France	100%
Technip TPS	France	100%
Technipnet	France	100%
Angoflex Lda.	Angola	70%
Technip Angola	Angola	60%
Genesis Oil & Gas Consultants (Pty) Ltd	Australia	100%
Global Industries Australia Holdings Pty Limited	Australia	100%
Global Offshore Pty Ltd	Australia	100%
Technip CSO Australia (Pty) Ltd	Australia	100%
Technip Oceania (Pty) Ltd	Australia	100%
AMC Angola Offshore	Bahamas	100%
Technip Maritime Overseas	Bahamas	100%
Technip Benelux NV	Belgium	100%
Cybernetix Produtos e Servicos do Brasil Ltda	Brazil	100%
Flexibras Tubos Flexiveis	Brazil	100%
Genesis Brasil Oil & Gas Engenharia Ltda	Brazil	100%
Global Brasil Oleodutos E Servicos LTDA.	Brazil	100%
Technip Brasil Engenharia	Brazil	100%
Technip Operadora Portuaria S/A	Brazil	100%
TPAR – Terminal Portuario de Angra dos Reis S/A	Brazil	100%
Global Industries (B) Sdn Bhd	Brunei	100%
Genesis Oil & Gas Consultants (Canada) Ltd	Canada	100%
Technip Canada	Canada	100%
Global Industries International, LP	Cayman Islands, British West-Indies	100%
CSO Oil & Gas Technology (West Africa)	Channel Islands	100%
Shanghai Technip Trading Co, Ltd	China	100%
Technip Engineering Consultant (Shanghai)	China	100%
Technip Tianchen Chemical Engineering	China	100%
Subtec Marine Services Limited	Cyprus	100%
Subtec Offshore Support Limited	Cyprus	100%
Technip Offshore Finland OY	Finland	100%
Technip Offshore Wind GmbH	Germany	100%
Technip Germany	Germany	100%
Technip Seiffert	Germany	100%
GNPG – Technip Engineering Services Ltd	Ghana	70%
Technipetrol Hellas SA	Greece	99%
GIL Services Private Limited	India	100%
SEAMEC	India	75%

Fully consolidated companies	Country	As of December 31, 2013	
			% control
Technip E&C India Ltd	India		100%
Technip India	India		100%
Technip KT India	India		100%
PT Divcon	Indonesia		100%
PT Global Industries Asia Pacific	Indonesia		100%
PT Technip Indonesia	Indonesia		100%
Consorzio Technip Italy Procurement Services	Italy		100%
Technip Italy	Italy		100%
Technip Italy Direzione Lavori	Italy		100%
TPL	Italy		100%
Stena Offshore (Jersey)	Jersey		100%
Front End Re	Luxembourg		100%
Asiaflex Products	Malaysia		100%
FlexiAsia Sdn Bhd	Malaysia		100%
Genesis Oil & Gas Consultants Malaysia Sdn Bhd	Malaysia		100%
Global Asia Pacific Industries Sdn. Bhd.	Malaysia		100%
Global Industries Offshore Labuan Ltd	Malaysia		100%
Technip Consultant (M) Sdn. Bhd.	Malaysia		100%
Technip Far East	Malaysia		100%
Technip Geoproduction (M)	Malaysia		100%
Technip Marine (M) Sdn Bhd	Malaysia		100%
Coflexip Stena Offshore (Mauritius)	Mauritius		100%
GIL Mauritius Holdings, Ltd	Mauritius		100%
Global Construction Mauritius Services, Ltd	Mauritius		100%
Global Vessels Mauritius, Ltd	Mauritius		100%
Global Industries Mexico Holdings S. de R.L. de C.V.	Mexico		100%
Global Industries Offshore Services S. de R.L. de C.V.	Mexico		100%
Global Industries Services S. de R.L. de C.V.	Mexico		100%
Global Offshore Mexico S. de R.L. de C.V.	Mexico		100%
Global Vessels Mexico S. de R.L. de C.V.	Mexico		100%
Technip Servicios de Mexico S.C.	Mexico		100%
Technip de Mexico S. de R. L. de C.V.	Mexico		100%
Global Industries Offshore Netherlands BV	Netherlands		100%
Halon Capital BV	Netherlands		100%
Midora BV	Netherlands		100%
RUS – Technip Holding BV	Netherlands		100%
Technip Benelux BV	Netherlands		100%
Technip E.P.G. BV	Netherlands		100%
Technip Holding Benelux BV	Netherlands		100%
Technip Marine BV	Netherlands		100%
Technip Offshore Contracting BV	Netherlands		100%
Technip Offshore NV	Netherlands		100%
Technip Oil & Gas BV	Netherlands		100%
Technip Ships (Netherlands) BV	Netherlands		100%
TSLP BV	Netherlands		100%
Flexservice N.V.	Netherlands Antilles		100%
Crestech Engineering	Nigeria		39%
Global Pipelines Plus Nigeria Limited	Nigeria		100%
Neptune Maritime Nigeria	Nigeria		67%
Technip Offshore (Nigeria)	Nigeria		100%
Genesis Oil & Gas Consultants Norway AS	Norway		100%
North Ocean III KS	Norway		100%
Technip Coflexip Norge AS	Norway		100%
Technip Norge AS	Norway		100%
Technip Ships Norge AS	Norway		100%

Fully consolidated companies	Country	As of December 31, 2013 % control
Technip Overseas	Panama	100%
Technip Polska	Poland	100%
Lusotechnip Engenharia	Portugal	100%
Technip RUS	Russia	100%
Global Al Rushaid Offshore Company Ltd	Saoudi Arabia	100%
Technip Saudi Arabia	Saoudi Arabia	100%
TPL Arabia	Saoudi Arabia	100%
Coflexip Singapore Pte Ltd	Singapore	100%
Global Industries Asia Pacific Pte Ltd	Singapore	100%
Technip Singapore	Singapore	100%
TP-NPV Singapore	Singapore	100%
Global Industries Offshore Spain, S.L.	Spain	100%
Technip Iberia	Spain	100%
Engineering Re	Switzerland	100%
Technipetrol AG	Switzerland	100%
Technip International AG	Switzerland	100%
Global Industries Offshore (Thailand) Ltd	Thailand	100%
Technip Engineering (Thailand)	Thailand	100%
Global Offshore International Abu Dhabi L.L.C.	United Arab Emirates	100%
Seamec International FZE	United Arab Emirates	75%
Technip Middle East	United Arab Emirates	100%
Coflexip UK Ltd	United Kingdom	100%
DUCO Ltd	United Kingdom	100%
Energy Projects Development Ltd	United Kingdom	100%
Genesis Oil & Gas Consultants Ltd	United Kingdom	100%
Genesis Oil & Gas Ltd	United Kingdom	100%
Spoolbase UK Ltd	United Kingdom	100%
Subsea Integrity Group Ltd	United Kingdom	100%
Subtec Asia Limited	United Kingdom	100%
Technip E&C Ltd	United Kingdom	100%
Technip Maritime UK Ltd	United Kingdom	100%
Technip Offshore Holdings Ltd	United Kingdom	100%
Technip Offshore Manning Services Ltd	United Kingdom	100%
Technip Offshore Wind Ltd	United Kingdom	100%
Technip PMC Services Ltd	United Kingdom	100%
Technip Ships One Ltd	United Kingdom	100%
Technip UK Ltd	United Kingdom	100%
Technip-Coflexip UK Holdings Ltd	United Kingdom	100%
Badger Technologies, L.L.C.	United States of America	100%
Badger Technology Holdings, L.L.C.	United States of America	100%
Deepwater Technologies Inc.	United States of America	75%
DUCO Inc.	United States of America	100%
Genesis Oil & Gas Consultants Inc.	United States of America	100%
Global Industries International, L.L.C.	United States of America	100%
Subtec Middle East Limited	United States of America	100%
Technip E&C, Inc.	United States of America	100%
Technip Energy & Chemicals International, Inc.	United States of America	100%
Technip Process Technology, Inc.	United States of America	100%
Technip S&W International, Inc.	United States of America	100%
Technip Stone & Webster Process Technology, Inc.	United States of America	100%
Technip USA Holdings Inc.	United States of America	100%
Technip USA Inc.	United States of America	100%
The Red Adair Company, L.L.C.	United States of America	100%
Technip Bolivar	Venezuela	100%
Technip Vietnam Co., Ltd	Vietnam	100%
Acte for Zanaga	France	49%

		As of December 31, 2013
Consolidated companies under proportionate method	Country	% control
Consorcio Intep SNC	France	90%
Eletech	France	30%
South Tambey LNG	France	60%
SPF-TKP Omifpro SNC	France	50%
TSU Projects	France	60%
Uranium Mining Services	France	60%
Yamgaz	France	60%
Consorcio Contrina SNC	France/Venezuela	34%
Petrolinvest	Bosnia	33%
Dofcon Navegacao Ltda	Brazil	50%
FSTP Brasil Ltda	Brazil	25%
Tipiel	Colombia	44%
Consorzio Overseas Bechtel/Technip Italy	Italy	50%
Technip MHB Hull Engineering Sdn Bhd	Malaysia	54%
Desarrolladora de Etileno, S. de R.L. de C.V.	Mexico	40%
Ethylene XXI Contractors S.A.P.I. de C.V.	Mexico	40%
Etileno XXI Holding BV	Netherlands	50%
Etileno XXI Services BV	Netherlands	40%
Technip Odebrecht PLSV BV	Netherlands	50%
Technip Odebrecht PLSV CV	Netherlands	50%
Technip Subsea 7 Asia Pacific BV	Netherlands	55%
TSU Niger SARL	Niger	60%
Dofcon Brasil AS	Norway	50%
Doftech DA	Norway	50%
Techdof Brasil AS	Norway	50%
TSKJ Servicios de Engenharia Lda./TSKJ II/LNG Servicios e Gestao de projectos Lda./Bonny Project Management Co./TSKJ Nigeria	Portugal/United Kingdom/United States of America/Italy/Nigeria	25%
FSTP Pte Ltd	Singapore	25%
Technip Subsea 7 Asia Pacific Singapore Pte Ltd	Singapore	55%
Technip South Africa Pty Ltd	South Africa	51%
Technip Thailand Ltd	Thailand	49%
CTEP FZCO	United Arab Emirates	40%
Yemgas FZCO	United Arab Emirates	33%
Deep Oil Technology	United States of America	50%
Spars International	United States of America	50%

		As of December 31, 2013
Consolidated Companies under Equity Method	Country	% control
Badger Licensing LLC – JV	United States of America	50%

Following the acquisition of Stone & Webster process technologies in August 2012, the Group has henceforth consolidated under the equity method the 50% owned company Badger Licensing LLC – JV.

All consolidated companies close their accounts as of December 31 except Technip KT India, SEAMEC, Technip India and Technip E&C India Ltd which close their statutory accounts as of March 31, and Technip South Africa which closes its statutory accounts as of June 30. However they perform an interim account closing as of December 31 for the Group consolidation purpose.

Note 3 – Segment Information

The table below shows information on Technip's reportable business and geographical segments in accordance with IFRS 8 (see Note 1-C (e) – Segment information).

(a) Information by Business Segment

In millions of Euro	2013						
	Subsea	Onshore/ Offshore	Corporate	Non Allocable and Eliminations	Total Continuing Operations	Discontinued Operations	Total
Revenues	4,083.0	5,253.1	-	-	9,336.1	-	9,336.1
Gross Margin	903.9	713.5	-	-	1,617.4	-	1,617.4
Operating Income/(Loss) from Recurring Activities	584.6	351.8	(91.9)	-	844.5	-	844.5
Result from Sale of Activities	-	-	-	-	-	-	-
Result from Non-Current Activities	-	-	-	-	-	-	-
Operating Income/(Loss)	584.6	351.8	(91.9)	-	844.5	-	844.5
Financial Income/(Expenses)	-	-	-	(84.3)	(84.3)	-	(84.3)
Share of Income/(Loss) of Equity Affiliates	-	1.1	-	-	1.1	-	1.1
Income Tax Expense	-	-	-	(191.3)	(191.3)	-	(191.3)
Discontinued Operations	-	-	-	-	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	NA	NA	NA	NA	570.0	-	570.0
Segment Assets	5,788.3	4,895.4	2,183.4	-	12,867.1	-	12,867.1
Investments in Equity Affiliates	-	6.7	-	-	6.7	-	6.7
Unallocated Assets	-	-	-	377.2	377.2	-	377.2
TOTAL ASSETS	5,788.3	4,902.1	2,183.4	377.2	13,251.0	-	13,251.0
Segment Liabilities ⁽¹⁾	2,798.6	3,788.3	2,145.7	-	8,732.6	-	8,732.6
Unallocated Liabilities ⁽²⁾	-	-	-	4,518.4	4,518.4	-	4,518.4
TOTAL LIABILITIES	2,798.6	3,788.3	2,145.7	4,518.4	13,251.0	-	13,251.0
Other Segment Information							
Backlog ⁽³⁾	8,642.1	7,938.9	-	-	16,581.0	-	16,581.0
Order Intake ⁽⁴⁾	6,818.6	5,180.8	-	-	11,999.4	-	11,999.4
Capital Expenditures:							
Property, Plant and Equipment	551.6	47.4	-	-	599.0	-	599.0
Intangible Assets	10.8	13.2	-	-	24.0	-	24.0
Amortization:							
Property, Plant and Equipment	(181.3)	(35.7)	-	-	(217.0)	-	(217.0)
Intangible Assets	(13.7)	(2.8)	-	-	(16.5)	-	(16.5)
Impairment of Assets	-	-	-	-	-	-	-

(1) Segment liabilities allocated to the Corporate segment include financial debts such as bond issues and other borrowings.

(2) Non allocable liabilities essentially include shareholders' equity.

(3) Corresponds to ongoing contracts to be delivered. The backlog is defined as the difference at a specified date between the aggregate contractual sale price of all contracts in force and the cumulative revenues recognized from these contracts as of that date.

(4) Corresponds to signed contracts which have come into force.

In millions of Euro	2012 restated						Total
	Subsea	Onshore/ Offshore	Corporate	Non Allocable and Eliminations	Total Continuing Operations	Discontinued Operations	
Revenues	4,047.6	4,156.3	-	-	8,203.9	-	8,203.9
Gross Margin	907.1	644.5	-	-	1,551.6	-	1,551.6
Operating Income/(Loss) from Recurring Activities	606.2	294.3	(71.8)	-	828.7	-	828.7
Result from Sale of Activities	-	-	-	-	-	-	-
Result from Non-Current Activities	-	-	-	(9.5)	(9.5)	-	(9.5)
Operating Income/(Loss)	606.2	294.3	(71.8)	(9.5)	819.2	-	819.2
Financial Income/(Expenses)	-	-	-	(67.3)	(67.3)	-	(67.3)
Share of Income/(Loss) of Equity Affiliates	-	1.0	-	-	1.0	-	1.0
Income Tax Expense	-	-	-	(206.2)	(206.2)	-	(206.2)
Discontinued Operations	-	-	-	-	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	NA	NA	NA	NA	546.7	-	546.7
Segment Assets	6,973.0	2,878.0	1,314.4	-	11,165.4	-	11,165.4
Investments in Equity Affiliates	-	-	-	-	-	-	-
Unallocated Assets	-	-	-	459.0	459.0	-	459.0
TOTAL ASSETS	6,973.0	2,878.0	1,314.4	459.0	11,624.4	-	11,624.4
Segment Liabilities ⁽¹⁾	2,477.1	3,032.9	1,770.5	-	7,280.5	-	7,280.5
Unallocated Liabilities ⁽²⁾	-	-	-	4,343.9	4,343.9	-	4,343.9
TOTAL LIABILITIES	2,477.1	3,032.9	1,770.5	4,343.9	11,624.4	-	11,624.4
Other Segment Information							
Backlog ⁽³⁾	6,049.8	8,200.8	-	-	14,250.6	-	14,250.6
Order Intake ⁽⁴⁾	5,334.5	6,314.1	-	-	11,648.6	-	11,648.6
Capital Expenditures:							
Property, Plant and Equipment	455.8	47.4	-	-	503.2	-	503.2
Intangible Assets	7.1	8.6	-	-	15.7	-	15.7
Amortization:							
Property, Plant and Equipment	(159.2)	(24.6)	-	-	(183.8)	-	(183.8)
Intangible Assets	(5.0)	(6.1)	-	-	(11.1)	-	(11.1)
Impairment of Assets	-	-	-	-	-	-	-

(1) Segment liabilities allocated to the Corporate segment include financial debts such as bond issues and other borrowings.

(2) Non allocable liabilities essentially include shareholders' equity.

(3) Corresponds to ongoing contracts to be delivered. The backlog is defined as the difference at a specified date between the aggregate contractual sale price of all contracts in force and the cumulative revenues recognized from these contracts as of that date.

(4) Corresponds to signed contracts which have come into force.

(b) Information by Geographical Area

In millions of Euro	2013						Total
	Europe, Russia, Central Asia	Africa	Middle East	Asia Pacific	Americas	Non Allocable	
Revenues ⁽¹⁾	2,711.1	802.8	959.9	1,944.4	2,917.9	-	9,336.1
Operating Income/(Loss) from Recurring Activities	378.5	49.0	99.5	232.6	176.8	(91.9)	844.5
OPERATING INCOME/(LOSS)	378.5	49.0	99.5	232.6	176.8	(91.9)	844.5
Intangible Assets (excluding Goodwill) ⁽²⁾	58.9	0.7	-	1.1	45.9	-	106.6
Property, Plant and Equipment ⁽³⁾	540.6	54.2	0.8	156.6	309.6	1,557.6	2,619.4
Financial Assets ⁽⁴⁾	158.4	-	-	6.2	19.8	-	184.4

(1) Includes revenues earned in France: €117.8 million.

(2) Includes intangible assets in France: €57.7 million and in Brazil: €7.7 million.

(3) Includes tangible assets in France: €157.3 million. The fleet of vessels (including vessels under construction) that operate in different geographical areas and therefore cannot be allocated to a specific area is reported under « Non allocable ».

(4) Includes financial assets in France: €119.9 million and in United States of America: €13.9 million.

In millions of Euro	2012 restated						Total
	Europe, Russia, Central Asia	Africa	Middle East	Asia Pacific	Americas	Non Allocable	
Revenues ⁽¹⁾	2,414.1	729.0	1,147.6	1,331.0	2,582.2	-	8,203.9
Operating Income/(Loss) from Recurring Activities	371.0	51.3	136.1	88.5	253.6	(71.8)	828.7
OPERATING INCOME/(LOSS)	371.0	51.3	136.1	88.5	253.6	(81.3)	819.2
Intangible Assets (excluding Goodwill) ⁽²⁾	53.0	0.6	-	1.2	51.3	-	106.1
Property, Plant and Equipment ⁽³⁾	582.0	54.5	1.2	160.2	284.7	1,327.9	2,410.5
Financial Assets ⁽⁴⁾	202.0	-	-	6.0	36.2	-	244.2

(1) Includes revenues earned in France: €155.8 million.

(2) Includes intangible assets in France: €51.7 million and in Brazil: €9.3 million.

(3) Includes tangible assets in France: €137.9 million. The fleet of vessels (including vessels under construction) that operate in different geographical areas and therefore cannot be allocated to a specific area is reported under « Non allocable ».

(4) Includes financial assets in France: €172.2 million and in United States of America: €14.8 million.

Note 4 – Operating Income/(Loss)

The breakdown of the different items of Operating Income/(Loss) by nature is as follows:

(a) Revenues

Revenues breakdown as follows:

In millions of Euro	2013	2012 restated
Rendering of Services	9,255.9	8,070.8
Sales of Goods	80.2	121.5
Financial Result on Contracts	-	11.6
TOTAL REVENUES	9,336.1	8,203.9

In 2013, one single customer of the Group represented more than 10% of Group consolidated revenues (12% in 2013 and 6% in 2012).

(b) Cost of Sales by Nature

Cost of sales comprises the following items:

In millions of Euro	2013	2012 restated
Employee Expenses	(1,826.5)	(1,821.1)
Operating Leases	(196.1)	(179.8)
Amortization and Depreciation of Property, Plant and Equipment	(216.1)	(179.1)
Amortization of Intangible Assets	(8.4)	(8.2)
Purchases, External Charges and Other Expenses	(5,471.6)	(4,464.1)
TOTAL COST OF SALES	(7,718.7)	(6,652.3)

(c) Research and Development Costs

Research and development costs amounted to €75.5 million in 2013 compared to €68.7 million in 2012. No development costs were capitalized during the periods as no project met the requirements for capitalization (see Note 1-C (k) – Intangible assets).

(d) Administrative Costs by Nature

Administrative costs by nature break down as follows:

In millions of Euro	2013	2012 restated
Employee Expenses ⁽¹⁾	(271.2)	(261.0)
Operating Leases	(44.1)	(35.2)
Amortization and Depreciation of Property, Plant and Equipment	(0.9)	(4.5)
Amortization of Intangible Assets	(8.1)	(2.9)
Purchases, External Charges and Other Expenses	(172.7)	(139.1)
TOTAL ADMINISTRATIVE COSTS	(497.0)	(442.7)

(1) Includes charges for share subscription and share purchase options and performance share grants: €46.0 million in 2013 compared to €43.1 million in 2012, as well as €10.6 million expenses related to 2012 capital increase reserved for employees.

(e) Other Operating Income

Other operating income break down as follows:

In millions of Euro	2013	2012 restated
Net Proceeds from Disposal of Property, Plant and Equipment ⁽¹⁾	12.4	5.0
Reinsurance Income	13.2	12.0
Other	8.7	13.7
TOTAL OTHER OPERATING INCOME	34.3	30.7

(1) Includes €67.2 million as of December 31, 2013 of proceeds of tangible assets.

(f) Other Operating Expenses

Other operating expenses break down as follows:

In millions of Euro	2013	2012 restated
Reinsurance Costs	(10.6)	(5.8)
Other	(4.3)	(5.6)
TOTAL OTHER OPERATING EXPENSES	(14.9)	(11.4)

(g) Result from Sale of Activities

In 2013 as in 2012, the Group did not sell any activities.

(h) Other Non-Current Income and Expenses

For the financial year ended December 31, 2013, no non-current expenses has been recognized.

In 2012, non-current expenses mainly related to the acquisitions of Stone & Webster process technologies were recognized for an aggregate amount of €9.5 million.

(i) Employee Expenses

Employee expenses break down as follows:

In millions of Euro	2013	2012 restated
Wages and Salaries	(1,654.8)	(1,661.0)
Social Security Costs	(308.5)	(293.9)
Pension Costs – Defined Contribution Plans	(52.2)	(39.5)
Pension Costs – Defined Benefit Plans	(19.4)	(20.8)
Share Subscription or Purchase Options and Performance Shares	(46.0)	(43.1)
Cash Incentive Plans	(30.3)	(9.7)
Capital Increase Reserved for Employees	-	(10.6)
Other	(113.3)	(136.8)
TOTAL EMPLOYEE EXPENSES	(2,224.5)	(2,215.4)

Employee expenses relate only to Group employees. Subcontractors' costs are excluded.

Note 5 – Financial Income and Expenses

Net financial result as of December 31, 2013 amounted to €84.3 million compared to €67.3 million as of December 31, 2012. It breaks down as follows:

(a) Financial Income

In millions of Euro	2013	2012 restated
Interest Income from Treasury Management ⁽¹⁾	51.7	54.2
Dividends from Non-Consolidated Investments	3.5	3.4
Financial Income related to Long-Term Employee Benefit Plans	5.6	7.2
Net Reversal of Financial Assets Depreciation	-	0.3
Foreign Currency Translation Gains	286.5	219.2
Changes in Derivative Fair Value, Net	2.8	15.9
Net Proceeds from Disposal of Financial Assets ⁽²⁾	7.0	-
TOTAL FINANCIAL INCOME	357.1	300.2

(1) Mainly results from interest income from short-term security deposits.

(2) Of which €12.1 million as of December 31, 2013 of proceeds of financial assets.

(b) Financial Expenses

In millions of Euro	2013	2012 restated
Interest Expenses on Private Placements	(25.2)	(17.2)
Interest Expenses on Convertible Bonds	(32.2)	(31.4)
Net Proceeds from Disposal of Financial Assets	-	(0.1)
Fees Related to Credit Facilities	(3.2)	(3.4)
Financial Expenses related to Long-Term Employee Benefit Plans	(12.7)	(14.9)
Interest Expenses on Bank Borrowings and Overdrafts	(31.2)	(42.2)
Depreciation on Financial Assets, Net	(0.1)	-
Foreign Currency Translation Losses	(312.9)	(242.0)
Inefficient Part of Derivative Instruments, Net ⁽¹⁾	(9.3)	(4.7)
Other	(14.6)	(11.6)
Total Financial Expenses	(441.4)	(367.5)
NET FINANCIAL RESULT	(84.3)	(67.3)

(1) Mainly includes swap points on derivative financial instruments.

Note 6 – Income Tax

(a) Income Tax Expense

The income tax expense booked in the statement of income for an amount of €191.3 million in 2013 is explained as follows:

In millions of Euro	2013	2012 restated
Current Income Tax Credit/(Expense)	(177.5)	(151.9)
Deferred Income Tax Credit/(Expense)	(13.8)	(54.3)
INCOME TAX CREDIT/(EXPENSE) AS RECOGNIZED IN STATEMENT OF INCOME	(191.3)	(206.2)
Deferred Income Tax related to Items Booked Directly to Opening Equity	(33.2)	(15.1)
Deferred Income Tax related to Items Booked to Equity during the Year	(17.0)	(18.1)
INCOME TAX CREDIT/(EXPENSE) AS REPORTED IN EQUITY	(50.2)	(33.2)

(b) Income Tax Reconciliation

The reconciliation between the tax calculated using the standard tax rate applicable in Technip and the amount of tax effectively recognized in the accounts is detailed as follows:

In millions of Euro	2013	2012 restated
Net Income from Continuing Operations	570.0	546.7
Income Tax Credit/(Expense) on Continuing Operations	(191.3)	(206.2)
Income Before Tax	761.3	752.9
At Parent Company Statutory Income Tax Rate of 38%	(289.3)	(271.8)
Differences between Parent Company and Foreign Income Tax Rates	104.6	127.5
Share of Income/(Loss) of Equity Affiliates	0.4	0.3
Additional Local Income Tax and Foreign Tax	(22.6)	(15.0)
Gains/(Losses) Taxable at a Particular Rate	21.1	13.0
Other Non-Deductible Expenses	(20.3)	(13.2)
Deferred Tax Assets not Recognized on Tax Loss of the Year	(13.5)	(29.9)
Adjustments on Prior Year Current Taxes	35.0	9.4
Deferred Tax relating to Changes in Tax Rates	4.4	2.5
Adjustments on Prior Year Deferred Taxes	(4.2)	(24.2)
Consolidation Adjustments with no Tax Impact	(7.1)	1.9
Other	0.2	(6.7)
Effective Income Tax Credit/(Expense)	(191.3)	(206.2)
<i>Tax Rate</i>	<i>25.1%</i>	<i>27.4%</i>
INCOME TAX CREDIT/(EXPENSE) AS REPORTED IN THE CONSOLIDATED STATEMENT OF INCOME	(191.3)	(206.2)

The tax rate used for the purpose of the tax proof is 38% in 2013 and 36.10% in 2012.

In 2013, this rate corresponds to the global tax rate applicable to French entities, which splits as follows:
33.33% standard rate of income tax +3.3% social contribution +10.7% extraordinary contribution.

In 2012, this rate corresponds to the global tax rate applicable to French entities, which splits as follows:
33.33% standard rate of income tax +3.3% social contribution +5% extraordinary contribution.

(c) Deferred Income Tax

The principles are described in Note 1-C (v) – Deferred income tax is explained as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Tax Losses Carried Forward	51.6	56.1
Margin Recognition on Construction Contracts	42.4	30.5
Provisions for Pensions and other Long-Term Employee Benefits	72.4	86.1
Contingencies related to Contracts	116.0	118.9
Other Contingencies	(32.4)	3.5
Temporarily Non-Deductible Expenses	3.2	2.5
Fair Value Losses	31.7	15.5
Other Temporary Differences	(18.3)	4.0
Total Deferred Income Tax Assets	266.6	317.1
Differences between Taxable and Accounting Depreciation	99.3	135.1
Margin Recognition on Construction Contracts	48.3	29.5
Fair Value Gains	23.5	29.1
Total Deferred Income Tax Liabilities	171.1	193.7
NET DEFERRED INCOME TAX ASSETS/(LIABILITIES)	95.5	123.4

In order to disclose the details of deferred tax assets and liabilities by nature of temporary differences, it was necessary to split up deferred tax assets and liabilities for each subsidiary (each subsidiary reports in its statement of financial position a net amount of deferred tax liabilities and assets).

The net deferred tax asset of €95.5 million as of December 31, 2013 is broken down into a deferred tax asset of €274.8 million and a deferred tax liability of €179.3 million. The net deferred tax asset of €123.4 million as of December 31, 2012 is broken down into a deferred tax asset of €333.0 million and a deferred tax liability of €209.6 million, as recorded in the statement of financial position.

(d) Tax Loss Carry-Forwards and Tax Credits

Tax loss carry-forwards not yet recognized as source of deferred tax assets amount to €383.0 million as of December 31, 2013, compared to €377.0 million as of December 31, 2012. The majority of these come from the ex-Global Industries US entities for €168.0 million, a Finnish entity for €71.0 million and Brazilian entities for €89.0 million. The unrecorded deferred income tax assets corresponding to these tax loss carry-forwards as of December 31, 2013 amounted to €119.0 million. All of these tax loss carry-forwards are reportable over an unlimited period of time, except in Finland and in the United States where there is respectively a 10 and 20-year time limit.

Note 7 – Income/(Loss) from Discontinued Operations

According to IAS 1, income/(Loss) from operations discontinued or sold during the period are reported in this note.

In 2013 and 2012, no activity was closed, sold or in the process of being sold.

Note 8 – Earnings per Share

Diluted earnings per share are computed in accordance with Note 1-C (i) – Earnings per share. Reconciliation between earnings per share before dilution and diluted earnings per share is as follows:

In millions of Euro	2013	2012 restated
Net Income Attributable to Shareholders of the Parent Company	563.1	543.3
Non-Cash Financial Expense on Convertible Bonds, Net of Tax	20.6	20.0
ADJUSTED NET INCOME FOR DILUTED EARNINGS PER SHARE	583.7	563.3
In thousands		
Weighted Average Number of Outstanding Shares during the Financial Year (excluding Treasury Shares) used for Basic Earnings per Share	111,292	109,882
<i>Effect of Dilution:</i>		
■ Share Subscription Options	663	1,027
■ Performance Shares	1,025	1,714
■ Convertible Bond	11,797	11,797
WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES DURING THE FINANCIAL YEAR (EXCLUDING TREASURY SHARES) ADJUSTED FOR DILUTED EARNINGS PER SHARE	124,777	124,420
In Euro		
Basic Earnings per Share	5.06	4.94
DILUTED EARNINGS PER SHARE	4.68	4.53

During the financial years 2013 and 2012, the Group granted performance shares and share subscription options subject to performance conditions, and in addition issued two convertible bonds on November 17, 2010 and December 15, 2011, which resulted in a dilution of earnings per share (see Note 21 (b) Convertible bonds).

In 2013, the average annual share price amounted to €82.05 and the closing price to €69.86. As a result, the 2012 share subscription option plan (Part 2) with an exercise price of €87.13 and the 2013 share subscription option plan with an exercise price of €85.73 were anti-dilutive.

In 2012, the average annual share price amounted to €82.99 and the closing price to €86.84. As a result, only the 2012 share subscription option plan (Part 2) with an exercise price of €87.13 was anti-dilutive.

Note 9 – Property, Plant and Equipment (Tangible Assets)

The following tables illustrate the costs, the accumulated amortization and depreciation by type of tangible assets:

In millions of Euro	Land	Buildings	Vessels	Machinery and Equipment	Office Fixtures and Furniture	Assets under Construction	Other	Total
Costs	31.1	292.5	1,634.7	1,063.8	233.1	573.6	218.6	4,047.4
Accumulated Amortization	-	(152.5)	(610.9)	(475.5)	(172.4)	-	(111.7)	(1,523.0)
Accumulated Impairment Losses	(0.9)	-	(97.1)	(15.9)	-	-	-	(113.9)
Net Book Value as of December 31, 2012 restated	30.2	140.0	926.7	572.4	60.7	573.6	106.9	2,410.5
Costs	29.6	289.1	2,231.6	894.8	244.0	350.8	233.3	4,273.2
Accumulated Amortization	-	(160.0)	(639.0)	(456.2)	(167.6)	-	(115.4)	(1,538.2)
Accumulated Impairment Losses	(0.8)	-	(97.1)	(16.6)	-	(1.1)	-	(115.6)
NET BOOK VALUE AS OF DECEMBER 31, 2013	28.8	129.1	1,495.5	422.0	76.4	349.7	117.9	2,619.4

Changes in net property, plant and equipment during the previous two periods break down as follows:

In millions of Euro	Land	Buildings	Vessels	Machinery and Equipment	Office Fixtures and Furniture	Assets under Construction	Other	Total
Net Book Value as of January 1, 2012 restated	30.8	147.7	796.7	479.5	52.5	582.7	103.6	2,193.5
Additions – Acquisitions – Internal Developments	-	8.7	64.7	105.4	28.1	243.1	35.2	485.2
Additions – Business Combinations	-	0.1	-	0.1	2.5	0.7	4.2	7.6
Disposals – Write-off	(0.1)	(0.7)	(8.7)	(12.5)	(0.8)	-	(1.0)	(23.8)
Depreciation Expense for the Year	-	(9.8)	(63.5)	(72.4)	(21.7)	-	(16.4)	(183.8)
Impairment Losses	-	-	-	-	-	-	-	-
Net Foreign Exchange Differences	(0.6)	(2.3)	(19.1)	(9.6)	(1.1)	(12.4)	(5.8)	(50.9)
Other ⁽¹⁾	0.1	(3.7)	156.6	81.9	1.2	(240.5)	(12.9)	(17.3)
Net Book Value as of December 31, 2012 restated	30.2	140.0	926.7	572.4	60.7	573.6	106.9	2,410.5
Additions – Acquisitions – Internal Developments ⁽²⁾	0.1	3.6	106.1	85.0	43.0	313.9	61.1	612.8
Additions – Business Combinations	-	-	-	-	-	-	-	-
Disposals – Write-off	-	(0.7)	(39.5)	(19.9)	(1.4)	-	(0.9)	(62.4)
Depreciation Expense for the Year	-	(13.0)	(98.9)	(61.9)	(24.9)	-	(16.5)	(215.2)
Impairment Losses	-	-	-	(0.7)	-	(1.1)	-	(1.8)
Net Foreign Exchange Differences	(1.5)	(3.1)	(56.2)	(22.3)	(3.2)	(32.4)	(15.3)	(134.0)
Other ⁽¹⁾	-	2.3	657.3	(130.6)	2.2	(504.3)	(17.4)	9.5
NET BOOK VALUE AS OF DECEMBER 31, 2013	28.8	129.1	1,495.5	422.0	76.4	349.7	117.9	2,619.4

(1) The line "Other" is mainly related to the reclassification of assets under construction into the corresponding line items upon their delivery.

(2) The variation of the tangible assets payables between December 31, 2012 and December 31, 2013 amounted €13.8 million. The cash flows associated with the acquisition of tangible assets equal to €599.0 million.

The Group has maintained its policy of high levels of investment, in particular in order to expand its vessel fleet. As of December 31, 2013, the principal vessels recorded as "Assets under Construction" for a total amount of €349.7 million were as follows:

- six new flexible pipeline installation vessels in joint venture, dedicated to Brazilian markets.

The principal flexible and umbilical plants were as follows:

- the new flexible plant located in Açú, in Brazil;

- the update of the umbilical plant located to Lobito, in Angola;
- the extension of the umbilical plant located in Newcastle, in the United Kingdom.

The increase in the "Vessels" item mainly relates to the delivery of the commissioning of the *Deep Energy* and the *Deep Orient*.

Pledged fixed assets amounted to €242.2 million as of December 31, 2013 and principally consisted of mortgages related to the *Skandi Vitória*, *Skandi Arctic*, *Skandi Niterói* vessels and Açú plant. No assets are subject to a capital lease.

Note 10 – Intangible Assets

Costs, accumulated amortization and depreciation by type of intangible assets are as follows:

In millions of Euro	Goodwill	Licenses/ Patents/ Trademarks			Other	Total
		Trademarks	Software	Other		
Costs	3,273.0	175.6	107.1	3.1	3,558.8	
Accumulated Amortization	-	(120.8)	(56.7)	(2.2)	(179.7)	
Accumulated Impairment Losses	-	-	-	-	-	
Net Book Value as of December 31, 2012 restated	3,273.0	54.8	50.4	0.9	3,379.1	
Costs	3,226.1	147.3	123.6	2.9	3,499.9	
Accumulated Amortization	-	(100.7)	(64.3)	(2.2)	(167.2)	
Accumulated Impairment Losses	-	-	-	-	-	
NET BOOK VALUE AS OF DECEMBER 31, 2013	3,226.1	46.6	59.3	0.7	3,332.7	

(a) Changes in Net Intangible Assets

Changes in net intangible assets during the previous two periods break down as follows:

In millions of Euro	Goodwill	Licenses/ Patents/ Trademarks			Other	Total
		Trademarks	Software	Other		
Net Book Value as of January 1, 2012 restated	3,112.4	18.7	41.5	1.2	3,173.8	
Additions – Acquisitions – Internal Developments	-	0.1	17.5	0.4	18.0	
Additions – Business Combinations ⁽¹⁾	183.0	39.3	-	-	222.3	
Disposals – Write-off	-	-	0.1	(0.2)	(0.1)	
Amortization Charge for the Year	-	(1.8)	(9.1)	(0.2)	(11.1)	
Impairment Losses	-	-	-	-	-	
Net Foreign Exchange Differences ⁽²⁾	(22.4)	(1.4)	-	-	(23.8)	
Other	-	(0.1)	0.4	(0.3)	-	
Net Book Value as of December 31, 2012 restated	3,273.0	54.8	50.4	0.9	3,379.1	
Additions – Acquisitions – Internal Developments	8.6	-	21.7	0.2	30.5	
Additions – Business Combinations	-	-	-	-	-	
Disposals – Write-off	-	-	(0.7)	-	(0.7)	
Amortization Charge for the Year	-	(3.9)	(12.4)	(0.2)	(16.5)	
Impairment Losses	-	-	-	-	-	
Net Foreign Exchange Differences ⁽²⁾	(55.5)	(4.3)	(0.4)	-	(60.3)	
Other	-	-	0.7	(0.2)	0.6	
NET BOOK VALUE AS OF DECEMBER 31, 2013	3,226.1	46.6	59.3	0.7	3,332.7	

(1) Includes the restatements accounted for pursuant to the purchase price allocation of Stone & Webster process technologies in accordance with revised IFRS 3.

(2) Goodwill is mainly denominated in Euro.

(b) Goodwill

The goodwill recognized following an acquisition is measured at fair value as the excess of the purchase price over the share of identifiable assets and liabilities of the acquired entity. This goodwill is subject to an impairment test performed annually or upon occurrence of a meaningful event (see Note 1-C (d) – Business combinations).

In 2013, the goodwill allocated to the Onshore Cash-Generating Unit of the acquisition of Stone & Webster process technologies amounted to USD226 million (*i.e.* €179.2 million), compared to the temporary goodwill for a total of USD250.4 million (*i.e.* €198.6 million) in 2012.

The following table shows the detail of goodwill by business segment:

In millions of Euro	As of December 31,	
	2013	2012 restated
Subsea	2,591.8	2,631.5
Onshore/Offshore	634.3	641.5
TOTAL GOODWILL	3,226.1	3,273.0

Impairment tests were performed on the goodwill, using the method described in Note 1-C (a) – Use of estimates.

By using the discounted cash flow method, the impairment tests performed by the Group were based on the most likely assumptions with respect to activity and result. Assumptions made in 2013 relied on the business plans covering years 2014 to 2016 for each Cash-Generating Units (Onshore/Offshore/Subsea).

These business plans are determined in accordance with the Group accounting methods to establish its consolidated historical statements. The backlog and backlog scheduling forecasts, the investments in production capabilities, fleet and other logistic capabilities, as well as the internal and external market studies are critical to the elaboration of Technip's business plans.

Beyond 2016, the growth rate taken into account was 3.0% (according to the rates of the World Bank distinguishing countries OECD and not OECD and that of the International Monetary Fund). Cash flows were discounted at a rate of 10.0% after tax. The tax rate used in the model was 30.0%. The assumptions of growth rate, discount rate and tax rate used in 2013 are unchanged compared to 2012.

As of December 31, 2013, impairment tests performed on the net book value of goodwill did not result in the accounting of an impairment loss. A 1% decrease in the 2016 operating margin ratio relative to the business plan estimates, the use of a 2.0% growth rate after 2016, or a plus or minus 1.0% variation in the discount rate would have no impact on the value of goodwill.

No impairment loss was recorded in 2012.

Note 11 – Investments in Equity Affiliates

Subsequent to the acquisition of Stone & Webster process technologies in August 2012, the Group has consolidated under the equity method the 50% owned company Badger Licensing LLC – JV.

In millions of Euro	As of December 31,	
	2013	2012 restated
Investment under equity method	Badger Licensing LLC – JV	Badger Licensing LLC – JV
Country	United States of America	United States of America
Percentage of Interests	50%	50%
Carrying Amount of Investments as of December 31	6.7	8.7
Data at 100%		
Total Assets	15.8	18.7
Total Liabilities (excluding Equity)	7.5	6.9
Net Assets	8.3	11.8
Revenues	14.3	6.8
NET RESULT	2.1	2.0

Changes in investments in the equity affiliates break down as follows:

In millions of Euro	2013	2012 restated
Carrying Amount of Investments as of January 1	8.7	-
Additions – Business Combinations	-	8.9
Disposals	-	-
Share of Income/(Loss) of Equity Affiliates	1.1	1.0
Distributed Dividends	(2.7)	(1.1)
Net Foreign Exchange Differences	(0.4)	(0.1)
CARRYING AMOUNT OF INVESTMENTS AS OF DECEMBER 31	6.7	8.7

Note 12 – Other Financial Assets

As per Note 1-C (I) – Other financial assets, other financial assets are recorded at their fair value or at their historical cost if they cannot be measured reliably. In the latter case, depreciation is recorded if its recoverable amount is lower than its historical cost.

As of December 31, 2013, impairment tests performed on the net book value of other financial assets (non-current) did not result in any recognition of impairment loss.

The breakdown of this item by nature is presented below:

In millions of Euro	As of December 31,			
	2013		2012 restated	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non-Consolidated Investments	7.6	7.6	8.6	8.6
Valuation Allowance	(0.9)	(0.9)	(0.8)	(0.8)
Net Value of Non-Consolidated Investments	6.7	6.7	7.8	7.8
Loans	11.5	11.5	10.7	10.7
Net Value of Loans	11.5	11.5	10.7	10.7
Liquidity Contract	0.8	0.8	10.7	10.7
Net Value of Liquidity Contract	0.8	0.8	10.7	10.7
Security Deposits and Other	55.3	55.3	45.9	45.9
Valuation Allowance	(1.9)	(1.9)	(2.3)	(2.3)
Net Value of Security Deposits and Other	53.4	53.4	43.6	43.6
TOTAL OTHER FINANCIAL ASSETS, NET	72.4	72.4	72.8	72.8

Note 13 – Available-for-Sale Financial Assets

As of December 31, 2012 the Group owned 789,067 shares, *i.e.* 5.5%, of Gulf Island Fabrication, Inc. (GIFI), a company listed in New York (NASDAQ). On the first half-year 2013, the Group sold all the GIFI shares with a €7.0 million gain.

In 2010, the Group acquired an 8% stake in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) for €114.5 million (*i.e.* 128,000,000 shares). Technip's stake in MHB increased by 0.35% in 2011 for €7.1 million (*i.e.* 5,555,000 supplementary shares), then additionally 0.15% in 2012 for €3.2 million (*i.e.* 2,445,000 supplementary shares), totaling 136 million shares. This company is listed in Malaysia (Bursa Malaysia Securities Berhad).

As of December 31, 2013, the MHB available-for-sale financial assets amounted to €105.3 million.

In the financial year ended 2013, a loss was booked in fair value reserves for €52.1 million, compared to €42.4 million in 2012.

In millions of Euro	As of December 31,			
	2013		2012 restated	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Share – Unlisted	-	-	-	-
Share – Listed	105.3	105.3	162.7	162.7
TOTAL AVAILABLE-FOR-SALE FINANCIAL ASSETS	105.3	105.3	162.7	162.7

Note 14 – Inventories

The breakdown of inventories is as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Raw Materials	218.1	244.9
Work in Progress	37.5	23.7
Finished Goods and Merchandise	42.2	52.2
Valuation Allowance	(21.5)	(24.0)
TOTAL NET INVENTORIES	276.3	296.8

As of December 31, 2013, inventories meant to be used in the next 12 months amounted to €276.3 million.

Note 15 – Construction Contracts

Long-term contracts are recorded in accordance with IAS 11 “Construction contracts” when they include construction and delivery of a complex physical asset and in accordance with IAS 18 “Revenues” in other cases (see Note 1-C (b) – Long-term contracts).

The breakdown of construction contracts is as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Construction Contracts – Amounts in Assets	405.0	454.3
Construction Contracts – Amounts in Liabilities	(1,721.4)	(873.0)
TOTAL NET CONSTRUCTION CONTRACTS	(1,316.4)	(418.7)
Costs and Margins Recognized at the Percentage of Completion	9,643.9	8,065.5
Payments Received from Clients	(10,788.3)	(8,308.5)
Accruals for Losses at Completion	(172.0)	(175.7)
TOTAL NET CONSTRUCTION CONTRACTS	(1,316.4)	(418.7)

Note 16 – Trade Receivables

Given the nature of Group operations, the Group's clients are mainly major oil and gas, petrochemical or oil-related companies.

This line item represents receivables from completed contracts, invoices to be issued on long-term contracts other than construction contracts and miscellaneous invoices (e.g. trading, procurement services).

In millions of Euro	As of December 31,	
	2013	2012 restated
Trade Receivables	1,288.0	868.7
Contracts – To be invoiced	457.2	404.1
Doubtful Accounts	36.1	35.3
Provisions for Doubtful Accounts	(36.1)	(35.3)
TOTAL NET TRADE RECEIVABLES	1,745.2	1,272.8

Trade receivables are non-interest bearing. Their maturities are linked to the operating cycle of contracts. As of December 31, 2013, the portion of trade receivables that had a maturity of less than 12 months amounted to €1,721.7 million.

Each customer's financial situation is periodically reviewed. Provisions for doubtful receivables, which have to-date been considered sufficient at the Group level, are recorded for all potential uncollectible receivable, and are as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Provisions for Doubtful Accounts as of January 1	(35.3)	(33.8)
Increase	(8.2)	(7.6)
Used Provision Reversals	4.7	5.4
Unused Provision Reversals	2.7	0.7
PROVISIONS FOR DOUBTFUL ACCOUNTS AS OF DECEMBER 31	(36.1)	(35.3)

Note 17 – Other Current Receivables

Other current receivables break down as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Value Added Tax Receivables	129.0	127.3
Other Tax Receivables	115.0	82.1
Receivables from Employees	6.9	6.0
Prepaid Expenses ⁽¹⁾	106.4	122.9
Insurance Indemnities to be Received	5.7	2.5
Other ⁽²⁾	107.6	172.7
TOTAL NET OTHER CURRENT RECEIVABLES	470.6	513.5

(1) Prepaid expenses mainly correspond to insurance costs, as well as building and construction rental expenses.

(2) The line “Other” essentially includes the current accounts on *joint venture* contracts and partners' current accounts.

As of December 31, 2013, the portion of other current receivables with a maturity of less than 12 months amounted to €470.6 million. Other current receivables are non-interest bearing.

Note 18 – Cash and Cash Equivalents

Cash and cash equivalents break down as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Cash at Bank and in Hand	1,660.6	1,323.6
Cash Equivalents	1,580.4	965.7
TOTAL CASH AND CASH EQUIVALENTS	3,241.0	2,289.3
US Dollar	1,394.5	571.6
Euro	804.9	707.4
Pound Sterling	196.9	103.3
Brazilian Real	172.5	249.5
Norwegian Krone	139.7	124.0
Australian Dollar	88.2	100.6
Malaysian Ringgit	63.4	52.7
Japanese Yen	57.6	100.1
Other	323.3	280.1
TOTAL CASH AND CASH EQUIVALENTS BY CURRENCY	3,241.0	2,289.3
Certificates of Deposits	171.5	260.6
Fixed Term Deposits	1,344.0	702.1
Floating Rate Notes	1.5	3.0
Other	63.4	-
TOTAL CASH EQUIVALENTS BY NATURE	1,580.4	965.7

In accordance with Note 1-C (q) – Cash and cash equivalents, cash and cash equivalents consist of cash in bank and in hand, as well as marketable securities fulfilling the following criteria:

- a maturity of usually less than three months;
- highly liquid;
- a fixed exchange value; and
- an insignificant risk of loss of value.

A substantial portion of cash and marketable securities are recorded or invested in either Euro or US dollar which are frequently used by the Group within the framework of its commercial relationships. Cash and cash equivalents in other currencies correspond either to deposits retained by subsidiaries located in countries where such currencies are the national currencies in order to ensure their own liquidity, or to amounts received from customers prior to the payment of expenses in these same currencies or the payment of dividends. Short-term deposits are classified as cash equivalents along with the other marketable securities.

Note 19 – Assets and Liabilities Held for Sale

As of December 31, 2013, two ageing vessels were accounted for as assets held for sale for a total amount of €4.0 million.

As of December 31, 2012, an ageing vessel was accounted for as an asset held for sale for a total amount of €9.9 million. This vessel was sold in 2013.

Note 20 – Shareholder's Equity

(a) Changes in the Parent Company's Share Capital

As of December 31, 2013, Technip share capital consisted of 113,680,256 outstanding shares with a par value of €0.7625 each. Changes since January 1, 2012 break down as follows:

	Number of Shares	Share Capital (In millions of Euro)
Share Capital as of January 1, 2012 restated	110,987,758	84.6
Capital Increase due to Share Subscription Options Exercised	577,612	0.5
Capital Increase Reserved for Employees	1,475,143	1.1
Share Capital as of December 31, 2012 restated	113,040,513	86.2
Capital Increase due to Share Subscription Options Exercised	639,743	0.5
Capital Increase Reserved for Employees	-	-
SHARE CAPITAL AS OF DECEMBER 31, 2013	113,680,256	86.7

(b) Technip's Shareholders as of December 31

As of December 31, 2013, to the Company's knowledge and based on notices and documents received by the Company, Technip's principal shareholders in percentage of share capital are as follows:

	As of December 31,	
	2013	2012 restated
The Capital Group Companies Inc.	7.40%	5.00%
Banque Publique d'Investissement (former CDC)	5.20%	5.25%
Blackrock Inc.	4.85%	4.90%
Oppenheimer Funds Inc.	4.00%	2.85%
Causeway Capital Management	3.70%	2.10%
Amundi Asset Management	3.20%	3.30%
BNP Paribas Asset Management	2.85%	2.25%
IFP Énergies nouvelles	2.50%	2.50%
Norges Bank Investment Management	2.05%	3.00%
Group Employees	1.85%	2.65%
Treasury Shares	1.55%	2.10%
Natixis	0.90%	1.50%
Other	59.95%	62.60%
TOTAL	100.00%	100.00%

(c) Treasury Shares

Changes in treasury shares are as follows:

	Number of Shares	Treasury Shares (In millions of Euro)
Treasury Shares as of January 1, 2012 restated	2,242,718	(109.3)
Shares Acquired pursuant to Liquidity Contract	437,013	(34.7)
Shares Sold pursuant to Liquidity Contract	(446,013)	34.7
Shares Purchased for Employees	1,337,110	(108.3)
Shares Granted to Employees	(1,199,847)	68.8
Treasury Shares as of December 31, 2012 restated	2,370,981	(148.8)
Shares Acquired pursuant to Liquidity Contract	786,843	(63.8)
Shares Sold pursuant to Liquidity Contract	(649,343)	54.0
Shares Purchased for Employees	486,590	(40.0)
Shares Granted to Employees	(1,220,320)	65.0
TREASURY SHARES AS OF DECEMBER 31, 2013	1,774,751	(133.6)

Treasury shares are held in order to serve performance share plans that were granted to employees in 2010, 2011, 2012 and 2013 as well as to serve share purchase option plans granted in 2008.

(d) Fair Value Reserves

Fair value reserve are as follows:

In millions of Euro	Cash Flow Hedges (IAS 32/39) ⁽¹⁾	Fair Value on Available-For-Sale Financial Assets (IAS 39) ⁽²⁾	Gains/(Losses) on Defined Benefit Pension Plans (IAS 19R) ⁽³⁾	Other	Total
Fair Value Reserves as of January 1, 2012 restated	(45.8)	69.2	-	(3.7)	19.7
Gross Effect	76.9	(42.4)	(16.3)	-	18.2
Tax Effect	(22.6)	1.5	7.3	-	(13.8)
Other	(4.0)	-	-	3.8	(0.2)
Fair Value Reserves as of December 31, 2012 restated	4.5	28.3	(9.0)	0.1	23.9
Gross Effect	56.9	(52.1)	(15.9)	-	(11.1)
Tax Effect	(17.2)	4.8	4.3	-	(8.1)
FAIR VALUE RESERVES AS OF DECEMBER 31, 2013	44.2	(19.0)	(20.6)	0.1	4.7

(1) Recorded under this heading is the efficient portion of the change in fair value of the financial instruments qualified as cash flow hedging (see Note 1-C (c) – Foreign currency transactions and financial instruments).

(2) Amounts correspond to the revaluation of MHB and GIFL shares based on the share price as of December 31 (see Note 13 – Available-for-sale financial assets). GIFL shares were sold in 2013.

(3) Recorded under this heading the total amount of actuarial gains and losses on Defined Benefit Plans according to the amended IAS 19 applicable since January 1, 2013.

(e) Distributable Retained Earnings

As of December 31, 2013, distributable retained earnings of the parent company amounted to €2,967.2 million, including €2,030.5 million of share capital premiums.

(f) Statutory Legal Reserve

Under French Law, companies must allocate 5% of their statutory net profit to their legal reserve fund each year before dividends may be paid in respect of that year. Funds are allocated until the amount in the legal reserve is equal to 10% of the aggregate nominal value of the issued and outstanding share capital. The legal reserve may only be distributed to shareholders upon liquidation of the Company. As of December 31, 2013, the statutory legal reserve amounted to €9.8 million.

(g) Dividends Paid and Proposed

In 2013, the dividend paid for the financial year ended December 31, 2012 amounted to €186.0 million (*i.e.*, €1.68 per share).

The recommended dividend in respect of 2013 is €1.85 per share and will be submitted for approval at the Shareholders' General Meeting to be held on April 24, 2014. Given that no decision was taken as of December 31, 2013, no impact was recorded in the 2013 financials.

In 2012, the dividend paid for the financial year ended December 31, 2011 amounted to €172.6 million (*i.e.*, €1.58 per share).

(h) Share Subscription Option Plans and Share Purchase Option Plans

Technip plans

The Board of Directors has granted certain employees, senior executives and Directors or Officers (*mandataires sociaux*) of the Group and its affiliates, share subscription option plans or share purchase option plans at an agreed unit price. The main features and changes in plans that are in place for 2013 and 2012 are as follows:

Technip Plans Number of Options	Plan 2005				Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013	Total
	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Parts 1 and 2 Re-granted ⁽¹⁾	Parts 1, 2 and 3 Re-granted ⁽¹⁾	Part 1 ⁽²⁾	Part 1 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 1 ⁽¹⁾	
Approval Date by Shareholders' General Meeting	Apr. 29, 2005	Apr. 29, 2005	Apr. 29, 2005	Apr. 29, 2005	May 06, 2008	Apr. 30, 2009	Apr. 29, 2010	Apr. 29, 2010	Apr. 29, 2010	Apr. 28, 2011	Apr. 28, 2011	Apr. 28, 2011	Apr. 26, 2012	Apr. 26, 2012	Apr. 25, 2013	
Grant Date by the Board of Directors	July 26, 2006	Mar. 12, 2007	Dec. 12, 2007	June 12, 2008	July 1, 2008	June 15, 2009	June 23, 2010	Dec. 15, 2010	Mar. 04, 2011	June 17, 2011	Dec. 14, 2011	Mar. 02, 2012	June 15, 2012	Dec. 12, 2012	June 14, 2013	
Options out- standing as of January 1, 2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Granted (Subscription)	965,213	-	-	-	-	-	-	-	-	-	-	-	-	-	-	965,213
Options out- standing as of December 31, 2006	965,213	-	-	-	-	-	-	-	-	-	-	-	-	-	-	965,213
Options Granted (Subscription)	21,867	987,192	-	-	-	-	-	-	-	-	-	-	-	-	-	1,009,059
Options Re-Granted (Subscription)	26,078	15,345	85,000	-	-	-	-	-	-	-	-	-	-	-	-	126,423
Options exercised (Subscription)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Cancelled (Subscription)	(48,193)	(15,345)	-	-	-	-	-	-	-	-	-	-	-	-	-	(63,538)
Options outstanding as of December 31, 2007	964,965	987,192	85,000	-	-	-	-	-	-	-	-	-	-	-	-	2,037,157
Options Granted (Purchase)	-	-	-	-	953,100	-	-	-	-	-	-	-	-	-	-	953,100
Options Granted (Subscription)	3,648	3,666	329	-	-	-	-	-	-	-	-	-	-	-	-	7,643
Options Re-Granted (Subscription)	-	-	-	106,858	-	-	-	-	-	-	-	-	-	-	-	106,858
Options exercised (Subscription)	-	(2,054)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,054)
Options Cancelled (Purchase/ Subscription)	(65,588)	(58,404)	(5,019)	-	(11,040)	-	-	-	-	-	-	-	-	-	-	(140,051)
Options outstanding as of December 31, 2008	903,025	930,400	80,310	106,858	942,060	-	-	-	-	-	-	-	-	-	-	2,962,653
Options Granted (Subscription)	-	-	-	-	-	1,093,175	-	-	-	-	-	-	-	-	-	1,093,175
Options exercised (Subscription)	(1,540)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,540)
Options Cancelled (Purchase/ Subscription)	(21,562)	(2,054)	-	(3,000)	(5,000)	(2,100)	-	-	-	-	-	-	-	-	-	(33,716)

Technip Plans Number of Options	Plan 2005				Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013	Total
	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Parts 1 and 2 Re-granted ⁽¹⁾	Parts 1, 2 and 3 Re-granted ⁽¹⁾	Part 1 ⁽²⁾	Part 1 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 3 ⁽¹⁾	Part 1 ⁽¹⁾	Part 2 ⁽¹⁾	Part 1 ⁽¹⁾	
Options outstanding as of December 31, 2009	879,923	928,346	80,310	103,858	937,060	1,091,075	-	-	-	-	-	-	-	-	-	4,020,572
Options Granted (Subscription)	-	-	-	-	-	-	1,102,300	19,400	-	-	-	-	-	-	-	1,121,700
Options exercised (Subscription)	(234,206)	(1,540)	-	-	-	-	-	-	-	-	-	-	-	-	-	(235,746)
Options Cancelled (Purchase/ Subscription)	(461,542)	(10,783)	(2,008)	-	(32,000)	(24,300)	(11,000)	-	-	-	-	-	-	-	-	(541,633)
Options outstanding as of December 31, 2010	184,175	916,023	78,302	103,858	905,060	1,066,775	1,091,300	19,400	-	-	-	-	-	-	-	4,364,893
Options Granted (Subscription)	-	-	-	-	-	-	-	-	81,300	339,400	53,900	-	-	-	-	474,600
Options exercised (Subscription)	(96,354)	(323,970)	(16,058)	-	(150)	(525)	(300)	-	-	-	-	-	-	-	-	(437,357)
Options Cancelled (Purchase/ Subscription)	1,540	(13,350)	-	(6,000)	(5,450)	(20,050)	(12,600)	(1,800)	-	-	-	-	-	-	-	(57,710)
Options outstanding as of December 31, 2011	89,361	578,703	62,244	97,858	899,460	1,046,200	1,078,400	19,400	79,500	339,400	53,900	-	-	-	-	4,344,426
Options Granted (Subscription)	-	-	-	-	-	-	-	-	-	-	-	49,007	284,700	35,350	-	369,057
Options exercised (Subscription)	(81,340)	(376,198)	(55,216)	(64,858)	(362,555)	-	-	-	-	-	-	-	-	-	-	(940,167)
Options Cancelled (Purchase/ Subscription)	(8,021)	-	-	-	(12,900)	(17,000)	(22,500)	(2,000)	(2,600)	(1,000)	(4,900)	(300)	(600)	-	-	(71,821)
Options outstanding as of December 31, 2012	-	202,505	7,028	33,000	524,005	1,029,200	1,055,900	17,400	76,900	338,400	49,000	48,707	284,100	35,350	-	3,701,495
Options Granted (Subscription)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323,200	323,200
Options exercised (Subscription)	-	(198,651)	(7,028)	(17,000)	(193,130)	(416,064)	(1,000)	-	-	-	-	-	-	-	-	(832,873)
Options Cancelled (Purchase/ Subscription)	-	(3,854)	-	-	(600)	(13,700)	(34,000)	-	(4,100)	(7,000)	(4,400)	(600)	(5,400)	(400)	(1,000)	(75,054)
OPTIONS OUTSTANDING AS OF DECEMBER 31, 2013	-	-	-	16,000	330,275	599,436	1,020,900	17,400	72,800	331,400	44,600	48,107	278,700	34,950	322,200	3,116,768
Maturity Date	July 26, 2012	Mar. 12, 2013	Dec. 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	Dec. 15, 2016	Mar. 4, 2017	June 17, 2018	Dec. 14, 2018	Mar. 2, 2019	June 15, 2019	Dec. 12, 2019	June 14, 2021	

(1) Share subscription option plans exercisable four years from the date of grant and provided certain targets are met.

(2) Share purchase options plans exercisable four years from the date of grant and provided certain targets are met.

The main features described in the table above take into consideration the following adjustments to the rights of option beneficiaries:

- The Board of Directors resolved to adjust the rights of option beneficiaries as of May 14, 2007 in order to take into account the extraordinary dividend deducted from retained earnings and approved by the Combined Shareholders' Meeting held on April 27, 2007. Consequently exercise prices and option numbers were recalculated for all plans.
- The Board of Directors resolved to adjust the rights of option beneficiaries as of May 14, 2008 in order to take into account the extraordinary dividend deducted from retained earnings and approved by the Combined Shareholders' Meeting held on May 6, 2008. Consequently exercise prices and option numbers were recalculated for all plans.

These options were granted subject to certain targets. This means that the final number of options granted to employees is contingent upon Technip achieving satisfactory performance for its shareholders.

For the 2005 plan, this performance will be measured as the increase in Group earnings per share compared to the average earnings per share growth for a sample of industry peers. For the 2008, 2009 and 2010 plans, this performance will be measured as the increase in Group consolidated net income compared to the average consolidated net income growth for a sample of industry peers. For the 2011, 2012 and 2013 plans, the performance will be respectively measured over the 2011-2013, 2012-2014 and 2013-2015 periods on the basis of several criteria: Group results in terms of Total Shareholder Return, operating income from recurring activities and return on capital employed.

IFRS 2 accounting charge

IFRS 2 applies to all share subscription and share purchase option plans granted after November 7, 2002 and whose rights were not vested as of January 1, 2005. Consequently, the Group recorded a charge of €9.9 million in 2013 compared to €10.2 million in 2012.

To evaluate these plans, and considering the lack of relevant historical information, the Group used the six general assumptions common to all options pricing models (exercise price, term, share price at grant date, expected volatility of share price, estimated dividends and risk-free interest rate for the option life). Regarding the assessment of volatility, the historical measures performed on the share price show great discrepancies depending upon the periods and the maturity chosen. In order to achieve a reliable measure of the future volatility, Technip decided to use an approach that consists in comparing measures of historical volatility over periods of 1 year, 2 years, 3 years and 5 years on the one hand and the share's implied volatility on the other.

The following table illustrates the assumptions used to calculate the charge. The Group uses the Cox Ross Rubinstein binomial model.

Technip Plans	Plan 2005				Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013
	Part 2	Part 3	Parts 1 and 2 Re-granted	Parts 1, 2 and 3 Re-granted	Part 1	Part 1	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 1
Share Price at Grant Date (in Euro)	43.01	50.19	54.21	55.81	58.50	36.41	52.00	67.18	71.64	71.39	65.50	83.83	78.80	87.05	85.12
Exercise Price (in Euro)	41.39	49.17	55.67	59.96	58.15	34.70	51.45	63.23	72.19	72.69	66.94	78.39	74.54	87.13	85.73
Dividend Yield	2.0%	2.0%	2.0%	2.0%	2.0%	3.5%	3.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Turnover Rate	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0% / 2.5%
Volatility	31.0%	30.3%	32.0%	34.4%	34.4%	32.9%	39.1%	39.1%	39.1%	32.0%	32.0%	32.0%	34.2%	33.5%	33.8%
Annual Risk Free Interest Rate															
6 months	3.3%	4.0%	4.9%	5.1%	5.2%	1.5%	0.4%	0.4%	0.4%	1.3%	1.3%	1.3%	0.3%	0.1%	0.1%
1 year	3.5%	4.1%	4.9%	5.4%	5.4%	1.7%	0.5%	0.5%	0.5%	1.5%	1.5%	1.5%	0.3%	0.1%	0.1%
3 years	3.7%	3.9%	4.1%	4.7%	4.7%	2.2%	1.2%	1.2%	1.2%	2.0%	2.0%	2.0%	0.8%	0.2%	0.5%
5 years	3.8%	4.0%	4.2%	4.8%	4.8%	2.9%	1.9%	1.9%	1.9%	2.6%	2.6%	2.6%	1.6%	0.8%	1.0%
10 years	4.0%	4.0%	4.4%	4.8%	4.8%	3.9%	3.1%	3.1%	3.1%	3.5%	3.5%	3.5%	2.8%	2.1%	2.2%
Option Fair Value Set at Grant Date (in Euro)	11.22	12.75	13.74	14.90	17.30	8.45	13.61	13.61	13.61	14,35/ 15,05	14.35	14.35	17,58/ 18,40	21.02	18,59/ 18,87
Maturity Date	July 26, 2012	Mar. 12, 2013	Dec. 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	Dec. 15, 2016	Mar. 4, 2017	June 17, 2018	Dec. 14, 2018	Mar. 2, 2019	June 15, 2019	Dec. 12, 2019	June 14, 2021

Average share price amounted to €82.05 in 2013 and €82.99 in 2012.

(i) Performance share plans

Since 2007, the Board of Directors has granted certain employees, senior executives and Directors or Officers (*mandataires sociaux*) of the Group and its affiliates, free shares subject to Technip achieving satisfactory performances, namely "performance shares". Following are the main features and changes in the plans that were in place for 2013 and 2012:

	Plan 2007	Plan 2008			Plan 2009			Plan 2010			Plan 2011			Plan 2012		Plan 2013	Total
	Part 1 Re-granted	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 1	
Approval date by Shareholders' General Meeting	Apr. 28, 2006	May 6, 2008	May 6, 2008	May 6, 2008	Apr. 30, 2009	Apr. 30, 2009	Apr. 30, 2009	Apr. 29, 2010	Apr. 29, 2010	Apr. 29, 2010	Apr. 28, 2011	Apr. 28, 2011	Apr. 28, 2011	Apr. 26, 2012	Apr. 26, 2012	Apr. 25, 2013	
Grant Date by the Board of Directors	Dec. 12, 2007 & July 1, 2008	July 1, 2008	Dec. 9, 2008	Feb. 18, 2009	June 15, 2009	Oct. 25, 2009	Feb. 16, 2010	June 23, 2010	Dec. 15, 2010	Mar. 4, 2011	June 17, 2011	Dec. 14, 2011	Mar. 2, 2012	June 15, 2012	Dec. 12, 2012	June 14, 2013	
Share Re-granted	44,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,500
Outstanding Shares as of December 31, 2007	44,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,500
Shares Granted	-	859,050	20,100	-	-	-	-	-	-	-	-	-	-	-	-	-	879,150
Share Re-granted	20,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,300
Shares Cancelled	(1,800)	(11,700)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,500)
Outstanding Shares as of December 31, 2008	63,000	847,350	20,100	-	-	-	-	-	-	-	-	-	-	-	-	-	930,450
Shares Granted	-	-	-	191,542	981,175	12,000	-	-	-	-	-	-	-	-	-	-	1,184,717
Shares Cancelled	(800)	(12,060)	-	(1,100)	(2,100)	-	-	-	(1,200)	-	-	-	-	-	-	-	(16,060)
Outstanding Shares as of December 31, 2009	62,200	835,290	20,100	190,442	979,075	12,000	-	-	-	-	-	-	-	-	-	-	2,099,107
Shares Granted	-	-	-	-	-	-	100,000	883,900	13,800	-	-	-	-	-	-	-	997,700
Share Exercised	(10,250)	(533)	-	(16)	-	-	-	-	-	-	-	-	-	-	-	-	(10,799)
Shares Cancelled	(15,350)	(41,887)	-	(5,034)	(23,200)	-	(1,900)	(11,300)	-	-	-	-	-	-	-	-	(98,671)
Outstanding Shares as of December 31, 2010	36,600	792,870	20,100	185,392	955,875	12,000	98,100	872,600	13,800	-	-	-	-	-	-	-	2,987,337
Shares Granted	-	-	-	-	400	-	-	-	-	86,300	361,000	37,050	-	-	-	-	484,750
Share Exercised	(16,300)	(354,500)	(18,300)	-	(500)	-	(100)	(300)	-	-	-	-	-	-	-	-	(390,000)
Shares Cancelled	(9,550)	(6,200)	(1,800)	(4,350)	(15,275)	-	(450)	(12,500)	-	(1,800)	(7,650)	-	-	-	-	-	(59,575)
Outstanding Shares as of December 31, 2011	10,750	432,170	-	181,042	940,500	12,000	97,550	859,800	13,800	84,500	353,350	37,050	-	-	-	-	3,022,512
Shares Granted	-	-	-	-	-	-	-	-	-	-	-	49,357	430,150	126,892	-	-	606,399
Share Exercised	(10,600)	(423,150)	-	(58,842)	(338,000)	(12,000)	(900)	(600)	-	-	(100)	-	-	-	-	-	(844,192)
Shares Cancelled	(150)	(9,020)	-	(3,550)	(17,600)	-	(2,100)	(24,900)	(1,500)	(2,600)	(4,800)	(3,300)	(1,550)	(3,350)	-	-	(74,420)
Outstanding Shares as of December 31, 2012	-	-	-	118,650	584,900	-	94,550	834,300	12,300	81,900	348,450	33,750	47,807	426,800	126,892	-	2,710,299
Shares Granted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	492,500	492,500
Share Exercised	-	-	-	(117,750)	(575,300)	-	(35,050)	(290,700)	(1,500)	-	-	-	-	-	-	-	(1,020,300)
Shares Cancelled	-	-	-	(900)	(9,600)	-	(6,400)	(32,000)	-	(6,400)	(10,400)	(3,700)	(1,650)	(13,700)	(4,700)	(3,350)	(92,800)
OUTSTANDING SHARES AS OF DECEMBER 31, 2013	-	-	-	-	-	-	53,100	511,600	10,800	75,500	338,050	30,050	46,157	413,100	122,192	489,150	2,089,699

From country to country, the vesting period of these plans is either three years from the date of grant (in which case the holding period is two years), or four years from the date of grant (in which case there is no holding period).

Performance shares were granted contingent upon the same performance conditions described in Note 20 (h) Share subscrip-

tion and share purchase option plans except for the 2011, 2012 and 2013 plans. For these latter plans, the performance is respectively measured over the 2011-2013, 2012-2014 and 2013-2015 periods on the basis of several criteria: Group results in matter of Health/Safety/Environment, operating income from recurring activities and treasury generated from operating activities.

IFRS 2 accounting charge

IFRS 2 applies to the valuation of performance share grants. Consequently, the Group recorded a charge of €36.1 million in 2013 compared to €32.9 million in 2012.

Performance shares granted to employees will be served using treasury shares.

The fair value of performance share plans is determined according to the share price at grant date less discounted future dividends. The following table shows assumptions underlying the fair value computation of the plans:

	Plan 2007	Plan 2008			Plan 2009			Plan 2010			Plan 2011			Plan 2012		Plan 2013
	Part 1 Re-granted	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3	Part 1	Part 2	Part 1
Share Price at the Grant Date (in Euro)	54.21	58.50	58.50	23.76	36.41	36.41	36.41	52.00	67.18	71.64	71.39	65.50	83.83	78.80	87.05	85.12
Dividend Yield	2.0%	2.0%	2.0%	3.0%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Turnover Rate ⁽¹⁾	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%	2.0%/ 6.0%
Fair Value of Performance Shares Set at Grant Date (in Euro) ⁽¹⁾	50.65	55.10/ 54.00	55.10/ 54.00	21.72/ 21.07	32.78/ 31.65	32.78/ 31.65	32.78/ 31.65	47.52/ 46.12	47.52/ 46.12	47.52/ 46.12	67.23/ 65.90	67.23/ 65.90	67.23/ 65.90	74.21/ 72.74	81.98/ 80.36	70.33 / 78.58
Maturity Date	Dec. 12, 2011/12 & July 1, 2012/13	July 1, 2012/13	Dec. 9, 2012/13	Feb. 18, 2013/14	June 15, 2013/14	Oct. 25, 2014	Feb. 16, 2014/15	June 23, 2014/15	Dec. 15, 2014/15	Mar. 4, 2015/16	June 17, 2015/16	Dec. 14, 2015/16	Mar. 2, 2016/17	June 15, 2016/17	Dec. 12, 2016/17	June 14, 2017/18

(1) The turnover rate and fair value of performance shares differ from country to country.

Average share price amounted to €82.05 in 2013 and €82.99 in 2012.

(j) Capital Management

Shareholders' equity breaks down into portions attributable to non-controlling interests and to equity holders of the parent company. Equity attributable to equity holders of the parent is equal to the share capital of Technip, the Group's parent company, cumulated results and other reserves, less treasury shares.

Treasury shares are primarily held for the following purposes:

- To serve share option plans or other share plans that were granted to employees, directors or officers of the Company.

During the financial year ended December 31, 2013, Technip continued its purchases of own shares under the program approved by the Shareholders' General Meeting held on April 26, 2012 and on April 25, 2013, for a period of 18 months and relating to a maximum number of shares not exceeding 10% of the shares comprising the share capital, at a maximum share price of €105 and €115. In all, 486,590 shares were bought during the period at an average price of €82.3, for a total of €40.0 million.

- To promote share trading and, in particular, to ensure the liquidity of shares pursuant to a liquidity contract, by an investment service provider. Pursuant to a contract dated February 12, 2010, and for a duration of one year as from this date, tacitly renewable, the Company engaged Crédit Agricole Cheuvreux to execute a liquidity contract in compliance with the AMAFI Code of Conduct.

During the financial year ended December 31, 2013, 786,843 shares were purchased and 649,343 shares were sold pursuant to the terms and conditions of this liquidity contract.

On the basis of the authorization granted by the Combined General Meeting held on April 28, 2011, (20th resolution), at its meeting on December 14, 2011, the Board of Directors of the Company decided to undertake a capital increase in favor of members of the Technip Group Savings Plan (PEG). Further to Technip's 2008 capital increase reserved for employees, this new international employee shareholding initiative is a continuation of the Group's policy to mobilize its staff towards the implementation of the Group's new strategy and to bring employees of Technip closer to the development and the results of the Group.

(k) Capital Increase Reserved for Employees

Technip did not realize any capital increase reserved for employees in 2013.

Technip SA, holding company of the Group, realized a capital increase for employees in 2012: this capital increase was offered to all Technip employees and its subsidiaries.

Three different plans were offered to these employees to subscribe to the capital increase:

- Technip "Classic Plan" allows recipients to subscribe Technip shares within a FCPE (*Fonds Commun de Placement d'Entreprises* – A FCPE is a French collective savings vehicle allowing employees to hold a portfolio invested in securities. The FCPE is managed by a management company on behalf of the employee investors holding units of the FCPE). Recipients can benefit from an Employer contribution as well as a 20% discount on the subscription price but are fully exposed to the change of the share value on the stock market. The holding period is five years.
- Technip "Secure Plan" allows employees to subscribe Technip shares within a FCPE and to benefit from an Employer contribution as well as a 20% discount on the subscription price while guaranteeing the initial investment at the end of the five years period, increased by the greater between the capitalized annual return of 2.0% and the protected average increase Technip share value compared to the reference price.
- Technip "Multiple Plan" allows the recipients to subscribe Technip shares within a FCPE or directly and to benefit from an Employer contribution as well as a 20% discount on the

subscription price while guaranteeing at the end of the five years period, the initial investment increased by the greater between the capitalized annual return of 2.5% and 7.75 times the average increase in Technip share value compared to the reference price. The bank in charge of structuring the operation, finance nine Technip shares for one Technip share subscribed by an employee. The initial investment of the employee is guaranteed. The capital guarantee and the multiple of the average increase are obtained through the transfer to the bank of the discount, the dividends and the other financial rights related to the shares.

For some countries, depending of the national laws, only one or two of the three plans have been proposed. Terms and conditions of these plans have been adapted depending on local constraints linked to legal, tax or social matters. In some countries, Technip Multiple Plan has been replaced by a SAR plan (Stock Appreciation Rights).

Following this capital increase, the number of shares issued on July 10, 2012 is 1,109,527 shares, the increase in common stock amounts to €0.8 million, and the increase in Paid-in-Surplus amounts to €65.4 million, reduced by €0.9 million net charge being administrative costs linked to this operation, for a total of €64.5 million.

In addition, 365,616 new shares were issued related to the SAR Plan. The increase in common stock amounts to €0.3 million and the increase in Paid-in-Surplus amounts to €21.6 million, reduced by €0.3 million net charge being administrative costs linked to this operation, for a total of €21.3 million.

Main characteristics of the capital increase reserved for employees are presented in the schedule above.

	2012 "Classic"	2012 "Secure"	2012 "Multiple"
Detail of the plan and amounts subscribed			
Maturity of the plan (in years)	5	5	5
Reference price (in Euro) ⁽¹⁾	74.63	74.63	74.62
Subscription price (in Euro)	59.70	59.70	59.70
Price at the end of the subscription period (in Euro)	76.38	76.38	76.38
Discount – face value (%)	20%	20%	20%
Total number of shares subscribed (in millions of shares)	184,898	87,614	837,015
Total number of shares subscribed by employees (in millions of shares)	184,898	87,614	124,326
Total amount subscribed (in millions of Euro)	11.0	5.2	50.0
Valuation assumptions			
Borrowing rate for market participants ⁽²⁾	4.91%	4.91%	4.91%
5-year risk-free interest rate	1.05%	1.05%	1.05%
Annual borrowing rate for shares	1.00%	1.00%	1.00%
Retail/institutional volatility spread	NA	7.50%	7.50%
Valuation of the IFRS 2 expense			
(A) Discount value	(in millions of Euro)	3.1	1.5
	(%)	22%	22%
(B) Value of the lock-up period for the market participant	(in millions of Euro)	2.5	1.2
	(%)	18%	18%
(C) Value of the opportunity gain	(in millions of Euro)	-	0.03
	(%)	NA	0.40%
(A-B+C) OVERALL COST FOR THE GROUP (in millions of Euro)			
	0.6	0.3	4.6

(1) The reference price is calculated based on Technip's average share value during the 20 trading days before the opening of the subscription period.

(2) Average interest rate charged by banks for an ordinary, non-revolving personal loan with a maximum maturity of five years granted to an individual with an average credit rating.

The total cost for Employer's contribution for these three plans amounts to €5.2 million and was recorded as an employee expenses in 2012.

Under the «classic» plan, the IFRS 2 expense related to this capital increase reserved for employees is determined in accordance with the method of the ANC (*Autorité des normes comptables*), taking into account the lock-up period of five years for the employee. This approach values the lock-up cost through a strategy where the employee would sell the locked-up shares on the forward market and then purchase the same number of shares on

the spot market, financing the loan by the forward sale and by the dividends paid over the lock-up period.

Under the 'leveraged plans', the IFRS 2 expense includes also the opportunity gain for the employee, corresponding, through the issuer's involvement in the plans, to its access to volatility profile adapted to institutional investors rather than retail rates.

The IFRS 2 expense related to the discount amounts to €5.5 million and was recorded as an employee expenses in 2012.

As the Company did not realize a capital increase reserved for employees in 2013, no charge has been recorded.

Note 21 – Financial Debts (Current and Non-Current)

(a) Financial Debts, Breakdown by Nature

Financial Debts break down as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Convertible Bonds ⁽¹⁾	973.4	945.2
Private Placement ⁽²⁾	867.1	517.2
Bank Borrowings ⁽³⁾	562.9	243.3
Total Non-Current Financial Debts	2,403.4	1,705.7
Commercial Papers	134.0	150.0
Bank Borrowings	19.4	231.8
Accrued Interests Payables	21.1	18.6
Total Current Financial Debts	174.5	400.4
TOTAL FINANCIAL DEBTS	2,577.9	2,106.1

(1) On December 15, 2011, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for a total amount of €497.6 million. In accordance with IAS 32, the OCEANE is recognized in two distinct components: a debt component is recognized at the amortized cost for an initial amount of €420.4 million and a conversion option component is recognized in equity for €73.1 million. As of December 31, 2013, the debt component amounted to €450.0 million (see b).

On November 17, 2010, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for a total amount of €550 million. In accordance with IAS 32, the OCEANE is recognized in two distinct components: a debt component is recognized at the amortized cost for an initial amount of €480.9 million and a conversion option component is recognized in equity for €63.3 million. As of December 31, 2013, the debt component amounted to €521.7 million (see b).

As of December 31, 2013, the remainder of the reimbursed part of the Convertible Debenture of Global Industries amounts of USD1.7 million.

(2) On July 27, 2010, Technip achieved a private placement for €200 million (recorded for €198 million as of December 31, 2013). The maturity is 10 years; the annual coupon rate is 5.0%.

On June 14, 2012, Technip achieved a private placement for €150 million (recorded for €149.8 million as of December 31, 2013). The maturity is 10 years; the annual coupon rate is 3.4%.

On June 14, 2012, Technip achieved a private placement for €100 million (recorded for €95.1 million as of December 31, 2013). The maturity is 20 years; the annual coupon rate is 4.0%.

On June 15, 2012, Technip achieved a private placement for €75 million (recorded for €74.9 million as of December 31, 2013). The maturity is 15 years; the annual coupon rate is 4.0%.

On October 7, 2013, Technip achieved a private placement for €100 million (recorded for €96.0 million as of December 31, 2013). The maturity is 20 years; the annual coupon rate is 3.75%.

On October 16, 2013, Technip achieved a private placement for €130 million (recorded for €128.7 million as of December 31, 2013). The maturity is 10 years; the annual coupon rate is 3.15%.

On October 18, 2013, Technip achieved a private placement for €125 million (recorded for €124.6 million as of December 31, 2013). The maturity is 10 years; the annual coupon rate is 3.15%.

(3) Includes bank borrowings and credit facilities representing drawings on loans granted to one of the Brazilian subsidiaries for the purpose of pre-financing exports and refinancing investments, drawings on loans granted to a Norwegian subsidiary, to a Brazilian affiliate and to a Dutch subsidiary aimed at financing new vessels.

(b) Convertible Bonds

On December 15, 2011, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for €497.6 million, with a maturity date of January 1, 2017.

The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on December 7, 2011, has the main following features:

- issued at a price of €96.09 (the number of bonds issued was 5,178,455);
- a coupon of 0.25% payable on January 31 of each year, which amounts to €0.24 per year and per bond. (The first coupon payment on January 31, 2012 amounted to €0.03 per bond);
- a redemption date was set on January 1, 2017 for bonds not converted into shares at such date;
- the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one bond; and
- the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

As required by IAS 32, the OCEANE convertible bond is recognized in two distinct components:

- a debt component is recognized at amortized cost for an initial amount of €420.4 million, net from its share of issuing costs. The effective rate is 3.7%. As of December 31, 2013, the debt component amounted to €450 million; and
- a conversion option component is recognized in equity for an amount equal to the difference between the issuing price of the OCEANE convertible bond and the value of the debt component. The carrying amount is recognized net of its proportionate share of the debt issuance costs for an amount of €73.1 million and net of corresponding deferred taxes. This value is not revalued but will be adjusted to take into account the conversion of bonds.

On November 17, 2010, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million, with a maturity date of January 1, 2016.

The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on November 9, 2010, has the main following features:

- issued at a price of €83.10 (the number of bonds issued was 6,618,531);
- a coupon of 0.50% payable on January 31 of each year, which amounts to €0.42 per year and per bond. (The first coupon payment on January 31, 2011 amounted to €0.09 per bond);
- a redemption date was set on January 1, 2016 for bonds not converted into shares at such date;
- the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one bond; and
- the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

As required by IAS 32, the OCEANE convertible bond is recognized in two distinct components:

- a debt component is recognized at amortized cost for an initial amount of €480.9 million, net from its share of issuing costs. The effective rate is 3.2%. As of December 31, 2013, the debt component amounted to €521.7 million; and
- a conversion option component is recognized in equity for an amount equal to the difference between the issuing price of the OCEANE convertible bond and the value of the debt component. The carrying amount is recognized net of its proportionate share of the debt issuance costs for an amount of €63.3 million and net of corresponding deferred taxes. This value is not revalued but will be adjusted to take into account the conversion of bonds.

(c) Comparison of Carrying Amount of Fair Value of Current and Non-Current Financial Debts

Comparison of carrying amount and fair value of non-current financial debts is as follows:

In millions of Euro	As of December 31,			
	2013		2012 restated	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Convertible Bond	973.4	940.8	945.2	1,009.4
Private Placement	867.1	877.2	517.2	560.5
Bank Borrowings and Credit Lines	562.9	562.9	243.3	243.3
Total Non-Current Financial Debts	2,403.4	2,380.9	1,705.7	1,813.2
Commercial Papers	134.0	134.0	150.0	150.0
Bank Borrowings	19.4	19.4	231.8	231.8
Accrued Interests Payables	21.1	21.1	18.6	18.6
Total Current Financial Debts	174.5	174.5	400.4	400.4
TOTAL FINANCIAL DEBTS	2,577.9	2,555.4	2,106.1	2,213.6

(d) Analysis by Type of Interest Rate

Analysis by type of interests rate after yield management is as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Fixed Rate	2,497.3	2,061.2
Floating Rate	80.6	44.9
TOTAL FINANCIAL DEBTS	2,577.9	2,106.1

As of December 31, 2013, the debt is essentially issued at fixed rate. The fixed rate debt mainly comprises the two convertible bonds, the private placements, drawings on subsidized export finance loans granted to one of the Brazilian subsidiaries for the purpose of pre-financing exports and refinancing investments, as well as drawings on loans granted to a Norwegian subsidiary for financing a vessel, drawings on a loan granted to a Brazilian affiliate aimed at financing two vessels and finally the commercial paper issued by Technip.

Over the financial year 2013, the average rate of the fixed rate debt was 3.72% compared to 3.92% in 2012. Over the same period, the average rate of the Group's overall debt (fixed and floating rate) was 3.73% compared to 3.93% per year in 2012. The average rate of debt is calculated by dividing the amount of financial costs for the fiscal year (excluding bank fees not expressly related to the debt) and the average outstanding debt for the fiscal year.

(e) Analysis by Currency

Analysis by currency is as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Euro	1,992.0	1,628.2
US Dollar	167.0	157.9
Brazilian Real	376.8	267.9
Norwegian Krone	38.9	50.0
Other	3.2	2.1
TOTAL FINANCIAL DEBTS	2,577.9	2,106.1

(f) Schedule of Financial Debts

The schedule of financial debts is as follows:

In millions of Euro	2014	2015	2016	2017	2018	2019 and beyond	Total
Fixed Rate	169.1	78.1	777.3	467.0	17.9	987.9	2,497.3
Floating Rate	5.4	8.3	8.7	8.5	8.7	41.0	80.6
TOTAL FINANCIAL DEBTS AS OF DECEMBER 31, 2013	174.5	86.4	786.0	475.5	26.6	1,028.9	2,577.9

In millions of Euro	2013	2014	2015	2016	2017	2018 and beyond	Total
Fixed Rate	368.3	15.3	87.6	521.9	448.2	619.9	2,061.2
Floating Rate	32.1	1.7	1.7	1.7	1.7	6.0	44.9
TOTAL FINANCIAL DEBTS AS OF DECEMBER 31, 2012 RESTATED	400.4	17.0	89.3	523.6	449.9	625.9	2,106.1

(g) Secured Financial Debts

Secured financial debts are as follows:

In millions of Euro	As of December 31,					
	2013			2012 restated		
	Guarantee	Without Guarantee	Total	Guarantee	Without Guarantee	Total
Bank Overdrafts, Current Facilities and Other	-	-	-	-	-	-
Short Term Part of Long-Term Debts	15.6	158.9	174.5	16.8	383.6	400.4
Total Current Financial Debts	15.6	158.9	174.5	16.8	383.6	400.4
Total Non-Current Financial Debts	184.9	2,218.5	2,403.4	168.1	1,537.6	1,705.7
TOTAL FINANCIAL DEBTS	200.5	2,377.4	2,577.9	184.9	1,921.2	2,106.1

Note 22 – Pensions and Other Long-Term Employee Benefit Plans

In accordance with the laws and practices of each country in which it operates, Technip manages retirement and similar benefit schemes on behalf of its employees.

In compliance with IAS 19, the Group has assessed its obligations in respect of employee pension plans and other long-term benefits such as "jubilee benefits", post-retirement medical benefits, special termination benefits and cash incentive plans. The plan assets are recorded at fair value. Evaluations were coordinated so that liabilities could be measured using recognized and uniform actuarial methods, and were performed by an independent actuary.

On June 2011, the IASB published an amended IAS 19. This amended standard is applicable retrospectively to annual periods beginning on or after January 1, 2013. It introduces the following changes:

- It modifies the valuation method regarding the long-term return on plan assets, which will be based on the discount rate used to measure the present value of the obligation.
- It eliminates the option of deferring actuarial gains and losses using the "corridor" approach. All actuarial gains and losses must now be recognized directly in other comprehensive income.
- It suppresses the deferral of past service cost on unvested benefits: all costs arising from past service are instead recognized immediately in the net Income.

(a) Description of the Group's Current Benefit Plans

On all the Technip Group, five countries represent quite 90% of the Group obligations: the Netherlands, France, United Kingdom, Germany and Norway.

Brazil

A jubilee plan provides a lump sum payment of half a month's salary after 10, 15, 20 and 30 years of service. The plan also pays for a short trip to Brazil and Paris after 20 and 30 years of service.

France

The following plans are offered in France:

- a retirement benefit consisting of a capital payment based on years of service and salary at retirement date;
- a post-retirement medical benefit (this is closed to new entrants to the plan);
- a jubilee plan that provides a lump sum payment after 20, 30, 35 and 40 years of services at all companies (a minimum number of years spent at Technip is required);
- an additional defined contribution pension plan was set up on January 1, 2005 dedicated to a predetermined and uniform class of top managers. A contribution of 8.0% of gross annual salary within the legal limits is paid by the Company;
- a complementary defined benefit pension plan was set up on May 1, 2007 for members of the Group's Executive Committee. It consists of a guaranteed retirement wage of 1.8% of income bracket 4 of annual gross compensation per year of service in the Executive Committee (up to a limit of 15 years of service).

Germany

The following plans are offered in Germany:

- two pension plans that offer a pension payable from age 65: (i) a deferred compensation plan and (ii) an early retirement plan (OAPT);
- a jubilee plan that provides a lump sum payment ranging from one to three months of salary when employees reach 25, 40 and 45 years of service.

Italy

A post-retirement benefit that provides a capital payment according to the wages and years of service in the Company is offered to the employees. Following the change of Italian law in 2007, this defined benefit plan has been changed into a defined contribution plan. Consequently, no future right is generated in respect of IAS 19. The amount remaining in the books relates to the rights generated before the change of plan.

Norway

A pension plan offers a guaranteed income from age 67 depending on final gross salary and years of service.

The Netherlands

The Company has a defined benefit pension plan.

United Arab Emirates

A retirement benefit plan provides a payment according to the years of service in the Company (21 days of salary per year of service up to 5 years and 30 days of salary beyond 5 years) with a limit of 26 years.

United Kingdom

A pension plan offers an annuity payment (this plan is closed for new comers). There is also a multi-employer benefit plan providing employees of the mercantile marine with pensions on retirement and protection on death (this plan is also closed for newcomers).

Singapore

Multi-employer benefit plan providing employees of the mercantile marine (the same as United Kingdom one) with pensions on retirement and protection on death (this plan is also closed for newcomers).

(b) Net Benefit Expense Recognized in the Statement of Income

The net benefit expense recognized in the statement of income breaks down as follows:

In millions of Euro	2013	2012 restated
Current Service Cost	19.4	20.0
Financial Cost of Benefit Obligation	12.2	14.9
Expected Return on Plan Assets	(6.3)	(7.2)
Net Actuarial Gain/(Loss) Recognized	(0.4)	0.8
Cash Incentive Plans	30.3	9.7
Administration Costs and Taxes	0.1	-
NET BENEFIT EXPENSE AS RECORDED IN THE STATEMENT OF INCOME	55.3	38.2

In addition to the defined benefit pension plan expense shown in the above table, defined contribution plan expenses amounted to €52.2 million in 2013, compared to €39.5 million in 2012.

The expected defined benefit plan expense for 2014 calculated on an estimated basis amounts to €31.9 million.

Defined contribution plan expenses expected for 2014 amount to €10.4 million.

Benefits plan cash flow for 2014 amount to €15.2 million.

The 2012 consolidated financial statements have been restated with the retrospective application of IAS 19 amended standards – Employee Benefits on January 1, 2013.

(c) Benefit Asset/(Liability) Recognized in the Statement of Financial Position

The liability as recorded in the statement of financial position breaks down as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Provisions	(264.4)	(213.3)
Prepaid Expenses	-	2.6
Asset/(Liability) as Recorded in the Statement of Financial Position	(264.4)	(210.7)
Defined Benefit Obligation	(413.5)	(374.0)
Fair Value of Plan Assets	195.6	176.1
Net Defined Benefit Obligation	(217.9)	(197.9)
Cash Incentive Plans	(46.5)	(12.8)
ASSET/(LIABILITY) AS RECORDED IN THE STATEMENT OF FINANCIAL POSITION	(264.4)	(210.7)

The discounted defined benefit obligation includes €272.3 million for funded plans and €141.2 million for unfunded plan assets.

Changes in the net benefit asset/(liability) of pension plans and other post-employment benefits are presented below:

In millions of Euro	2013	2012 restated
Net benefit Asset/(Liability) as of January 1	(210.7)	(173.6)
Exchange differences on Foreign Plans	5.2	0.4
Expenses Charged in the Income Statement	(25.1)	(29.9)
Contributions Paid	23.8	17.8
Actuarial Gains and losses	(16.0)	(16.3)
Disposals of Subsidiaries/Changes in Scope of Consolidation	(0.8)	-
Cash Incentive Plans	(30.3)	(9.7)
Other	(10.5)	0.6
NET BENEFIT ASSET/(LIABILITY) AS OF DECEMBER 31	(264.4)	(210.7)

The change in the DBO (Defined Benefit Obligation) is as follows:

In millions of Euro	2013	2012 restated
Defined Benefit Obligation as of January 1	(386.7)	(299.1)
Current Service Cost	(19.4)	(20.0)
Contributions by Employee	(0.3)	(0.1)
Financial Cost on Benefit Obligation	(12.2)	(14.9)
Benefits Paid	17.7	15.5
Actuarial Gains/(Losses)	(26.7)	(19.5)
Cash Incentive Plans	(30.3)	(9.9)
Administrative costs and taxes	(0.1)	-
Exchange Difference	9.5	(3.0)
Other	35.0	(35.7)
DEFINED BENEFIT OBLIGATION AS OF DECEMBER 31	(413.5)	(386.7)

Changes in fair value of plan assets are as follows:

In millions of Euro	2013	2012 restated
Fair Value of Plan Assets as of January 1	176.1	126.4
Expected Return	6.3	9.3
Contributions by Employer	14.3	10.2
Contributions by Employee	0.3	0.1
Benefits Paid	(8.2)	(7.9)
Actuarial Gains/(Losses)	11.1	(0.3)
Exchange Differences on Foreign Plans	(4.3)	2.6
Other	-	35.7
FAIR VALUE OF PLAN ASSETS AS OF DECEMBER 31	195.6	176.1

Below are the details of the principal categories of pension plan by country in terms of percentage of their total fair value:

In %	Bonds	Shares	Real Estate	Cash	Other	Total
Euroland	78%	20%	0%	0%	2%	100%
Norway	52%	6%	14%	23%	5%	100%
United Kingdom	40%	33%	0%	5%	22%	100%
Other	52%	14%	0%	4%	30%	100%

(d) Actuarial Assumptions

The main assumptions on the three zones that make up more than 90% at the end of 2013 of the benefit obligations are detailed in the following table:

	As of December 31, 2013			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase	Inflation Rate
Euroland	3.30%	From 0.40% to 3.00%	3.00%	2.00%
Norway	4.00%	2.70%	NA	1.80%
United Kingdom	4.40%	1.50%	NA	3.55%
	As of December 31, 2012 restated			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase	Inflation Rate
Euroland	3.10%	From 0.20% to 3.00%	3.00%	2.00%
Norway	3.85%	2.40%	NA	2.10%
United Kingdom	4.25%	1.50%	NA	2.60%

The discount rates as of December 31, 2013 of the Euroland, United Kingdom and the United States zones (United Arab Emirates included) are determined by holding the benefit flows of services expected from the plans and by using a curve of yield built from a wide basket of bonds of companies of high quality (noted AA). The Norway one refers to the marked of covered bonds. Finally, in the countries where the market bonds of companies of high quality is insufficiently deep, the discount rates are measured in reference to governmental rates.

The references used to determine the discount rates in December 31, 2013 remain unchanged compared to 2012.

A 0.25% decrease in the discount rate would increase the defined benefit obligation by approximately 4.37%.

A 0.25% decrease in the Inflation Rate would decrease the defined benefit obligation by approximately 2.06%.

Note 23 – Provisions (Current and Non-Current)

The principles used to evaluate the amounts and types of provisions for liabilities and charges are described in Note 1-C (u) – Provisions.

(a) Changes in Provisions

Changes in provisions over financial year 2013 break down as follows:

In millions of Euro	As of January 1, 2013 restated	Increase	Used Reversals	Unused Reversals	Foreign Exchange Adjustments	Other	As of December 31, 2013
Pensions and other Long-Term Employee Benefits ⁽¹⁾	194.7	63.1	(24.8)	(8.9)	(5.5)	15.9	234.5
Tax	9.3	0.2	(0.6)	(1.9)	(0.4)	0.1	6.7
Litigation	0.3	2.0	-	-	-	-	2.3
Provisions for Claims Incurred but not Reported ⁽²⁾	7.5	-	(1.1)	(0.1)	(0.1)	-	6.2
Other Non-Current Provisions	17.2	0.9	(3.6)	(2.5)	(0.7)	0.8	12.1
Total Non-Current Provisions	229.0	66.2	(30.1)	(13.4)	(6.7)	16.8	261.8
Pensions and other Long-Term Employee Benefits ⁽¹⁾	16.0	22.2	(1.1)	(0.7)	(0.8)	(5.7)	29.9
Contingencies related to Contracts ⁽³⁾	175.7	20.1	(69.9)	(5.7)	(8.1)	(2.9)	109.2
Restructuring	-	-	-	-	-	-	-
Tax	59.1	6.7	-	(34.9)	(5.1)	0.8	26.6
Litigation ⁽⁴⁾	2.5	2.4	(0.2)	(1.7)	(0.3)	-	2.7
Provisions for Claims ⁽²⁾	2.2	-	(0.6)	-	-	-	1.6
Other Current Provisions	105.5	14.3	(1.9)	(58.5)	(5.7)	(2.8)	50.9
Total Current Provisions	361.0	65.7	(73.7)	(101.5)	(20.0)	(10.6)	220.9
TOTAL PROVISIONS	590.0	131.9	(103.8)	(114.9)	(26.7)	6.2	482.7

(1) See Note 22 – Pensions and other long-term employee benefit plans.

(2) Provisions for Reinsurance are recorded at the level of the Group's captive reinsurance companies as per IFRS 4.

(3) Provisions recognized on contingencies on contracts are related to litigations on contracts.

(4) See Note 32 – Litigation and contingent liabilities.

(b) Schedule of Provisions

The following table shows the maturity of provisions forecast as of December 31, 2013:

In millions of Euro	As of								
	December 31, 2013	2014	2015	2016	2017	2018	2019	2020 and beyond	
Pensions and other Long-Term Employee Benefits	234.5	-	53.2	14.2	9.5	9.9	11.5	136.2	
Tax	6.7	-	5.8	-	-	-	0.9	-	
Litigation	2.3	-	2.3	-	-	-	-	-	
Provisions for Claims Incurred but not Reported	6.2	-	-	-	-	-	-	6.2	
Other Non-Current Provisions	12.1	-	9.4	0.4	0.1	0.1	0.1	2.0	
Total Non-Current Provisions	261.8	-	70.7	14.6	9.6	10.0	12.5	144.4	
Pensions and other Long-Term Employee Benefits	29.9	29.9	-	-	-	-	-	-	
Contingencies related to Contracts ⁽¹⁾	109.2	54.2	24.8	0.1	-	-	-	30.1	
Restructuring	-	-	-	-	-	-	-	-	
Tax	26.6	26.6	-	-	-	-	-	-	
Litigation	2.7	2.7	-	-	-	-	-	-	
Provisions for Claims	1.6	1.6	-	-	-	-	-	-	
Other Current Provisions	50.9	50.9	-	-	-	-	-	-	
Total Current Provisions	220.9	165.9	24.8	0.1	-	-	-	30.1	
TOTAL PROVISIONS	482.7	165.9	95.5	14.7	9.6	10.0	12.5	174.5	

(1) Provisions for contingencies related to contracts which maturity cannot be precisely determined are usually presented in the less than one year category.

The criteria for classifying an asset/liability as "current" or "non-current" in the statement of financial position are described in Note 1-C Accounting rules and policies.

Note 24 – Trade Payables

Trade payables amounted to €2,481.0 million as of December 31, 2013 as compared to €2,094.5 million as of December 31, 2012.

Trade payables are non-interest bearing liabilities. Their maturities are linked to the operating cycle of contracts. As of December 31, 2013, trade payables with a maturity of less than 12 months amounted to €2,461.4 million.

Note 25 – Other Liabilities (Current and Non-Current)

Other current and non-current liabilities are as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Wages and Salaries	278.9	275.1
Social Security Costs	68.1	66.9
Other Tax Payables	126.9	166.7
Deferred Income	36.7	47.5
Accruals on Completed Contracts ⁽¹⁾	183.4	365.4
Current Accounts on Joint Ventures Contracts	29.3	45.1
Advances Received ⁽²⁾	580.2	489.7
Other	58.5	77.5
Total Other Current Liabilities	1,362.0	1,533.9
Payables on Fixed Assets	61.4	54.0
Subsidies	11.4	9.4
Other	2.0	12.8
Total Other Non-Current Liabilities	74.8	76.2
TOTAL OTHER LIABILITIES	1,436.8	1,610.1

(1) When the contract is completed, accrued liabilities may be recorded to cover pending expenses until the client signs the final acceptance (see Note 1-C (b) – Long-term contracts).

(2) Includes advances received and deferred income on contracts recorded in accordance with IAS 18, not identified as construction contracts.

The breakdown between current and non-current liabilities is detailed in Note 1-C Accounting rules and estimates. The portion of current liabilities with a maturity of less than 12 months amounted to €1,267.2 million as of December 31, 2013.

Note 26 – Financial Instruments

In compliance with IFRS 7, information disclosed on financial instruments is as follows:

(a) Financial Assets and Liabilities by Category

Financial assets and liabilities break down as follows:

As of December 31, 2013							
Analysis by category of financial Instruments							
In millions of Euro	Carrying Amount	At Fair Value through P&L	Loans and Receivables	Available-for-Sale Financial Assets	Liabilities at Amortized Cost	Derivative Instruments	Fair Value
Investments in Non-Consolidated Companies	6.7	6.7	-	-	-	-	6.7
Other Financial Assets	65.7	-	65.7	-	-	-	65.7
Available-for-Sale Financial Assets	105.3	-	-	105.3	-	-	105.3
Derivative Financial Instruments	123.4	-	-	-	-	123.4	123.4
Trade Receivables	1,745.2	-	1,745.2	-	-	-	1,745.2
Current Income Tax Receivables	102.1	-	102.1	-	-	-	102.1
Other Current Receivables	470.6	-	470.6	-	-	-	470.6
Cash and Cash Equivalents	3,241.0	3,241.0	-	-	-	-	3,241.0
TOTAL ASSETS	5,860.0	3,247.7	2,383.6	105.3	-	123.4	5,860.0
Non-Current Financial Debts	2,403.4	-	-	-	2,403.4	-	2,380.9
Other Non-Current Liabilities	74.8	-	-	-	74.8	-	74.8
Current Financial Debts	174.5	-	-	-	174.5	-	174.5
Trade Payables	2,481.0	-	-	-	2,481.0	-	2,481.0
Derivative Financial Instruments	32.7	-	-	-	-	32.7	32.7
Current Income Tax Payables	165.1	-	165.1	-	-	-	165.1
Other Current Liabilities	1,362.0	-	1,362.0	-	-	-	1,362.0
TOTAL LIABILITIES	6,693.5	-	1,527.1	-	5,133.7	32.7	6,671.0

As of December 31, 2012 restated							
Analysis by category of financial Instruments							
In millions of Euro	Carrying Amount	At Fair Value through P&L	Loans and Receivables	Available-for-Sale Financial Assets	Liabilities at Amortized Cost	Derivative Instruments	Fair Value
Investments in Non-Consolidated Companies	7.8	7.8	-	-	-	-	7.8
Other Financial Assets	65.0	-	65.0	-	-	-	65.0
Available-for-Sale Financial Assets	162.7	-	-	162.7	-	-	162.7
Derivative Financial Instruments	54.3	-	-	-	-	54.3	54.3
Trade Receivables	1,272.8	-	1,272.8	-	-	-	1,272.8
Current Income Tax Receivables	158.5	-	158.5	-	-	-	158.5
Other Current Receivables	513.5	-	513.5	-	-	-	513.5
Cash and Cash Equivalents	2,289.3	2,289.3	-	-	-	-	2,289.3
TOTAL ASSETS	4,523.9	2,297.1	2,009.8	162.7	-	54.3	4,523.9
Non-Current Financial Debts	1,705.7	-	-	-	1,705.7	-	1,813.2
Other Non-Current Liabilities	76.2	-	-	-	76.2	-	76.2
Current Financial Debts	400.4	-	-	-	400.4	-	400.4
Trade Payables	2,094.5	-	2,094.5	-	-	-	2,094.5
Derivative Financial Instruments	38.5	-	-	-	-	38.5	38.5
Current Income Tax Payables	140.5	-	140.5	-	-	-	140.5
Other Current Liabilities	1,533.9	-	1,533.9	-	-	-	1,533.9
TOTAL LIABILITIES	5,989.7	-	3,768.9	-	2,182.3	38.5	6,097.2

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments depending on the valuation methods:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3: inputs which have a significant effect on the recorded fair value and that are not based on observable market data.

Due to their short maturities, the fair value of cash, cash equivalents, trade receivables and trade payables is considered as being equivalent to carrying value, due to their short maturities.

The following table shows a breakdown of financial assets and liabilities valued at fair value by hierarchy:

In millions of Euro	As of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through P&L	-	6.7	-	6.7
Derivative Financial Instruments	-	123.4	-	123.4
Available-for-Sale Financial Assets	105.3	-	-	105.3
ASSETS	105.3	130.1	-	235.4
Financial Liabilities at Fair Value through P&L	-	-	-	-
Derivative Financial Instruments	-	32.7	-	32.7
LIABILITIES	-	32.7	-	32.7

In millions of Euro	As of December 31, 2012 restated			
	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through P&L	-	7.8	-	7.8
Derivative Financial Instruments	-	54.3	-	54.3
Available-for-Sale Financial Assets	162.7	-	-	162.7
ASSETS	162.7	62.1	-	224.8
Financial Liabilities at Fair Value through P&L	-	-	-	-
Derivative Financial Instruments	-	38.5	-	38.5
LIABILITIES	-	38.5	-	38.5

During the financial year 2013, there were no transfer between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

(b) Gains and Losses by Category of Financial Instruments

Gains and losses recorded income statement by category of financial instruments break down as follows:

In millions of Euro	2013					
	Interest	From Subsequent Valuation			Derecognition	Net Gains/ Losses
		At Fair Value	Currency Translation	Impairment / Reversal of Impairment		
Categories of Financial Instruments						
At Fair Value through P&L	51.7	-	-	-	-	51.7
Liabilities at Amortized Cost	(91.8)	-	-	-	-	(91.8)
Derivative Financial Instruments	-	2.8	-	(9.3)	-	(6.5)
TOTAL NET GAINS/(LOSSES)	(40.1)	2.8	-	(9.3)	-	(46.6)

In millions of Euro	2012 restated					
	Interest	From Subsequent Valuation			Derecognition	Net Gains/ Losses
		At Fair Value	Currency Translation	Impairment / Reversal of Impairment		
Categories of Financial Instruments						
At Fair Value through P&L	54.2	-	-	-	-	54.2
Liabilities at Amortized Cost	(94.2)	-	-	-	-	(94.2)
Derivative Financial Instruments	-	15.9	-	(4.7)	-	11.2
TOTAL NET GAINS/(LOSSES)	(40.0)	15.9	-	(4.7)	-	(28.8)

(c) Derivative Financial Instruments

The breakdown by category of derivative financial instruments is as follows:

In millions of Euro	As of December 31,			
	2013		2012 restated	
	Asset	Liability	Asset	Liability
Forward Foreign Exchange Contracts – Fair Value Hedge	7.9	7.8	4.1	1.3
Forward Foreign Exchange Contracts – Cash Flow Hedge	115.5	24.7	50.1	36.8
Forward Foreign Exchange Contracts – not Designated as Hedges for Accounting Purposes	-	0.2	0.1	0.4
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	123.4	32.7	54.3	38.5

The breakdown of gains and losses on derivative financial instruments that affect shareholders' equity in fair value reserves is as follows:

In millions of Euro	2013	2012 restated
Total Gains/(Losses) on Derivative Financial Instruments as Reported in Equity as of January 1	6.2	(66.7)
Fair Value Gains/(Expenses) on Derivative Financial Instruments – Cash Flow Hedge	56.9	72.9
TOTAL GAINS/(LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS AS REPORTED IN EQUITY AS OF DECEMBER 31	63.1	6.2

Analysis of gains and losses on derivative financial instruments that affect the statement of income is as follows:

In millions of Euro	2013	2012 restated
Effectiveness Gains/(Losses) on Fair Value Hedge ^(*)	(7.1)	13.0
Ineffectiveness Gains/(Losses) on Fair Value Hedge	4.4	(4.0)
Ineffectiveness Gains/(Losses) on Cash Flow Hedge	(13.6)	(0.6)
Gains/(Losses) on Economic Hedge not Designated as Hedges for Accounting Purposes	0.1	0.3
TOTAL GAINS/(LOSSES) ON DERIVATIVE INSTRUMENTS AS RECOGNIZED IN STATEMENT OF INCOME	(16.2)	8.7

^(*) Excluding the revaluation of related current receivables and payables.

(d) Offsetting Financial Assets and Financial Liabilities

The analysis of the offsetting financial assets and financial liabilities is as follows:

In millions of Euro	As of December 31, 2013				
	a	b	c	d	e
Financial Assets					
	Gross amount (before offsetting)	Gross amounts set off in the financial statements (according to IAS 32)	Net amounts presented in the financial statements (a-b)	Related amounts not set off in the statement of financial position (not meeting offsetting criteria IAS 32)	Net amount (c-d)
				Financial instruments	Fair value of the financial collateral
DERIVATIVES	123.4	-	123.4	22.9	-
					100.5

In millions of Euro	As of December 31, 2013				
	a	b	c	d	e
Financial Liabilities					
	Gross amount (before offsetting)	Gross amounts set off in the financial statements (according to IAS 32)	Net amounts presented in the financial statements (a-b)	Related amounts not set off in the statement of financial position (not meeting offsetting criteria IAS 32)	Net amount (c-d)
				Financial instruments	Fair value of the financial collateral
DERIVATIVES	32.7	-	32.7	22.9	-
					9.8

Note 27 – Payroll Staff

Technip has a workforce of 39,000 people, in 48 countries, including an average of 6,400 contracted workforce integrated in operating teams.

Note 28 – Related Parties Disclosures

(a) Transactions with Related Parties

IFP Énergies nouvelles (IFP) is represented on Technip's Board of Directors. Its percentage of ownership amounted to 2.50% as of December 31, 2013 and 2.50% as of December 31, 2012.

Technip paid IFP a royalty in respect of an agreement for research cooperation on offshore deepwaters. This royalty is determined under arm's length conditions and amounted to €3.3 million in 2013 and €3.1 million in 2012. The amount paid to IFP was €3.8 million in 2013 and €2.6 million in 2012.

(b) Assets and Liabilities, Income and Expenses with Respect to Associates in Joint Ventures

Credits and debts towards associates in joint ventures are as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Trade Receivables	3.1	6.0
Trade Payables	2.7	14.8
NET TRADE RECEIVABLES/ (PAYABLES)	0.4	(8.8)

Income and expenses generated with associates in joint ventures are as follows:

In millions of Euro	As of December 31,	
	2013	2012 restated
Income	3.5	39.1
Expenses	(8.6)	(21.8)

(c) Compensation of the Chairman and Chief Executive Officer

The compensation of the Company's Chairman and Chief Executive Officer is determined by the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee (article 23.1 of the AFEP-MEDEF Code).

Every year, Technip retains external and independent consultants, who are chosen by the Nominations and Remunerations Committee, to analyze the following market practices:

1. CAC40 companies excluding financial companies (34 companies in 2013)
2. Industrial and engineering companies belonging to CAC40 and SBF80 (31 companies in 2013)
3. European oil companies (nine companies in 2013) and
4. US oil companies based in Texas (20 companies in 2013).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2013, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to 1,765,341.0 (see Section 15.1.1, Table 2, for further details).

The variable portion of compensation is based on the fixed compensation for the previous year. For 2013, the target variable portion is equal to 100% of the annual base compensation. In accordance with Article 23.2.3 of the AFEP-MEDEF Code, the variable portion of the compensation is subject to precise and predetermined objectives. 70% of the target variable portion is linked to the financial performance of the Group (quantitative criteria) and 30% is linked to the achievement of individual objectives (qualitative criteria). These objectives are directly linked to Technip's strategy and cannot be disclosed for confidentiality reasons.

The share of the variable portion is linked with a financial target (70% of the total) and broken down into two objectives:

- up to 50% on the Group operating income budgeted for 2013: the share of the variable portion is (i) nil if real performance is below 80% of the budgeted amount (minimum level), (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount, (iii) between 100% and 140% for a performance equal to 100% to 110% of the budgeted amount, (iv) between 140% and 160% for a performance equal to 110% to 120% of the budgeted amount and (v) between 160% and 200% for a performance equal to 120% to 125% of the budgeted amount (maximum level); and
- up to 20% on the percentage of gross margin on order intake: the share will be: (i) nil if real performance is below 80% of the budgeted amount (minimum level), and (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount (maximum level).

The share of the variable portion corresponding to the individual objectives is composed as follows:

- Strategic criteria linked to the strategic development of the Group and to Quality;
- HSE criteria which is key to the Group;
- Criteria linked to human resources such as gender diversity, management and talents development, succession plan.

If the Group current operating income achieved is superior to the budgeted objective, a multiplier rate is calculated, up to a maximum of 2. It is then applied to the other variable portion criteria to calculate the final variable share for 2013, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2013 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	Financial objectives (OIFRA, gross margin on order intake)	0 to 200%	100 - 110%	71.4%	€642,600
30%	Individual objectives	0 to 100%	80%	24%	€215,730
100%				95.4%	€858,330

The variable portion due to Thierry Pilenko for financial year 2013 is thus €858,330 and will be paid in 2014.

Furthermore, on June 14, 2013, the Board of Directors resolved that Thierry Pilenko may benefit from a deferred compensation equal to, at a maximum, 20% of his gross annual fixed compensation. This deferred compensation may be paid to him in 2016 at the double condition (i) that he is still in the Group and (ii) that performance conditions of the Group are achieved. The performance will be measured by the progression and achievement by Technip, over the financial years 2013, 2014 and 2015, of satisfactory performance in relation to Health/Security/Environment (HSE), Operating Income From Recurring Activities (OIFRA) and Order Intake.

Thierry Pilenko does not receive any directors' fees for the positions he holds as a director of the Company or in the Group companies.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, there is no specific retirement plan for Thierry Pilenko as the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer is a beneficiary of the supplementary retirement plan for Group executives, with fixed contributions of 8% of gross annual compensation paid up to the 3rd tranche, *i.e.*, eight times the annual French Social Security ceiling. The contribution for 2013 amounted to €23,700.

The Chairman and Chief Executive Officer also benefits from the Company's existing supplementary retirement plan for Executive Committee (Excom) members: a retirement income guarantee of 1.8% per year of service, on the 4th tranche of gross annual compensation paid, *i.e.*, exceeding eight times the French Social Security ceiling, which is compliant with the conditions established by Article 23.2.6 of the AFEP-MEDEF Code. In order to be eligible for the retirement plan, the minimum seniority to be taken into account is five years as Excom members, up to a limit of 15 years. The amount of gross compensation to which this retirement income guarantee applies corresponds to the average of the gross compensation, paid over the five financial years preceding the date of departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability (as defined under French law); a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence (*faute grave* or *faute lourde*) on his part and that no professional activity is resumed between leaving the Company and receiving a pension under the general French Social Security scheme.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, the annual replacement ratio at retirement should not be higher than 45% of the reference income. The ratio for Thierry Pilenko complies with this condition.

In this last case, by exception, the Company did not maintain the presence condition considering that the requirement for no professional activity was sufficiently restrictive.

50,000 share subscription options and 30,000 performance shares were granted to Thierry Pilenko over financial year 2013 corresponding to 0.07% of the share capital as of the General Meeting on April 25, 2013 (see Section 15.1.1, Tables 4 and 6, for further details).

In financial year 2013, Thierry Pilenko exercised 105,107 share purchase options (Table 5). It should be noted that the compensation policy for the Chairman and Chief Executive Officer, who is the only executive director (*dirigeant mandataire social*), is at risk: 100% of the granted shares, options and differed compensation is subject to performance conditions.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares and stock options which have been granted since 2007 corresponding to 25% of the realized net gain, thus complying with Article 23.2.1 of the AFEP-MEDEF Code.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, on acquisition of performance shares, Thierry Pilenko will be required to purchase a number of shares of the Company corresponding to 5% of the acquired performance shares. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

Thierry Pilenko is not a beneficiary of any share subscription warrants issued by the Company or any other company of the Group.

At the time of the renewal of Thierry Pilenko as Chairman of the Board of Directors during the meeting of the Board of Directors of April 28, 2011, it was decided to maintain the preexisting principles in the Company relating to a worldwide non-compete agreement for a 24-month period. According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation is the best gross annual compensation paid over the last three years.

(d) Compensation and retirement commitments of the Group's principal executives

In 2013, the total amount of all direct and indirect compensation paid by the Group's French and foreign companies to all of the Group's principal executives on payroll partly or totally during the year 2013 (*i.e.*, the six members of the Excom of the Group) amounted to €4,730,926. The variable portion represented 47.8% of the overall amount.

The charges relating to share purchase and share subscription options, as well as performance shares, granted to the Company's executive officers, and accounted for in 2013, amounted to €6.5 million.

In 2013, payment made by Group companies under supplementary retirement plans applicable to the principal executives discussed above amounted to €0.2 million. The recorded expense related to the retirement income guarantee plan for Executive Committee members amounted to €1.2 million in 2013.

As of December 31, 2013, the amount for retirement commitments for Executive Committee members amounted to €6.4 million.

Note 29 – Board of Directors compensation

The Shareholders' Meeting of April 25, 2013 set the amount of directors' fees allocated to members of the Board of Directors at €800,000 for each of financial years 2013, 2014 and 2015. The amount actually paid in 2013 was €760,165. In accordance with the recommendations of the AFEP-MEDEF Code, directors' fees include a variable portion to be paid depending on the attendance rate at meetings of the Board and its Committees (Article 21.1 of the AFEP-MEDEF Code).

The amount of directors' fees (*jetons de présence*) for financial years 2012 and 2013 which were paid to each of the Board members are detailed in Table 3 of Section 15.1.1 of this Reference Document.

The Board of Directors of December 10-11, 2013 approved the following distribution of directors' fees for 2013:

- a fixed amount of €480,000 divided equally among Board members (with the exception of the Chairman and Chief Executive Officer (CEO) who does not receive directors' fees from the Company and its subsidiaries) *i.e.* €40,000 per director, adjusted, if needed, on a prorata basis;
- an additional amount of €1,500 per Board meeting distributed among directors (other than the Chairman and CEO), depending on the attendance rate of the Board members for 2013, plus €500 when the attendance to the meeting requires travel within a continent or plus €2,000 when the attendance to the meeting requires transoceanic or transcontinental travel;

- an additional amount, for 2013, distributed among directors, depending on the attendance rate of the directors to the meetings of the Committees (other than the Chairman and CEO) as follows:

- €1,500 per meeting of the Strategic Committee, the Nominations and Remunerations Committee, the Ethics and Governance Committee, with a supplementary amount of €8,000 for each of the Chairmen of these three Committees, adjusted, if needed, on a prorata basis,
- €2,000 per meeting of the Audit Committee with a supplementary amount of €12,000 for the Chairman of this Committee, adjusted, if needed, on a prorata basis,
- €10,000 for the Senior Independent Director, adjusted, if needed, on a prorata basis.

During 2013, the gross amount of compensation and benefits of all kinds paid by Technip to the members of the Board of Directors was €1,765,341.0.

Note 30 – Joint Ventures

According to the standard IAS 31 "Interests in joint ventures", a joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. As of December 31, 2013, the Group is mainly involved in two types of joint arrangements: those set up for the purpose of fulfilling a defined construction contract and those set up to build and operate flexible pipeline installation vessels (PLSVs).

The list of entities participating in joint ventures corresponds to those affiliates that are consolidated under the proportional method with the following exceptions: Technip South Africa, Tipiel, Deep Oil Technology Inc., Spars International Inc., Petroinvest, Technip Thailand, Technip MHB Hull Engineering Sdn Bhd.

The following amounts represent Technip's accumulated share of the assets, liabilities, income and expenses related to all joint ventures of the Group. These amounts are included in Technip's statement of financial position and statement of income:

In millions of Euro	As of December 31,	
	2013	2012 restated
Non-Current Assets	174.8	133.9
Current Assets	427.9	170.6
Total Assets	602.7	304.5
Non-Current Liabilities	192.0	165.3
Current Liabilities	353.8	228.5
Total Liabilities	545.8	393.8
NET ASSETS	56.9	(89.3)

In millions of Euro	2013	2012 restated
Income	566.8	223.4
Expenses	(519.1)	(79.8)
NET INCOME AFTER TAX	47.7	143.6

Current assets mainly include cash and cash equivalents; current liabilities include trade payables, construction contracts – amounts in liabilities, and current accounts with associated companies.

Note 31 – Off-Balance Sheet Commitments

(a) Off-Balance Sheet Commitments Related to Group Operating Activities

The following table illustrates the breakdown of off-balance sheet commitments per maturity:

In millions of Euro	As of December 31,				2012 restated
	2013				
	Amounts of Commitments by Maturity Date				
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Operating Leases	264.7	725.1	595.7	1,585.5	1,149.6
TOTAL CONTRACTUAL COMMITMENTS	264.7	725.1	595.7	1,585.5	1,149.6

In millions of Euro	As of December 31,				2012 restated
	2013				
	Amounts of Commitments by Maturity Date				
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Commitments Given related to the Execution of Operating Contracts	920.1	3,188.6	1,554.4	5,663.1	4,328.1
Parent Company Guarantees	25,390.9	17,216.5	4,086.2	46,693.6	41,543.9
TOTAL COMMITMENTS GIVEN RELATED TO OPERATING ACTIVITIES	26,311.0	20,405.1	5,640.6	52,356.7	45,872.0

In millions of Euro	As of December 31,				2012 restated
	31, 2013				
	Amounts of Commitments by Maturity Date				
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Other Commitments Received related to Operating Activities	329.5	291.7	111.7	732.9	610.3
TOTAL COMMITMENTS RECEIVED RELATED TO OPERATING ACTIVITIES	329.5	291.7	111.7	732.9	610.3

Operating leases and capital leases

The Group leases various equipment, vessels and buildings, mainly under lease contracts that will end within the next ten years. It is likely that the Group will have to renew or to replace them. The Group does not have any assets subject to a capital lease.

At year-end 2013, the rental expense amounted to €240.3 million compared to €215.0 million in 2012.

Guarantees related to operating activities

Commitments given relate mainly to guarantees or counter-guarantees given by banks and insurance companies to various customers in connection with ongoing contracts in order to secure due and proper performance of the contracts or following the payment of retention guarantees and advance billings (€5,663.1 million as of December 31, 2013).

Furthermore, parent company guarantees given by Technip or its affiliates to clients cover the due and proper performance of the specified construction contracts for which the average expiration period until the release of the commitment guarantees is approximately 5 years. The amounts disclosed under the parent company guarantees, which stand at €46,693.6 million as of December 31, 2013, include the portion of contract allocated to the Group's joint ventures partners. The latter amounts are neither decreased

according to project percentage of completion, nor reduced by the amount of parent company guarantees received from Technip's partners in these joint ventures, same partners for which Technip issues parent company guarantees.

As of December 31, 2013, the parent company guarantees issued by Technip for contracts outside the scope of a joint venture amount to €19,249.1 million.

The following table illustrates the breakdown of €27,444.5 million of parent company guarantees issued by Technip as of December 31, 2013, in respect of joint venture contracts, according to the Group's percentage of ownership in these joint ventures.

In millions of Euro	As of December 31,				2012 restated
	2013				
	Allocation as per % of Technip's Ownership in Joint Ventures				
	Less or equal to 25%	Greater than 25% and less or equal to 40%	Greater than 40%	Total	Total
Parent Company Guarantees Given within <i>Joint Ventures</i>	4,313.4	14,687.4	8,443.7	27,444.5	24,916.9

Commitments received relate mainly to similar guarantees obtained from suppliers or subcontractors in connection with ongoing contracts.

(b) Off-Balance Sheet Commitments Related to Group Financing

The following table illustrates the breakdown of off-balance sheet commitments related to Group financing:

In millions of Euro	As of December 31,				2012 restated
	2013				
	Amounts of Commitments per Period				
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Other Commitments Given related to Financing	-	-	1,020.0	1,020.0	448.8
TOTAL COMMITMENTS GIVEN RELATED TO FINANCING	-	-	1,020.0	1,020.0	448.8

In millions of Euro	As of December 31,				2012 restated
	2013				
	Amounts of Commitments per Period				
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Credit Lines Received but not Used	92.6	1,588.7	-	1,681.3	1,461.7
TOTAL COMMITMENTS RECEIVED RELATED TO FINANCING	92.6	1,588.7	-	1,681.3	1,461.7

(c) Off-Balance Sheet Commitments Related to Group Scope of Consolidation

There is no significant commitment related to the Group scope of consolidation.

Note 32 – Litigation and contingent liabilities

(a) Litigation

As of the date hereof, there have been no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Company is aware) over the previous 12 months, which may have, or have had a significant impact on the Group's financial position or profitability.

(b) Contingent Liabilities

Individual training right

The law of May 4, 2004 provides that French company employees have the right to receive individual training, (the *Droit Individuel à la Formation*: Individual Training Right) of at least 20 hours per year, which can be accumulated over six years. At the end of the sixth year, the rights will be capped at 120 hours even if the hours have not been utilized by the employee. In accordance with Notice 2004-F of October 13, 2004 issued by the Emergency Committee of the French national accounting standards body (the *Conseil national de la comptabilité*), which advises on the proper accounting for DIF, expenses are recognized during the financial year and do not require the recognition of a liability. They constitute the remuneration of a future service and not a past one. The Group has maintained this French method for accounting for DIF under IFRS given that the debt is uncertain, *i.e.* the employee could ask to use this right but is not obliged to and may in fact never request it.

In some specific cases, these expenses could not be considered as a future service: for example when an employee has resigned and asks to use his training rights during his notice period.

In 2013, in French entities of the Group, one resigning employee asked for this right. No employee has a conflict with the Group on the subject.

Accumulated unused individual staff training rights amounted to 306,000 hours as of December 31, 2013.

In addition, the lifelong professional training agreement of the main French subsidiary offers training opportunities in five different topics: technical skills, office application IT, management and communication, quality and HSE, and languages; these trainings opportunities are open to all employees. Technip spends around 4.5% of its payroll on training costs (that is around 2.9% more than the 1.6% required by the law). Each year, around 65% of employees attend at least one training session.

Note 33 – Market Related Exposure

(a) Liquidity Risk

As of December 31, 2013, Standard & Poor's corporate credit rating for Technip was BBB+/Stable/A-2.

Technip's business generates negative working capital requirements. The contractual terms and conditions for payment are negotiated between the Group's entities and their clients, suppliers or subcontractors for the completion of projects. These terms and conditions provide the Group's entities with cash resources and are reflected in the accounts, in particular the consolidated accounts, by a negative working capital requirement.

- Technip's financing needs are met pursuant to a Group policy implemented by the Finance and Control Division.
- Cash management is centralized at the head office and coordinated through finance departments located in the Group's main operating subsidiaries.

Technip Eurocash SNC, a French general partnership (*société en nom collectif*), acts to centralize cash pooling for the Group's main entities, in compliance with applicable laws and regulations in each of the relevant countries. Technip Eurocash SNC has entered into cash pooling agreements with most of the Group's subsidiaries to consolidate surplus cash and to meet their needs, except where local economic and financial considerations have required recourse to external local debt.

- As of December 31, 2013, the Group had multiple sources of finance whether for its general corporate needs or for financing new assets or operations.

2010 Private placement notes

On July 27, 2010, Technip received the proceeds of the €200 million private placement notes in accordance with contractual terms and conditions agreed on November 19, 2009. The purpose of this private placement was a partial refinancing of the 2004-2011 bond issue, which was repaid at its maturity date of May 26, 2011. The notes have a 10-year term commencing on July 27, 2010 and an annual coupon of 5%. This placement includes the usual covenants and default provisions that are standard for this type of bond issue and does not include any financial ratios. These notes are listed on the Luxembourg Stock Exchange.

2010-2016 Convertible bond

On November 17, 2010, Technip issued 6,618,531 bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million. The bonds will be redeemed at par value on January 1, 2016, except in the event of an early conversion, exchange or redemption. Bondholders have the option to convert their bonds into shares at any time at the ratio of one share for one bond. In addition, the Group has the option to call for the early redemption of all outstanding bonds at any time on or after the third anniversary of the issue date for a price at par value plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

The nominal value of each bond was set at €83.10. The bonds are listed on the Euronext Paris market.

The bonds bear interest at an annual rate of 0.50% payable annually in arrears on January 31 of each year, *i.e.*, €0.42 per year and per bond.

The main purpose of the convertible bond issue was to partially refinance the 2004-2011 bond issue, as well as to secure long-term financing to cover the Group's recent investments.

The bonds are convertible into or exchangeable for new or existing Technip shares at the ratio of one share per bond, subject to future anti-dilution adjustments as described in the documentation, *i.e.*, the *Note d'opération* approved by the AMF on November 9, 2010 under No.10-392.

The bond issue was rated BBB+ by Standard & Poor's. The *Note d'opération* includes covenants and default clauses standard for this type of bond issue, and does not include any financial ratios. The issue provides that in the event of a change of control of Technip, any bondholder may, at its sole option, request early redemption in cash of all or part of the bonds it owns.

As of the date of the issue of the bonds, the debt booked as non-current financial debt in the statement of financial position amounted to the fair value of the debt component. The fair value of the debt component is decreased by a proportion of the expenses related to the issue. The difference between the nominal value of the OCEANE and the fair value of its debt component is recorded as shareholders' equity. As of December 31, 2013, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €521.7 million and the amount booked as shareholders' equity amounted to €63.3 million. Please see Note 21 (b) in Section 20.1 of this Reference Document.

2011-2017 Convertible Bond

On December 15, 2011, Technip issued 5,178,455 bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for approximately €497.6 million. The bonds will be redeemed at par value on January 1, 2017, except in the event of an early conversion, exchange or redemption. Bondholders have the option to convert their bonds into shares at any time at the ratio of one share for one bond. In addition, the Group has the option to call for early redemption of all outstanding bonds at any time on or after the third anniversary of the issue date for a price at par value plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

The nominal value of each bond was set at €96.09. The bonds are listed on the Euronext Paris market.

The bonds bear interest at an annual rate of 0.25% payable annually in arrears on January 31 of each year, *i.e.* approximately €0.24 per year and per bond. The first coupon payment on January 31, 2013 amounted to approximately €0.03 per bond.

The main purpose of the convertible bond issue was to partially replenish the Group's cash balances following the payment of Global Industries, Ltd shares for USD936.4 million in December 2011.

The bonds will be convertible into or exchangeable for new or existing Technip shares at the ratio of one share per bond, subject to future anti-dilution adjustments as described in the documentation, *i.e.*, the "*Note d'opération*" approved by the AMF on December 7, 2011 under No.11-562.

The bond issue was rated BBB+ by Standard & Poor's. The "*Note d'opération*" includes standard covenants and default clauses for this type of bond issue and does not include any financial ratios. The issue provides that in the event of a change of control of Technip, any bondholder may, at its sole option, request the early redemption in cash of all or part of the bonds it owns.

As of the date of the issue of the bonds, the debt booked as non-current financial debt in the statement of financial position amounted to the fair value of the debt component. The fair value of the debt component is decreased by a proportion of the expenses related to the issue. The difference between the nominal value of the OCEANE and the fair value of its debt component is recorded as shareholders' equity. As of December 31, 2013, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €450.0 million and the amount booked as shareholders' equity amounted to €73.1 million. Please see Note 21 (b) in Section 20.1 of this Reference Document.

2012 Private placement notes

In June 2012, Technip concluded three long-term private placement notes, each subscribed by a different investor, for an aggregate amount of €325 million. These bond issues consist of:

- €150 million 10-year private placement notes concluded on June 14, 2012, with an annual coupon of 3.40% payable annually in arrears on June 14 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the market NYSE Euronext Paris;
- €75 million 15-year private placement notes concluded on June 15, 2012, carrying an annual coupon of 4.0% payable annually in arrears on June 15 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the market NYSE Euronext Paris; and
- €100 million 20-year private placement notes concluded on June 14, 2012, with an annual coupon of 4.0% payable annually in arrears on June 14 of each year. These private notes are listed on the Frankfurt Stock Exchange.

These private placements are part of the general management of the Group's cash and liabilities and raise funds for general corporate purposes.

The *Notes d'opération* of these private placement notes include standard covenants and default clauses for these types of bond issues, and do not include any financial ratios. The issues provide that in the event of a change of control of Technip and a corresponding rating downgrade of the notes below BBB- deemed to have occurred in respect of that change of control, any bondholder may, at its sole option, request the early redemption of all the bonds it owns.

2013 Private placement notes

In October 2013, Technip concluded three long-term private placement notes, each subscribed by different investors, for an aggregate amount of €355 million. These bond issues consist of:

- €100 million 20-year private placement notes concluded on October 7, 2013, with an annual coupon of 3.75% payable annually in arrears on October 7 of each year;
- €130 million 10-year private placement notes concluded on October 16, 2013, with an annual coupon of 3.15% payable annually in arrears on October 16 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the Luxembourg Stock Exchange; and
- €125 million 10-year private placement notes concluded on October 18, 2013, carrying an annual coupon of 3.15% payable annually in arrears on October 18 of each year. These private notes are listed on the Luxembourg Stock Exchange.

These private placements are part of the general management of the Group's cash and liabilities and raise funds for general corporate purposes.

The *Notes d'opération* of these private placement notes include standard covenants and default clauses for these types of bond issues, and do not include any financial ratios. The issues provide that in the event of a change of control of Technip and a corresponding rating downgrade of the notes below BBB- deemed to have occurred in respect of that change of control, any bondholder may, at its sole option, request the early redemption of all the bonds it owns.

Skandi Arctic financing

In March 2009, Doftech DA (a 50% owned subsidiary of Technip) entered into a NOK1 billion facility agreement for the financing of the *Skandi Arctic* vessel. This facility will be reimbursed in 24 equal semi-annual installments from September 16, 2009 to March 16, 2021. As of December 31, 2013, the facility, fully drawn, amounted to NOK625.0 million following semi-annual payments commencing on September 16, 2009.

One tranche of the facility, corresponding to 70% of the total amount is granted at a fixed rate of 5.05% by the Norwegian financing institution Eksportfinans and benefits from a guarantee by GIEK. The other tranche of the facility is granted at a floating rate by a commercial bank.

This credit facility is guaranteed jointly, but not severally, by Technip Offshore International and by the ultimate parent company of the other shareholder of Doftech DA, on an equal basis. The credit facility also benefits from a mortgage over the *Skandi Arctic* vessel.

This credit agreement includes the covenants and default provisions that are standard for this type of credit agreement and does not include any financial ratios.

Skandi Vitória financing

In April 2010, the Brazilian subsidiary Dofcon Navegação, a 50% owned subsidiary of Technip, and *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) entered into two loan agreements for a total amount of USD240 million with a fixed interest rate of 3.09% which has increased to approximately USD244 million (by capitalization of interest up until December 31, 2010), for the financing of the *Skandi Vitória* vessel.

The two loans will be reimbursed in 204 equal monthly installments from January 10, 2011 until December 10, 2027. As of December 31, 2013, the facility amounted to USD198.5million following the installments repaid since January 2011. Each of the loans is secured by joint and several guarantees given by Technip and the ultimate parent company of the other shareholder of Doftech Navegação and over a mortgage on the *Skandi Vitória* vessel.

The loan agreements include covenant and default provisions that are standard for such facilities with BNDES, including a covenant that the loan amount does not exceed an amount such that the estimated value of the *Skandi Vitória* is greater than or equal to 110% of the loan amount.

Skandi Niterói financing

On May 5, 2011, the Brazilian subsidiary Dofcon Navegação, a 50% owned subsidiary of Technip, and *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) entered into two loan agreements for an initial total amount of USD136.5 million with a fixed interest rate of 3.40% *p.a.*, for the financing of the *Skandi Niterói* vessel.

The first loan of USD105.5 million will be reimbursed in 210 equal monthly installments from July, 2011 until December, 2028. The second loan of USD31 million will be reimbursed in 204 equal monthly installments from January, 2012 until December, 2028. As of December 31, 2013, the facilities amounted to USD118.0 million following successive installments repaid since July 2011 and January 2012 in accordance with the terms of the loans.

Each of the loans is secured by joint and several guarantees given by Technip and the ultimate parent company of the other shareholder of Dofcon Navegação and by a mortgage over the *Skandi Niterói* vessel.

The loan agreements include covenants and default provisions that are standard for such facilities with BNDES, including a covenant that the loan amount does not exceed an amount such that the estimated value of the *Skandi Niterói* is greater than or equal to 110% of the loan amount.

Two 550-ton laying tension capacity pipelay support vessels (PLSVs) financing

On April 16, 2013, Technip Odebrecht PLSV CV, a limited partnership, formed between entities fully owned, directly and indirectly, by Technip and Odebrecht Oil & Gas (each holding 50% of the partnership), signed a USD584 million credit agreement as borrower, with several international banks and Eksportkreditt Norge AS (Norway) acting as lenders.

The purpose of the limited recourse credit agreement is for the borrower, as owner, to partially finance the construction of the two flexible pipeline installation vessels, for which, in May 2012, the borrower and a consortium between Technip Brazil (a subsidiary fully owned, directly and indirectly, by Technip) and its partner in the joint venture respectively signed two charter and service agreements with *Petróleo Brasileiro S.A. (Petrobras)* for a fixed period of five years, with an option to extend the agreements for five additional years by mutual consent.

The credit facility comprises three tranches: (a) a USD468.8 million commercial tranche, (b) a USD88 million Korea Trade Insurance Corporation (K-Sure) Tranche which is to be lent by a number of the international banks under insurance by K-Sure, and (c) a USD27.2 million *Garantiinstituttet for eksportkreditt* (GIEK) Tranche to be lent by Eksportkreditt Norge AS which will be guaranteed by GIEK (Norway), the last two tranches being available on delivery of the first vessel.

The interest rate of the GIEK tranche is a 2.4% *p.a.* fixed rate plus the annual GIEK premium. The interest rates of the commercial tranche and K-Sure tranche are based on floating interest rates.

In June 2013, the interest rate with respect to a USD422.7 million notional amount of the credit was hedged, with a forward start on September 30, 2013, until March 31, 2020, to comply with a covenant to fix the interest rate of at least 75% of the floating interest rate tranche within 120 days after signature of the contract.

The credit will be repaid over the first five years, starting from the earlier of (i) six months after commencement of operations by the second vessel and (ii) September 30, 2015, and is based on a 12-year semi-annual amortization profile, including a principal repayment amount equal to 58.33% of the credit amount to be made immediately after the earlier of (i) the 10th semi-annual repayment and (ii) March 31, 2020, or subject to certain conditions three months after such applicable date. Subject to the approvals at the end of the first five years, pursuant to certain criteria, as determined by K-Sure or GIEK and by the lenders involved in the respective tranches, the repayment of the amounts due after the 10th semi-annual repayment under the K-Sure Tranche or the GIEK Tranche respectively could be extended over the following five years in accordance with the original 12-year semi-annual amortization profile of these tranches, including a principal repayment amount equal to 16.67% of the credit amount and to be made no later than three months after the 20th semi-annual repayment.

Subject to similar approvals at the end of the first ten years, the repayment of the amounts due after the 20th semi-annual repayment, if any, under the K-Sure Tranche or the GIEK Tranche respectively could be extended over the following two years in accordance with the original 12-year semi-annual amortization profile of these tranches, with a final maturity date of no later than March 31, 2027.

The credit includes a number of commitments severally made by entities fully owned, directly and indirectly, by Technip and by its partner in the joint venture, which are customary for limited recourse financing.

Each of Technip Ships (Netherlands) B.V. and Technip's partner in the joint-venture undertakes severally to provide their respective 50% share in (i) the USD146 million equity amount to be paid up prior to any drawing under the credit to Technip Odebrecht PLSV CV to maintain a projected minimum equity to debt ratio of 20:80 and (ii) the required amount, estimated as of December 31, 2013 at USD59.7 million, to be deposited in reserve accounts to be initially partially funded prior to the delivery of the first vessel, and entirely funded on the earlier of (i) six months after the commencement of operations by the second vessel and (ii) March 31, 2015.

Each of Flexibras and Technip's partner in the joint-venture undertakes severally to provide their respective 50% share in the payment to the joint-venture (i) of the additional equity contribution to the Partnership to cover potential cost overrun up to USD109.5 million in excess of the cost, as agreed with the lenders, to complete the vessels and (ii) of the 58.33% principal repayment amount to be made under each tranche of the credit after the 10th semi-annual repayment has been made, an amount up to USD340.6 million plus accrued interests then due, or thereafter (iii) if applicable, of the 16.67% principal repayment amount to be made under the K-Sure Tranche or of the GIEK Tranche after the 20th semi-annual repayment is made, an amount up to USD19.2 million plus accrued interests then due.

The credit will be secured by mortgages over the two vessels owned by the borrower; by pledges of its other assets (including several bank accounts); by assignment of its contracts including the charter agreements; by the pledge of some dedicated bank accounts of the consortium between Technip Brazil and Technip's partner in the joint venture; and by the assignment of the service agreements entered into by the consortium with Petrobras.

The credit agreement includes a financial covenant to maintain on every semi-annual repayment date, the ratio of the project cash flow before interest and after tax over the debt service paid in principal and interest for the last 12 months ("the debt service cover ratio") equal to or higher than 1.15x.

Dividends may be made by the borrower from the first anniversary of the date of commencement of operations by the second vessel, until the eighth semi-annual repayment (unless the repayment schedule of the K-Sure tranche or the GIEK tranche has been extended at the end of the first five (or 10 years), in the absence of default and if the most recently calculated debt service cover ratio was equal to or higher than 1.2x.

The credit agreement includes other covenants and default provisions that are standard for this type of project finance agreement.

The first drawing on the commercial tranche of the credit was made on May 16, 2013, and in part used to repay in full the USD84.1 million outstanding principal amount and USD5 million accrued interest due under a USD90 million Bridge Loan Agreement. The Bridge Loan Agreement, which had been extended with several guarantees by Flexibras and Technip's partner in the joint venture (each holding 50%) on behalf of the borrower in favor of the commercial bank acting as credit agent, was then terminated.

As of December 31, 2013 the outstanding amount of the commercial tranche of the credit was USD118.8 million.

Açuflex plant financing

On September 2, 2013, Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, met the last condition subsequent to the signing on December 18, 2012 of a loan agreement entered into with *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES) for a total amount of BRL485 million, dedicated to the financing of the construction of the new Açuflex flexible pipes plant located in the Açu harbor in Brazil.

Part of the loan is granted at a floating interest rate, while 37% of the total amount is granted at a fixed rate of 2.5%.

The loan will be reimbursed in 96 equal monthly installments from January 15, 2015 until December 15, 2022.

The loan agreement includes covenants and default provisions that are standard for such facilities with BNDES excluding any financial ratios. The loan is secured by a guarantee from Technip and is not secured by any asset.

As of December 31, 2013, the outstanding amount of the loan was BRL235 million.

Banco Nacional de Desenvolvimento Econômico e Social (BNDES) facilities

As of December 31, 2013, Flexibras Tubos Flexiveis had seven separate loans pursuant to agreements entered into between August 2012 and April 2013 for a total amount of BRL400 million, to sustain the pre-financing of its export operations.

Each facility was entered into on behalf of BNDES in connection with BNDES financing. The seven loan agreements include the standard default provisions for such facilities with BNDES and do not include any financial ratios.

As of December 31, 2013, these fixed-rate loans were fully drawn and consisted of:

- two separate loan agreements for a total amount of BRL85 million entered into in August 2012, each with different commercial banks (each facility of BRL50 million and BRL35 million, respectively). Both facilities have a single redemption date of September 15, 2015;
- three separate loan agreements for a total amount of BRL115 million, each concluded with different commercial banks in November 2012. Two facilities of BRL32.5 million each have a single redemption date of November 15, 2015. The facility of BRL50 million has a redemption date of December 15, 2015; and
- two separate loan agreements for a total amount of BRL200 million entered into in April 2013, each with a different commercial bank for EUR100 million. Both facilities have a single redemption date of April 15, 2016.

On the respective maturity dates in April, June and July 2013, Flexibras Tubos Flexiveis redeemed the ten separate loans for a total amount of BRL500 million, which had been entered into between June 2010 and December 2011.

Export credit notes (NCE–Nota de Crédito à Exportação)

As of December 31, 2013, Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, had six separate NCE loans entered into between February and March 2013 for a total amount of BRL572 million to sustain the pre-financing of its export operations.

The loans were entered into with five different commercial banks. The six loan agreements include the standard default provisions for such facilities and do not include any financial ratios.

As of December 31, 2013, these fixed interest rate loans were fully drawn and consisted of:

- three separate loan agreements for a total amount of BRL300 million, each concluded with different commercial banks in February 2013, each loan agreement of the sum of BRL100 million. These loans have respective redemption dates of January 15, 2016, February 15, 2016 and February 19, 2016; and
- three separate loan agreements for a total amount of BRL272 million concluded in March 2013, each with different commercial banks. The BRL92 million loan has a redemption date of February 15, 2016, the BRL80 million loan has a maturity date of March 7, 2016 and the BRL100 million loan has a maturity date of March 15, 2016.

Global Industries bond

On January 11, 2012, following the acquisition of Global Industries, Ltd. by Technip and its delisting from NASDAQ (New York), to comply with the conditions set out in the original offering memorandum of the 2.75% USD325 million Senior Convertible Debentures, due on August 1, 2027, issued on July 27, 2007, Global Industries, Ltd. reimbursed a principal amount of USD322.6 million, corresponding to 99.3% of the outstanding debentures, and paid accrued interest of approximately USD3.9 million to the bondholders. As of December 31, 2013, the non-tendered bonds amounted to USD2.4 million.

Syndicated credit facility and bilateral facilities

As of December 31, 2013, the Group had various unutilized financing sources for an aggregate amount of €1,435.8 million that allow it to meet its general financing needs. These facilities are not secured by any of the Group's assets. They contain covenants and default provisions that are standard for such financing, to be met by Technip and a number of its affiliates, and do not include any financial ratios. These credit agreements do not include early payment provisions in case of deterioration of the borrower's credit rating.

1. The credit facility in the amount of €1 billion put in place on July 21, 2011 and which may be drawn in Euros, in US dollars or in British pounds, has been extended to July 21, 2018, following the second one-year extension in June 2013 at the borrowers' option, subject to the lenders' approval.

In the event the facility is utilized, it will entail a floating interest rate and an applicable margin which varies according to a schedule of Technip's credit rating.

2. In 2012, five separate credit facilities with a total amount of €420 million, which may be drawn in Euros, were granted to Technip and replaced the existing facilities. Following bilateral negotiations, the amounts and maturity dates are as follows:

- an €80 million facility, which has been extended to July 25, 2015 subsequent to the second one-year extension at the borrowers' option, subject to the lender's approval;
- a €100 million facility with a maturity date of July 25, 2015;
- an €80 million facility with a maturity date of July 31, 2015;
- an €80 million facility with a maturity date of August 2, 2015; and
- an €80 million facility with a maturity date of July 27, 2016, after a €40 million reduction on July 27, 2015.

3. Various unutilized credit facilities amounting to €15.8 million were granted to Technip.

These credit agreements include a floating interest rate in the event that they are utilized as well as standard default provisions.

As of December 31, 2013, the credit facilities confirmed and available to the Group amounted to €1,681.3 million, of which €1,588.7 million is available after December 31, 2014. Out of this total of €1,681.3 million, €261.3 million is reserved for the financing of certain assets or for certain subsidiaries, such as USD168.7 million allocated for Technip's 50% share in the 550-ton

laying tension capacity pipelay support vessels financing and USD76.8 million relating to the financing of the Açuflex plant.

In 2013, Technip issued once more on the commercial paper market in light of favorable market conditions. As of December 31, 2013, the outstanding commercial paper amounted to €134 million. The Group retains an authorization from the Banque de France for a maximum amount of €600 million.

As of December 31, 2013, debt falling due in 2014 and 2015 amounted to €260.9 million including €21.1 million of accrued interest and fees and €239.8 million of the principal amount.

Schedule of contractual outstanding cash flows related to financial liabilities

In millions of Euro	As of December 31, 2013				
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bond Issue	-	-	-	1.7	1.7
Convertible Bonds	-	-	1,047.6	-	1,047.6
Private Placement	-	-	-	880.0	880.0
Bank Borrowings	-	86.5	316.7	160.7	563.9
Accrued Interest Payables on Bond Loans	-	4.0	5.3	-	9.3
Other Accrued Interest Payables	-	62.1	139.6	239.1	440.8
TOTAL NON-CURRENT FINANCIAL LIABILITIES	-	152.6	1,509.2	1,281.5	2,943.3
Commercial Papers	134.0	-	-	-	134.0
Bank Overdrafts	2.4	-	-	-	2.4
Accrued Interest Payables on Bond Loans	4.0	-	-	-	4.0
Other Accrued Interest Payables	63.4	-	-	-	63.4
Other Bank Borrowings	17.1	-	-	-	17.1
Derivative Financial Instruments	26.1	6.6	-	-	32.7
TOTAL CURRENT FINANCIAL LIABILITIES	247.0	6.6	-	-	253.6

Payment due dates related to debts include projected interest payments, even if they are not accrued on the closing date. Floating rates used to calculate projected interest payments are the rates in force as of December 31, 2013.

In millions of Euro	As of December 31, 2012 restated				
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bond Issue	-	-	-	1.8	1.8
Convertible Bonds	-	-	1,047.6	-	1,047.6
Private Placement	-	-	-	525.0	525.0
Bank Borrowings	-	16.8	119.4	107.2	243.4
Accrued Interest Payables on Bond Loans	-	4.0	5.3	-	9.3
Other Accrued Interest Payables	-	34.6	87.0	163.3	284.9
TOTAL NON-CURRENT FINANCIAL LIABILITIES	-	55.4	1,259.3	797.3	2,112.0
Commercial Papers	150.0	-	-	-	150.0
Bank Overdrafts	0.3	-	-	-	0.3
Accrued Interest Payables on Bond Loans	4.0	-	-	-	4.0
Other Accrued Interest Payables	40.4	-	-	-	40.4
Other Bank Borrowings	231.5	-	-	-	231.5
Derivative Financial Instruments	29.6	6.0	2.9	-	38.5
TOTAL CURRENT FINANCIAL LIABILITIES	455.8	6.0	2.9	-	464.7

Contractual amounts as stated in the analysis of maturities relate to undiscounted contractual cash flows. These undiscounted cash flows may differ from the amounts as recognized in the statement of financial position which are based on discounted cash flows.

(b) Currency Risk

As indicated in Note I-C (c) – Foreign currency transactions and financial instruments, Technip uses financial instruments to protect itself against currency risks incurred in the normal course of its business. The Group does not use financial instruments for trading or speculative purposes. The exchange hedging contracts are divided across several counterparties who have been selected after due consideration.

The primary hedging instruments used to manage Technip's exposure to currency risks are as follows:

In millions of Euro	As of December 31			
	2013		2012 restated	
	Maturity		Nominal Value	Nominal Value
	2014	2015 and beyond		
Buy Foreign Currencies/Sell Euros	113.5	39.0	152.5	179.7
Sell Foreign Currencies/Buy Euros	1,981.8	804.0	2,785.8	1,172.9
Buy/Sell Foreign Currencies	682.0	673.8	1,355.8	974.5
TOTAL HEDGING INSTRUMENTS	2,777.3	1,516.8	4,294.1	2,327.1

Exchange risk is mainly related to the US dollar and the Pound Sterling.

A change in the US dollar spot price by plus or minus 10% at closing date, calculated on the entire portfolio of Euro/US dollar derivatives, would generate a change of plus or minus €47.8 million in the result before tax and plus or minus €180.7 million in fair value reserves in equity.

A change in the Pound Sterling spot price by plus or minus 10% at closing date, calculated on the entire portfolio of Euro/Pound Sterling derivatives, would generate a change of plus or minus €8.9 million in the result before tax and plus or minus €19 million in fair value reserves in equity.

(c) Interest Rate Risk

Analysis of the sensitivity of the situation

Technip's floating rate debt amounted to €80.6 million compared to total debt of €2,577.9 million.

Cash is invested short-term in order to ensure liquidity. Financial products are subject to fluctuations in currency interest rates.

As of December 31, 2013, the net short-term cash position of the Group (cash and cash equivalents, less short term financial debts) amounted to €3,066.5 million.

As of December 31, 2013, a 1% (100 basis points) increase in interest rates would lower the fair value of the fixed rate convertible bonds (OCEANE) and private placements by €88.5 million before tax. A 1% (100 basis points) increase in interest rates would raise the fair value by €102.3 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of €29.9 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would generate a loss in the same amount.

Interest rate risk monitoring method

Technip regularly analyses its exposure to interest rate risk. This activity is the responsibility of the Treasury Department, which reports directly to the Deputy CFO.

The Group does not use financial instruments for speculative purposes.

During the year 2013, a swap of interest rate was set up to fix a part of the rate of the debt granted to a Dutch subsidiary for the purpose of the financing of two new vessels.

(d) Credit Risk

A significant portion of the Group's activity is concentrated with a limited number of clients because the worldwide market is dominated by a small number of major oil and gas companies. Consequently, the Group regularly performs credit risk analysis before entering into contracts and has set up procedures for monitoring payments made by customers.

The schedule of past due but not impaired trade receivables is the following:

In millions of Euro	As of December 31, 2013				
	Not impaired on the Reporting Date and Past Due in the Following Periods				
	Less than 3 months	3 to 12 months	Over 1 year	Total	Total Trade Receivables
Trade Receivables	347.7	288.6	34.0	670.3	1,745.2

In millions of Euro	As of December 31, 2012 restated				
	Not impaired on the Reporting Date and Past Due in the Following Periods				
	Less than 3 months	3 to 12 months	Over 1 year	Total	Total Trade Receivables
Trade Receivables	151.7	127.7	58.2	337.6	1,272.8

As of December 31, 2013, the main counterparty for cash and cash equivalents represents 12.0% of total net cash position. The principal counterparty for derivative financial instruments represents 16.2% of the Group's total derivative financial instruments. The set of counterparties for the Group's operations was limited to bank institutions that were considered as the safest, mostly noted AA and A.

Note 34 – Auditor's Fees and Services

Auditors' fees and services break down as follows:

In thousands of Euro	Ernst & Young				PricewaterhouseCoopers			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Auditing, certification of financial statements, examination of statutory and consolidated financial statements:								
■ Technip	761	16%	535	12%	639	16%	535	19%
■ Subsidiaries	2,104	43%	1,915	44%	2,260	58%	2,084	74%
Other work and services directly related to the responsibilities of Statutory Auditors:								
■ Technip	364	8%	891	21%	440	11%	95	3%
■ Subsidiaries	262	5%	125	3%	405	10%	30	1%
Sub-total	3,491	72%	3,466	80%	3,744	96%	2,744	97%
Other services								
Legal and tax:								
■ Subsidiaries	1,253	26%	890	20%	137	4%	95	3%
Other:								
■ Subsidiaries	106	2%	-	0%	-	0%	-	0%
Sub-total	1,359	28%	890	20%	137	4%	95	3%
TOTAL	4,850	100%	4,356	100%	3,881	100%	2,839	100%

Other work and services directly related to the responsibilities of Statutory Auditors are related to diligences performed within the framework of the implementation of the new ERP programs.

Note 35 – Subsequent Events

There has been no significant subsequent event which occurred since the closing date of the financial year ended December 31, 2013.

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20.2.1. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the Management Report and in the documents addressed to the shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Ernst & Young et Autres

1/2, place des Saisons
92400 Courbevoie-Paris-La Défense 1

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS**For the Year ended December 31, 2013**

Technip – 89, avenue de la Grande-Armée – 75116 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying financial statements of Technip;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the Financial Statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our Assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- As indicated in Note to the financial statements entitled "Provisions on affiliates", provisions on investments and related receivables are recognized considering the share held in the adjusted shareholders' equity, which notably takes into account the prospects for development of the subsidiary. Within the scope of our assessment of the significant estimates used to draw up the financial statements, we reviewed the assumptions used for the forecasting of future financial flows upon which these estimates were based and the corresponding figures for the most significant subsidiaries.
- As indicated in Note to the financial statements entitled "Treasury shares", a provision for risks is calculated based on the treasury shares allocated to performance share plans and to share purchase option plans if the outflow of resources is probable. A provision for risks is also accrued if the outflow of resources is probable and when treasury shares held are not affected thereto or are insufficient to cover the plans.

The assessment of the probability of the outflow of resources is linked to turnover rate and performance conditions, for which a median assumption has been assumed by your company. We have examined the relevance of the communicated data and the hypothesis on which these estimates are based.

- As regards to litigations, we have verified that the existing procedures enabled the collection, the valuation and the recording in the financial statements of any litigation in satisfactory conditions. We have specifically verified, if applicable, that significant litigations identified by your company while performing these procedures were accurately described within the notes to the financial statements and particularly in Note 6.21.

We carried out an assessment of the reasonableness of these estimates.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific Verifications and Information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French commercial code (*Code de commerce*) relating to remunerations and benefits received by the Directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or holders of the voting rights has been properly disclosed in the Management Report.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2014

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Édouard Sattler

Ernst & Young et Autres

Nour-Eddine Zanouda

20.2.2. STATUTORY FINANCIAL STATEMENTS

1. BALANCE SHEET

Assets

In millions of Euro	Notes	As of December 31,	
		2013	2012
Intangible Assets		1.2	1.2
Intangible Assets under Construction		-	-
Total Intangible Assets		1.2	1.2
Other Tangible Assets		-	0.1
Advances Paid to Suppliers		-	-
Total Tangible Assets		-	0.1
Investments	6.1	3,949.5	3,722.7
Loans Related to Investments	6.1	1,589.7	1,475.2
Other Financial Assets	6.1	119.6	138.2
Total Financial Assets		5,658.9	5,336.1
Total Fixed Assets (I)	6.1	5,660.1	5,337.4
Advances Paid to Suppliers		0.3	-
Trade Receivables	6.2	268.0	249.1
Other Current Receivables	6.2	57.7	59.2
Receivables from Group Companies	6.2	0.2	1.5
Marketable Securities	6.3	14.8	21.6
Cash at Bank and in Hand		1.3	2.9
Total Current Assets, Cash and Cash Equivalents (II)		342.3	334.3
Accrued Assets (III)	6.4	30.4	30.9
Redemption Premiums on Bonds (IV)	6.4	12.9	7.8
Unrealized Exchange Losses (V)		7.6	2.1
TOTAL ASSETS (I TO V)		6,053.3	5,712.5

Equity and Liabilities

In millions of Euro	Notes	As of December 31,	
		2013	2012
Issued Capital		86.7	86.2
Share Capital Premiums		2,030.5	2,005.4
Reserves:		-	-
■ Legal Reserves		9.8	9.8
■ Regulated Reserves		40.8	40.8
■ Other Reserves		119.0	119.0
Retained Earnings		617.4	330.8
Net Income		200.3	472.5
Interim Dividends		-	-
Net Equity	6.5	3,104.4	3,064.5
Regulated Provisions	6.6	-	-
Total Shareholders' Equity (I)		3,104.4	3,064.5
Provisions for Risks		140.1	161.4
Provisions for Charges		3.4	2.1
Total Provisions for Risks and Charges (II)	6.6	143.5	163.5
Bonds		1,927.6	1,572.6
Bank Borrowings and Credit Lines		17.7	15.5
Other Financial Debts and Liabilities		-	-
Financial Debts towards Group Companies		776.3	805.9
Advances Received from Clients		-	-
Accounts Payables and Related Accounts		63.7	73.3
Tax and Social Security Liabilities		19.6	12.4
Payables on Assets		-	-
Other Liabilities		0.4	0.8
Total Liabilities (III)	6.8	2,805.3	2,480.5
Unrealized Exchange Gains (IV)		-	4.0
TOTAL EQUITY AND LIABILITIES (I TO IV)		6,053.3	5,712.5

2. STATEMENT OF INCOME

In millions of Euro	Notes	12 months	
		2013	2012
Sales of Goods: Rendering of Services		176.0	151.3
Revenues	6.10	176.0	151.3
Capitalized Expenses		-	-
Reversals of Provisions and Charges Transferred		11.0	6.5
Other Operating Income		-	-
Total Operating Income		187.0	157.8
General and Administrative Costs		(218.0)	(204.1)
Taxes		(4.0)	(3.5)
Wages and Salaries, Social Security Costs		(23.2)	(14.2)
Allowances for Provisions and Amortization		-	-
■ on Fixed Assets		-	(0.1)
■ on Current Assets		-	-
■ for Risks and Charges		(3.7)	(4.7)
Other Operating Expenses		(0.8)	(0.6)
Total Operating Expenses		(249.7)	(227.2)
Income/(Loss) from Operating Activities (I)		(62.7)	(69.4)
Dividends and Interim Dividends		286.3	479.0
Other Financial Income related to Financial Assets and Marketable Securities		48.1	47.8
Financial Interests		25.0	64.2
Reversals of Provisions and Charges Transferred		67.9	57.4
Exchange Gains Realized		15.0	31.4
Net Gain on Disposal of Marketable Securities		-	-
Total Financial Income		442.3	679.8
Allowance for Provisions and Amortization		(100.9)	(69.7)
Interest Charges		(35.9)	(31.7)
Exchange Loss Realized		(7.3)	(21.2)
Net Loss on Disposal of Marketable Securities		-	-
Total Financial Expenses		(144.0)	(122.6)
Financial Result (II)	6.11	298.3	557.2
Current Income before Tax (I-II)		235.6	487.8
Extraordinary Income from Operating Activities		1.3	16.7
Extraordinary Income from Financing Activities		0.1	1.2
Reversals of Provisions and Charges Transferred		5.3	4.6
Total Extraordinary Income		6.8	22.5
Extraordinary Expenses from Operating Activities		(3.9)	(15.1)
Extraordinary Expenses from Financing Activities		(56.7)	(60.3)
Allowance for Extraordinary Provisions		-	-
Total Extraordinary Expenses		(60.6)	(75.4)
Extraordinary Result (III)	6.12	(53.8)	(52.9)
Profit Sharing (IV)		-	-
Income Tax (V)	6.13	18.4	37.6
Income		636.1	860.1
Expenses		(435.9)	(387.6)
NET INCOME (I TO V)		200.3	472.5

3. STATEMENT OF CASH FLOWS

In millions of Euro	12 months	
	2013	2012
Net Income	200.3	472.5
Amortization and Depreciation of Fixed Assets and Prepaid Expenses	-	0.1
Increase/(Decrease) in Provisions ⁽¹⁾	28.6	13.8
Net (Gains)/Losses on Disposal of Assets and Investments	1.4	10.8
Cash Flow from Operations	230.3	497.1
Changes in Working Capital	(34.2)	(125.6)
Net Cash Generated from Operating Activities	196.1	371.6
(Purchases)/Disposals of Intangible Assets	-	(1.2)
(Purchases)/Disposals of Tangible Assets	-	-
(Purchases)/Disposals of Financial Assets ⁽²⁾	(275.4)	(15.3)
Net Cash Used in Investing Activities	(275.4)	(16.5)
(Increase)/Decrease in Long-Term Receivables (subsidiaries loans) ⁽³⁾	(114.5)	(126.4)
(Increase)/Decrease in treasury shares net of selling price	25.0	(39.5)
Increase/(Decrease) in Current Account Cash Pooling	(29.6)	(472.3)
Increase/(Decrease) in Short-Term Debts (Credit Facilities)	2.2	7.9
Increase/(Decrease) in Long-Term Debts (Bond) ⁽⁴⁾	355.0	325.0
(Increase)/Decrease in Liquidity Contract	0.1	0.2
Capital Increase and Issuance Premium ⁽⁵⁾	25.7	115.7
Dividends Paid ⁽⁶⁾	(186.0)	(172.6)
Net Cash (Used in)/Generated from Financing Activities	77.8	(362.0)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1.5)	(6.9)
Cash and Cash Equivalents as of January 1	2.8	9.7
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	1.3	2.8
Cash and Cash Equivalents	1.3	2.9
Bank Overdrafts	-	(0.1)
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	1.3	2.8

(1) In 2013, including mainly the net decrease of provisions for risks regarding performance shares (€26.6 million) and net increase of provision on investments of subsidiaries (€48.8 million).

In 2012, including mainly provision for risks regarding performance shares (€23.8 million) and reversal of provision on investments of subsidiaries (€11.9 million).

(2) In 2013, including mainly capital increase of Technip Holding Benelux NV (€315.5 million), capital increase of Technipnet SAS (€50 million) and repayment following share capital reduction of Technip Benelux NV (€88.7 million).

In 2012, including mainly continuation of acquisition of Cybernétix shares and acquisition of additional MHB shares.

(3) In 2013, including mainly a loan to a subsidiary (€264 million) and the full repayment of a loan by a subsidiary (€172.5 million).

In 2012, including mainly increase of a French subsidiary loan (€102 million) for the purpose of Stone & Webster Process technologies acquisition.

(4) In 2013, long-term private placements issuance (€355 million).

In 2012, long-term private placements issuance (€325 million).

(5) In 2013, capital increase linked to share subscription options exercised.

In 2012, capital increase linked to share subscription options exercised and capital increase reserved for employees.

(6) In 2013, 2012 dividends for €186 million.

In 2012, 2011 dividends for €172.6 million.

4. NOTES ON ACCOUNTING PRINCIPLES

The accounting principles used by Technip in preparing the financial statements for financial year 2013 are in compliance with *plan comptable général* fixed by the *règlement* CRC No.99.03 validated by the *arrêté* of June 22, 1999 (French GAAP).

The statutory financial statements of Technip as of December 31, 2013, were approved by the Board of Directors on February 18, 2014.

Foreign Currency Transactions

Transactions in foreign currencies related to financial revenues or expenses are recorded in accordance with current accounting policies.

At year-end, receivables and liabilities are translated at the exchange rates prevailing at the closing date, and any differences are recorded as unrealized exchange gains or losses.

If a potential loss is identified when converting receivables and payables at the closing exchange rate, a provision for exchange risk is booked for the same amount.

Treasury accounts and current accounts of the cash pooling entity of the Group are translated at the exchange rates prevailing at the closing date, and any differences are recorded as financial gains or expenses.

Provisions on Affiliates

Provisions on investments and related receivables are recognized whenever the gross carrying value of the investment is higher than the share held in the shareholders' equity, which has been adjusted in order to take into account certain commitments entered into by the parent company and the prospects for the development of the subsidiary.

For the main subsidiaries, these prospects are assessed on the basis of forecasted future cash flows, based on the most likely scenarios adopted by the management.

All provisions booked to cover affiliate risks are fully recorded under financial expenses whether they cover write-downs of investments in affiliated companies, related receivables, or the booking of additional provisions for risk, if necessary.

Debt waivers and subsidies granted to subsidiaries are also accounted in financial result.

Treasury Shares

Treasury shares held by the Company are recorded at the acquisition cost, and gain/(loss) on sales of treasury shares are booked according to the FIFO method (First In, First Out).

The Company has applied the recommendations of the French accounting standards body, the *Comité de réglementation comptable* (CRC), dated December 2008 regarding accounting principles to be used for stock options plans and performance share plans granted to employees.

1. Treasury shares allocated to Company employees

The treasury shares allocated to Company employees are classified under marketable securities.

A provision for risks is calculated based on the treasury shares allocated to performance share plans and to share purchase option plans, and is spread over the vesting period if the cash out is expected.

The assessment of delivery is linked to performance conditions (for which a median hypothesis has been assumed) and turnover rate. Regarding the share purchase option plans, the assessment of delivery is also linked to a fair value at the closing date (if the exercise price of the share purchase option is less than the market value of Technip share).

When the cash out is expected and no treasury share is allocated or is not sufficient to cover the corresponding plans, a provision for risk is also recognized. This provision is spread over the vesting period.

When the cash out is not expected, a provision on marketable securities is recognized, if necessary, for the difference between the market value (based upon the average of share price for the last month of the year) and the gross carrying amount of the treasury shares.

2. Treasury shares allocated to subsidiaries' employees

The treasury shares allocated to share purchase option plans and performance share plans granted to subsidiaries' employees are classified under other financial assets.

At year-end, if the market value of Technip's share (computed on the basis of the average price for the last month of the year) is less than the gross carrying amount of treasury shares, a provision for depreciation is recognized for the difference.

Moreover, for performance shares granted to subsidiaries' employees, a provision for risks is booked based upon the net book value of the treasury shares, taking into account the performance conditions and turnover rate.

When the cash out is expected and no treasury share is allocated or is not sufficient to cover the corresponding plans, a provision for risk is also recognized.

Due to the Stock Incentive Plan Recharge Master Agreement put in force with subsidiaries concerned, the Company books financial revenues equal to the provision for risks.

3. Other treasury shares not allocated to plans

The treasury shares not allocated to plans are classified under other financial assets.

At year-end, if the market value of Technip's share (computed on the basis of the average price for the last month of the year) is less than the gross carrying amount of treasury shares, a provision for depreciation is recognized for the difference.

Intangible Assets and Property, Plant and Equipment

Intangible assets include software, which is amortized over a period of three to five years, and software development costs, when they fulfill the eligibility criteria provided by the French Accounting Standards.

Fixed assets are carried at their acquisition cost, their production cost, or at their fair value in case of business combinations.

Tangible assets mainly relate to Adria Tower equipment and furniture. Amortization lifetimes, principally straight line, represent the useful lives estimated to be likely by the Company:

- Office fixtures and furniture 8 to 10 years
- IT equipment 3 years

Trade Receivables

Trade receivables are valued at their nominal value. A provision for doubtful accounts is recorded when receivables are highly likely to be uncollectible.

5. MAIN EVENTS OF THE YEAR

The Company's activities consist mainly in holding interests in affiliates, receiving dividends, centralizing and re-invoicing both management fees and other organizational costs, such as insurance and financing costs on guarantees.

- In May 2013, the Company paid a dividend of €1.68 per share, which represented a global distribution of €186 million.
- In October 2013, the Company concluded three long-term private note placements, each subscribed by different investors, for an aggregate amount of €355 million. These bond issues consist of:
 - €100 million 20-year private note placement concluded on October 7, 2013 with an annual coupon of 3.75% payable annually in arrears on October 7 of each year;
 - €130 million 10-year private note placement concluded on October 16, 2013 with an annual coupon of 3.15% payable annually in arrears on October 16 of each year. These private notes have been rated BBB+ by Standard & Poor's and are listed on the Luxembourg Stock Exchange;
 - €125 million 10-year private note placement concluded on October 18, 2013, carrying an annual coupon of 3.15% payable annually in arrears on October 18 of each year. These private notes are listed on the Luxembourg Stock Exchange.
- These bond issues are part of the general management of the Group's cash and liabilities and raise funds for general corporate purposes.
- The *Notes d'opération* of these notes placements include standard covenants and default clauses for these types of bond issues, and does not include any financial ratio. The issues provide that in the event of a change of control of Technip and a rating downgrade of the notes below BBB- deemed to have occurred in respect of that change of control, any bondholder may, at its sole option, request the early redemption of all the bonds it owns.
- During the financial year, the Company bought treasury shares in accordance with Shareholders' Meetings decisions on April 26, 2012 and on April 25, 2013, the period of purchase is limited to 18 months and the number of shares to be bought cannot exceed 10% of issued capital, with a price ceiling amounting respectively to €105 and to €115. In 2013, the Company bought 486,590 shares at an average price of €82.30, total amount being €40 million.
- In October 2013, the subsidiary Technip Benelux NV reduced its share capital by €88.7 million, the repayment to the Company was done in December 2013.
- In December 2013, the Company subscribed to a capital increase in Technip Holding Benelux BV for €315.5 million to acquire the partnership Global Industries International, LP previously owned by other subsidiaries of the Group. This operation is part of the integration of former entities from Global Industries Group acquired in 2011.
- In December 2013, the Company recapitalized its subsidiary Technipnet SAS for €50 million.
- The number of treasury shares is 1,774,751 as of December 31, 2013. 260,200 of these shares are allocated to executive share subscription option and share purchase option plans, as well as performance share plans granted to the Company employees; 1,348,051 shares are allocated to share purchase option plans and performance share plans granted to Group subsidiaries' employees; 166,500 shares are allocated to the liquidity contract.

6. NOTES TO THE FINANCIAL STATEMENTS

6.1. Fixed Assets

(a) Changes Over the Past Year

In millions of Euro	Intangible Assets	Tangible Assets	Financial Assets	Total Fixed Assets
Gross Value as of January 1, 2012	11.9	12.8	5,179.0	5,203.7
Acquisitions ⁽¹⁾	1.2	-	310.9	312.1
Disposals ⁽²⁾	-	-	(148.4)	(148.4)
Gross Value as of December 31, 2012	13.1	12.8	5,341.5	5,367.4
Acquisitions	-	-	836.0	836.0
Disposals	-	-	(464.4)	(464.4)
Gross Value as of December 31, 2013	13.1	12.8	5,713.1	5,739.0
Amortization and Depreciation as of January 1, 2012	(11.9)	(12.7)	(17.0)	(41.6)
Increase	-	-	(1.3)	(1.3)
Reversals	-	-	12.9	12.9
Amortization and Depreciation as of December 31, 2012	(11.9)	(12.7)	(5.4)	(30.0)
Increase ⁽³⁾	-	(0.1)	(50.2)	(50.3)
Reversals ⁽⁴⁾	-	-	1.4	1.4
Amortization and Depreciation as of December 31, 2013	(11.9)	(12.8)	(54.2)	(78.9)
NET VALUE AS OF DECEMBER 31, 2013	1.2	-	5,658.9	5,660.1

(1) Increase in financial assets mainly due to subsidiaries share capital increases (Technip Holding Benelux BV for €315.5 million and Technipnet SAS for €50 million), increases in loans granted to subsidiaries (€364.9 million), and to increases in treasury shares on liquidity contract (€63.8 million) and for allocation to performance share plans and to share *subscription option* plans granted to subsidiaries employees (€41.1 million).

(2) Decrease in financial assets mainly due to capital reduction of Technip Benelux BV (€88.7 million), repayments of loans granted to subsidiaries (€250 million), decreases in treasury shares due to performance shares vested (€45.2 million) and decreases in treasury shares on liquidity contract (€54 million).

(3) Provisions on investments for €50.2 million.

(4) Reversals of Provisions on investments for €1.4 million.

(b) Financial Assets

Financial assets break down as follows:

In millions of Euro	As of December 31,			2012
	2013			
	Gross Value	Provisions for Depreciation	Net Value	Net Value
Investments	4,003.8	(54.2)	3,949.6	3,722.7
Loans Related to Investments	1,589.7	-	1,589.7	1,475.2
Treasury Shares	118.8	-	118.8	127.2
Liquidity Contract	0.8	-	0.8	10.9
TOTAL FINANCIAL ASSETS	5,713.1	(54.2)	5,658.9	5,336.1

The detail of investments is presented in Note 7.

Investments are recorded at their acquisition cost excluding directly attributable transaction costs.

Loans related to investments mainly consist in loans granted to subsidiaries held either directly or indirectly.

In 2013, Technip sold 1,095,420 treasury shares for performance shares vested to subsidiaries' employees. As of December 31, 2013, the balance of treasury shares (1,514,551) included shares bought from 2006 to 2013 and allocated to performance share plans granted to subsidiaries' employees, included also 166,500 shares bought from the liquidity contract in 2013.

6.2. Current Assets

Current assets break down as follows:

In millions of Euro	As of December 31,			2012
	2013			
	Gross Value	Provisions for Depreciation	Net Value	Net Value
Trade Receivables	268.1	(0.1)	268.0	249.1
Other Receivables, Income Tax and VAT	45.6	-	45.6	54.8
Other Current Receivables, Sundry Debtors	12.2	(0.1)	12.1	4.4
Total Other Current Receivables	57.8	(0.1)	57.7	59.2
Current Accounts with subsidiaries	3.2	(3.0)	0.2	1.5

The trade receivables consist mainly in invoices to subsidiaries.

6.3. Marketable Securities

Marketable securities correspond to treasury shares allocated to share purchase option plans and performance share plans granted to Company employees. Their variations break down as follows:

	As of December 31,	
	2013	2012
Gross Value as of January 1	21.6	15.2
Transfer to Financial Assets ⁽¹⁾	-	(19.4)
Increase in Treasury shares	0.2	56.8
Decrease in Treasury Shares	(6.9)	(31.0)
Gross Value as of December 31	14.8	21.6
Depreciation as of January 1	-	-
Increase	-	-
Reversals	-	-
Depreciation as of December 31	-	-
NET VALUE AS OF DECEMBER 31	14.8	21.6

(1) Treasury shares bought in 2012 and transferred to Financial Assets as they are allocated to share purchase option plans granted to subsidiaries employees.

As of December 31, 2013, the balance of treasury shares (260,200 shares) included shares that were bought in 2006 and 2012.

6.4. Accrued Assets and Redemption Premium

Accrued Assets

(€26 million as of December 31, 2013)

They mostly include insurance costs.

Deferred Charges

(€4.4 million as of December 31, 2013)

They include:

- issuing fees (for a gross amount of €5.0 million) related to the €550 million convertible bond (OCEANE) issued in November 2010, to be amortized over five years and forty-five days. Annual amortization amounted to €0.9 million in 2013, and net value was €2.0 million as of December 31, 2013;
- issuing fees (for a gross amount of €4.2 million) related to the €497.6 million convertible bond issued on December 15, 2011, to be amortized over five years and seventeen days. Annual amortization amounted to €0.9 million in 2013, and net value was €2.4 million as of December 31, 2013.

Redemption Premium

(€12.9 million as of December 31, 2013)

This corresponds to:

- redemption premiums (for a gross amount of €3.1 million) related to the €200 million private placement received in 2010,

to be amortized on a straight line basis over 10 years. The net value was €2.0 million as of December 31, 2013;

- redemption premiums (for a gross amount of €5.2 million) related to the €100 million private placement received in 2012, to be amortized on a straight line basis over 20 years. The net value was €4.8 million as of December 31, 2013;
- redemption premiums (for a gross amount of €0.3 million) related to the €150 million private placement received in 2012, to be amortized on a straight line basis over 10 years. The net value was €0.2 million as of December 31, 2013;
- redemption premiums (for a gross amount of €0.1 million) related to the €75 million private placement received in 2012, to be amortized on a straight line basis over 15 years. The net value was €0.1 million as of December 31, 2013;
- redemption premiums (for a gross amount of €1.3 million) related to the €130 million private placement received in 2013, to be amortized on a straight line basis over 10 years. The net value was €1.3 million as of December 31, 2013;
- redemption premiums (for a gross amount of €4.0 million) related to the €100 million private placement received in 2013, to be amortized on a straight line basis over 20 years. The net value was €4.0 million as of December 31, 2013;
- redemption premiums (for a gross amount of €0.4 million) related to the €125 million private placement received in 2013, to be amortized on a straight line basis over 10 years. The net value was €0.4 million as of December 31, 2013.

6.5. Shareholders' Equity

(a) Changes in Shareholders' Equity

Changes in shareholders' equity are as follows:

In millions of Euro	As of December 31,	
	2013	2012
Shareholders' Equity as of January 1	3,064.5	2,648.9
Capital increase	0.5	86.8
Share Subscription Options Exercised	25.1	28.9
Net Income	200.3	472.5
Other	-	-
Dividends	(186.0)	(172.6)
SHAREHOLDERS' EQUITY AS OF DECEMBER 31	3,104.4	3,064.5

(b) Changes in Issued Capital

Changes in issued capital are as follows:

	As of December 31,	
	2013	2012
Number of Shares as of January 1	113,040,513	110,987,758
Increase due to Share Subscription Options Exercised	639,743	577,612
Capital increase reserved for employees	-	1,475,143
NUMBER OF SHARES AS OF DECEMBER 31	113,680,256	113,040,513
Share Nominal Value (in Euros)	0.7625	0.7625
Common Stock as of December 31 (in millions of Euro)	86.7	86.2

The number of shares that carry double voting rights is 10,676,044 as of December 31, 2013.

(c) Share Subscription Option, Share Purchase Option and Performance Share Plans

1/ Technip Share Subscription Option Plans

The details of Technip share subscription option plans are as follows:

Year of the Plan	2005			Re-Granted Parts 1 and 2	Re-Granted Parts 1, 2 and 3
	Part 1	Part 2	Part 3		
Date of the Shareholders' Meeting	April 29, 2005	April 29, 2005	April 29, 2005	April 29, 2005	April 29, 2005
Date of the Board of Directors Meeting	December 14, 2005	July 26, 2006	March 12, 2007	December 12, 2007	June 12, 2008
Term	6 years	6 years	6 years	6 years	6 years
Remaining Number of Options to be Exercised	-	-	-	-	16,000
Current Exercise Price (in Euros)	46.9	41.4	49.2	55.7	60.0

Part 3 of the 2005 plan expired in March 2013. A total number of 198,651 options were exercised in the financial year. Regarding re-granting of December 2007 and June 2008, respectively 7,028 and 17,000 options were vested in the financial year.

Year of the Plan	2009	
	Part 1	
Date of the Shareholders' Meeting	April 30, 2009	
Date of the Board of Directors Meeting	June 15, 2009	
Term	6 years	
Remaining Number of Options to be Exercised ^(*)	599,436	
Current Exercise Price (in Euros)	34.7	

^(*) From the vesting date, i.e. four years after the grant date.

Year of the Plan	2010		
	Part 1	Part 2	Part 3
Date of the Shareholders' Meeting	April 29, 2010	April 29, 2010	April 29, 2010
Date of the Board of Directors Meeting	June 23, 2010	December 15, 2010	March 4, 2011
Term	6 years	6 years	4 years
Remaining Number of Options to be Exercised ^(*)	1,020,900	17,400	72,800
Current Exercise Price (in Euros)	51.5	63.2	72.2

^(*) From the vesting date, i.e. four years after the grant date.

Year of the Plan	2011		
	Part 1	Part 2	Part 3
Date of the Shareholders' Meeting	April 28, 2011	April 28, 2011	April 28, 2011
Date of the Board of Directors Meeting	June 17, 2011	December 14, 2011	March 2, 2012
Term	7 years	7 years	7 years
Remaining Number of Options to be Exercised ^(*)	331,400	44,600	48,107
Current Exercise Price (in Euros)	72.7	66.9	78.4

^(*) From the vesting date, i.e. four years after the grant date.

Year of the Plan	2012	
	Part 1	Part 2
Date of the Shareholders' Meeting	April 26, 2012	April 26, 2012
Date of the Board of Directors Meeting	June 15, 2012	December 12, 2012
Term	7 years	7 years
Remaining Number of Options to be Exercised ^(*)	278,700	34,950
Current Exercise Price (in Euros)	74.6	87.1

^(*) From the vesting date, i.e. four years after the grant date.

Year of the Plan	2013
	Part 1
Date of the Shareholders' Meeting	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013
Term	8 years
Remaining Number of Options to be Exercised ^(*)	322,200
Current Exercise Price (in Euros)	85.7

^(*) From the vesting date, i.e. four years after the grant date.

The 2013 share subscription option plan was granted during the financial year.

These share subscription option plans were granted subject to certain performance targets. The final number of share subscription options granted to employees is contingent upon Technip achieving a satisfactory performance for its shareholders. For the 2005 plan, this performance has been measured as the increase in Group earnings per share compared to the average earnings per

share growth for a sample of industry peers. For the 2009 and 2010 plans, this performance has been measured as the increase in Group consolidated net income compared to the average consolidated net income growth for a sample of industry peers. For the 2011, 2012 and 2013 plans, the performance will be respectively measured over the 2011-2013, 2012-2014, and 2013-2015 period on the basis of several criteria: Group results in terms of Total Shareholder Return, operating income from recurring activities and return on capital employed.

2/ Technip Share Purchase Option Plans

The details of Technip share purchase option plans are as follows:

Year of the Plan	2008
	Part 1
Date of the Shareholders' Meeting	May 6, 2008
Date of the Board of Directors Meeting	July 1, 2008
Term	6 years
Remaining Number of Options to be Exercised	330,275
Current Exercise Price (in Euros)	58.2

These share purchase option plans are exercisable from July 1, 2012. 140,230 were exercised in the financial year.

As of December 31, 2013, the charge related to share purchase option plans granted to the Company's employees amounted to €1 million (including €2 million vested).

3/ Performance Share Plans

Performance share plans have been implemented since 2007. Their characteristics are as follows:

Year of the Plan	2008					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	May 6, 2008	May 6, 2008	May 6, 2008	May 6, 2008	May 6, 2008	May 6, 2008
Date of the Board of Directors Meeting	July 1, 2008	July 1, 2008	December 9, 2008	December 9, 2008	February 18, 2009	February 18, 2009
Term	5 years	4 years	5 years	4 years	5 years	4 years
Number of Outstanding Shares	-	-	-	-	-	-

The performance shares related to the 2008 plan Part 1 List 2 were vested in July 2012 (423,150 shares finally vested and 13,920 cancelled) and those of Part 3 List 1 were vested in February 2012 (58,342 shares finally vested and 600 cancelled). Performance shares of Part 3 List 2 were vested in February 2013 (118,250 shares finally vested and 400 cancelled).

Year of the Plan	2009					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 30, 2009	April 30, 2009	April 30, 2009	April 30, 2009	April 30, 2009	April 30, 2009
Date of the Board of Directors Meeting	June 15, 2009	June 15, 2009	October 25, 2009	October 25, 2009	February 16, 2010	February 16, 2010
Term	5 years	4 years	5 years	5 years	5 years	4 years
Number of Shares Granted	-	-	-	-	-	53,100

Year of the Plan	2010					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010
Date of the Board of Directors Meeting	June 23, 2010	June 23, 2010	December 15, 2010	December 15, 2010	March 4, 2011	March 4, 2011
Term	5 years	4 years	5 years	4 years	5 years	4 years
Number of Shares Granted	-	511,600	-	10,800	22,700	52,800

Year of the Plan	2011					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011
Date of the Board of Directors Meeting	June 17, 2011	June 17, 2011	December 14, 2011	December 14, 2011	March 2, 2012	March 2, 2012
Term	5 years	4 years	5 years	4 years	5 years	4 years
Number of Shares Granted	129,350	208,700	6,000	24,050	13,600	32,557

Year of the Plan	2012			
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2
Date of the Shareholders' Meeting	April 26, 2012	April 26, 2012	April 26, 2012	April 26, 2012
Date of the Board of Directors Meeting	June 15, 2012	June 15, 2012	December 12, 2012	December 12, 2012
Term	5 years	4 years	5 years	4 years
Number of Shares Granted	165,050	248,050	17,650	104,542

Year of the Plan	2013	
	Part 1 List 1	Part 1 List 2
Date of the Shareholders' Meeting	April 25, 2013	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013	June 14, 2013
Term	5 years	4 years
Number of Shares Granted	179,500	309,650

The 2013 performance share plan was granted in the financial year.

Performance shares were granted contingent upon performance conditions. For the 2008, 2009 and 2010 performance share plans, performance has been based on the Group's consolidated result relative to the average consolidated result of a panel of competitors. For the 2011, 2012 and 2013 plans, the performance has been and will be respectively measured over the 2011-2013, 2012-2014 and 2013-2015 period on the basis of several criteria: Group results in matter of Health/Safety/Environment, operating income from recurring activities and cash flow generated from operating activities.

As of December 31, 2013, the charge related to performance share plans granted to the Company's employees amounted to €2.7 million (including €4.8 million vested).

(d) Distributable Retained Earnings

As of December 31, 2013, distributable retained earnings of the parent company amounted to €2,967.2 million, including €2,030.5 million of share capital premiums.

6.6. Provisions

(a) Nature of Provisions for Risks and Charges

As of December 31, 2013, provisions for risks mostly include €7.6 million of provisions for foreign exchange losses, provisions for risks on treasury shares allocated to performance share plans granted to Company's employees (booked as marketable securities) for €5.7 million and granted to subsidiaries' employees (booked as financial assets) for €126.2 million, and €2 million of provisions for retirement indemnities.

The provision for retirement indemnities is calculated according to the actuarial valuation method:

- discount rate: 3.3%;
- inflation rate: 2.0%;
- future salary increase: 2.47%;
- employee turnover: between 0.0% and 5.0% depending on age;
- return on assets: 3.3%.

(b) Changes in Provisions

Changes in provisions are as follows:

In millions of Euro	As of January 1, 2013	Increase	Used Reversals	Unused Reversals	As of December 31, 2013
Regulated Provisions	-	-	-	-	-
Provisions for Risks	161.4	50.4	(71.7)	-	140.1
Provisions for Charges	2.1	1.3	-	-	3.4
Total Provisions in Liabilities	163.5	51.7	(71.7)	-	143.5
Provisions on Investments	5.5	50.2	(1.4)	-	54.3
Provisions on Loans	-	-	-	-	-
Provisions on Current Assets	0.1	-	-	-	0.1
Provisions on other Current Assets	0.1	-	-	-	0.1
Provisions on Current Accounts	3.2	0.1	(0.3)	-	3.1
Total Provisions on Assets	8.9	50.3	(1.7)	-	57.5
TOTAL PROVISIONS	172.4	102.0	(73.4)	-	201.0

The allowances for provisions for risks are mainly related to performance shares plans for €32.1 million and foreign exchange losses for €18.1 million.

The reversals of provisions for risks are mainly related to performance shares plans for €52.7 million, share option plans for €6.4 million and foreign exchange losses for €12.5 million.

(c) Breakdown of Provision Allowances and Reversals

Allowances and reversals of provisions break down as follows:

In millions of Euro	2013	2012
Operating Allowances	3.7	4.7
Financial Allowances ⁽¹⁾	98.3	67.6
Extraordinary Allowances	-	-
TOTAL PROVISION ALLOWANCES	102.0	72.3
Operating Reversals	5.3	0.9
Financial Reversals	67.9	57.4
Extraordinary Reversals	0.1	0.2
Total Provision Reversals	73.3	58.5
Operating Charges Transferred ⁽²⁾	5.7	5.6
Financial Charges Transferred ⁽³⁾	5.2	4.4
TOTAL PROVISION REVERSALS AND CHARGES TRANSFERRED	84.2	68.5

(1) Excluding amortization of deferred charges and redemption premiums on bonds (€2.6 million).

(2) Including mainly the reclassification of insurance indemnities as operating result.

(3) Reclassification of the result on the Company employees' treasury shares as payroll expenses.

6.7. Accrued Charges and Accrued Income Included in Assets and Liabilities

Accrued income included in assets amounts to €212.4 million as of December 31, 2013, against €239.0 million as of December 31, 2012.

Accrued charges included in liabilities amount to €61.1 million as of December 31, 2013, and €48.5 million as of December 31, 2012.

6.8. Maturity of Assets and Liabilities

The maturity of assets (net of provisions) and liabilities breaks down as follows:

In millions of Euro	As of December 31, 2013	Less than 1 Year	More than 1 Year
Financial Assets ⁽¹⁾	1,589.7	107.1	1,482.6
Trade Receivables	268.0	268.0	-
Receivables from Group Companies	0.2	0.2	-
Other Current Receivables	57.7	38.3	19.4
Accrued Assets	30.4	27.8	2.6
TOTAL ASSETS	1,946.0	441.4	1,504.6

(1) Without investments, treasury shares and liquidity contract.

In millions of Euro	As of December 31, 2013	Less than 1 year	Between 1 year and 5 years	More than 5 years
Bonds ⁽¹⁾	1,927.6	-	-	1,927.6
Bank Borrowings/Credit Lines	17.7	17.7	-	-
Financial Debts and Liabilities with Group Companies ⁽²⁾	776.3	0.2	776.1	-
Accounts Payables	63.7	63.7	-	-
Tax and Social Security Liabilities	19.6	19.6	-	-
Other Liabilities	0.4	0.4	-	-
TOTAL LIABILITIES	2,805.3	101.6	776.1	1,927.6

(1) The Company issued bonds:

- On November 17, 2010, a bond loan with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million. The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on November 9, 2010, has the main following features:
 - issued at a price of €83.10 (the number of bonds issued was 6,618,531);
 - a coupon of 0.5% payable on January 31 of each year, which amounts to €0.42 per year and per bond;
 - a redemption date was set on January 1, 2016 for bonds not converted into shares at such date;
 - the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one Bond;
 - the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.
- On July 27, 2010, a private placement for €200 million in accordance with contractual conditions agreed on November 19, 2009. The main characteristics of this bond are as follows:
 - bonds are listed on the Luxembourg stock exchange;
 - the coupon payable on July 27 of each year amounts to 5% of nominal amount;
 - redemption date: July 27, 2020;
 - this placement includes the usual covenants and default provisions that are standard for this type of bond issue and does not include any financial ratio.
- On December 15, 2011, a bond loan with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for approximately €497.6 million. The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on December 7, 2011, has the main following features:
 - issued at a price of €96.09 (the number of bonds issued was 5,178,455);
 - a coupon of 0.25% payable on January 31 of each year, which amounts to €0.24 per year and per bond;
 - a redemption date was set on January 1, 2017 for bonds not converted into shares at such date;
 - the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one Bond;
 - the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.
- On June 14, 2012, the Company received the private placement for €150 million. The main characteristics of this bond are as follows:
 - an annual coupon of 3.40% payable on June 14 of each year;
 - redemption date: June 14, 2022.
- On June 15, 2012, the Company received the private placement for €75 million. The main characteristics of this bond are as follows:
 - an annual coupon of 4.0% payable on June 15 of each year;
 - redemption date: June 15, 2027.
- On June 14, 2012, the Company received the private placement for €100 million. The main characteristics of this bond are as follows:
 - an annual coupon of 4.0% payable on June 14 of each year;
 - redemption date: June 14, 2032.

The 2012 bond private placements include standard covenants and default clauses for these types of bond issues. The issues provide that in the event of a change of control of Technip and the Standard & Poor's rating downgrade of the notes below BBB-, any bondholder may request, at his sole option, the early redemption of all the bonds he owns. These bonds do not include any financial ratio.
- On October 16, 2013, the Company received the private placement for €130 million. The main characteristics of this bond are as follows:
 - an annual coupon of 3.15% payable on October 16 each year;
 - redemption date: October 16, 2023.
- On October 7, 2013, the Company received the private placement for €100 million. The main characteristics of this bond are as follows:
 - an annual coupon of 3.75% payable on October 7 each year;
 - redemption date: October 7, 2033.
- On October 18, 2013, the Company received the private placement for €125 million. The main characteristics of this bond are as follows:
 - an annual coupon of 3.15% payable on October 18 each year;
 - redemption date: October 18, 2023.

The 2013 bond private placements include standard covenants and default clauses for these types of bond issues. The issues provide that in the event of a change of control of Technip and the Standard & Poor's rating downgrade of the notes below BBB-, any bondholder may request, at his sole option, the early redemption of all the bonds he owns. These bonds do not include any financial ratio.

(2) Including current account with the Group cash pooling entity: €774.8 million.

Invoices due dates break down as follows:

In millions of Euro	As of December 31, 2013	Not Due	Due 0-60 days	Due > 60 days
French Suppliers	1.7	-	1.7	-
Foreign Suppliers	0.9	-	0.9	-
Accruals	61.1	-	61.1	-
TOTAL ACCOUNTS PAYABLES	63.7	-	63.7	-

6.9. Trade Bills Included in Assets and Liabilities

The Company does not have any outstanding trade bills as of December 31, 2013 and 2012.

6.10. Revenues

Revenues amounted to €176 million in 2013 as compared to €151.3 million in 2012. In 2013, a total amount of €71.6 million of revenues was generated in France.

Revenues mostly consist in re invoicing management fees and insurance costs to other entities of the Group.

6.11. Financial Result

Financial result breaks down as follows:

In millions of Euro	2013	2012
Dividend Income	286.3	478.9
Allowance of Provisions on Investments	(48.7)	10.5
Allowance of Provisions on Current Accounts	0.1	-
Allowance of Provisions on Treasury Shares	-	-
Allowance of Provisions on Free Shares	23.8	(20.7)
Amortization of Redemption Premium Related to Bonds	(0.7)	(0.5)
(Allowance)/Reversal of Provision on Exchange Losses	(5.6)	(1.1)
Reversal of Provision on Loans	-	1.1
Interest Income from Loans	48.1	47.7
Financial Income from Stock Incentive Plan Recharge	25.0	64.2
Interest Expense on Bonds	(28.5)	(20.7)
Interest Expense on Credit Line	(3.1)	(3.4)
Interest on Cash Pooling Current Account	(4.3)	(7.3)
Other financial expenses	-	-
Foreign Exchange (Loss)/Gain	7.8	10.3
Other	(1.9)	(1.7)
FINANCIAL RESULT	298.3	557.3

6.12. Extraordinary Result

Extraordinary result breaks down as follows:

In millions of Euro	2013	2012
Contributions and Gifts	0.1	(0.1)
Other Extraordinary Income	1.4	0.2
Allowance and Reversal of Provisions for Litigation	-	0.2
Reversal of Provisions	-	4.4
Gains and Losses on Sales of Investments	(1.4)	(10.7)
Result on Treasury Shares Sold	(53.9)	(46.9)
EXTRAORDINARY RESULT	(53.8)	(52.9)

In 2013, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €53.9 million.

In 2012, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €46.9 million and the loss on sale of Eurodim securities to Technip France.

6.13. Income Tax

The Company is the parent company of a consolidated tax group. The taxable income of the Company is added to taxable income of the other companies within the tax consolidation scope. The tax rate used in 2013 is 38% (including additional taxes).

The additional contribution to corporate income tax for amounts distributed, although booked in corporate income tax, is not included in this rate. For this year, the corresponding charge amounts to €5.6 million.

The impact on the 2013 income statement is a tax credit of €18.4 million that breaks down as follows:

- tax credit generated by the Company: €7.2 million;
- tax credit generated by the tax group: €11.2 million.

Tax credit generated by the Company for €7.2 million consists of €11.8 million attributable to current operations (tax charge) and €19 million related to the extraordinary result (tax credit).

Temporary Differences: as of December 31, 2013, temporary differences are not material (€0.2 million) and consist of the "contribution sociale de solidarité" (French Social Security tax).

6.14. Related Party Disclosure

The following amounts represent the Company's accumulated shares in the assets (Gross values), liabilities, and financial income and expense of companies in which the Company directly or indirectly holds more than 50% of the share capital.

In millions of Euro	2013	2012
Financial Assets	5,587.8	5,050.3
Current Assets, Receivables from Group Companies	278.3	185.5
TOTAL ASSETS	5,870.1	5,235.8
Financial Debts (Group and Affiliates)	776.3	805.9
Current Liabilities	54.7	64.3
TOTAL LIABILITIES	831.0	870.2
Financial Charges	441.8	588.8
Financial Income	(91.2)	(8.7)

6.15. Off-Balance Sheet Commitments

Off-balance sheet commitments break down as follows:

In millions of Euro	As of December 31,	
	2013	2012
Parent Company Guarantees ⁽¹⁾	40,538.6	37,285.5
Commitments Given ⁽²⁾	1,036.1	1,248.9
Commitments Received	-	-
Trade Bills Discounted before Maturity	-	-

(1) Parent company guarantees given by the Company to clients cover the proper performance of the specified contracts for which the average period until the release of the commitment guarantees is around five years. Parent company guarantee regarding joint ventures include the entire amount of the contract and are not reduced according to the projects' percentage of completion.

(2) These commitments are given on behalf of Group companies and mainly relate to:

- guarantees given to third parties;
- guarantees or counter-guarantees given to banks;
- guarantees given to various customers or partners for the realization of contracts.

Adria Tower

In 2009, The Company signed a new 12-year long-term lease contract on the Adria Tower, located in La Défense, for the period from April 1, 2009, to March 31, 2021.

This office costs are back charged by the Company to a French subsidiary which signed a long-term sublease contract on the same period.

In millions of Euro	2013
2014	30.3
2015	30.3
2016	30.3
2017	30.3
2018 and beyond	98.1
TOTAL ADRIA TOWER LEASE ⁽¹⁾	219.3

(1) Provisional amount, as the rent amount varies according to the INSEE Construction cost index.

The Company did not enter into any leasing contracts in 2013 and 2012.

6.16. Financial Instruments

The Company held no financial instruments as of December 31, 2013.

6.17. Assets Used as Collateral

The Company has not pledged any of its assets as collateral for material liabilities.

6.18. Average Number of Employees

The average number of employees was seven people in 2013 and seven in 2012.

6.19 – Board of Directors Compensation

In 2013, the amount of Director's fees paid by Technip to the members of the Board of Directors amounted to €0.0.

No loan was granted to the Board members of Technip during the financial year.

The compensation of the Company's Chairman and Chief Executive Officer is determined by the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee (article 23.1 of the AFEP-MEDEF Code).

Every year, Technip appoints external and independent consultants, who are chosen by the Nominations and Remunerations Committee, to analyze the following market practices:

1. CAC40 companies excluding financial companies (34 companies in 2013)
2. Industrial and engineering companies belonging to CAC40 and SBF80 (31 companies in 2013)
3. European oil companies (nine companies in 2013) and
4. US oil companies based in Texas (20 companies in 2013).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2013, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to 1,765,341.0 (see Section 15.1.1, Table 2, for further details).

Based on the actual rate of achievement of objectives set for 2013 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	Financial objectives (OIFRA, gross margin on order intake)	0 to 200%	100 - 110%	71.4%	€642,600
30%	Individual objectives	0 to 100%	80%	24%	€215,730
100%				95.4%	€858,330

The variable portion due to Thierry Pilenko for financial year 2013 is thus €858,330 and will be paid in 2014.

Furthermore, on June 14, 2013, the Board of Directors resolved that Thierry Pilenko may benefit from a deferred compensation equal to, at a maximum, 20% of his gross annual fixed compensation. This deferred compensation may be paid to him in 2016 at the

The variable portion of compensation is based on the fixed compensation for the previous year. For 2013, the target variable portion is equal to 100% of the annual base compensation. In accordance with Article 23.2.3 of the AFEP-MEDEF Code, the variable portion of the compensation is subject to precise and predetermined objectives. 70% of the target variable portion is linked to the financial performance of the Group (quantitative criteria) and 30% is linked to the achievement of individual objectives (qualitative criteria). These objectives are directly linked to Technip's strategy and cannot be disclosed for confidentiality reasons.

The share of the variable portion is linked with a financial target (70% of the total) and broken down into two objectives:

- up to 50% on the Group operating income budgeted for 2013: the share of the variable portion is (i) nil if real performance is below 80% of the budgeted amount (minimum level), (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount, (iii) between 100% and 140% for a performance equal to 100% to 110% of the budgeted amount, (iv) between 140% and 160% for a performance equal to 110% to 120% of the budgeted amount and (v) between 160% and 200% for a performance equal to 120% to 125% of the budgeted amount (maximum level); and
- up to 20% on the percentage of gross margin on order intake: the share will be: (i) nil if real performance is below 80% of the budgeted amount (minimum level), and (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount (maximum level).

The share of the variable portion corresponding to the individual objectives is composed as follows:

- Strategic criteria linked to the strategic development of the Group and to Quality;
- HSE criteria which is key to the Group;
- Criteria linked to human resources such as gender diversity, management and development of talents, succession plan.

If the Group current operating income achieved is superior to the budgeted objective, a multiplier rate is calculated, up to a maximum of 2. It is then applied to the other variable portion criteria to calculate the final variable share for 2013, which is capped at 200% of the target variable portion.

double condition (i) that he is still in the Group and (ii) that performance conditions of the Group are achieved. The performance will be measured by the progression and achievement by Technip, over the financial years 2013, 2014 and 2015, of satisfactory performance in relation to Health/Security/Environment (HSE), Operating Income From Recurring Activities (OIFRA) and Order Intake.

Thierry Pilenko does not receive any directors' fees for the positions he holds as a director of the Company or in the Group companies.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, there is no specific retirement plan for Thierry Pilenko as the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer is a beneficiary of the supplementary retirement plan for Group executives, with fixed contributions of 8% of gross annual compensation paid up to the 3rd tranche, *i.e.*, eight times the annual French Social Security ceiling. The contribution for 2013 amounted to €23,700.

The Chairman and Chief Executive Officer also benefits from the Company's existing supplementary retirement plan for Executive Committee (Excom) members: a retirement income guarantee of 1.8% per year of service, on the 4th tranche of gross annual compensation paid, *i.e.*, exceeding eight times the French Social Security ceiling, which is compliant with the conditions established by Article 23.2.6 of the AFEP-MEDEF Code. In order to be eligible for the retirement plan, the minimum seniority to be taken into account is five years as Excom members, up to a limit of 15 years. The amount of gross compensation to which this retirement income guarantee applies corresponds to the average of the gross compensation, paid over the five financial years preceding the date of departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability (as defined under French law); a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence (*faute grave* or *faute lourde*) on his part and that no professional activity is resumed between leaving the Company and receiving a pension under the general French Social Security scheme.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, the annual replacement ratio at retirement should not be higher than 45% of the reference income. The ratio for Thierry Pilenko complies with this condition.

In this last case, by exception, the Company did not take into account the requirement to remain in the Company having considered that the requirement for no professional activity was sufficiently restrictive.

50,000 share subscription options and 30,000 performance shares were granted to Thierry Pilenko over financial year 2013 corresponding to 0.07% of the social capital as of the General Meeting on April 25, 2013 (see Section 15.1.1, Tables 4 and 6, for further details).

In financial year 2013, Thierry Pilenko exercised 105,107 share purchase options (Table 5). It should be noted that the compensation policy of the Chairman and Chief Executive Officer, who is the only executive director (*dirigeant mandataire social*), is at risk: 100% of the granted shares, options and deferred compensation is subject to performance conditions.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares and stock options which have been granted since 2007 corresponding to 25% of the realized net gain, thus complying with Article 23.2.1 of the AFEP-MEDEF Code.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, on acquisition of performance shares, Thierry Pilenko will be required to buy a number of shares of the Company corresponding to 5% of the acquired performance shares. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

Thierry Pilenko is not a beneficiary of any share subscription warrants issued by the Company or any other company of the Group.

At the time of the renewal of Thierry Pilenko as Chairman of the Board of Directors during the meeting of the Board of Directors on April 28, 2011, it was decided to maintain the preexisting principles in the Company relating to a worldwide non-compete agreement for a 24-month period. According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation is the best gross annual compensation paid these last three years.

6.20. Auditors' Fees

The Auditors' fees break down as follows:

In thousands of Euro	Ernst & Young		PricewaterhouseCoopers	
	2013	2012	2013	2012
Auditing, certification of financial statements, examination of Company and Consolidated Financial Statements	761	535	639	535
Other work and services directly related to the responsibilities of Statutory Auditors	364	891	440	95
TOTAL FEES	1,125	1,426	1,079	630

6.21. Litigation and Pending Investigations

As of the date hereof, there have been no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Company is aware) over the previous 12 months, which may have, or have had a significant impact on the Group's financial position or profitability.

7. SUBSIDIARIES AND INVESTMENTS

In millions of Euro	Country	Per-centage of Owner-ship (%)	Share Capital	Reserves and Retained Earnings before Allocation*	Share Book Value (as of December 31, 2013)		Out-standing Loans and Advances	Bonds Posted and Guarantees Issued	Reve-nues 2013	Net Income 2013	Dividends Received in 2013
					Gross Value	Net Value					
A. DETAILED INFORMATION CONCERNING INVESTMENTS FOR WHICH GROSS-VALUE EXCEEDS 1% OF TECHNIP'S SHARE CAPITAL											
Technip France	France	77.79%	22.7	14.4	42.7	42.7	-	14,835.1	2,266.2	60.3	79.3
Seal Engineering	France	100.00%	0.1	1.5	1.1	1.1	-	-	5.2	1.6	1.7
Technip Offshore International	France	100.00%	7.8	1,316.9	3,120.6	3,120.6	1,093.6	-	-	53.9	70.2
Technipnet	France	100.00%	2.0	(34.3)	52.0	2.0	-	2.2	15.8	(33.8)	-
Technip Corporate Services	France	77.97%	6.1	9.3	0.9	0.9	-	6.9	141.3	0.8	-
Cybernetix SAS	France	100.00%	5.0	5.5	30.9	30.9	-	0.6	22.5	(2.3)	-
Technip Italy	Italy	100.00%	68.0	39.0	22.1	22.1	-	6,442.8	582.4	121.9	70.0
TPL	Italy	100.00%	9.0	(0.2)	7.8	7.8	-	-	-	(1.7)	-
Technip Germany	Germany	100.00%	12.8	5.0	100.2	100.2	-	55.3	69.0	1.9	2.0
Technip Holding Benelux BV	Netherlands	100.00%	9.1	350.8	342.1	342.1	-	-	-	10.5	-
Technip Benelux NV	Belgium	100.00%	0.5	-	-	-	-	-	-	0.7	1.7
Technip International AG	Switzerland	99.94%	4.1	(3.3)	3.1	-	-	-	-	(0.2)	-
Engineering Re	Switzerland	100.00%	1.7	23.7	1.7	1.7	-	13.2	-	1.9	-
Front End Re SA	Luxembourg	100.00%	3.1	13.3	117.4	117.4	-	150.0	4.8	-	-
Technip Far East	Malaysia	100.00%	6.6	(0.8)	5.9	5.9	-	19.5	120.3	13.6	-
Asiaflex Products	Malaysia	33.00%	43.3	(6.2)	16.7	16.7	68.2	-	72.3	13.2	-
Technip Tianchen Chemical Engineering	China	100.00%	1.7	12.1	3.3	3.3	-	-	25.1	3.3	-
Technip RUS	Russia	99.96%	0.2	14.4	0.9	0.2	-	-	36.9	11.4	4.8
MHB	Malaysia	8.50%	NC **	NC**	125.0	125.0	-	-	494,2**	29,8**	3.3
B. OTHER SUBSIDIARIES AND INVESTMENTS											
Other Subsidiaries of which share capital is more than 50% owned by Technip											
French Subsidiaries		NA	NA	NA	1.8	1.6	-	-	NA	NA	6.8
Foreign Subsidiaries		NA	NA	NA	1.7	1.5	-	-	NA	NA	39.7
Other Investments of which share capital is owned from 10% to 50% by Technip											
French Investments		NA	NA	NA	-	-	-	-	NA	NA	-
Foreign Investments		NA	NA	NA	1.2	1.1	-	-	NA	NA	0.6
TOTAL		NA	NA	NA	3,999.1	3,944.8	1,161.8	21,525.6	NA	NA	280.1

(*) Excluding the net result from the financial year.

(**) Based on yearly financial statements audited as of September 30, 2013.

8. SUBSEQUENT EVENTS

There has been no significant event since December 31, 2013.

20.3. Dividend Distribution Policy

The Combined Shareholders' Meeting of April 25, 2013 approved the payment to shareholders of a dividend of €1.68 per share for the year ended December 31, 2012, which represented a global distribution of €185,910,421.20 in cash.

For the past three years, the amount of dividend per share eligible for the 40% French tax credit (*avoir fiscal*) is as follows:

Year	Dividend per share	Amount of the distribution eligible for the 40% tax credit
2010	€1.45	€1.45
2011	€1.58	€1.58
2012	€1.68	€1.68

Being confident in Technip's strategy, its backlog and its potential for profitable growth, the Board of Directors resolved to propose for approval by the Combined Shareholders' Meeting to be held on April 24, 2014, an increase in the 2013 dividend of 10% equal to a total dividend of €1.85 per share.

This dividend would be paid in cash on May 7, 2014.

The payment of dividends, which is administered by Société Générale, to the financial intermediary account holders will be made through Euroclear France's direct payment procedure.

Deutsche Bank will administer the payment of dividends to ADR (American Depositary Receipt) holders.

Under French law, dividends that are not claimed within five years of their date of payment revert to the French State.

20.4. Legal and Arbitration Procedures

As of the date hereof, there have been no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Company is aware) over the previous 12 months, which may have, or have had a significant impact on the Group's financial position or profitability.

20.5. Significant Changes in the Financial or Commercial Position

There has been no significant change in the Company's financial and commercial position since the end of last fiscal year for which verified financial statements were published *i.e.* since the close of the statutory financial statements.

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21.1. Share Capital

21.1.1. AMOUNT OF SHARE CAPITAL

As of February 28, 2013 and February 28, 2014, Technip's share capital amounted to €86,283,684.89 divided into 113,158,931 shares and €86,684,988.64 divided into 113,685,231 shares, respectively.

21.1.2. SHARES NOT REPRESENTING CAPITAL

None.

21.1.3. TREASURY SHARES AND SHARE REPURCHASE PROGRAMS

During financial year 2013, 786,843 shares were purchased and 649,343 were sold under the terms and conditions of the Liquidity Contract with transaction fees totaling €100,000 (excluding tax).

During financial year 2013, 486,590 shares were repurchased under the Share Buyback Contract with a brokerage fee amounting to €24,026.24 excluding tax.

In addition, during the same financial year, 1,237,702 shares were transferred at nil value as performance shares granted during the year, with no transaction fees.

Use of Treasury Shares

As of February 28, 2014, the Company held 2,001,246 treasury shares. These treasury shares had a par value of €0.7625 each, representing an aggregate value of €148,709,106, or 1.75% of the share capital of the Company. These treasury shares were held for the following purposes:

1. To service share purchase option plans or other share plans that were granted to employees or directors or officers (*mandataires sociaux*) of the Company:

As of February 28, 2014:

- 319,790 shares were granted under the 2008 share purchase option plan by the Board of Directors at its meeting held on July 1, 2008;
- 597,100 shares were granted under the 2010 performance share plan by the Board of Directors at its meetings held on June 23, December 15, 2010 and March 4, 2011;
- 414,407 shares were granted under the 2011 performance share plan by the Board of Directors at its meetings held on June 17, December 14, 2011 and March 2, 2012;
- 535,342 shares were granted under the 2012 Performance Share Plan by the Board of Directors at its meetings held on June 15, December 12, 2012; and
- 562,500 shares were granted under the 2013 performance share plan by the Board of Directors at its meetings held on June 14, 2013 and January 10, 2014.

Pursuant to a contract dated May 22, 2012, the Company engaged SG Securities (Paris) SAS to execute a Share Buyback Contract, such contract ending May 31, 2013.

Pursuant to a contract dated January 17, 2014, the Company engaged SG Securities (Paris) SAS to execute a Share Buyback Contract ending on March 31, 2014.

2. To promote share trading and, in particular, to ensure the liquidity of shares pursuant to a Liquidity Contract, by an investment service provider, that complies with the AMAFI (Financial Market Professionals, ex-AFEL) Code of Conduct approved by the French Financial Market Authority (*Autorité des marchés financiers*) in its decision of October 1, 2008 and March 21, 2011:

Pursuant to a contract dated February 12, 2010, and for a term of one year as from that date, renewable by tacit agreement, the Company engaged Kepler Cheuvreux to execute a Liquidity Contract in compliance with the AMAFI Code of Conduct.

During financial year 2013, 786,843 shares were purchased and 649,343 shares were sold pursuant to the terms and conditions of the Liquidity Contract.

Pursuant to this Liquidity Contract, as of December 31, 2013, the following assets were recorded in the liquidity account:

- 166,500 shares; and
- €814,648.

Renewal of the Company's Share Repurchase Program

A proposal will be submitted to the Shareholders' General Meeting of April 24, 2014 to authorize the Board of Directors to repurchase Technip's share capital under the terms and conditions mentioned herein below.

Legal Framework

The implementation of this program is subject to the approval of Technip's shareholders at the Shareholders' General Meeting of April 24, 2014 of the proposed sixth resolution (details of this resolution are included in Annex G Section 3 of this Reference Document).

Terms and Conditions

The maximum number of shares that may be acquired according to this program shall not exceed 8% of Technip's share capital as of the day of the Shareholders' General Meeting.

Any acquisitions made by the Company must not result in the Company holding, whether directly or indirectly, more than 10% of Technip's share capital.

The proposed maximum share purchase price would be set at €95 per share (excluding charges).

Under the terms and conditions of the authorization to be proposed to the Shareholders' General Meeting of April 24, 2014, and on the basis of the aggregate number of outstanding shares (*i.e.*, 113,685,231 shares) and treasury shares as of February 28, 2014 (*i.e.*, 2,001,246 shares), Technip may repurchase a maximum of 7,093,572 shares, representing a maximum theoretical investment of €673,889,340, assuming a maximum share purchase price of €95.

21.1.4. POTENTIAL CAPITAL

Summary of Authorizations Granted by the Shareholders' General Meeting, which Expired or were in Effect in Financial Year 2013

The table below summarizes the resolutions approved by the Shareholders' General Meeting authorizing the Board of Directors to increase or reduce the share capital, and shows the Board's utilization of said authorizations in financial year 2013:

Purpose	Validity	Limit	Use during the 2013 financial year
Authorization to reduce share capital by cancelling all or part of the shares previously repurchased	Extraordinary Shareholders' Meeting of April 29, 2010 12 th resolution Term: 5 years Expiry: April 28, 2015	10% of the share capital per 24-month period	None
Share capital increase with preferential subscription rights	Extraordinary Shareholders' Meeting of April 28, 2011 13 th resolution Term: 26 months Expiry: June 27, 2013*	Par value: €40 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Share capital increase without preferential subscription rights and by public offer	Extraordinary Shareholders' Meeting of April 28, 2011 14 th resolution Term: 26 months Expiry: June 27, 2013*	Par value: €8 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Share capital increase without preferential subscription rights and by private placement	Extraordinary Shareholders' Meeting of April 28, 2011 15 th resolution Term: 26 months Expiry: June 27, 2013*	Par value: €8 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Share capital increase in favor of employees adhering to a Company savings plan	Extraordinary Shareholders' Meeting April 28, 2011 20 th resolution Term: 26 months Expiry: June 27, 2013*	1% of the share capital	None
Authorization to repurchase Company shares	Ordinary Shareholders' Meeting of April 26, 2012 6 th resolution Term: 18 months Expiry: October 25, 2013	10% of share capital	0.6%
Share capital increase with preferential subscription rights	Extraordinary Shareholders' Meeting of April 26, 2012 8 th resolution Term: 26 months Expiry: June 25, 2014	Par value: €42 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Share capital increase without preferential subscription rights and by public offer	Extraordinary Shareholders' Meeting of April 26, 2012 9 th resolution Term: 26 months Expiry: June 25, 2014	Par value: €8 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Share capital increase without preferential subscription rights and by private placement	Extraordinary Shareholders' Meeting of April 26, 2012 10 th resolution Term: 26 months Expiry: June 25, 2014	Par value: €8 million €2.5 billion for securities representing debt certificates granting access to share capital	None
Grant of performance shares to be issued to eligible employees of the Company and directors or officers of the Company or other associated companies	Extraordinary Shareholders' Meeting of April 26, 2012 11 th resolution Term: 24 months Expiry: April 25, 2014	0.5% of share capital	None
Grant of performance shares to be issued to the Executive Director of the Company and to the Group principal executives	Extraordinary Shareholders' Meeting of April 26, 2012 12 th resolution Term: 24 months Expiry: April 25, 2014	0.5% of share capital	None

Purpose	Validity	Limit	Use during the 2013 financial year
Grant of share subscription or share purchase options to be issued to the eligible employees and directors and officers of the Company and employees and directors and officers of other associated companies	Extraordinary Shareholders' Meeting of April 26, 2012 13 th resolution Term: 24 months Expiry: April 25, 2014	0.3% of share capital	None
Grant of share subscription or share purchase options to be issued to Executive Director of the Company and to the Group principal executives	Extraordinary Shareholders' Meeting of April 26, 2012 14 th resolution Term: 24 months Expiry: April 25, 2014	0.3% of share capital	None
Share capital increase without preferential subscription rights reserved for categories of beneficiaries as part of the implementation of an employee share program	Extraordinary Shareholders' Meeting of April 26, 2012 15 th resolution Term: 18 months Expiry: October 25, 2013	0.5% of share capital	None
Share capital increase in favor of employees adhering to a Company savings plan	Extraordinary Shareholders' Meeting of April 26, 2012 16 th resolution Term: 26 months Expiry: June 25, 2014	1% of share capital	None
Authorization to repurchase Company shares	Ordinary Shareholders' Meeting of April 25, 2013 13 th resolution Term: 18 months Expiry: October 25, 2014	10% of share capital	0.7%
Grant of performance shares to be issued to eligible employees of the Company and directors or officers of the Company or other associated companies	Extraordinary Shareholders' Meeting of April 25, 2013 14 th resolution Term: 24 months Expiry: April 25, 2015	0.5% of share capital	0.4%
Grant of performance shares to be issued to the Executive Director of the Company and to the Group principal executives	Extraordinary Shareholders' Meeting of April 25, 2013 15 th resolution Term: 24 months Expiry: April 25, 2015	0.5% of share capital toward the ceiling of the 14 th resolution	0.1%
Grant of share subscription or share purchase options to be issued to the eligible employees and directors and officers of the Company and employees and directors and officers of other associated companies	Extraordinary Shareholders' Meeting of April 25, 2013 16 th resolution Term: 24 months Expiry: April 25, 2015	0.3% of share capital	0.2%
Grant of share subscription or share purchase options to be issued to Executive Director of the Company and to the Group principal executives	Extraordinary Shareholders' Meeting of April 25, 2013 17 th resolution Term: 24 months Expiry: April 25, 2015	0.3% of share capital toward the ceiling of the 16 th resolution	0.2%
Authorization granted to the Board of Directors to increase the share capital in favor of employees adhering to a Company savings plan, without preferential subscription rights for the shareholders	Extraordinary Shareholders' Meeting of April 25, 2013 18 th resolution Term: 26 months Expiry: June 25, 2015	1% of share capital	None

* The 6th, 11th, 12th, 13th and 14th resolutions of the Combined Shareholders' Meeting on April 26, 2012 expired at Combined Shareholders' Meeting of April 25, 2013, which renewed them with the 13th, 14th, 15th, 16th and 17th resolutions.

As a number of these authorizations are due to expire, the Combined Shareholders' General Meeting of April 24, 2014, is being requested to authorize the Board of Directors:

- to purchase, for an 18-month period, Company shares, for a maximum share purchase price of €95 in an amount up to 8% of the share capital (sixth resolution);
- to increase, on one or more occasions over a 26-month period, the Company's share capital in an amount up to €42 million, with preferential subscription rights for shareholders (seventh resolution);
- to increase, on one or more occasions over a 26-month period, the Company's share capital, without preferential subscription rights for shareholders and by way of a public offering, up to a total nominal amount of €8 million (eighth resolution). The total nominal amount shall be applied toward the total nominal maximum amount of €42 million set forth in the seventh resolution described above;
- to increase, on one or more occasions over a 26-month period, the Company's share capital without preferential subscription rights for shareholders and by way of a private placement up to a total nominal amount of €8 million (ninth resolution).

This amount shall be applied toward the total nominal amount of €8 million set forth in the eighth resolution and toward the total nominal maximum amount of €42 million set forth in the seventh resolution, described above;

- to grant, on one or more occasions over a 24-month period, performance shares in an amount of up to 0.3% of the Company's share capital as of the date of the Shareholders' Meeting described above to (i) Technip's employees, and (ii) employees and directors and officers (*mandataires sociaux*) of the companies related to the Group (tenth resolution);
- subject to the approval of the tenth resolution, described above, to grant, on one or more occasions over a 24-month period, performance shares as of the date of the Shareholders' Meeting described above to the Company's Chairman and Chief Executive Officer (*mandataire social*) and to the Group's principal executives (eleventh resolution). This grant shall be applied toward the ceiling of 0.3% of the Company's share capital set pursuant to the tenth resolution described above;
- to grant, on one or more occasions over a 24-month period, options for the purchase or subscription of shares in an amount of up to 0.5% of share capital as of the date of the Shareholders' Meeting described above to, (i) Technip's employees, and (ii) directors and officers (*mandataires sociaux*) of the companies related to the Group (twelfth resolution);
- subject to the approval of the twelfth resolution, to grant, on one or more occasions over a 24-month period, options for the purchase or subscription of shares on the date of the Shareholders' Meeting described above, to the Company's Chairman and Chief Executive Officer (*mandataire social*) and to the Group's principal executives (thirteenth resolution). This grant shall be applied toward the ceiling of 0.5% of the Company's share capital set pursuant to the twelfth resolution described above;
- to increase the share capital, on one or more occasions over a 26-month period, in favor of members of the savings plan

of the Company and of the French and foreign companies affiliated to the Company pursuant to Article L. 3344-1 of the French Labor Code, in an amount of up to 1% of share capital on the date of implementation of such increase (fourteenth resolution); and

- to increase share capital, on one or more occasions over an 18-month period, without subscription rights, in an amount of up to 0.5% of share capital, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program (fifteen resolution).

21.1.5. CONVERTIBLE OR EXCHANGEABLE SECURITIES, OR SECURITIES WITH WARRANTS

For a description of the Group's convertible bond issues, please refer to Section 4.6 of this Reference Document.

21.1.6. ACQUISITION RIGHTS AND/OR OBLIGATIONS OVER AUTHORIZED BUT UNISSUED CAPITAL

None.

21.1.7. CONDITIONAL OR UNCONDITIONAL OPTION OR AGREEMENT ON ANY CAPITAL OF ANY MEMBER OF THE GROUP

Please see Section 17.2.3 of this Reference Document.

21.1.8. CHANGES IN SHARE CAPITAL

Changes in Share Capital over the Three Previous Years

Date of Board of Directors' meeting recording the share capital variation	Type of operation	Number of shares issued/cancelled	Nominal account of the share capital increase/reduction (in Euro)	Global issuance premium	Successive amounts of share capital (in Euro)	Total number of shares	Par Value of the shares (in Euro)
02/15/2011	Exercise of share subscription options	906,058	690,869.22	-	84,065,130.90	110,249,352	0.7625
02/14/2012	Exercise of share subscription options	738,406	563,034.58	-	84,628,165.48	110,987,758	0.7625
07/24/2012	Exercise of share subscription options	470,762	358,956.02	-	84,987,121.50	111,458,520	0.7625
07/24/2012	Recording of the share capital increase under the Group savings plan	1,475,143	1,124,796.54	-	86,111,918.04	112,933,663	0.7625
10/23/2012	Exercise of share subscription options	72,939	55,615.99	-	86,167,534.03	113,006,602	0.7625
02/19/2013	Exercise of share subscription options	33,911	25,857.13	-	86,193,391.16	113,040,513	0.7625

Changes in Share Capital from January 1, 2014 until February 28, 2014

Date of Board of Directors' meeting recording the share capital variation	Type of operation	Number of shares issued/cancelled	Nominal account of the share capital increase/reduction (in Euro)	Global issuance premium	Amount of share capital (in Euro)	Total number of shares	Par value of the shares (in Euro)
02/18/2014	Exercise of share subscription options	639,743	487,804.04	-	86,681,195.20	113,680,256	0.7625

21.2. Articles of Association

21.2.1. CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The Company has the following purpose in all countries:

- all engineering studies and services, and the construction of complex industrial plants, particularly in the hydrocarbon sector, and generally in all fields of industry, including chemicals and life sciences;
- the design, manufacture, purchase, sale, construction, assembly and installation of materials, products, equipment and systems intended for said installations, in particular, fixed or floating platforms and pipelines for the development of oil fields at sea;
- the provision of all services related to these products, equipment and installations;
- the development and implementation of all processes and products for practical use in industry as a result of research carried out by the Company or by any other individual or entity;
- the registration, acquisition, procurement, direct or indirect use, sale or purchase of all brands, processes, patents, and licenses for the use of patents;
- the direct or indirect participation of the Company in all operations described above, either by the formation of companies, contributions to existing companies or mergers with such companies, transfer to companies of all or part of its assets or rights in real and personal property, subscriptions, purchases and sales of securities and corporate interests, partnerships, advances, loans or otherwise;
- the investment, by any means and in any form, in companies or industrial, commercial, financial and real property enterprises, whether French or foreign, regardless of their legal form or organization and, where necessary, the disposal of these investments;
- more generally, all operations of a commercial, financial, industrial or civil nature or in real or personal property, related directly or indirectly to any of the purposes listed above and to any similar or related purposes, both on its own behalf or on behalf of third parties, and more generally all transactions facilitating or related to the attainment of these purposes.

21.2.2. MEMBERS OF ADMINISTRATIVE, EXECUTIVE AND SUPERVISORY BODIES

Composition of the Board of Directors (Article 14 of the Articles of Association – Excerpts)

The Company is administered by a Board of Directors with no fewer than three, and no more than 18, members, subject to exceptions provided for by law.

Each director shall hold at least 400 of the Company shares in registered form.

Individuals or legal entities may be directors.

Members of the Board of Directors are appointed by the Ordinary Shareholders' Meeting for a four-year term to expire at the end of the Ordinary Shareholders' Meeting convened to approve the

financial statements for the preceding financial year and held in the financial year during which the term expires.

One-half of the members of the Board of Directors will be renewed on a rolling basis every two years if the Board of Directors is comprised of an even number of directors, or one-half of the members plus one if the Board of Directors is comprised of an odd number of directors. For purposes of this provision, the order of the termination of office will be decided by the Board of Directors on the date of its first meeting following the adoption of this provision, unanimously approved by the directors present or represented or, failing that, by a random draw. The previous term of office of directors thus chosen or drawn will be automatically nullified.

The number of directors who are over the age of 70 may not exceed one third of the number of directors in office at the end of the financial year.

Operation of the Board of Directors

Deliberations of the Board of Directors (Article 16 of the Articles of Association – Excerpts)

At least half of the members of the Board of Directors must be present in person for meetings to be valid.

In accordance with the conditions and limitations set by applicable regulations, directors who are not physically present, but participate in meetings of the Board of Directors by means of video-conference or other telecommunications, will be considered present for purposes of quorum and majority requirements.

Decisions are adopted by a majority of the directors present in person or represented. The Chairman shall have the casting vote in the event of a tie.

Powers of the Board of Directors (Article 17 of the Articles of Association)

The Board of Directors shall set the guidelines for the operation of the Company and shall see to it that they are implemented.

Subject to the powers expressly granted pursuant to Shareholders' General Meetings, and within the scope of the corporate purpose, it shall take up any and all issues affecting the proper operation of the Company and shall decide in its meetings any business concerning the Company.

In relationships with third parties, the Company shall be bound even by actions of the Board of Directors which are not related to the corporate purpose, unless it can prove that the third party knew that the action exceeded such purpose or that it could not be unaware of it given the circumstances; for these purposes, the publication of the articles of association shall not in and of itself constitute proof.

The Board of Directors shall perform any and all audits and controls it may deem appropriate. The Chairman or the Company's Chief Executive Officer is responsible for communicating to each director all necessary documentation and information so that they may discharge their duties.

21.2.3. RIGHTS AND DUTIES ATTACHED TO THE SHARES (ARTICLE 11 OF THE ARTICLES OF ASSOCIATION)

Each share shall grant a right to the corporate assets, to the distribution of the profits and to any liquidation surplus (*boni de liquidation*), in proportion to the number of shares issued.

The shareholders shall be liable only up to the amount of their capital contributions.

Share ownership automatically implies adherence to the Company's Articles of Association and to the decisions of the Shareholders' General Meetings.

The rights and duties attached to each share shall pass with the title of the share, to whomever obtains ownership.

Whenever it is necessary to own a certain number of shares to exercise a right of any kind, in particular, in the event of an exchange, consolidation or grant of shares, or following an increase in or reduction of share capital – whatever the terms and conditions thereto may be – a merger or any other transaction, shareholders holding a number of shares fewer than that required may exercise their rights only on the condition that they make their own personal arrangements with regard to consolidation and, where applicable, to the purchase or sale of the number of shares or rights forming the necessary fractional share.

Double Voting Rights (Article 12 of the Articles of Association)

From November 24, 1995, double voting rights, taking into account the fraction of the share capital that they represent, have been attributed to all fully paid-up shares which can be proved to have been registered in the name of the same shareholder for at least two years.

In the event of an increase of share capital by capitalization of reserves, profits or premiums, double voting rights shall also be granted as from the time of their issue to registered shares that were granted free of charge to a shareholder in respect of existing shares entitling such shareholder to the benefit of said right.

Registered shares benefiting from double voting rights that are converted into the bearer form for any reason whatsoever shall lose such double voting rights.

Pursuant to Article L. 225-99 of the French Commercial Code, double voting rights may be cancelled by a decision of the extraordinary general meeting of the shareholders of the Company following ratification by the beneficiary shareholders at a special meeting.

Identifiable Bearer Shares (Article 13, Paragraph 1 of the Articles of Association)

In accordance with applicable laws and regulations, the Company may at any time ask the body responsible for clearing securities for information enabling it to identify the holders of shares carrying immediate or future voting rights at Shareholders' General Meetings, as well as the number of shares held by each of them and, where applicable, any restrictions that may affect such shares.

Distribution of Profits (Article 27 of the Articles of Association)

From distributable profit, as defined by law, the Shareholders' General Meeting may withhold any sums it thinks fit to allocate to any optional reserve fund or to carry it forward.

The balance, if any, shall be divided between all the shareholders in proportion to the number of shares that they own.

In addition, the Shareholders' General Meeting may decide to distribute sums withheld from the reserve funds at its disposal, by indicating expressly the particular reserve funds from which the deductions should be made. However, the dividends must be withheld first from the distributable profits for the financial year.

21.2.4. AMENDMENT OF SHAREHOLDERS' RIGHTS

In the absence of any provisions relating to changes to shareholders' rights in the Company's Articles of Association, any changes to shareholders' rights are subject to applicable law.

21.2.5. SHAREHOLDERS' GENERAL MEETINGS (ARTICLE 23 OF THE ARTICLES OF ASSOCIATION)

Convening and Holding of Shareholders' General Meetings – Deliberations

Shareholders' General Meetings shall be convened in accordance with the conditions set out by applicable laws and regulations. Shareholders' General Meetings shall meet at the registered office or at any other place specified in the notice convening the meeting.

Shareholders' General Meetings shall be chaired by the Chairman of the Board of Directors or, in his/her absence, by a director so appointed by the Board of Directors, or failing this, the Shareholders' General Meeting shall appoint a Chairman.

The scrutineer's functions are performed by two shareholders who are present and who agree to perform these duties, and who have by themselves or as proxies the largest number of votes.

The presiding committee shall appoint a secretary, who can be chosen from outside of the Shareholders' General Meeting's members.

Attendance

All shareholders may, in accordance with the conditions set forth under applicable laws and regulations, either personally attend the Shareholders' Meetings, cast an absentee vote, or be represented by another shareholder or by their spouse or civil partner. Moreover, they may be represented by any other natural or legal person of his or her choice.

The right to participate in Shareholders' Meetings arises through the registration of the shares in the name of the shareholder, or his or her intermediary registered on his or her behalf pursuant to Article L. 228-1 of the French Commercial Code, as of 00:00 am (Paris time) on the third business day preceding the Shareholders' Meeting, in accordance with applicable regulations.

Any legal entity that is a shareholder may participate in the Shareholders' General Meetings through its legal representatives or by any other person appointed by it for this purpose.

The shareholders may, subject to the conditions set forth under applicable laws and regulations, send their proxy and mail voting form for any Shareholders' Meeting, either in paper form, or, subject to the decision of the Board of Directors at the time at which the Shareholders' Meeting is convened, by electronic means.

When using a proxy and mail voting form or casting an absentee vote electronically, the electronic signature may result from a procedure allowing for the reliable identification of the shareholder, evidencing the link between the signature and the form to which it is affixed.

The Board of Directors may decide, at the time that the Shareholders' Meeting is convened, that the shareholders may participate in the Shareholders' Meeting *via* videoconference or by other means of telecommunication, including the internet, subject to the regulations applicable at the time of their use.

All shareholders who participate in the Shareholders' Meeting by one of the aforementioned means shall be deemed present for the purposes of the quorum and for the calculation of a majority.

The Company will be able, in accordance with applicable regulations, to use electronic communication instead of communication *via* the post in order to satisfy the formalities specified by the regulations.

21.2.6. ANY PROVISION OF THE COMPANY'S ARTICLES OF ASSOCIATION THAT WOULD HAVE AN EFFECT OF DELAYING, DEFERRING OR PREVENTING A CHANGE IN CONTROL OF THE COMPANY

To the Company's knowledge, neither the Company's Articles of Association nor its internal charter contains any provisions that could delay or prevent a change in control.

The Company's Articles of Association provide for double voting rights as described above in Section 21.2.3 (Article 12 of the Articles of Association).

21.2.7. CROSSING OF THRESHOLDS (ARTICLE 13, PARAGRAPHS 2 AND 3 OF THE ARTICLES OF ASSOCIATION)

Any shareholder acting alone or in a group (*de concert*), in addition to the thresholds referred to pursuant to Article L. 233-7 of the French Commercial Code, who comes to hold or ceases to hold, directly or indirectly, 1% of the Company's share capital or voting rights, or a multiple of said percentage less than or equal to 30%, shall notify the Company within five business days of having exceeded any one of these thresholds, by registered letter with return receipt requested, of the aggregate number of shares, voting rights or securities giving rights to the Company's share capital, which it holds, directly or indirectly, alone or in a group (*de concert*).

Any failure to comply with the above statutory notification shall entail the forfeiture of those voting rights exceeding the fraction that was required to have been declared pursuant to the provisions detailed above. Such forfeiture shall apply for all Shareholders' General Meetings that are held during a two-year period following the date on which the failure to notify has been remedied, at the request of one or more shareholders, together holding at least 1% of the Company's share capital or voting rights, with such request being recorded in the minutes of the Shareholders' General Meetings.

21.2.8. SPECIFIC PROVISIONS RELATED TO CHANGES IN SHARE CAPITAL

In the absence of any provisions regarding changes to the share capital in the Company's Articles of Association, any changes to the share capital are subject to applicable law

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As of December 31, 2013, Technip's credit rating was BBB+/stable/A-2.

22.1. 2010 Private Bond Placement

On July 27, 2010, Technip received the proceeds of a €200 million private placement of bonds. For a description of this private placement, please refer to Section 4.6 of this Reference Document.

22.2. 2010-2016 Convertible Bond Issue

On November 17, 2010, Technip issued bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million. For a description of this OCEANE bond issue please refer to Section 4.6 of this Reference Document. The bond issue was rated BBB+ by Standard & Poor's.

The supplementary report from the Chairman and Chief Executive Officer (CEO) of Technip and the supplementary report of the Statutory Auditors on this bond issue are available from Technip, at 89, avenue de la Grande-Armée – 75116 Paris (France) and on Technip's website (www.technip.com).

22.3. 2011-2017 Convertible Bond Issue

On December 15, 2011, approximately €497.6 million bonds convertible and/or exchangeable for new or existing shares (OCEANE) were issued and are described in Section 4.6 of this Reference Document. The bond issue was rated BBB+ by Standard & Poor's.

The supplementary report from the Chairman and CEO of Technip and the supplementary report of the Statutory Auditors on this bond issue are available from Technip, at 89, avenue de la Grande-Armée – 75116 Paris (France) and on Technip's website (www.technip.com).

22.4. 2012 Private Placement Notes

In June 2012, three long-term private debt issues were concluded by Technip, each subscribed by a different investor and for an aggregate amount of €325 million and are described in Section 4.6 of this Reference Document.

22.5. 2013 Private Placement Notes

In October 2013, three long-term private debt issues were concluded by Technip, each subscribed by different investors and for an aggregate amount of €355 million and are described in Section 4.6 of this Reference Document.

22.6. *Skandi Arctic* Financing

The financing of an initial amount of NOK 500 million that corresponds to the 50% interest held by the Group in the *Skandi Arctic* vessel has been reduced to NOK 354.2 million. For a description of this financing, please refer to Section 4.6 of this Reference Document.

22.7. *Skandi Vitória* Financing

As of December 31, 2013, the two BNDES (*Banco Nacional Desenvolvimento Econômico e Social*) loans for an initial aggregate amount of USD240 million have been reduced to USD198.5 million, with a USD99.25 million Technip share that

corresponds to 50% interest held by the Group in the *Skandi Vitória* vessel. For a description of these loans, please refer Section 4.6 of this Reference Document.

22.8. *Skandi Niterói* Financing

As of December 31, 2013, the two BNDES loans for an initial aggregate amount of USD136.5 million have been reduced to USD118.0 million, with a USD59.0 million Technip share that corresponds to 50% interest held by the Group in the *Skandi Niterói* vessel. For a description of these loans, please refer Section 4.6 of this Reference Document.

22.9. Two 550-Ton Laying Tension Capacity Pipelay Support Vessels (PLSVs) Financing

On April 16, 2013, the USD584 million credit facility granted by several commercial banks and Eksportkreditt Norge AS (Norway) to Technip Odebrecht PLSV, CV, in which the Company indirectly

holds a 50% interest, and dedicated to the construction of two pipelay support vessels, is described in the Section 4.6 of this Reference Document.

22.10. Açuflex Plant Financing

The loan agreement of an aggregate amount of BRL485 million entered into by Flexibras Tubos Flexiveis, a Brazilian subsidiary of Technip, and related to the financing of the Açuflex flexible pipes

plant located in the Açú harbor (Brazil) is described in Section 4.6 of this Reference Document.

22.11. BNDES Financing

The seven different BNDES facility agreements entered into by the Group's Brazilian subsidiary Flexibras Tubos Flexiveis for a total amount of BRL400 million, with five different commercial

banks on behalf of BNDES, are described in Section 4.6 of this Reference Document.

22.12. NCE Export Credit Notes

The six NCE (*Nota de Crédito à Exportação*) loans entered into by the Group's Brazilian subsidiary Flexibras Tubos Flexiveis for a total amount of BRL572 million, with five different commercial banks, are described in Section 4.6 of this Reference Document.

22.13. Global Industries Bond

As of December 31, 2013, following an early redemption in January, 2012, Global Industries Ltd's bond issue in an initial amount of USD325 million dated July 27, 2007 amounted to USD2.4 million and is described in Section 4.6 of this Reference Document.

22.14. Revolving Credit Agreement and Bilateral Facilities

On July 21, 2011, Technip entered into a €1 billion revolving syndicated agreement, which is described, along with five bilateral facility agreements that were signed with several banks in 2012 for a total amount of €420 million, in Section 4.6 of this Reference Document.

23

Information from Third Parties, Declarations Filed by Experts and Declarations of Interest

To the Company's knowledge, all information from the sources referred to in this Reference Document has been accurately reproduced and no facts have been omitted, that would render the reproduced information, in any significant way, inaccurate or misleading.

Throughout this Reference Document's validity period, the following documents, and all other documents provided for under law, may be consulted in accordance with applicable laws and regulations at the Company's registered office, 89, avenue de la Grande Armée – 75116 Paris (France):

- a copy of the Articles of Association;
- the Statutory Auditors' reports and the financial statements for the preceding three financial years;
- all reports, correspondence and other documents, historical financial information for the Company and its subsidiaries relating to the preceding three financial years; and
- assessments and statements made by an expert at the request of the issuer, part of which is included or discussed in this Reference Document.

PERSONS RESPONSIBLE FOR FINANCIAL INFORMATION RELEASES

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Information on Holdings

See Section 7.2 of this Reference Document and the List of Subsidiaries and Investments as disclosed in Note 7 to the Company's Statutory Financial Statements for the financial year ended December 31, 2013, which is included in Section 20.2 of this Reference Document.



Annex: Offices Held by Board Members, Current as of December 31, 2013 and over the Past Five Years ⁽¹⁾

First name	Last name	Current offices	Expired offices in the last five years
Thierry	PILENKO	Director of Hercules Offshore ^(*) (United States) Member of the Supervisory Board of Peugeot Citroën SA ^(*)	Director of CGG ^(*) (formerly CGGVeritas)
Olivier	APPERT	Chairman and Chief Executive Officer of IFP Énergies nouvelles Director of CGG ^(*) Director of EDF ^(*)	Director of the Institut de Physique du Globe de Paris Director of Storengy
Pascal	COLOMBANI	Chairman of the Board of Directors of Valeo ^(*) Director of Alstom ^(*)	Director of Rhodia ^(*) Director of British Energy Group p.l.c. (United Kingdom) Non Executive Director of Energy Solutions ^(*) (United States)
Leticia	COSTA	Board Member of Marcopolo ^(*) (Brazil) Board Member of Localiza S.A. ^(*) (Brazil) Vice-President of Booz & Company do Brasil (Brazil) Member of the Audit Committee of Votorantim Industrial and of Votorantim Cimentos (Brazil)	Board member of Gafisa S.A. ^(*) (Brazil) Board member of Sadia S.A. ^(*) (Brazil)
Marie-Ange	DEBON	Director of companies in Suez Environnement ^(*) Group: Sita France, Hisusa (Spain), Lydec (Morocco) and United Water Inc. (United States) Chairman of Degrémont (company of Suez Environnement Group) Director of GrDF	
C. Maury	DEVINE	Director of FMC Technologies ^(*) (United States) Director of John Bean Technologies ^(*) (United States) Member of independent Nominating and Governance Committee of Petroleum Geo Services ^(*) (Norway)	Vice-Chairman of the Board of Det Norske Veritas (Norway) Director of Aquatic Energy LLC (United States)
Manisha	GIROTRA	-	-
Alexandra Bech	GJØRV	Board member of Eidsiva Energi AS ^(*) (Norway) Member of the Board of Advokatfirmaet Hjort (Norway)	Board member of Norske Skog AS ^(*) (Norway) Vice-Chairman of the Board of Norwegian Broad Casting (NSK) (Norway) Deputy Board Member of Anobe AS (Norway)
Gérard	HAUSER	Director of Alstom ^(*) Director of Ipsen ^(*) Director of Delachaux President of the Supervisory Committee of Stromboli Director of Mecaplast (Monaco)	Director of Faurecia ^(*) Director of Nexans ^(*)
John	O'LEARY	Board Member and Chairman of the Audit Committee of Vantage Drilling Company ^(*) (United States) Member of the Supervisory Board of Huisman-Itrec (Netherlands) Member of the Supervisory Board of Jumbo Shipping (Netherlands)	Board member of MIS ^(*) (United Arab Emirates)
Joseph	RINALDI	-	-
Pierre-Jean	SIVIGNON	Director of Carrefour ^(*) Group companies: Carrefour Finance, Carrefour Italia (Italy), Carrefour Banque, Presicarre (Taiwan), and Carrefour Sabanci ^(*) (Turkey) Director representing a legal entity within Carrefour ^(*) Group companies: Centros Comerciales Carrefour (Spain) and GS (Italy) Member of the Supervisory Board of Carrefour Nederland BV (Netherlands)	Director of Imerys Director of Philips Holland (Netherlands) Chairman of Carrefour Property France Director of Carrefour ^(*) Group companies: Carrefour Property España (Spain), Carrefour Property Development and Majid Al Futtaim Hypermarkets (United Arab Emirates) Member of the Supervisory Board of PT Carrefour Indonesia (Indonesia) Director representing a legal entity in Carrefour Marinopoulos (Greece)

(1) This table does not include offices held by members of the Company's Board of Directors or the primary employment of the Board members of the Company. These positions are presented in Section 14.1 of the Reference Document.

(*) Listed companies.

B

Annex: Financial results of the last five years as of December 31, 2013

Financial results of the Company for the last five years as of December 31, 2013

In millions of Euro	December 31,				
	2009	2010	2011	2012	2013
I. YEAR END FINANCIAL POSITION					
A) Called up Capital	83.4	84.1	84.6	86.2	86.7
B) Outstanding Shares ^(a)	109,343,294	110,249,352	110,987,758	113,040,513	113,680,256
C) Convertible Bonds	-	6,618,531	11,796,986	11,796,986	11,796,986
II. OVERALL OPERATING RESULT					
A) Net Revenues	144.9	137.4	156.9	151.3	176.0
B) Income before Tax, Depreciation and Amortization	195.9	13.5	342.5	451.0	213.1
C) Income Tax Expense/(Profit)	17.3	(39.0)	(44.0)	(37.6)	(18.4)
D) Net Income	45.5	275.9	357.7	472.5	200.3
E) Dividends Paid	156.1	171.8	172.6	186.0	207 ^(b)
III. OPERATING INCOME PER SHARE (in Euro)					
A) Income before Depreciation and Amortization	1.6	0.5	3.5	4.3	2.0
B) Net Income	0.4	2.5	3.2	4.2	1.8
C) Dividends Paid	1.35	1.45	1.58	1.68	1.85 ^(b)
IV. STAFF					
A) Number of Employees	8	8	8	7	7
B) Wages and Salaries	13.0	10.2	15.8	14.2	23.2

(a) Does not include the exercise of options arising from the current share purchase or share subscription option plans. Includes 1,774,751 treasury shares as of December 31, 2013.

(b) This amount corresponds to the dividend proposed by the Board of Directors at the Shareholders' General Meeting: €1.85 per share based on outstanding shares excluding treasury shares held as of December 31, 2013.



Annex: Report of the Chairman of the Board of Directors to the Shareholders' Meeting on the Board Composition, Conditions for the Preparation and Organization of its Work, the Board's Internal Control Procedures and Risk Management Procedures Put in Place by the Company

(Article L. 225-37 of the French Commercial Code)

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This report was prepared pursuant to the provisions of Article L. 225-37 of the French Commercial Code. Its purpose is to describe the composition of the Board of Directors as well as the application of the principle of fair representation of women and men within the Board of Directors, the conditions of the preparation and the organization of the Board of Directors' work, to present the rules and principles decided upon by the Board of Directors for the compensation and benefits of any nature awarded to corporate representatives, as well as the internal control and risk management procedures implemented by the Group, in particular those procedures relating to the preparation and processing of accounting and financial information for the annual and consolidated accounts.

This report aims to provide a description of the work completed, undertaken or scheduled by the Company. It does not in any case intend to demonstrate that the Company has control over all of the risks it is facing.

This report refers to the Management Report included in the Reference Document of the Company for the financial year

ended December 31, 2013, regarding the disclosure of information referred to in Article L. 225-100-3 of the French Commercial Code on the structure of the Company's capital and on facts that may have an impact in the event of a tender offer.

This report has been prepared by the Chairman of the Board of Directors of the Company together with the Group Internal Control Department and Group Legal Division. The outline was presented for comments to the Internal Control Steering Committee and reviewed by the various departments of the Group Finance and Control Division. The report was reviewed by the Audit Committee on February 17, 2014, and approved by the Board of Directors of the Company on February 18, 2014.

When used in this report, the terms "Technip" and "Group" refer collectively to Technip SA, the Group's parent company, and to all its directly and indirectly consolidated subsidiaries located both in and outside France.

The term "Company" refers exclusively to Technip SA, the Group's parent company.

Code of Reference

In accordance with Article L. 225-37 of the French Commercial Code, the Company declares that it voluntarily refers to and enforces the AFEP-MEDEF corporate governance code on listed companies of December 2008, resulting from the consolidation of the AFEP-MEDEF report of October 2003 and the AFEP-MEDEF recommendations of January 2007 and October 2008 concerning the compensation of executive directors of listed companies, and the recommendation of April 2010 concerning increasing

women's presence on Boards of Directors (hereinafter the "AFEP-MEDEF Code"). The AFEP-MEDEF Code, last updated in June 2013, is available on the MEDEF website (www.medef.fr).

At the Company's request, Labrador Conseil, an independent corporate governance consultancy firm, has reviewed this Report and has confirmed that the Company complies with the provisions of the AFEP-MEDEF Code.

1. Board Composition and Conditions for the Preparation and Organization of the Board of Directors' Work

1.1. COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

As of December 31, 2013, the Board of Directors comprised 12 members. It does not include any directors representing employees or employee shareholders. Following the appointment of Manisha Girotra as member of the Board at the General Shareholders' Meeting held on April 25, 2013, for a four-year term it comprises five women and six directors of a nationality other than French. Since the Annual General Meeting on April 25, 2013, Technip met in advance the second threshold of 40% to be achieved by 2016. In accordance with Article 6 of the AFEP-MEDEF Code, the Board regularly examines the balance in its composition, notably regarding the fair representation of women and men, nationalities and skills diversity.

Pursuant to Article 14-4 of the Company's Articles of Association, the term of Board members is set at four years. This duration respects the recommendations of Article 14 of the AFEP-MEDEF Code.

In accordance with the recommendations of Article 14 of the AFEP-MEDEF Code, in order to facilitate a smooth renewal of the Board and to prevent "renewal en masse", and resulting from the resolution adopted at the Company's Combined Shareholders' Meeting on April 27, 2007, the Board of Directors, at its meeting on the same day, introduced a rolling renewal system, pursuant to which one-half of its members' terms of office should be renewed every two years.

In accordance with the recommendations of the AFEP-MEDEF Code, the characterization of "independent director" of Board members of the Company is discussed and reviewed every year by the Board of Directors upon the Nominations and Remunerations Committee's proposal (Article 9.3 of the AFEP-MEDEF Code).



At its meeting on February 18, 2013, the Nominations and Remunerations Committee reviewed the characterization of "independent director" of the Company's Board members which were in office at the date of this Committee with regard to the definition and criteria used in the AFEP-MEDEF Code. This review was also made on February 17, 2014.

Therefore a director is independent when he or she has no relationship of any kind whatsoever with the corporation, its group or the management of either that is such as to influence his or her judgment (Article 9.4). This means that the independent director is:

- be an employee or executive director of the corporation, or an employee or director of its parent or a company that it consolidates, and not having been in such a position for the previous five years;
- be an executive director of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive director of the corporation (currently in office or having held such office going back five years) is a director;

- be a customer, supplier, investment banker or commercial banker that is material for the corporation or its group, or for a significant part of whose business the corporation or its group accounts;
- be related by close family ties to an executive director;
- have been an auditor of the corporation within the previous five years;
- have been a director of the Corporation for more than 12 years. Loss of the status of independent director on the basis of this criterion should only occur upon expiry of the term of office during which the 12-year limit is reached.

The Nominations and Remunerations Committee presented its conclusions to the Board of Directors which adopted them at its meeting on February 18, 2013.

As of December 31, 2013, the Board of Directors was composed of nine independent members. It therefore exceeds the recommendations of the AFEP-MEDEF Code, which stipulates that one-half of the Board members must be independent in companies where the share capital is widely held and with no controlling shareholders (Article 9.2).

As of December 31, 2013, the members of the Board of Directors were as follows:

Name	Main position	Position within the Board of Directors	Term
Thierry Pilenko Technip's Chairman and Chief Executive Officer 89, avenue de la Grande Armée – 75116 Paris 56 – French		Technip's Chairman and Chief Executive Officer	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Gérard Hauser 89, avenue de la Grande Armée – 75116 Paris 72 – French		Senior Independent Director Independent Director	Date of first appointment: April 30, 2009. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
Olivier Appert Chairman of IFP Énergies nouvelles Institut Français du Pétrole 1 et 4, avenue de Bois Préau – 92852 Rueil-Malmaison Cedex 64 – French		Director	Date of first appointment: May 21, 2003. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Pascal Colombani Senior Advisor AT Kearney 23, rue de l'Université – 75007 Paris 68 – French		Independent director	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Leticia Costa Partner in Prada Assessoria Ltda Rua Quatã, 300 – 04546-042 São Paulo – SP – Brazil 53 – Brazilian		Independent director	Date of first appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Marie-Ange Debon Senior Executive Vice President of Suez Environnement in charge of the International Division Tour CB21 – 16, place de l'Iris – 92040 Paris La Défense Cedex 48 – French		Director	Date of first appointment: July 20, 2010. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
C. Maury Devine Corporate Director 1219 35th Street NW Washington – DC 20007 – USA 62 – American		Independent director	Date of first appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Manisha Girotra Chairman and Chief Executive Officer of Moelis & Company India Pvt Ltd Suite 3103 – Hotel Four Seasons Dr E. Moses Road, Worli – Mumbai 400018 – India 44 – Indian		Independent director	Date of first appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.

Alexandra Bech Gjørv Partner in Advokatfirmaet Hjort Da Akersgaten 51 – N-0150 – Oslo – Norway 48 – Norwegian	Independent director	Date of first appointment: October 23, 2012. Date of last appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
John O'Leary Chief Executive Officer of Strand Energy Strand Energy – PO Box 28717 – Dubai Industrial Park – Dubai – United Arab Emirates 58 – Irish	Independent director	Date of first appointment: April 27, 2007. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.
Joseph Rinaldi Partner in Davis Polk & Wardwell Davis Polk & Wardwell – 450 Lexington Avenue – New York NY 10017 – USA 56 – Australian and Italian	Independent director	Date of first appointment: April 30, 2009. Date of last appointment: April 28, 2011. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.
Pierre-Jean Sivignon Chief Financial Officer of Carrefour Group 50, avenue Emile Zola 92649 Boulogne-Billancourt 57 – French	Independent director	Date of first appointment: April 25, 2013. Expiry of the current term of office: Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2016.

The other offices held by Board members are indicated in Annex A to the Reference Document of the Company for the year ended December 31, 2013.

In order to assist it in fulfilling its duties and responsibilities, the Board of Directors has established four special Committees: an Audit Committee and a Nominations and Remunerations Committee, thereby complying with the recommendations made in the AFEP-MEDEF Code (Articles 16, 17 and 18); a Strategic Committee and an Ethics and Governance Committee in order to meet specific concerns as permitted by the AFEP-MEDEF Code (Article 15).

As of December 31, 2013, the four committees members were as follows:

Audit Committee

Member	Title	Date of first appointment
Pascal Colombani	Chairman	October 23, 2012
Leticia Costa	Member	April 25, 2013
Marie-Ange Debon	Member	October 26, 2010
Alexandra Bech Gjørv	Member	October 23, 2012
Pierre-Jean Sivignon	Member	April 25, 2013

All of the Audit Committee members have, due to their education and professional experience, qualifications in financial and accounting matters which goes beyond the requirements of Article L. 823-19 of the French Commercial Code which directs that at least one member of the Audit Committee shall have such experience and qualifications. 80% of the Audit Committee members are independent directors, *i.e.*, more than two thirds of its members as required by the recommendations of the AFEP-MEDEF Code (Article 16.1) and by Article L. 823-19 of the French Commercial Code which directs that at least one member of the Audit Committee shall be independent. In accordance with AFEP-MEDEF Code, the Chairman and Chief Executive Officer, the only executive officer, is not a member of the Audit Committee (Article 16.1).

Nominations and Remunerations Committee

Member	Title	Date of first appointment
Gérard Hauser	Chairman	June 23, 2010
C. Maury Devine	Member	April 28, 2011
John O'Leary	Member	April 25, 2013

All of the Nominations and Remunerations Committee members are independent directors, which goes beyond the AFEP-MEDEF's recommendations that provide that the Committee should be comprised of a majority of independent directors (Articles 17.1 and 18.1). In addition, in accordance with Article 18.1, the Committee is chaired by an independent director.

Strategic Committee

Member	Title	Date of first appointment
Pascal Colombani	Chairman	April 27, 2007
Joseph Rinaldi	Vice Chairman	June 23, 2010
Olivier Appert	Member	May 21, 2003
Manisha Girotra	Member	June 24, 2013
Gérard Hauser	Member	April 30, 2009
John O'Leary	Member	June 24, 2013

More than 80% of the members of the Strategic Committee were independent directors.

Ethics and Governance Committee

Member	Title	Date of first appointment
Joseph Rinaldi	Chairman	April 30, 2009
Olivier Appert	Member	December 9, 2008
C. Maury Devine	Member	April 25, 2013
Alexandra Bech Gjørv	Member	April 25, 2013

75% of the Ethics and Governance Committee members were independent directors.



General Management of the Company

The Ordinary Shareholders' Meeting of April 28, 2011 renewed Thierry Pilenko as a director for a four-year term expiring after the Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2014.

At its meeting of April 28, 2011, the Board of Directors renewed Thierry Pilenko as Chairman of the Board of Directors. At this meeting, in accordance with Article 18 of the Company's Articles of Association, the Board of Directors elected to combine the offices of Chairman and Chief Executive Officer of the Company into one office, after having determined that this form of organization was the most appropriate to the Company, and renewed Thierry Pilenko as Chairman and Chief Executive Officer for the duration of his term of office with the Board of Directors.

At its meeting on February 18, 2013, the Ethics and Governance Committee re-stated its approval to combine the offices of Chairman and Chief Executive Officer, considering that this remained the management method most adapted to the Company.

As of December 31, 2013, the Board of Directors had appointed no Executive Vice President (*Directeur Général Délégué*).

This option, which was decided by the Board of Directors, upon the Ethics and Governance Committee's recommendation, pragmatically relies on the experience of the Group and the good results of this form of organization but particularly takes into account the prevailing practices in companies of the same sector. This has led Technip to reinforce existing control mechanisms and to create a function of Senior Independent Director whose missions are detailed in Section 16.1.1 of the Reference Document of the Company for the year ended December 31, 2013. On October 23, 2012, the Board of Directors entrusted this position to Gérard Hauser for a period of two years and extended in exceptional circumstances until the date of the Shareholders' Meeting approving the financial statements for the year ending December 31, 2014.

1.2. COMPANY SHARES HELD BY THE DIRECTORS

Pursuant to Article 14 of the Articles of Association effective as of December 31, 2013, each director is required to hold at least 400 Company shares in registered form.

As of December 31, 2013, to the Company's knowledge, each of the Board members holds the following number of shares in registered form:

Members of the Board of Directors	Number of Technip shares held as of 12/31/2013
Thierry Pilenko	143,500
Olivier Appert	904
Pascal Colombani	400
Leticia Costa	400
Marie-Ange Debon	400
C. Maury Devine	400
Manisha Girotra	400
Alexandra Bech Gjørsv	400
Gérard Hauser	1,700
John O'Leary	800
Joseph Rinaldi	400
Pierre-Jean Sivignon	400
TOTAL	150,104

1.3. ROLE AND PRACTICES OF THE BOARD OF DIRECTORS

1.3.1. Role and Powers of the Board of Directors

The Board of Directors determines the direction of the Company's operations and oversees its implementation. Subject to the powers expressly assigned to the Shareholders' Meetings, and within the scope of the corporate purpose, it shall take up any and all issues affecting the Company's proper operation and shall decide on any issues concerning it in its meetings.

The Board of Directors' functioning is ruled by an Internal Charter, which was approved by the Board of Directors on May 21, 2003, and is periodically updated (last updated December 12, 2012).

The internal rules as a whole can be found on the Company's website and an extract can be read in Section 16.1.1. of the Reference Document of the Company for the year ended December 31, 2013.

In accordance with Article 17-3 of the Company's Articles of Association, the Board of Directors performs controls and verifications it deems appropriate.

It ensures, with the assistance of the Audit Committee in particular, that internal control entities function properly, that the Statutory Auditors are carrying out their work in a satisfactory manner and that the Board committees it has created function properly.

The Board may establish special committees and determine their composition and responsibilities. These committees perform their activities under the Board of Directors' responsibility. As of December 31, 2013, the Board was assisted by four committees: the Audit Committee, the Nominations and Remunerations Committee, the Strategic Committee and the Ethics and Governance Committee.

The Board's Internal Charter provides that it formally assesses its operating policies, at regular intervals of no more than three years. In addition, it organizes a discussion regarding its operations once a year.

1.3.2. Practice of the Board of Directors

(a) Meetings and reports of the Board of Directors

The Chairman of the Board of Directors organizes and administers the work of the Board of Directors, on which he gives a report at the Shareholders' Meeting.

The Board of Directors meets at least four times per year, or more frequently as may be required by the circumstances. During the 2013 financial year, the Board met seven times. The attendance rate for all directors was 98%.

The average duration of a Board of Directors' meeting was approximately four hours and a half.

After reviewing the reports of each of the Audit Committee, the Strategic Committee, the Nominations and Remunerations Committee and the Ethics and Governance Committee on issues within the scope of their respective missions, the Board of Directors worked in 2013, among others, on the following matters:

- Financial and accounting matters:
 - review and setting of the annual accounts and consolidated financial statements for the financial year 2012, the first half-year consolidated financial statements for financial year 2013, upon the Audit Committee's recommendation and the Statutory Auditors' observations,
 - review of draft press releases announcing the financial results under the period reviewed,
 - review of the half-year report and 2013 interim financial information upon the Audit Committee's recommendation,
 - review of the 2014 budget and the investment plan,
 - review of the cash flow forecasts, and
 - assessment of the provisional management accounts;
- Preparation of the Annual Shareholders' Meeting:
 - the notice of the meeting, determination of the agenda and draft resolutions, and
 - review of the Reference Document and setting of the information of the Management Report of the Board of Directors, of the Annual Financial Report, of the Chairman's Report on Internal Control and of the Society and Environment Report included in the Reference Document;
- Decisions, in particular regarding:
 - the determination of the Chairman and Chief Executive Officer's compensation and of its objectives for 2013,
 - the list of the members of the special committees of the Board of Directors,
 - the list of directors qualified as "independent directors",
 - the distribution of directors' fees,
 - the update of the Audit Committee's internal rules and of the directors' charters,

- bond issuances through private placement,
 - the approval of a share subscription option plan and the grant of one tranche of options, the approval of a performance share plan and the grant of one tranche of performance shares, the recording of the share capital increase resulting from the exercise of the share subscription options, and
 - the authorization to issue parent company guarantees;
- Review, in particular, of the information and the strategy on the Group's operations.

The Board of Directors convenes at the end of each meeting in executive session (in the sole presence of the directors). Furthermore when debates personally relate to the Chairman and Chief Executive Officer himself and notably when it refers to the evaluation of his performance, directors met without the presence of the latter.

(b) Assessment of the Board of Directors

On February 14, 2012, in accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors conducted a global review of its own operation policies as well as those of its committees and concluded that they were all functioning properly.

In addition, the Board of Directors has continued, during the financial year 2013, the implementation of the recommendations for the improvement of its operations contained in the conclusions of the in-depth evaluation report prepared by an external consultant at the end of 2011.

The main effective measures, as such, have included:

- the further implementation of the objective of diversity regarding the composition of the Board: geographical and gender diversity with the appointment of Manisha Girotra and the strengthening of the financial qualifications with the appointment of Pierre-Jean Sivignon;
- a structured succession plan regarding the whole top population was given to the directors;
- the strategic seminar in London allowing the Board of Directors to deeply examine strategic opportunities of Technip and of its business segments.

(c) Right to information and communication for directors

The Chairman of the Board of Directors monitors the proper functioning of the Company's bodies and ensures, in particular, that directors are in a position to perform their duties. The Chairman of the Board of Directors must send to each director all documents which are necessary to perform their duties.

Directors receive all the information which is useful to the exercise of their duties in accordance with the agenda prior to each Board meeting. To this end, the Company complies with its internal rules that provide that documents to be reviewed in a Board meeting are circulated the week before the meeting.

The Directors' Charter adopted on May 21, 2003, as amended on February 19, 2013, provides that each director must be carefully prepared for Board meetings and committees' meetings, that he or she is a member of, and has an obligation to review the documentation made available to he or her. He or she can request the Chairman of the Company, the Chief Executive Officer and the Executive Vice Presidents, for any and all additional information that he or she deems necessary or useful. If he or she believes this is necessary, a director can ask for training on the specifics of the Company, its work and its business sector. As such, in 2013, a training session to familiarize directors with the activities and practices of the Group was organized for the directors who were appointed at the Shareholders' Meeting held on April 25, 2013.

(d) Limitation of the powers of the Chief Executive Officer

In accordance with Article 19-1 of the Company's Articles of Association, the Board of Directors delegated to the Chairman and Chief Executive Officer all authority granted by French law with the ability to delegate such authority in specific areas.

1.4. SPECIFIC PROVISIONS REGARDING THE PARTICIPATION IN GENERAL SHAREHOLDERS' MEETING

Shareholders' Meetings

Convening and holding of Shareholders' Meetings – Deliberations (Article 23 of the Articles of Association)

Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a director so appointed by the Board of Directors, or failing which, the Shareholders' Meeting shall appoint a Chairman.

The vote tellers' functions are performed by two shareholders who are present and who agree to perform these duties, and who have by themselves or by proxy the largest number of votes.

The presiding Committee appoints a secretary, who must be chosen from outside the members of the Meeting.

Participation (Article 23 of the Articles of Association)

All shareholders may, in accordance with the conditions set forth under applicable laws and regulations, either personally attend the Shareholders' Meetings, cast an absentee vote, or be represented by another shareholder or by their spouse or civil partner. Moreover, they may be represented by any other natural or legal person of his or her choice.

The right to participate in Shareholders' Meetings arises through the registration of the shares in the name of the shareholder, or his or her intermediary registered on his or her behalf pursuant to Article L. 228-1 of the French Commercial Code, as of 00:00 a.m. (Paris time) on the third business day preceding the Shareholders' Meeting, in accordance with applicable regulations.

Any legal entity that is a shareholder may participate in the Shareholders' General Meetings through its legal representatives or by any other person appointed by it for this purpose.

The shareholders may, subject to the conditions set forth under applicable laws and regulations, send their proxy and mail voting form for any Shareholders' Meeting, either in paper form, or, subject to the decision of the Board of Directors at the time at which the Shareholders' Meeting is convened, by electronic means.

When using a proxy and mail voting form or casting an absentee vote electronically, the electronic signature may result from a procedure allowing for the reliable identification of the shareholder, evidencing the link between the signature and the form to which it is affixed.

The Board of Directors may decide, at the time that the Shareholders' Meeting is convened, that the shareholders may participate in the Shareholders' Meeting via videoconference or by other means of telecommunication, including the internet, subject to the regulations applicable at the time of their use.

All shareholders who participate in the Shareholders' Meeting by one of the aforementioned means shall be deemed present for the purposes of the quorum and for the calculation of a majority.

The Company will be able, in accordance with applicable regulations, to use electronic communication instead of communication by post in order to satisfy the formalities specified by the regulations.

Double voting rights (Article 12 of the Articles of Association)

Since November 24, 1995, double voting rights, taking into account the fraction of the share capital that they hold, have been attributed to all fully paid-up shares which have been registered in the name of the same shareholder for at least two years.

In the event of an increase in share capital by capitalization of reserves, profits or premiums, double voting rights shall also be granted as from the time of their issue to registered shares. They will be granted free of charge to a shareholder in respect of their existing shares, entitling such shareholder to the benefit of the double voting right.

Registered shares benefiting from double voting rights that are converted into bearer form, for any reason whatsoever, shall lose such double voting rights.

2. Rules and Principles Determined by the Board of Directors for the Compensation and Benefits of the Corporate Representatives

2.1. COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The compensation of the Company's Chairman and Chief Executive Officer is determined by the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee (Article 23.1 of the AFEP-MEDEF Code).

Every year, Technip retains external and independent consultants, who are chosen by the Nominations and Remunerations Committee, in order to analyze the following market practices:

1. CAC 40 companies apart from financial companies (34 companies in 2013);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (31 companies in 2013);
3. European oil companies (nine companies in 2013); and
4. US oil companies based in Texas (20 companies in 2013).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

The variable portion of compensation is based on the fixed compensation for the previous year. In accordance with Article 23.2.3 of the AFEP-MEDEF Code, the variable portion of the compensation is subject to precise and predetermined objectives. For 2013, the target variable portion is equal to 100% of the annual base compensation. 70% of the target variable portion is linked to the financial performance of the Group (quantitative criteria) and 30% is linked to the achievement of individual objectives (qualitative criteria). These objectives are directly linked to Technip's strategy and cannot be disclosed for confidentiality reasons.

Based on the actual rate of achievement of objectives set for 2013 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows:

Weight	Nature	Scale	Effective realization	Weighted realization
70%	Financial objectives (OIFRA, gross margin on order intake)	0 to 200%	100-110%	71.4%
30%	Individual objectives	0 to 100%	80%	24%
100%				95.4%

The variable portion due to Thierry Pilenko for the financial year 2013 will be paid in 2014.

Furthermore, on June 14, 2013, the Board of Directors resolved that Thierry Pilenko can benefit from a deferred compensation equal to, at a maximum, 20% of his gross annual fixed compensation. This deferred compensation can be paid to him in 2016 at the double condition (i) that he is still in the Group and (ii) that performance conditions of the Group are achieved. The performance will be measured by the progression and achievement by Technip, over the period of financial years 2013, 2014 and 2015, of satisfactory performance in relation to Health/Security/Environment

The share of the variable portion is linked with a financial target (70% of the total) and broken down into two objectives:

- up to 50% on the Group operating income budgeted for 2013: the share of the variable portion is (i) nil if real performance is below 80% of the budgeted amount (minimum level), (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount, (iii) between 100% and 140% for a performance equal to 100% to 110% of the budgeted amount, (iv) between 140% and 160% for a performance equal to 110% to 120% of the budgeted amount and (v) between 160% and 200% for a performance equal to 120% to 125% of the budgeted amount (maximum level); and
- up to 20% on the percentage of gross margin on order intake: the share will be: (i) nil if real performance is below 80% of the budgeted amount (minimum level), and (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount (maximum level).

The share of the variable portion corresponding to the individual objectives is composed as follows:

- strategic criteria linked to the strategic development of the Group and to Quality;
- HSE criteria which is key to the Group;
- criteria linked to human resources such as gender diversity, management and talents development, succession plan.

If achieved Group current operating income is superior to the budgeted objective, a multiplier rate is calculated, up to a maximum of 2. It is then applied to the other variable portion criteria in order to calculate the 2013, final variable share, which is capped at 200% of the target variable portion.

(HSE), Operating Income From Recurring Activities (OIFRA) and Order Intake.

Thierry Pilenko does not receive any directors' fees for the positions he holds as a Company director or in the Group's companies.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, there is no specific retirement plan for Thierry Pilenko as the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer is a beneficiary of the supplementary retirement plan for Group executives, with fixed contributions of 8% of gross annual compensation paid up to the third tranche, *i.e.*, eight times the annual French Social Security ceiling.



The Chairman and Chief Executive Officer also benefits from the Company's existing supplementary retirement plan for Executive Committee (Excom) members: a retirement income guarantee of 1.8% per year of service, on the fourth tranche of gross annual compensation paid, *i.e.*, exceeding eight times the French Social Security ceiling, which is compliant with the conditions established by Article 23.2.6 of the AFEP-MEDEF Code. In order to be eligible for the retirement plan, the minimum seniority to be taken into account is five years as Excom members, up to a limit of 15 years. The amount of gross compensation to which this retirement income guarantee applies corresponds to the average of the gross compensation, paid over the five financial years preceding the date of departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability (as defined under French law); a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence (*faute grave* or *faute lourde*) on his part and that no professional activity is resumed between leaving the Company and receiving a pension under the general French Social Security scheme.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, the annual replacement ratio at retirement should not be higher than 45% of the reference income. Thierry Pilenko complies with this condition.

In this last case, by exception, the Company did not maintain the presence condition considering that the requirement for no professional activity was restrictive enough.

50,000 share subscription options and 30,000 performance shares were granted to Thierry Pilenko over financial year 2013 corresponding to 0.07% of the share capital as of the day of the General Meeting dated April 25, 2013.

Thierry Pilenko exercised 105,107 share purchase options during financial year 2013. It should be noted that the compensation policy for the Chairman and Chief Executive Officer, the only executive director (*dirigeant mandataire social*), is at risk: 100% of the granted shares, options and deferred compensation is subject to performance conditions.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares and stock options which have been granted since 2007 corresponding to 25% of the realized net gain, thus complying with Article 23.2.1 of the AFEP-MEDEF Code.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, when being acquired, Thierry Pilenko will have to purchase a number of shares

of the Company corresponding to 5% of the performance shares which were acquired. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

Thierry Pilenko is not a beneficiary of any share subscription warrants from the Company or any other company of the Group.

At the time of the renewal of Thierry Pilenko as Chairman of the Board of Directors, during the meeting of the Board of Directors of April 28, 2011, it was decided to maintain the existing principles relating to a worldwide non-compete agreement for a 24-month period.

According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation is the best gross annual compensation paid these last three years.

2.2. DIRECTORS' FEES GRANTED TO MEMBERS OF THE BOARD OF DIRECTORS

The Shareholders' Meeting of April 25, 2013 set the amount of directors' fees allocated to members of the Board of Directors for each of the financial years 2013, 2014 and 2015 at €800,000.

The Board of Directors determines the terms of payment of directors' fees (*jetons de présence*). On the proposal of the Nominations and Remunerations Committee, the Board of Directors finalized the distribution of directors' fees for 2013 as follows:

- both a fixed amount and an amount depending on the attendance rate at Board of Directors' meetings, plus an amount which is different depending if the attendance to the meeting requires travel inside the same continent or transoceanic or transcontinental travel;
- an amount paid according to attendance rate at the committees' meetings;
- an additional fixed amount is awarded to the Senior Independent Director and Chairmen of the committees adjusted, if needed, on a prorata basis.

Directors (other than the Chairman and Chief Executive Officer) do not receive any other compensation from the Company or companies of the Group.

3. Information Required Pursuant Article L. 225-100-3 of the French Commercial Code

Information required pursuant to Article L. 225-100-3 of the French Commercial Code is reported in the following sections of the Reference Document of the Company for the year ended December 31, 2013: Sections 4, 7.2, 14.1.1, 15, 18, 21.1.3, 21.2.2, 21.2.3,

21.2.6, and Note 7 of the Statutory Financial Statements as of December 31, 2013 included in Section 20.2 of the abovementioned Reference Document.

4. Internal Control Procedures and Risk Management Procedures Put in Place by the Company

In order to manage inherent risks in its business, the Group has always maintained internal control procedures and a variety of tools that have gradually developed and which are based on the fundamental concept of a Project.

The Chairman and Chief Executive Officer, assisted by the Chief Financial Officer (CFO), ensures that effective control measures are deployed within the Group and that possible dysfunctions related to internal controls are subject to appropriate corrective measures. The Audit Committee of the Company monitors the assessment of internal control procedures as well as all measures for any significant issues encountered.

4.1. INTERNAL CONTROL OBJECTIVES

4.1.1. Definition and Objectives of the Internal Control

The Group defines internal control as a process implemented by the Executive Committee, the different departments and divisions of the Group and each employee in order to give reasonable assurance that:

- the Group's corporate objectives, as defined by corporate bodies, applicable laws and regulations and the Group's Values, standards and Internal Charters, are followed;
- the financial information is reliable; and
- operations are effective and resources are used in an efficient manner.

In this respect, the framework of internal control that the Group has implemented contributes to managing the operation of the Group's business. However, it cannot provide an absolute guarantee that risks are completely eliminated or entirely covered.

4.1.2. Scope of this Report

This report refers to the Company and all of its consolidated entities (the "Group").

4.1.3. Internal Control Framework

The internal control system, as defined by the Group, is based on the framework of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and is accordingly compliant with the internal control framework recommended by the French *Autorité des marchés financiers* (AMF) and its application guide, as updated in July 2010.

4.2. INTERNAL CONTROL PROCEDURES WITHIN THE GROUP

This report addresses the five internal control components defined by COSO, *i.e.*, control environment, risk assessment procedure, control operations, information and communication and internal control monitoring.

4.2.1. Control Environment

The Board of Directors

The Group's Board of Directors, assisted by its four committees (*i.e.*, the Audit Committee, Nominations and Remunerations Committee, Strategic Committee and Ethics and Governance Committee) approves the main direction of the Group's business operations and ensures its implementation. Within the scope of the Company's corporate purpose, as stated in its Articles of Association, it deals with all matters relating to the conduct of the Group's business, other than those matters that are expressly reserved by law to Shareholders' Meetings.

The Directors are required to comply with the Directors' Charter and to abide by the Group values that are formulated in Technip's Group Values Charter. They must also follow the Rules of Good Conduct relating to the communication and use of privileged information by corporate officers, executives and employees of the Group.

The four committees set up by the Board of Directors have their own charter describing their particular duties, responsibilities and practices.

Each of these committees is comprised of at least three directors appointed by the Board of Directors.

Their work is presented to the Board of Directors in a written report.

The Audit Committee

The function of the Audit Committee is to assist the Board of Directors in ensuring the quality of internal controls procedures and the integrity of items disclosed to the Company's shareholders and the financial markets.

The Audit Committee which comprises at least three independent directors in accordance with the AFEP-MEDEF criteria ensures follow-up on issues regarding the generation and control of accounting and financial information and, in this respect, is mainly responsible for:

- recommending the appointment and compensation of Statutory Auditors to the Board of Directors, as well as ensuring their independence;
- analyzing the assumptions used in the closing of accounts and reviewing the Company's financial statements and the consolidated annual and interim condensed financial statements or information prior to the Board of Directors' review, including by remaining aware of the financial situation, liquidity and commitments of the Company;
- assessing internal control procedures as well as any other corrective measures for any significant problems encountered during the internal control process;
- evaluating the relevance of the risk analysis procedures; and
- reviewing the procedures to be implemented on the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, as well as documents sent anonymously and confidentially by employees raising concerns regarding questionable accounting or auditing matters.



The Audit Committee may interview the Chairman and Chief Executive Officer and interview or visit any operational or functional business head to perform its duties. The Committee may in particular interview any person involved in the preparation of financial statements or audit processes (such as the Finance Directors, Audit Directors and General Counsel).

The Committee also interviews the Statutory Auditors. It may do so without the presence of the Company management.

The Committee meets at least four times per year. The Committee met six times during the 2013 financial year and had an attendance rate of 94% for all members.

The Nominations and Remunerations Committee

In accordance with the recommendations of the AFEP-MEDEF Code, the Chairman and Chief Executive Officer, the only executive officer, is not a member of the Committee.

The Nominations and Remunerations Committee conducts preparatory work on appointments of Board members and corporate officers, compensation policy and the policy for granting share subscription options or share purchase options and performance shares to the principal executives (Articles 17 and 18).

This Committee is mainly responsible for the following:

- issuing recommendations to the Board of Directors for the appointment of directors, the Chairman, the Chief Executive Officer and other Executive Vice Presidents (*Directeurs Généraux Délégués*), as necessary;
- reviewing executive compensation policies implemented within the Group and the compensation of senior management, issuing proposals regarding the compensation of the Chairman, the Chief Executive Officer and other Executive Vice Presidents, as appropriate, and preparing a report on the foregoing.

This Committee submits to the Board of Directors, on an annual basis, a list of proposed directors qualified as "independent directors" under applicable rules and recommendations.

The Committee may seek proposals from the Company's Chairman and Chief Executive Officer.

The Chairman and Chief Executive Officer of the Company participates in all meetings other than deliberations that relate to him.

Subject to confidentiality obligations, the Committee may request that the Chairman and Chief Executive Officer obtain assistance from any executives whose expertise may be relevant to the Committee's agenda.

The Committee meets at least twice a year. The Committee met three times during financial year 2013. Its attendance rate was 100%.

The Strategic Committee

The Strategic Committee assists the Board of Directors in reviewing and making decisions on major transactions related to the Group's main strategic objectives.

In this context, the functions of this Committee include the review of the Group's budget, the review of any major asset acquisitions or dispositions as well as the review of any transaction that could involve major risks for the Group.

The Committee may seek proposals from the Company's Chairman. The Chairman and Chief Executive Officer participates in the meetings.

The Committee may request that the Chairman and Chief Executive Officer obtain assistance from any executive whose expertise may be relevant to the Committee's agenda.

The Committee meets at least twice a year. The Committee met twice during financial year 2013. The attendance rate was 100% for all members.

The Ethics and Governance Committee

The Committee assists the Board of Directors in promoting best practices regarding governance and ethics within the Group.

Directors who are not members of this Committee can freely participate in the Committee's meetings.

The Committee may request the Chairman and Chief Executive Officer assistance from any executives whose expertise may be relevant to the Committee's agenda.

The Committee meets at least twice a year. The Committee met three times during financial year 2013. The attendance rate was 100%.

The Executive Management

The Chairman and Chief Executive Officer implements the objectives determined by the Board of Directors. The Chairman and Chief Executive Officer is at the head of the Group's corporate management and is assisted by the Executive Committee (Excom).

The Chairman and Chief Executive Officer and the Excom have a central coordination role that has a major influence on the control environment and sets the "tone at the top". Through their responsibilities, they ensure that internal control procedures are in place and operative.

The Chairman and Chief Executive Officer is assisted by two specialized committees:

- the Committee on Sustainable Development: responsible for driving and measuring the Group's progress in its sustainable development strategy; and
- the Disclosure Committee: responsible for assisting the Chairman and Chief Executive Officer and the CFO in their duties to ensure compliance with the laws and regulations applicable to listed companies, to give a true and fair view of the financial statements. This Committee meets four times a year.

All of the Group's activities are governed by the rules prescribed in the Group's Values Charter. The Group's core values include integrity, professional excellence, protection of health, safety, security and the environment, as well as civic and social responsibility. Furthermore, the Group is committed to supporting and promoting the principles of the "Global Compact", a United Nations program regarding human rights, labor, environment and ethics within its sphere of influence. The Group's core Values are set out in six Charters covering ethics, social responsibility, environmental protection, health and safety, quality and security.

The Group is committed to reflecting its Values as well as the Ethics Charter in staff operations and its relationship with stakeholders, such as contractors, suppliers and partners in all countries where the Group operates.

The Ethics and Compliance Committee is composed of senior managers from across the Group and reports directly to Technip's Chairman and Chief Executive Officer. It ensures proper adherence to the Group's Ethics Charter and all internal regulations derived therefrom. It makes proposals to the Chairman and Chief Executive Officer and to the Board in respect of ethics and compliance. The Ethics and Compliance Committee also organizes reports from Regional managers on the application of the Charter. In addition, any employee can refer an issue to the Ethics and Compliance Committee on any subject relating to the principles provided in the Ethics Charter. A whistleblowing procedure provides a structure to report potential conflicts or incidents in financial, accounting and anti-bribery areas. The Ethics and Compliance Committee is chaired by the Group Compliance Officer.

At executive level, directors and senior managers have signed the "Code of Ethics applicable to the Group's directors, Executive Management and senior financial officers". This Code is an addendum to the Ethics Charter setting forth specific rules applying to them in terms of conflict of interest, public reporting, compliance and personal responsibility. Senior Management has circulated a "No Gift Instruction" note explaining the procedure for the acceptance of a gift in a professional environment to employees worldwide and communicates the "Rules of Good Conduct relating to the communication and the use of privileged information".

Annual employee appraisals refer to "analysis of skills and professional behavior" with individual commitment to ethical Values.

Applying the Group's strategic objectives, its organizational structure is based on Regions with full P&L accountability, a vertically integrated Subsea division as well as autonomous Business Units in charge of promoting and developing emerging activities.

4.2.2. Risk Management

All risks faced by the Group (risks related to the Group, its operations and industry, as well as regulatory and legal risks, industrial and environmental risks, credit/counter-party risks, liquidity risks and market risks as detailed in Section 4 of the Reference Document of the Company at the year ended December 31, 2013) are subject to risk assessment and risk management measures at different levels of the organization, from the Corporate Divisions to the relevant Regions, entities and Projects.

Corporate Risk Management

The Group's Risk Management function is led by the Senior Vice President Group Audit and Risk Management reporting to the Group Chief Financial Officer, who is responsible for providing an integrated approach of risk assessment, risk management and audit as well as ensuring that the Risk Management organization is monitored at appropriate levels across the Group, which encompasses the monitoring of processes, tools and risk assessment.

His mission is to focus on Project risks with an aim to ensure that appropriate tools and processes are defined, reviewed and implemented consistently across the Group and in all segments of activity. He is also responsible for monitoring the Portfolio and Enterprise Risk Management processes which are being reviewed and implemented across the Group. He participates in the identification and assessment of major risks faced by the Group and ensures the follow up and the implementation of the risk management strategy.

Group Internal Audit

The Group Internal Audit assists the Chief Financial Officer (CFO) in assessing and improving the effectiveness of risk management, control and governance processes. It is carried out within the framework defined by Technip in the Internal Audit Charter and in compliance with the Internal Audit Plan issued at the beginning of each year and validated by the Executive Committee. This plan considers the mapping of operations and risks, as well as the rotation of audits performed. It is also presented to and validated by the Audit Committee of the Board of Directors.

The Group Internal Audit monitors the implementation of the remediation action plans defined in the audit reports.

Group Divisions

Under the authority of the Company's Chairman and Chief Executive Officer (CEO), the Group's structure is based on a number of Corporate Divisions. Each division helps to assess and mitigate the risks faced by the Group in its respective area of responsibility.

- In an effort to assess and manage risks with respect to the Group's operations, the Executive Vice Presidents (EVP) & Chief Operating Officer (COO) Onshore Offshore and Subsea are responsible for the entire operational organization covering the business and operations for respectively the Onshore Offshore and Subsea segments. This includes commercial operations, Business Development, key accounts, tendering coordination and all operational assets and related resources including technology development. As of January 13, 2014, the Chairman and CEO relies on only one President and Chief Operating Officer to whom one Chief Operating Officer Onshore/Offshore and one Chief Operating Officer Subsea are reporting.
- The General Counsel, to whom the Legal Division and the Group Corporate Secretary Office report, is responsible for all legal matters within the Group and for the definition of the Group's legal strategy and policy. He also prepares and oversees, among other things, the Group's contracting policies, assesses the terms and legal risks of contracts, manages any litigation proceedings arising from the performance of contracts and is in charge of the subscription and renewal of insurance policies in order in particular to minimize the contractual risks faced by the Group. Finally, he follows up on real estate issues within the Group.
- The Group Compliance Officer reports to the General Counsel and the Company's Board of Directors through the Ethics and Governance Committee. She makes regular reports and recommendations concerning compliance to the General Counsel,



Chairman and Chief Executive Officer and the Technip Ethics and Governance Committee. She may raise certain issues to the Chairman of the Technip Ethics and Governance Committee. Finally, she is also responsible for ensuring the application of the Ethics Charter and the effective implementation and enforcement of applicable anti-corruption and compliance policies.

- The Human Resources Division is responsible for managing the Group's human resources (recruitment, training, career and skills management, and compensation) in order to ensure that the Group attracts and retains the necessary personnel and participates in its professional development.
- The Communication Division, except for financial communications, reports to the Chairman and the CEO.
- The Quality Health and Safety (QHSE) and Security department reports to the Chairman and CEO directly. Global Procurement reports to the COO Onshore Offshore.
- The Finance and Control Division, under the supervision of the Chief Financial Officer (CFO), monitors the financial engineering of Projects. It also prepares statutory and consolidated financial statements as well as management accounts, is in charge of internal

control, treasury management, tax management, audit and risk management, financial communications and investor relations. It also monitors the Strategy and Information Technology Divisions.

- The Security Department, reporting to the Chairman and Chief Executive Officer (CEO), is among others in charge of carrying out Independent IT Security audits and more generally all necessary Security Audits within the Group, ensuring the implementation of relevant Master Security plans dedicated to Projects and insuring coherence and efficiency of the Business Continuity Plan for Regions, headquarters and Projects.

Regional organization

This organization is based on the "Principle of Regionality", which delegates managerial responsibility to the appropriate level. Day-to-day operations are under the responsibility of the Regions.

As the Group's core operational unit, each Region is defined by territory, its operational resources (commercial and execution) and its projects. Each Region is responsible for their Profit and loss which requires full entrepreneurial leeway for operational decision making in respect of project execution and client relations.

Nine regions and business divisions have been defined with their respective activities, headquarters and current operating centers:

Regions	Headquarters	Business Segments
Region A: Western Europe, Africa, India, Pakistan	Paris	Subsea Onshore/Offshore
Region B: Italy, Greece, Eastern Europe, Russia/CIS, South America	Rome	Onshore/Offshore
Asia Pacific	Kuala Lumpur	Subsea Onshore/Offshore
North Sea, Canada	Aberdeen	Subsea Onshore/Offshore
North America	Houston	Subsea Onshore/Offshore
Brazil	Rio de Janeiro	Subsea
Middle East: United Arab Emirates, Qatar, Oman, Yemen, Saudi Arabia, Jordan, Syria, Iraq, Bahrain and Kuwait	Abu Dhabi	Subsea Onshore/Offshore
Process Technologies	Houston	Onshore/Offshore
Subsea Division	Paris	Subsea

In addition, autonomous Business Units with full P&L accountability are in charge of promoting and developing emerging activities whereas the Product Business Units (PBUs) are entities that work toward the development of technologies and expertise throughout the Group. They participate in the preparation of sales proposals and assist the Regions. They are not directly responsible for a specific profit and loss account but must have a global vision of the operations and their profitability to establish benchmarks and propose mid to long term strategies.

The Subsea Division which reports directly to the EVP and Subsea COO is responsible for the strategic management of Research and Development, fleet and manufacturing plants including expansion plans. Project management is handled by the Regions.

Risk management of Projects

Risk assessment is conducted by the Group Divisions then across the Regions and the other components of the Group, down to the level of each individual Project. The assessment is structured through tools and procedures as defined by Corporate Risk Management and developed throughout the Group.

Before bidding for a project, Technip conducts a cost evaluation and analyzes the technical, commercial, financial and legal aspects of the project.

Furthermore, in each Project where the services of a local partner are needed, the Technip Compliance Policy requires an investigation into the background and reputation of its prospective partners, to give it a factual basis for concluding that the partner is capable of performing the services and will do so in a manner that fully complies with Technip's Anti-Corruption Policy.

Regional Bid Authorization procedures have been implemented to define applicable authority thresholds and approval levels within each Region's scope of responsibility (Region or Corporate). Each bid must be authorized by the management through an Authorization To Tender ("ATT"). Once the bid is submitted, the previous cost evaluation and financial and legal analysis are updated. The contract cannot be entered into without an Authorization To Commit ("ATC").

In addition to the risk assessment process at tender stage, risks are regularly assessed during the Project execution phase, including through Project reviews.

4.2.3. Control Operations

Principles

In order to prevent and mitigate the risks related to financial reporting, operations and the Group's assets, control operations are at all levels, in Regions, projects and within all Corporate functions throughout the Group.

In particular, these control operations aim to ensure that the following principles are followed:

- Organizational structures and responsibilities are defined and documented, business objectives are reviewed, key performance indicators are monitored, tenders and newly appointed partners are duly authorized, regular Project and asset reviews are conducted at the entity, regional or Group level, and client invoicing is monitored and approved.
- The segregation of incompatible tasks are monitored with respect to custody of assets, authorization of transactions and recording and control procedures, with the aim of reducing the risk of error or fraud.
- Budgets and forecasts are reviewed according to Group objectives.
- Reconciliations of physical assets are performed to ensure the corresponding accounts accurately reflect the reality.
- The Group Controlling Department prepared and distributed to the entire Group formal procedures for financial reporting in the form of quarterly statements and accounting rules, in accordance with accounting standards. Significant estimates and other significant accounting assessments are subject to a systematic review and comply with accounting standards and are consistent with current practices within the Group.
- Competency and experience requirements for key personnel are defined and documented; standards and procedures are applied for the entire employment contract cycle. Training/orientation is provided to newly hired personnel and personnel turnover is monitored. Checks and reconciliations are performed in the payroll chain from the calculation of pay, to pay slip issuance up until payment.
- The delegation of authority for decision-making and the Group's commitments towards third parties are formalized, regularly reviewed and updated. Permanent procedures are managed, adjusted and reviewed.

- Prospective suppliers are identified and selected on the basis of comparison charts approved by authorized personnel according to delegation rights and powers. Commitments are duly authorized, invoices reconciled with work undertaken/goods delivered and approved. Payments are verified and accounting records are checked.
- In relation to IT security, controls exist to ensure that data is accessible to authorized persons, data is not changed by unauthorized actions, usage is logged, relevant users are identified and data is not accessed by unauthorized persons. Controls ensure that key users validate changes and are the only ones authorized to request the start of production.

Internal control evaluation processes

Detailed work related to documentation and testing of internal controls are carried out annually in the Group's major organizations from the executive management to the Regions, entities and Projects.

A detailed description of the processes and controls considered as key under the Group's internal control standards gives rise to three phases of tests dispersed throughout the year, which aim to ensure the controls are effectively and efficiently implemented. These tests are performed according to a self-assessment approach.

The self-assessment covers the following areas:

- the control Environment (assessed on the basis of questionnaires): Business & Organization, Finance, Human Resources, Permanent Procedures & Policies, Corporate Bodies, Ethics & Integrity, Internal Audit and Information Systems;
- the Business processes (assessed on the basis of tests): revenues, purchasing and procurement, payroll, capital expenditure, inventories, manufacturing and engineering, subcontracting, cost control, treasury, financial control, consolidation and tax;
- Information Technology (assessed on the basis of tests): security, operations and change management.

The results are consolidated and analyzed by the Group Internal Control. They are subject to a detailed presentation to the Audit Committee as part of the Group's annual closure of accounts.

The Auditors perform audits of internal controls if they deem it necessary in connection with their audit of the annual and consolidated accounts and, where appropriate, report their observations to the Audit Committee.

4.2.4. Information and Communication

Information and Communication is an integral part of the Group's internal control framework as the Group is committed to reflecting its Values and internal control practices in staff operations and its relationship with stakeholders, such as suppliers and partners in all countries where the Group operates.



Documentation

Management of the Group's reference documentation and related framework is coordinated by the Group Quality department. Permanent procedures and policies are categorized according to five different levels: the Golden Book, Group Operating Principles and Standards, Group Instructions, Group Business Guidelines and Regions' Management Principles and Responsibilities. These documents are available on the Group intranet.

- The Golden Book is intended to give a comprehensive overview of the three themes which underpin the Group's management principles and responsibilities:
 - the Group's Core Values, encompassing its Ethics, Social, Environmental, Health and Safety, Security and Quality Charters, and its Quality, Risk, Health Safety and Environmental Policies;
 - the Core Management Principles and structure of the Group, including the role of the Regions; and
 - the role of Corporate Functions.The management principles in this Golden Book are valid for all entities controlled by the Group and are applied throughout the Group.
- The Group Operating Principles and Standards (GOPS) and Group Instructions are a collection of all general instructions, rules and procedures which are applicable throughout the Group. The GOPS are classified into sections, each section being related to one corporate function. In addition to the GOPS, Group Instructions may be issued from time to time by the members of the Executive Committee or people acting on their behalf. Group Instructions are more detailed instructions for application of business matters on a day-to-day basis and are aimed at specialized areas.
- To facilitate compliance with the GOPS, Corporate Functions issue and communicate Group Business Guidelines, that provide non-binding guidance to promote the use of "best practices" and support Operating Centers to improve their operational performance.
- The requirements stated in the Golden Book, GOPS and Group Instructions are mandatory across the Group and provide the overriding framework with which the Regions conduct their operational autonomy. Regions also issue their own detailed Management Principles and Responsibilities as they see fit, as do their sub-divisions (Business Units, Projects).

Each Corporate Function is responsible for performing a yearly review of its GOPS in order to verify that they still adequately match the business objectives and to implement modifications or even cancellation if needed. Group Quality & Methods (GQM), reporting to the Group QHSE Director, participates in these reviews and facilitates their formalization. These reviews highlight topics and areas which audits should focus upon.

At Regional level, effective implementation of GOPS is raised as a standard agenda item in the planned Quality Management Reviews.

Communication

The circulation of information within the Group and public relations (except for financial communication) are coordinated and monitored by the Communication Department.

The Investor Relations Department focuses on financial communication and ensures that investors and the public receive accurate, precise and fairly presented information on the Group's financial and operating performance, in accordance with French law and the French Financial Market Authority's (AMF) General Regulation.

With respect to the Group's knowledge base and talent, Technip University strives to promote expertise and maximize know-how, develop managerial skills, promote multicultural environment and facilitate integration.

The Information Technology (IT) Department (among others) has the responsibility for improving IT and communication tools ensuring the security of systems and data and the consistency of IT systems in all units.

4.2.5. Monitoring

Internal control is monitored at all levels within the Group. The roles of major stakeholders are described below.

Audit Committee

The Audit Committee has a central oversight role to ensure that the internal control system is in place and operative, as this enables the Board of Directors to ensure the quality of internal controls as well as the integrity of the information disclosed to shareholders and financial markets.

The annual Internal Control assessment report and the Report of the Chairman of the Board of Directors to the Shareholders' Meeting on internal control and risk management procedures implemented by the Company were presented to the Audit Committee in 2013.

Management

The Group's Management is responsible for the implementation and evaluation of internal control procedures. In this regard, management, at different levels of the decision-making process, maintains internal control documentation which relates to the operational realities of its activities. In addition, management is responsible for ensuring that controls operate effectively and monitoring their operation on a self-assessment basis. The self-assessment of internal controls is based on questionnaires relating to the control environment and control testing defined in risk and control matrices for transactions and IT-related controls (Information Technologies).

As part of the annual evaluation process, each Regions' Senior Vice President and CFO, as well as the managers of the Corporate Function, are required to represent by way of a letter of affirmation that, to their knowledge, the internal control system has operated effectively during the reporting period. Each deficiency is reported in that letter and must be followed by a remediation action plan. In addition, each signatory is required to confirm at the end of the third quarter that the action plans determined in the previous year's assessment have been implemented.

Group Internal Audit

The Group Internal Audit has an independent and objective function and is in charge of evaluating the proper operation of the Group in all areas and provides its management with an assurance on the level of control of its operations. In particular, it evaluates the relevance and effectiveness of internal control systems through audits of specific Projects, Regions, Processes and transverse topics at Group level. It contributes to the improvement of the Group's operations through its recommendations.

It is centralized at Group level and audit work is conducted by a team of 15 auditors (end of 2013). The Senior Vice President Group Audit and Risk Management reports to the Executive Committee on the work performed, particularly on the effectiveness of the internal controls of the domains reviewed. The implementation of recommendations made by the Group Internal Audit is closely followed up. The summary results of the internal audit reports and the status of implementation of the recommendations are also communicated to the Audit Committee of the Board of Directors.

Internal Control Function

The Internal Control Function is organized at two levels: at the Group level and at the Regions level.

The Internal Control Function's objective is to ensure that the processes designed to limit potential misstatements in financial statements, errors and fraud, are properly executed in compliance with rules, procedures and instructions.

The Internal Control Function's principal aim is to help Regions and Corporate Functions improve their control mechanisms, including, where possible, the underlying processes and ensuring that the Regions and Corporate Functions have appropriate and robust verification and certification procedures.

Specific tasks undertaken by the Internal Control Function on the key processes affecting the accuracy of the Group's financial reporting are further described in Section 4.3.4 of this Report.

■ GROUP INTERNAL CONTROL DEPARTMENT

The Group's Internal Control Department, with a staff of five employees, determines the Group's internal control assessment framework. It assists Regions and Corporate Functions in reviewing their internal control documentation and their control assessments to ensure they are adapted to current management and operations which underpin these processes. It contributes to the implementation of Group procedures and guidelines to address structural/systemic internal control issues at Group level and contributes to the sharing of best practices among different organizations within the Group.

Furthermore the Group Internal Control Department oversees a comprehensive assessment conducted by the Regions and the Corporate Functions of internal controls throughout the Group based on a risk mapping of the control environment, business processes and information technologies. It is also responsible for coordinating the implementation and follow-up of action plans with the support of the regional internal controllers and IT internal control correspondents for IT issues, as the case may be.

The progress and results of the internal control evaluation are regularly coordinated and consolidated by the Group Internal Control Department and presented to a dedicated Group Internal Control Steering Committee composed of members of the Group Divisions. It is chaired by the CFO. The Group Internal Control Steering Committee met once in 2013.

The thoroughness and level of detail in the assessment is adapted to the size and importance of each entity. Entities with the most contribution and/or risk must provide more information and answer more questions in the self-assessment process than those with less contribution or risk.

Where the results of the self-assessment indicate that controls are not at the required level either in design, operation or documentation, corrective action plans are required to be put in place. Each action plan must have a detailed timetable to complete the action and update the required control. The progress of action plans is regularly followed.

The Group's long term objective is two-fold: continuous analysis and improvement of internal control mechanisms.

Internal Control evaluations and monitoring are performed directly by using a Group's tailored IT tool. The computerization of the process allows each organization within the Group to monitor its internal control processes, to assess them on a regular basis and to report them to the Internal Control Department.

■ REGIONAL INTERNAL CONTROL

The Group Internal Control manages an existing network of eight Regional internal controllers designated among a network of approximately 40 Internal Control correspondents appointed by each entity within the scope of the assessment.

The Regional Internal Controller is in charge of coordinating and planning the internal control operations, of which the documentation update (in collaboration with the process owners), the self-assessment of the internal control process, as well as the monitoring of the effective implementation of remediation plans.

4.3. INTERNAL CONTROL PROCEDURES RELATED TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

The objective of the internal control procedures regarding financial and accounting information is to ensure that the accounting, financial and management information submitted to the Group's corporate bodies and by its affiliates, as well as Group financial reporting and consolidation, reflect the Group's position in a true and fair manner.

Under the responsibility of the CFO, production of financial information is organized and carried out by the Business Finance and Group Consolidation Departments and relies on data provided by the different finance and control functions located in each entity or Region.

4.3.1. Accounting Standards

The consolidated financial statements of Technip are established according to the accounting standards of IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standard Board) and adopted by the European Union as of the date when the Board of Directors reviewed the accounts. IFRS principles are reflected in the GOPS and guidelines. The Group Controlling Department drafts and distributes to the entire Group the formal procedures for the production of financial information, in the form of quarterly instructions and accounting rules, in compliance with the published accounting standards.



The principles for estimates and other accounting judgments are subject to a systematic review for conformity with the accounting rules and for consistency with the practices in force within the Group. The Group's positions about changes in Generally Accepted Accounting Principles (GAAP) are subject to discussions with the Statutory Auditors and are subject to a detailed presentation to the Audit Committee.

4.3.2. Accounting Procedures

The main applicable procedures for the preparation of the consolidated financial statements are based on three tools:

- the Group Chart of Accounts Manual updated every year and communicated to all participants in the consolidation process;
- the GOPS relating to IFRS updated regularly and available on the Group's intranet; and
- the closing instructions sent out prior to each consolidation phase, which address the scope of consolidation, the timetable for submitting data, the specific issues requiring attention at year end, and the main changes in accounting regulations and standards.

4.3.3. Accounts Closing Process

It is the responsibility of the local CFO to supervise the financial reporting process and the preparation of quarterly consolidation by the finance directors of each entity while respecting the financial calendar prepared and circulated to Regions by the Group Controlling Department. The CFOs of the Regions monitor the financial reporting process for the entities within their scope of responsibility.

The accounts of the subsidiaries are prepared according to the Group accounting standards. An integrated IT application is used to consolidate the financial statements of the Group. When reporting packages are submitted for consolidation, each entity acknowledges the receipt of instructions, the package approval by the local CFO, the application of the Group Chart of Accounts Manual as well as of Group Accounting Principles.

An internal certification process is implemented to ensure the Region CFOs are responsible for the quality of the financial information prepared relating to their perimeter scope of responsibilities. Region CFOs are required to confirm by email that, to the best of their knowledge, the contribution to the Group's consolidated income from companies within their scope of consolidation as recorded in the consolidation software, as well as the management accounts as they appear in the internal reporting software system (Together), constitute a complete and accurate presentation of the operating results and order intake of the Region. This sign-off procedure applies to annual and half-yearly closings.

On a quarterly basis, the Group Controlling Department establishes the consolidated financial statements, *i.e.*, the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows.

For the preparation of consolidated financial statements, the Group Controlling Department relies foremost on the input of the departments of Financial Control of the Subsea Division, Group Tax and Legal Entities and Treasury. The Group Controlling Department ensures a full analysis of project results and their impact on the financial statements. The Treasury Department analyzes the Group's cash position and the Group Tax and Legal Entities Department calculates the recorded taxes, deferred tax assets and liabilities and monitors the tax proof process with the Group Controlling Department.

The Statutory Auditors perform a review of the quarterly financial information with cut-off dates as of March 31, June 30 and September 30. The limited examination of the half-year condensed accounts as of June 30 is subject to a report of the external auditors with respect to the financial information of the first six months of the year.

The financial statements as of December 31 are subject to detailed audit procedures that are foremost formalized by the Report of the Statutory Auditors.

The quarterly financial statements, the half-year accounts and the financial statements for the year ended December 31 are presented to the Audit Committee and approved by the Board of Directors.

4.3.4. Annual Assessment Process of Procedures for the Production of the Group Financial Statements and Other Accounting and Financial Information

The assessment of the effectiveness of the internal controls and procedures for the preparation of accounting and financial information is part of the Group Internal Control's annual appraisal. The referential of the Group controls is regularly adapted to the activities changes of the Group and its risks.

The tasks carried out consist of:

- selecting and identifying the entities and processes that make a significant contribution to the preparation of the Group's accounting and financial information;
- documenting processes considered important for the preparation of the financial statements;
- identifying the risks associated with these processes to help improve fraud prevention;
- defining and documenting the existence of key controls to cover these major risks;
- assessing the effectiveness and implementation of controls through the analysis performed by the Group Internal Control system on test results obtained through the self-assessment internal control testing.

These actions gave Technip the support process to conduct an in-depth assessment of its internal control system over financial reporting.



Annex: Statutory Auditors' Report, Prepared in Accordance with Article L. 225-235 of the French Commercial Code on the Report Prepared by the Chairman of the Board of Technip

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Ernst & Young et Autres

1/2, place des Saisons
92400 Courbevoie – Paris-La Défense 1

Statutory Auditors' Report, Prepared in Accordance with Article L. 225-235 of the French Commercial Code (*Code de commerce*), on the Report Prepared by the Chairman of the Board of Directors of Technip

YEAR ENDED DECEMBER 31, 2013

To the Shareholders,

In our capacity as Statutory Auditors of Technip, and in accordance with Article L. 225-235 of the French Commercial Code (*Code de commerce*), we hereby report on the report prepared by the Chairman of your Company in accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*) for the year ended December 31, 2013.

It is the Chairman's responsibility to prepare and submit for the Board of Directors' approval a report on the internal control and risk management procedures implemented by the Company and to provide the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*) relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- confirm that the report also includes the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

INFORMATION ON THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF THE ACCOUNTING AND FINANCIAL INFORMATION

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- obtaining an understanding of the valuation process implemented and assessing the quality and adequacy of the documentation in respect of the information relating to the valuation of the internal control and risk management procedures;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*).

OTHER INFORMATION

We confirm that the report prepared by the Chairman of the Board of Directors also contains the other information required by Article L. 225-37 of the French Commercial Code (*Code de commerce*).

Neuilly-sur-Seine and Paris-La Défense, March 14, 2014

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit
Édouard Sattler

Ernst & Young et Autres
Nour-Eddine Zanouda



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

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

1. Introduction

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

SUSTAINABLE DEVELOPMENT IN THE GROUP'S ORGANIZATIONAL STRUCTURE

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

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

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

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

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

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

1.1. STRENGTHENING THE BEST PRACTICE CULTURE

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

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

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

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

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

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

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

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

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

By monitoring its own CO₂ emissions, Technip examines the impact of its operations on climate change. The Group's determination to reduce its own carbon gas emissions lies behind the decision to conduct a Group-wide assessment in 2014 (both for its direct and indirect operations), to gain a clearer understanding of its emissions and their impact, as the basis for making more informed, and therefore more effective, decisions. However, Technip has not waited for the outcome of this global assessment before addressing this issue, and is already exploring the possibility of using clean energy on its construction sites.

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

1.3. OUR COMPASS

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

Continuous Improvement of CSR Processes Through Independent Consultants

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

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

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

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

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

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

CSR Rating Agencies

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

Top Employer Europe Certification

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

The Performance Indicators that Characterize our Business

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

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

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

In 2014, the Group will be concentrating specifically on:

- **human resources:**
 - introduction of a Group-level Human Rights Charter,
 - recruitment, by optimizing the sources of recruitment and improving labor force resource planning (forecasting requirements more accurately and training a suitable number of individuals),
 - the quality of data and processes prior to the launch of a new three-year program in 2015,
 - gender diversity;
- **health:** preparation of an occupational health risk assessment (HRA) plan;
- **safety:**
 - full implementation of safety programs,
 - intensified prevention and safety awareness programs,
 - management of subcontractors in relation to occupational safety issues;
- **national content of its projects and its international subsidiary companies to continue to:**
 - improve local and national employability,
 - contribute to the economic benefits of the project with national stakeholders involvement;
- **local communities:** the relationship with the local communities will continue to be reinforced with an emphasis on social and economic self-sustainability; and
- **improve the environmental impact** of Technip's operations and client operations, with the emphasis on:
 - sustainability and innovation, and
 - carbon emissions.

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

1.4. REACHING A STEP FURTHER IN 2014

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

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

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

- inspiring young women: ‘Technip Inspiring Youth’ initiative will also give young women, working at Technip in technical and technological careers that normally attract few women, the opportunity to visit girls’ schools and share their experience of working in a ‘man’s world’ as part of communicating their interest in engineering in the hope of encouraging girls of all ages to aspire to technical and/or scientific careers in industry.

1.5. DEFINITIONS AND SCOPE

1.5.1. Definitions

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

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

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

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

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

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

Contracted workforce: Contract staff (workers employed via temping agencies (“agency personnel”)) or contractors working under contracts for services, except those working on construction sites. This personnel is not recognized as employees under national law or practices.

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

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

Clients: Technip’s clients.

1.5.2. Scope

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

(1) Health-Safety-Environment.

(2) Human Resources.

(3) HSE/Security under the cover of Technip for subcontractors, vendors, Clients and third parties if specified in the contractual agreements.

2. Human Resources

2.1. REPORTING SCOPE

2.1.1. Reporting Scope for Entities

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

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

2.1.2. Reporting Scope for Personnel

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

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

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

- individuals working in offices from time to time, when there is a spike in workload, such as agency personnel; and

- contractors working on vessels and industrial sites throughout the Group (manufacturing plants, spoolbases and the construction yard).

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

Each table notes the percentage of personnel covered.

2.1.3. Reporting Tool

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

2.1.4. Indicators – Identification of Material Topics

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

A community of men and women driven by shared Values



2.1.5. Terminology Used in Human Resources Reporting

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

a. Staff in management positions

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

b. Operating centers, industrial sites and fleet

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

c. Blue collar employees

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

2.1.6. Collection and Consolidation Methodologies of Human Resources Data

a. Collection

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

b. Consolidation methodologies

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

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

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

c. Feedback of inconsistencies to the entities

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

2.1.7. Controls

a. Internal audits

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

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

b. External verification

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

2.2. WORKFORCE

2.2.1. Changes and Organization

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

a. Breakdown of total workforce per contract

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

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

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

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

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

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

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

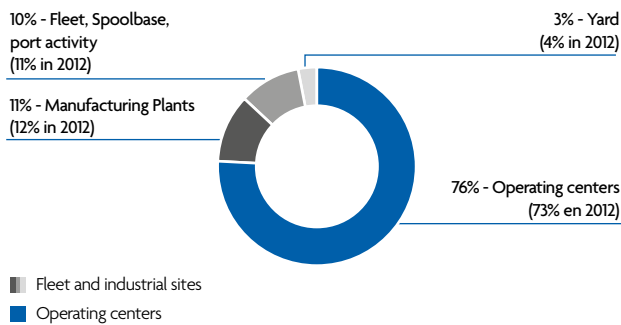
- in 2013, those working on the Group's industrial sites (spoolbase, plants and yard) and vessels, decreased by 8% compared to 2012 due to decreasing activity at the Pori construction yard;
- the category "other contracted workforce" increased by 15%. The variation indicated between 2012 and 2013 is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

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

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

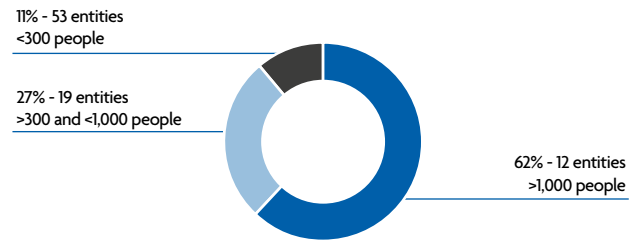
■ **HEADCOUNT STRUCTURE (AS OF DECEMBER 31, 2013)**

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



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

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



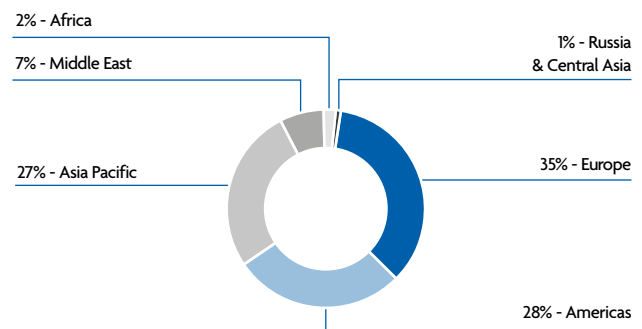
The breakdown of Technip entities demonstrates that two-thirds of employees are grouped within only 12 centers, which means that HR processes or tools can be rapidly put in place in the Group's principal centers to cover a majority of employees. Conversely, it takes more time to cover the rest of the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

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

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

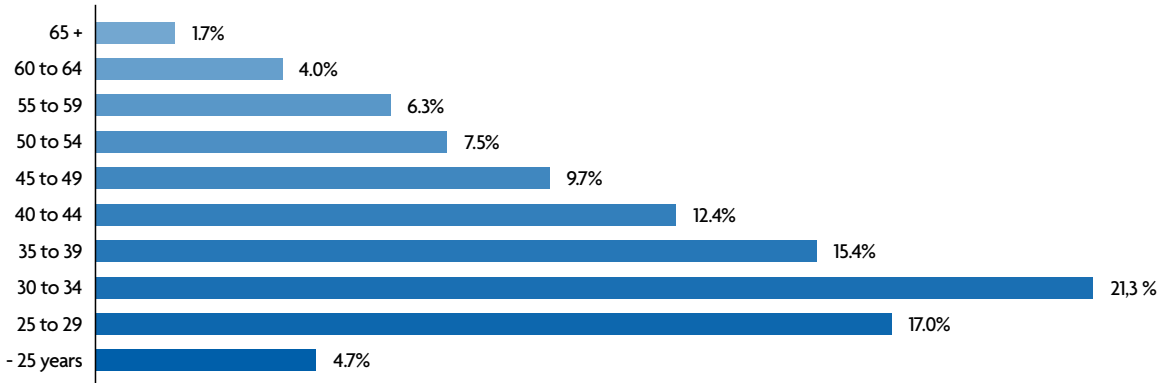
(1) Coverage rate: 100% of employees on payroll.

Employees per geographic zone

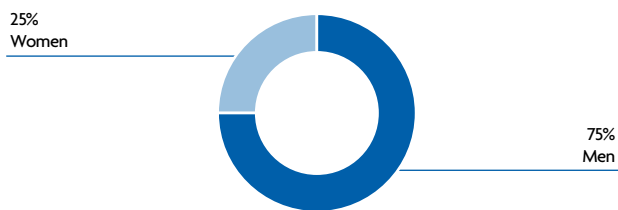


Compared to 2012, Europe is stable (35%) while Eastern areas (Middle East and Asia Pacific) are each growing by 1 percentage point (27% in Asia Pacific and 7% for Middle East in 2013).

Age pyramid in 2013 (by range in %)



Employees per gender



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

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

c. Hires and departures

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

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

RECRUITMENT

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

- between 2009 and 2013, recruitment of employees below the age of 35 has tripled;

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

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

Accompanying growth with recruitment

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

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

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

Use of social media

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

Use of employee referrals

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

School partnerships

In France, Technip and its IFP School partner sponsored 17 students from France, Malaysia, China, Brazil, India, Morocco, Saudi Arabia, Angola and Vietnam. The selected candidates underwent a combination of academic training within IFP and placements in Technip entities across Europe to provide students with the

opportunity to see firsthand the application of theory to a live project environment. On successful completion of the program the students are given the opportunity to join Technip upon their graduation. Ten out of 11 students joined Technip at the end of the school year 2012-2013.

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

Recruitment Days

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

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

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

Intra-Region recruitment

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

"Top Employer" label

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

Workforce planning for key offshore resources: a pilot initiative

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

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

- identification, anticipation and development of key competencies;

- planning and implementing workforce progression; and
- cross-fertilization to build up competencies where the Group's clients are.

Bring new competencies

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

DEPARTURES

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

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

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

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

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

d. Organization of working hours

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

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

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

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

e. Absenteeism (excluding acquisitions)

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

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

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

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

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

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

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

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

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

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

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

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

2.3. COMPENSATION AND BENEFITS

2.3.1. Salary Policy

Compensation within the Group is managed at Regional level.

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

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

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

2.3.2. Compensation, Change in Compensation and Social Security Costs

a. Compensation and change in compensation

The Group's payroll expenses increased from €1,661 million in 2012 to €1,654.8 million in 2013. The Group's social security costs increased from €293.9 million in 2012 to 308.5 in 2013.

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

b. Employee incentive and profit-sharing schemes

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

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

■ INCENTIVE PROFIT SHARING

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

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

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

■ GROUP SAVINGS PLAN – EMPLOYEE SHARE OWNERSHIP

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

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

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

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

■ GROUP PENSION SAVINGS PLAN

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

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

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

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

Recognizing and Appreciating the Talents for them to Grow

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

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

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

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

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

2.4.1. Developing and Keeping Talent

People are at the core of Technip.

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

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

a. Talent Management

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

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

■ TALENT MANAGEMENT NETWORK

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

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

■ CAREER TALKS

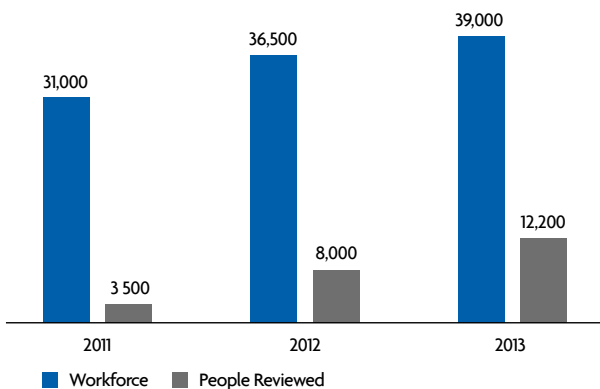
A Career Talk is a structured discussion between an employee and Human Resources in which the employee can seek further guidance on his/her career, determine objectives for the next steps and define how to get there. A Career Talk can be requested by an employee or can be initiated at the request of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

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

■ PEOPLE REVIEWS

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

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



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

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

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

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

■ INTERNAL JOB PORTAL AND INDIVIDUAL PROFILE

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

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

In 2013, 3,752 internal applications were recorded.

■ JOB CLASSIFICATION

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

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

b. Succession planning

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

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

c. Encouraging mobility

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

d. Engagement

■ PROJECT MANAGEMENT FAMILY

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

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

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

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

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

■ RETENTION

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

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

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

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

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

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

e. Managing performance

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

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

however the end rating and the form is captured in the system to ensure that the data is captured and analysis can be carried out.

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

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

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

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

2.4.2. Training

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

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

Summary of Technip University's Three Leadership Programs

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

PROJECT LEADER DEVELOPMENT PROGRAM

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

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

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

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

TECHNICAL LEADER DEVELOPMENT PROGRAM

Technip wants its employees to grow into technical leadership roles.

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

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

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

MANAGERIAL LEADER DEVELOPMENT PROGRAM

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

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

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

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

Description of knowledge transfer for Project Managers

The knowledge transfer is defined in three steps:

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

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

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

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

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

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

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

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

2.5. DIVERSITY AND EQUAL OPPORTUNITY

2.5.1. Promoting Diversity

Gender diversity

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

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

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

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

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

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

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

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

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

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

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

(1) Employees who appraise subordinates in accordance with the "Human Resources Without Borders" program.

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

(3) Employees who perform physical work. Support services such as drivers, security guards, and other service staff are included. A blue collar employee with a management role, as defined above, will be qualified as a "Manager".

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

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

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

New graduates and seniors

■ In 2013, recruitment of new graduates increased by 6% and an average of approximately 650 interns and apprentices are working for the Group each month, which is also an increase of 19% compared to 2012.

■ It is also essential for the Group to value and capitalize on the expertise of its senior employees: the number of employees hired over the age of 50 represents 785 persons in 2013, i.e., 11% of total hires.

2.5.2. Promoting Cultural and Ethnic Diversity

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

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

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

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

2.5.3. Equal Opportunity

a. Providing employment to people with disabilities

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

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

For maximum efficiency, the Group targets its efforts locally.

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

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

- Three disabled employees were recruited as well as four trainees. Overall, seven employees could be retained in their current posts due to adaptations of the offices to their disability.
- Partnerships with the sheltered sector, service providers that employ exclusively disabled persons were reinforced due to the involvement of various company functions, and in particular the appointment of a dedicated buyer for relations with service providers and suppliers from the sheltered sector;

- Awareness campaigns directed at all employees have been implemented through internal communication tools as well as through seminars. Employees showed increasing interest by not only attending the meeting but also by actively participating.
- With the help of the recruitment departments, Technip has participated in 18 specialized job dating events, and in forums. These events provide the opportunity to meet disabled people applying for a job.
- Training sessions in relation to best practices have been organized by “Mission Handicap” and run by ADAPT (Association for the social and professional integration of the disabled). These sessions will continue in the future since they facilitate and personalize the integration process, both for the employee starting in the company and the Department who welcomes him/her.
- Such initiatives for employees’ awareness were appreciated by the staff. Hence, eight of them took the opportunity to be officially recognized as disabled by the Company. This recognition allows them to benefit from a lot of technical devices to reduce the impact of their disability.

b. Retaining senior employees to ensure knowledge transfer

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

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

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

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

2.6. SOCIAL RELATIONSHIPS

Strengthening Social Dialogue

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

Information of personnel

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

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

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

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

Labor relations and collective agreements

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

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

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

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

European Works Council (EWC)

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

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

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

Consultations/Negotiations with trade unions over organizational changes

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

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

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

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

Technip Offshore Finland (TOF) began implementing the Pori fabrication yard restructuring plan to overhaul the site operations to continue to turn around the facility's competitiveness. Greater competition and continuous price pressure from South East Asian shipbuilding yards, combined with the cancelation of BP's Big Dog Spar project by the client, have led to the need for the adaptation of the production to the changing environment market. To adjust the capacity of the yard to the current workload, the restructuring plan includes a headcount reduction based on the termination and natural attrition of 350 employees, as well as the permanent lay-off of a maximum of 410 employees, depending on the workload level in 2014.

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

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

Freedom of expression

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

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

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

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

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

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

2.7. HEALTH: PREVENTING RISKS AND ENCOURAGING WELLNESS

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

Group-wide Health Management Process Implemented

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

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

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

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

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

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

Protecting Travelers and Expatriates

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

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

Improving Medical Care at Sea and Onshore

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

Putting Wellness in the Spotlight

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

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

2014 Objectives

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

2.8. SAFETY

Protecting Individuals at All Times

Coverage

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

The data provided in this section covers the following:

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

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

Technip Safety performance

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

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

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

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

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

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

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

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

Prevention of Serious Injuries

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

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

■ 6 ACTIONS TO NEVER TAKE

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

■ 6 ACTIONS TO ALWAYS TAKE

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

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

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

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

The Pulse leadership program

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

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

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

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

Behavior-Based Safety (BBS)

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

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

Technip objectives for 2014

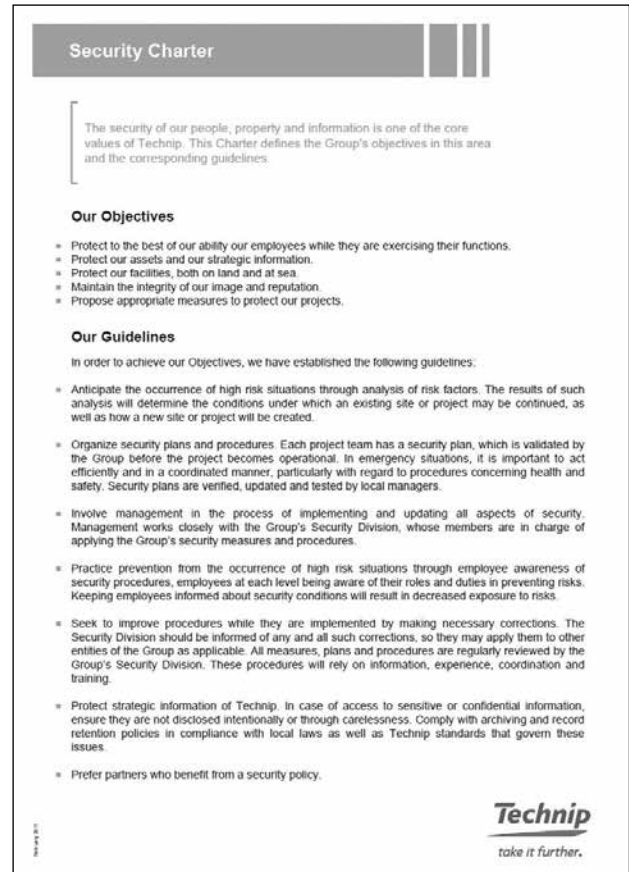
In 2014, Technip will continue to focus on the challenges and related objectives that are addressed in the 3-year roadmap.

This includes but is not limited to:

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

2.9. SECURITY

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



Reporting scope

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

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

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

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

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

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

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

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

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

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

One Security for "One Technip"

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

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

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

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

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

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

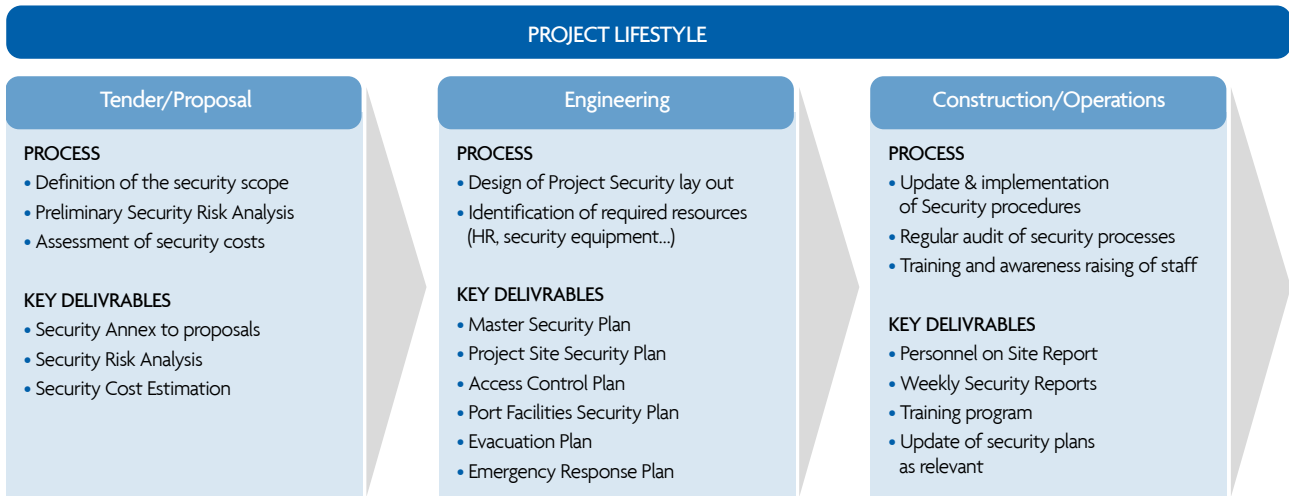
Dedicated tools and resources are available to keep Technip people informed, in full transparency, about security issues wherever they live, travel or operate:

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

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

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

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



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

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

Security starts with information

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

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

Maritime Security: an important topic within Technip Security Operations

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

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

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

To protect vessels transiting piracy hotspots, the Group hardens them by setting up barbed wire over the freeboard or on the main deck, welding steel plates at critical access points, adding

lookouts during the transit and conducting lock-down drills. Depending on the threat assessment, an armed security team on board or an escort boat will ensure the protection of the vessel and the crew during the transit.

Incident Management: Ensure Technip capacity to face and recover

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

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

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

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

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

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

3. Environment

3.1. REPORTING METHODOLOGY

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

3.1.1. Reporting Scope

Scope

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

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

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

The Technip environmental data reporting is in line with the Group HSE reporting and in accordance with the Group's standard

Number of Reporting Entities Contributing to EKPIs

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

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

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

Limits

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

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

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

Period

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

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

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

Coverage

■ COVERAGE IN TERMS OF NUMBER OF ENTITIES

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

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

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

Manhours Worked in Reporting Entities Contributing to EKPIs

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

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

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

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

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

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

3.1.2. Terminology Used in Environmental Reporting

Group Guidelines

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

Definitions

EKPI: Environmental Key Performance Indicators.

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

3.1.3. Data Collection and Consolidation System

a. Collection – reporting tool

Environmental reporting is of fundamental importance for the correct definition of environmental performance and target implementation at local, regional and Group levels. Therefore, Technip has implemented an environmental data collection system based on a list of 35 basic environmental indicators and a further 16 aggregated indicators covering all main environmental themes (e.g., energy consumption, water consumption, waste generation and CO₂ emissions).

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

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

b. Consolidation methodology and internal control

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

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

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

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

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

3.1.4. External Controls

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

3.2. GROUP ENVIRONMENTAL POLICY

3.2.1. Group HSE Policy

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

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

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

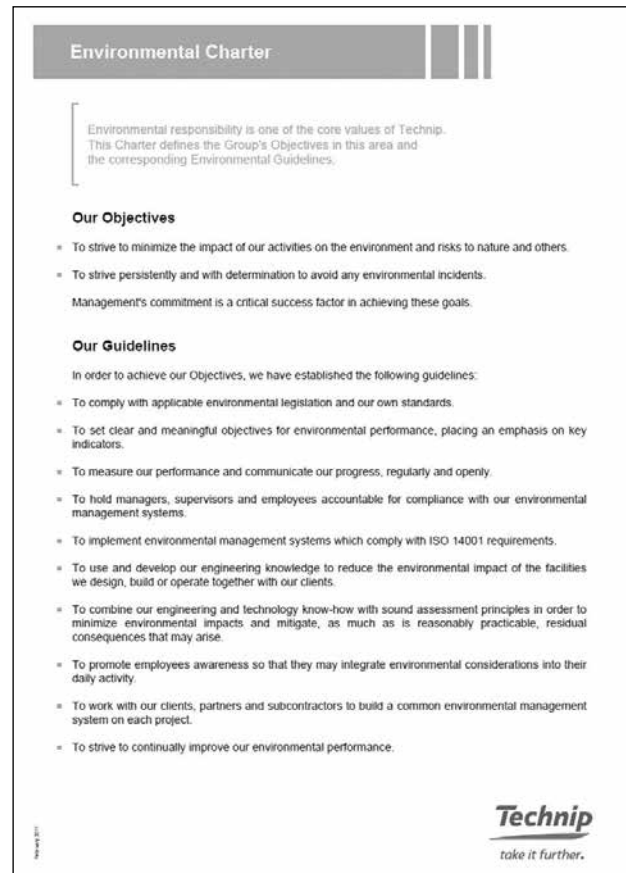
Targets assigned to subsidiaries outside France

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

3.2.2. Environmental Charter

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

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



3.2.3. Responsibility and Organization

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

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

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

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

3.2.4. Legal and Regulatory Compliance

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

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

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

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

3.2.5. Environmental Certification

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

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

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

3.2.6. Risk Management

a. Risk identification

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

b. Risk management

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

c. Provisions and indemnities

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

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

3.3. SUSTAINABILITY AND INNOVATION

3.3.1. Promoting a New Distinctive Approach

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

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

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

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

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

3.3.2. Combining Sustainability with Innovation

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

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

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

3.3.3. Technip Reference Catalog of Sustainable & Innovative Solutions

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

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

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

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

3.3.4. Adding Innovative Sustainable Value to Projects

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

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

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

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

3.3.5. Taking Renewable Energies and Bio-based Industries Further

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

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

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

On Carbon Capture and Storage, Technip announced its partnership agreement with Cansolv, a company 100% owned by Shell that developed an amine based CO₂ capture technology. The agreement enables both Technip and Shell Cansolv to offer a full range of engineering, procurement and construction (EPC) services for a post-combustion CO₂ capture project to the power generation industry. This collaboration between two industry leaders will see Shell Cansolv capitalize on Technip's experience in design, construction and management of large EPC projects and its commercial global footprint. This new cooperation will also expand Shell Cansolv's international reach to offer its CO₂ capture technology in an increased scope as well as within new markets.

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

3.3.6. Internal Synergies and Reputable Collaborations

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

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

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

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

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

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

3.4. ENVIRONMENTAL ASPECTS MANAGEMENT

3.4.1. Group Environmental Objectives

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

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

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

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

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

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

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

Group Objectives	Examples of initiatives undertaken by entities and sites in 2013
Implement carbon-footprint minimization strategies	Several environmental initiatives have been developed in each operational sector, e.g.: <ul style="list-style-type: none"> ■ Offices: Several initiatives aiming to increase personnel and workforce awareness of climate change and CO₂ during World Environment Day, use of renewable energy in Rome offices, Sustainable Building certification in new Aberdeen offices. ■ Constructions Sites: use of recycled water for dust suppression and hydro testing operations. ■ Plants: new lighting (LED) and heating systems installed in the work areas in Flexi France manufacturing plant in Le Trait (France). ■ Fleet: Shipboard Energy Efficiency Plans tested and implemented in North Sea Canada (NSC) vessels.
Develop initiatives for the minimization of the environmental impact of the Group operations	<p><u>Examples of studies:</u></p> <ul style="list-style-type: none"> ■ ENVID reviews (identification of environmental impact) developed for all major Onshore and Offshore projects; ■ environmental soil investigation studies proposed to clients; ■ low energy consumption lightning studies proposed to clients. <p><u>Example of applications:</u></p> <p>Environmental engineering best practices through the utilization of local vegetation applied to slope consolidation.</p>
Develop Technip environmental risk register in each entity	Implement risk registers in all entities with specific minimization strategies to address potential risks at all project stages from design to construction.
Conduct Environmental Performance Standard audits	<ul style="list-style-type: none"> ■ Regional Environmental Management Standard (GOPS) audits and action plan to raise awareness and compliance levels. ■ Environmental audits held by third parties (international Certification Bodies) for ISO 14001 standards. ■ Environmental audits by financial organisms and clients. ■ GRI (<i>Global Reporting Initiative</i>) based assurance audits held in all Group regions, in accordance with the French law Grenelle II.
Implement ongoing Green Office programs	Screening of Technip main offices completed with specific action plans for energy saving, water saving, waste management, responsible procurement and clean transport.

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

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

3.4.2. Resources Consumption

a. Water

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

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

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

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

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

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

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

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

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

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

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

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

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

b. Raw materials

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

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

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

c. Energy

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

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

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

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

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

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

(1) LPG consumption has been added since 2012.

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

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

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

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

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

Another example is the application of light-emitting diodes (LED) which was studied during the design phase of a petrochemical plant to be built in Mexico. Technip evaluated the use of LED lighting fixtures instead of conventional industrial ones. A comparison study was carried out and indicated a potential reduction of electricity consumption of 40% corresponding to 770 tons of CO₂ saved in one year. The results also showed that the capital investment cost was higher if LED lamps were used and that, in Mexico, it would have been recovered by the saved energy in about 10 years.

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

3.4.3. Emissions

a. Climate change

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

This year was a milestone in the climate change international arena, as the United Nations Framework Convention on Climate Change gathered in Poland to pursue its work on the Durban Platform for Enhanced Action, which aims to conclude negotiations by 2015 on a legally binding instrument to address global

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

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

warming, with entry into force from 2020 onwards, and to discuss further commitments under the Kyoto Protocol. By December 2013, countries were getting ready to initiate or intensify national actions to accelerate the full implementation of the Bali Action Plan and pre-2020 ambition gap in terms of the 2°C target.

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

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

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

b. Greenhouse Gas Emissions (GHG)

The table below shows the aggregated volume of direct CO₂ emissions (in ton CO₂ equivalents) generated by Technip's operations. However, it should be noted that Technip is not subject to any greenhouse gas emission regulatory quotas.

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

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

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

Direct emissions result from fuels or energy used directly in Technip activities and operations, often due to internal electric energy production at Sites. Indirect emissions result from the direct consumption of electricity from the relevant local grid as part of Technip operations. The volume of CO₂ generated from electricity will vary from country to country depending upon the fuel source used to produce electricity.

In 2012, Technip experienced a distinct increase in CO₂ emissions in all areas, which reflects the similar increase in the volume of energy consumed during the period; a 34% increase in the total volume of CO₂ emissions compared to 2011. In 2013, the direct emissions are 6% higher than in 2012, while indirect emissions have reduced by approximately 7% even though the number of reporting entities has increased.

c. Liquid Effluents

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

units are regularly monitored and audited in accordance with local licenses and regulatory approvals.

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

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

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

In 2013, the total quantity of wastewater managed by Technip, including ballast water, was 808,456 m³, of which 14% was ballast water, 18% industrial wastewater and 68% domestic wastewater.

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

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

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

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

(3) 2012 Vessels ballast water was reported separately and accounted for 77,973 m³.

With respect to the 2012 reporting, the methodology has slightly changed both for domestic and industrial wastewater. As a result of this, more wastewater has been reported as domestic from sites and offices as a more detailed estimation method has been

made available, not used in previous years' reporting. In 2013 construction sites have seen an increased quantity of industrial wastewater (including dust suppression water).

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

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

d. Waste

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

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

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

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

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

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

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

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

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

3.4.4. Accidental Pollution

Prevention of environmental incidents

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

Technip classifies environmental incidents into three distinct types:

- major environmental incidents: when a significant environmental impact is caused outside the site boundary, lasting more than one month or when the intervention of a third party is required to manage and control the impact or when there is a breach of environmental license conditions, regulations or contractual requirements that results in a fine or prosecution;

- minor reportable environmental incidents: when impact is minor and reversible lasting up to one month and is controlled by the worksite; may be of any type, size or volume, but must be reported to authorities in accordance with any works approval or license conditions and regulations but does not result in a fine or prosecution, and
- minor non-reportable environmental incidents: that are reported internally to Technip and / or clients but do not need to be reported to local authorities.

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

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

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

(1) According to Technip Environmental Incident Classification (GOPS 11009).

(2) Of which four non-spill incidents – related to waste management compliance.

(3) Of which 300 liters were related to a spill of sewage water.

(4) Of which 3,052 liters were storm water and sewage effluents.

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

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

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

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

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

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

The majority of Offshore or vessel spills that consisted of relatively minor, low volumes (from 0.01 to 20 liters) of hydraulic oils or fuels were contained wherever practical or lost to sea. Incidents involving losses to sea were reported in accordance with local regulatory requirements. A large volume of the subsea or Offshore incidents were leaks or discharges from Remote Operated Vehicles (ROV) during operation.

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

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

Only one environmental incident was reported at Technip managed offices.

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

Mitigation of environmental incidents

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

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

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

3.4.5. Other Aspects

a. Biodiversity

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

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

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

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

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

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

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

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

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

b. Noise and Odors

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

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

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

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

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

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

c. Soil

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

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

Another example was in the Etileo XXI project in Mexico where Technip was asked to redesign and build the slopes of the plant. The main issue was the slopes' erosion and instability due to heavy

rains. Technip advised the Client to replace the planned solution (extensive concrete finishing) with a more appropriate green solution using bio-engineering: the selected finishing was a mix of plants that stabilized the slopes by their roots and rendered them water proof by their leaves. This solution was claimed to save up to 100 times the weight of required materials, up to 10 times the energy requirements, up to 10 times the polluting emissions from the works (CO₂, CO, NO_x, SO_x, particulates), up to 50% of costs and to reduce on-site working time and site-related risks. The designed slope finishing had a CO₂ absorption capacity of 40 t/ha/year.

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

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

3.4.6. Financing Impact Reduction

Expenses related to reducing the Group's environmental impact

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

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

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

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

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

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

3.4.7. Sharing Best Practices

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

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

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

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

3.4.8. Making Smart Vessels, Sites and Projects

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

a. Life Cycle Environmental and Health Assessment of Industrial Plants

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

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

b. Construction Sites

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

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

c. Industrial Sites

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

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

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

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

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

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

d. Fleet

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

e. Subsea Projects

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

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

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

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

3.4.9. Increasing Environmental Awareness and Training

a. HSE Training

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

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

(1) Number of hours on site.

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

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

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

■ PULSE PROGRAM

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

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

b. Communication Events

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

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

In 2013, Technip's environment day focused on food waste, inspired by the UNEP theme "Think-Eat-Save, Reduce your footprint" and more largely on "Sustainable Consumption – Doing More and Better with Less"; this theme provided an opportunity to emphasize the importance of environmentally sustainable practices to Technip's total workforce, not only in daily operations, but also in conceptual and design activities. The awareness of environmental issues on a daily basis, both at work and at home, encourages the workforce to take proactive measures towards sustainable

development and resource use. Many activities were organized throughout the Group, including lots of local initiatives such as tree planting, river clean up, nature and botanical walks, cycling events, waste recycling events, energy saving schemes, environmental quizzes and prize draws.

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

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

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

c. Environmental Education Programs

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

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

In Malaysia, an initiative combining environmental, economic and social awareness was developed by Technip Kuala Lumpur Operating Center and by Asiaflex Products manufacturing plant based in Tanjung Langsat, with an indigenous fishing community living in the vicinity of the plant, close to Johor Bahru. This area is very rich in terms of biodiversity (mangroves, birds, fishes, etc.) and threatened by intensive construction projects. The objec-

tive was to build with the community a self-sustaining activity through the development of eco-tourism business. Technip helped to train eco-guides within the community who learned how to protect nature and the global eco-system, and preserve their threatened culture and heritage. This initiative won the 2013 Jacques Franquelin award in the "Encouraging a fair return for all" category.

4. Commitment to External Stakeholders

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

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

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

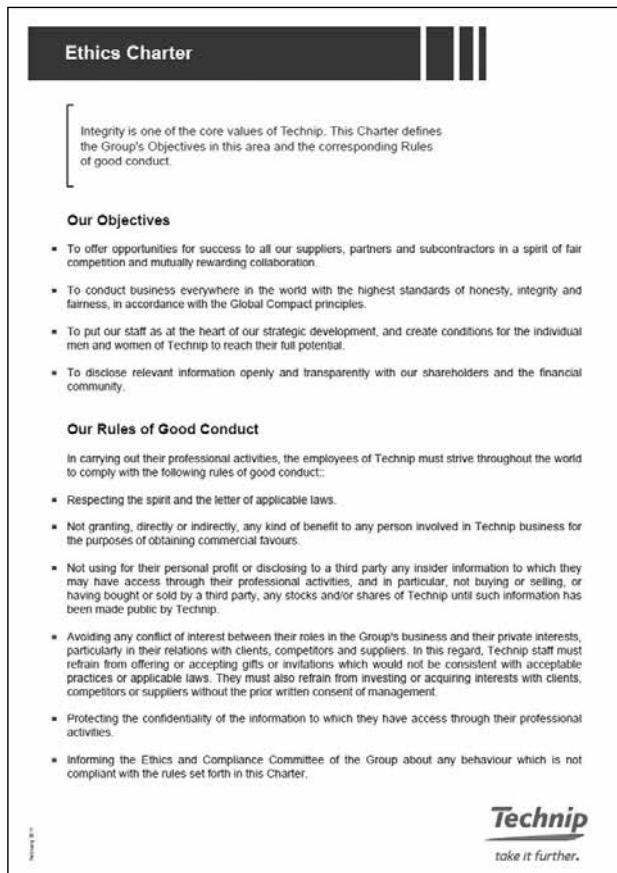
The goals set by Technip for 2013 in relation to these stakeholders were:

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

4.1. MAINTAINING THE HIGHEST ETHICAL STANDARDS

Ethics Charter

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



4.1.1. Preventing Corruption

A clear strategy and a strong ongoing commitment

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

1. compliance with the laws and regulations of the countries in which Technip operates;
2. conducting due diligence on business partners globally, to ensure that they operate in strict compliance with laws and regulations at both an international and national level; and

3. training its workforce to increase their awareness and knowledge of legal and company requirements, and to foster ethical behavior.

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

Compliance organization

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

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

The second pillar is the Ethics and Compliance Committee. Composed of senior managers from across the Group, it reports directly to the Chairman and Chief Executing Officer (CEO). The Committee ensures that Technip's Ethics Charter and related policies and procedures are properly implemented. It submits an annual review of its actions to the Chairman and CEO recommending improvements in terms of ethics and compliance. Additionally, it gathers reports from Regional managers detailing the implementation of the Ethics Charter. A whistleblowing process enables Technip's employees to report to the committee if they feel that there has been a violation of Technip's policies and procedures in the areas of accounting, finance or corruption. In 2013, this process was significantly improved with the hiring of an external service provider which now offers additional ways for employees to confidentially report any potential violation through the use of a dedicated website, via phone, email or mail 24/7 and in their own language to someone independent of the Group.

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

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

Covering all business operations

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

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

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

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

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

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

Training the workforce and leadership

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

4.1.2. Protecting Human Rights

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

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

a. The structure in place at Group level

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

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

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

To mitigate any disparity between international standards and local legislation, the Group has begun strengthening its procurement procedures through a range of different measures that will start to be applied in 2014. In this context, a clause has been added to the Group's general terms and conditions (GTC Article 5.4) informing suppliers that Technip upholds the United Nations Global Compact. This clause specifies that 'the Supplier must comply with local regulations and legislation concerning labor law and fair working conditions, forced labor or child labor.' Additionally, the pre-qualification procedures for suppliers have, since 2013, included questionnaires specific to sustainable development issues (see Section 4.2.1.b below related to procurement): Technip is committed to strengthening those aspects of these procedures that relate to respect for, and protection of, human rights.

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

b. Good practices at local level

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

■ PREPARATION OF A DEDICATED CSR POLICY

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

■ DEPLOYMENT OF A DEDICATED RESOURCE FOR COMPANIES

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

■ MEASURES THAT STRUCTURE AND REGULATE PRACTICES

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

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

■ EMPLOYEE SATISFACTION MEASUREMENT

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

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

In Italy, in 2013, Technip has received the Social Accountability 8000 certification for the tenth consecutive year. On construction sites where unions are not formally authorized such as Saudi Arabia (Al Jubail), Technip encourages the appointment of workers’ representatives and the implementation of a grievance procedure to collect and address all workers’ complaints. A special committee is appointed and meets regularly to resolve these issues. These provisions and initiatives also involve subcontractors: the social responsibility management system also applies to the organizational structures and work done by subcontractors

on construction sites. The subcontractors must also comply with the health and safety requirements set out in point 3 of the SA 8000 certification procedure, which requires them to perform emergency exercises simulations, conduct risk evaluations on the work they do, and provide training and awareness programs on a range of CSR topics.

■ REGULAR INSPECTIONS

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

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

- With respect to its clients, Technip intends to meet even more often with the individuals responsible for sustainable development issues within client organizations, and to establish a dialog with them to develop a joint approach to shared exposure to Human Rights-related risks. Being at the same time subcontractor and contractor on some construction sites in high-risk locations, it is essential for Technip to involve all the parties having potential responsibility for ensuring the respect of Human Rights. Without wishing to delegate its own responsibilities in this context, Technip’s clients very often share this responsibility, and the Group wants to work with them on establishing a partnership vision to protect the rights of employees and other project workers more effectively.
- With the aim of ensuring efficient and effective protection of Human Rights, Technip plans to introduce a Group-level Human Rights Charter in 2014, the terms of which will comply with OECD guidelines. This new declaration will join the six existing charters that state and promote the Group core values and principles. In March 2012 UNICEF, the UN Global Compact and the NGO Save the Children published their Guiding Principles on the Rights of the Child. Technip sees its contribution to eliminating child labor as a priority, especially in the context of responsible supply chain management, given the precarious or non-existent national regulatory frameworks in some of the countries where its suppliers operate. The Group’s Charter will put special emphasis on protecting the Rights of the Child in order to restate its commitment to the ILO conventions on the effective abolition of child labor in accordance with Article R. 225-105-1-II of the French Commercial Code, and to participate wholeheartedly in the movement initiated by UNICEF to draw greater attention to child protection issues worldwide in 2014.

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

4.2. INVESTING IN LOCAL CAPABILITIES

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

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

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

4.2.1. Partnering Local Economies

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

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

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

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

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

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

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

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

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

a. Boosting local/national employability within Technip

Technip believes that National Content goes far beyond the obligation of compliance with local regulations. At a time when countries are formalizing their own National Content requirements, the Group has anticipated this fundamental requirement in many countries, including Brazil (more than 95% of local employees are Brazilians), Malaysia (more than 81%), Ghana (85%) and Angola (99%).

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

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

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

Over time, Technip has succeeded in creating a multi-local footprint through a substantial and deep-rooted regional presence. Since 1998, the number of employees in the historic centers of Europe has grown by a factor of 2.7, the labor force in North America grew by a factor of 4.3, followed by Asia Pacific (2.3), the Middle East (1.5) and South America (1.2). Over the same period, Technip also extended its operations in Africa and the North Sea, which, as of the date of this report, employ 959 and 4,032 individuals, respectively.

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

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

■ GHANA, SPEARHEADING NATIONAL CONTENT

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

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

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

■ MALAYSIA AND BULGARIA: FOCUSING ON TECHNICAL TRAINING

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

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

■ AN INTERGENERATIONAL APPROACH

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

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

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

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

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

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

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

b. Sustaining the local economic ecosystem

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

■ SUSTAINABLE PROCUREMENT

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

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

Since 2006, the reference to Technip values and its membership of the United Nations Global Compact have been included in the Group's general purchasing terms and conditions. In 2013, specific questions relating to sustainable development were included in the supplier pre-qualification questionnaire (Internal procedure: GTDS 21007-1), completion of which is a condition for inclusion

in the Technip procurement database. These questions are also included in the "SD Suppliers Questionnaire" (Internal procedure: GTDS 21007-10). These sets of procedures will be deployed progressively within the Group.

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

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

■ CONSTRUCTION SUBCONTRACTOR ACCOUNTABILITY

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

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

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

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

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

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

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

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

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

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

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

4.2.2. Long-Term Relationship with Local Communities

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

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

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

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

A close and sustained relationship

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

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

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

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

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

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

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

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

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

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

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

C) THE JUVENTUDE TECHNIP PROGRAM IN BRAZIL

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

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

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

Technip Relief and Development Fund

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

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

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

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

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

Supporting the vulnerable and underprivileged: The “READY” Fund

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

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

4.3. OTHER MAJOR STAKEHOLDERS

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

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

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

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

4.3.1. Clients: Maintaining a High Level of Operational Efficiency

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

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

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

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

4.3.2. Investors: Transparency and Reliability

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

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

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

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

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

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

4.3.3. Shareholders: Sharing the Benefits of Growth

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

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

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

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

- Two topic-specific technological conferences were hosted in 2013 at Technip's corporate headquarters and were very well received by the shareholders. One was dedicated to refining and the other one concerned FLNG (Floating Liquefied Natural Gas);
- Technip's individual shareholders were received on October, 2013, at Cybernétix in Marseille, a company acquired by Technip in 2011. After the visit of a cabling and the Nautilus⁽¹⁾ robot production workshops, the event continued with a presentation of Cybernétix mechanical design activities, and a computer assisted design demonstration of robotic components; and
- On October 24, the members of Technip Shareholders' Club were invited to the first financial training of the Technip's Shareholders Club, in Paris. The theme of this training was "The exchange rates of the French Stock-Exchange in 2013 and its consequences in 2014".

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

Highlights:

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

Conclusion

Technip's 2014 objectives are as follows:

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

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

(1) Seismic equipment designed by Cybernétix that permits the stabilization of the seismic flutes towed by vessels used for offshore oil field exploration.

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



Annex: Report of the Statutory Auditors, Appointed as Independent Third-Party Entities, on the Review of Consolidated Environmental, Labour and Social Information Published in the Management Report

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and is construed in accordance with French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit

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Report of the Statutory Auditors, Appointed as Independent Third-Party Entities, on the Review of Consolidated Environmental, Labour and Social Information Published in the Management Report

YEAR ENDED DECEMBER 31, 2013,

To the Shareholders,

In our capacity as Statutory Auditors of Technip, appointed as an independent third party, whose certification requests have been approved by the French National Accreditation Body (COFRAC), we hereby report to you on the consolidated environmental, labour and social information for the year ended December 31, 2013, presented in the management report (hereinafter the “CSR Information”), in accordance with Article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the Company

The Management Board is responsible for preparing the Company's management report including CSR Information in accordance with the provisions of Article R. 225-105-1 of the French Commercial Code and 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 governing the audit profession and the provisions of Article L. 822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable legal and regulatory texts.

Responsibility of the Statutory Auditors

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Statement of completeness of CSR Information);
- express limited assurance that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of nine people between September 2013 and February 2014 and took around twenty four weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed our work in accordance with the professional auditing standards applicable in France, with the decree of May 13, 2013 determining the conditions in which the independent third party performs its engagement ⁽¹⁾.

1. STATEMENT OF COMPLETENESS OF CSR INFORMATION

We conducted interviews with the relevant heads of department to familiarise ourselves with sustainable development policy, according to the impact of the Company's activity on labour and the environment, of its social commitments and any action or programmes related thereto ⁽²⁾.

We compared the CSR Information presented in the management report with the list provided for by Article R. 225-105-1 of the French Commercial Code.

For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

We ensured that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by Article L. 233-1 and the entities it controls as defined by Article L. 233-3 of the French Commercial Code within the limitations set out in the methodological information of the management report.

Based on this work and given the limitations mentioned above, we attest to the completeness of the required CSR Information in the management report.

2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and Scope of our Work

We conducted around fifteen interviews with the people responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility, and taking good market practice into account when necessary;
- verify the implementation of a data-collection, compilation, processing and control procedure that is designed to produce CSR Information that is exhaustive and consistent, and familiarise ourselves with the internal control and risk management procedures involved in preparing the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information in the light of the nature of the Company, the social and environmental challenges of its activities, its sustainable development policy and good market practice.

(1) Decree of May 13, 2013 determining the conditions in which the independent third party performs its engagement.

(2) Article A. 225-2.

With regard to the CSR Information that we considered to be the most important ⁽³⁾:

- At parent entity level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organisation, policy, action), we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data and we verified their consistency and concordance with the other information in the management report.
- At the level of a representative sample of entities selected by us ⁽⁴⁾ by activity, contribution to the consolidated indicators, location and risk analysis, we conducted interviews to ensure that procedures are followed correctly, 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 30% of headcount, 21% of the worked hours and between 7% and 28% of quantitative environmental data.

For the other consolidated CSR information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgment, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Because of the use of sampling techniques and other limitations intrinsic to the operation of any information and internal control system, we cannot completely rule out the possibility that a material irregularity has not been detected.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Neuilly-sur-Seine and Paris-La Défense, March 14, 2014

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Édouard Sattler

Thierry Raes

In charge of the Sustainable Development department

Ernst & Young et Autres

Nour-Eddine Zanouada

Christophe Schmeitzky

In charge of the Sustainable Development department

(3) Qualitative and quantitative information are detailed in appendix 1.

(4) **Construction yards:** Messier-Bugatti-Dowty (Malaysia); Burgas (Bulgaria), Jubail (Saudi Arabia); Dahej (India).

Fabrication plants: Duco (United Kingdom), Asiaflex (Malaysia).

Vessel: *Orelia*.

Offices: La Défense (France), Kuala Lumpur (Malaysia), Chennai (India), Dehli (India), Mumbai (India), Roma (Italia).

APPENDIX – LIST OF INFORMATION THAT WE HAVE CONSIDERED TO BE THE MOST IMPORTANT

Quantitative labour information:

- Breakdown of total workforce per category, headcount structure, size of entities, breakdown of employees on the payroll according to geographic zone, age and gender
- Payroll employees: hires and departures, reasons of departures (permanent employees)
- 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

Qualitative labour information:

- Reporting scope
- Workforce
- Compensation and benefits
- Employees development: talents at the center of Technip strategy
- Diversity and equal opportunity
- Social relationships
- Health: Preventing risks and encouraging wellness
- Safety
- Security

Quantitative environmental information:

- Wastewater
- Greenhouses Gas Emissions (GhG)
- Environmental incidents
- Hazardous waste and non-hazardous waste
- Water consumption
- Energy consumption

Qualitative environmental information:

- Group environmental policy
- Resources consumption: water, raw materials, energy
- Emissions: climate change, greenhouses gas emissions, liquid effluents, waste
- Accidental pollution: Prevention of environmental incidents, mitigation of environmental incidents
- Biodiversity
- Noise and odours
- Soil

Qualitative information related to social commitments towards sustainability:

- Maintaining the highest ethical standards
- Investing in local capabilities
- Other major stakeholders



Annex: Combined Shareholders' Meeting of April 24, 2014 – Agenda, Presentation of Resolutions and Draft Resolutions

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1. Agenda

WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

1. Approval of the statutory financial statements for the fiscal year ended December 31, 2013
2. Allocation of earnings for the fiscal year ended December 31, 2013, setting the dividend amount and the dividend payment date
3. Approval of the consolidated financial statements for the fiscal year ended December 31, 2013
4. Special report of the Statutory Auditors on the regulated agreements
5. Non-binding opinion on the compensation components for the fiscal year 2013 falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer
6. Authorization granted to the Board of Directors for the repurchase of Company shares

WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

7. Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to the grant of debt securities, with maintenance of the preferential subscription rights of shareholder
8. Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to the grant of debt securities, without the preferential subscription rights of shareholders (with the option to provide a priority period) and by way of a public offering
9. Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to the grant of debt securities, without the preferential subscription rights of shareholders and by way of a private placement

10. Authorization granted to the Board of Directors to allocate performance shares to (i) Technip's employees, and (ii) the employees and directors and officers (*mandataires sociaux*) of the companies of the Group
11. Authorization granted to the Board of Directors to allocate performance shares to the Chairman of the Board of Directors and/or Chief Executive Officer of Technip (*mandataire social*) and to the Group's principal executives
12. Authorization granted to the Board of Directors to grant options for the purchase or subscription of shares to (i) Technip's employees, and (ii) the employees and directors and officers (*mandataires sociaux*) of the companies of the Group, acting automatically waiver by the shareholders of their preferential subscription rights
13. Authorization granted to the Board of Directors to grant options for the purchase or subscription of shares to the Chairman of the Board of Directors and/or Chief Executive Officer of Technip (*mandataire social*) and to the Group's principal executives, acting automatically waiver by the shareholders of their preferential subscription rights
14. Authorization granted to the Board of Directors to increase the share capital in favor of employees adhering to a company savings plan, without the preferential subscription rights for shareholders
15. Authorization granted to the Board of Directors to increase the share capital without the preferential subscription right of shareholders, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program
16. Powers for formalities

RESOLUTION WITHIN THE AUTHORITY OF THE COMBINED SHAREHOLDERS' MEETING

2. Presentation of Resolutions

PRESENTATION OF RESOLUTIONS WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

First, second and third resolutions

Approval of the statutory financial statements and allocation of earnings

The purpose of the **first resolution** is to approve Technip SA's statutory financial statements for the 2013 fiscal year.

The purpose of the **second resolution** is to determine the allocation of Technip SA's earnings and set the dividend for the 2013 fiscal year at €1.85 per share and the payment date on May 7, 2014. The following dates shall apply for the payment of dividends:

- Ex-Date: May 2, 2014 (morning); and
- Record Date: May 6, 2014, after close of market.

Pursuant to Article 243bis of the French General Tax Code, the distributed dividend is eligible for the 40% deduction in favor of natural persons who have their fiscal domicile in France, as provided for in Article 158-3 of the French General Tax Code.

The purpose of the **third resolution** is to approve the Technip Group's consolidated financial statements for the 2013 fiscal year.

Fourth resolution

Special report of the Statutory Auditors

The **fourth resolution** approves the special report of the Statutory Auditors reporting the absence of any new regulated agreements entered into in 2013.

Fifth resolution

Non-binding opinion on the compensation for the fiscal year 2013 falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer

The purpose of the **fifth resolution** pursuant to the new governance regulations applicable in France, is to give an opinion on the compensation package due or granted in respect of the 2013 financial year to Thierry Pilenko.

The components presented herebelow are detailed in accordance with the recommendations of the AFEP-MEDEF Guide.

Compensation elements due or granted in respect of the 2013 financial year	Amounts or valuation	Remarks
Fixed compensation	€900,000 Amount paid	Unchanged fixed compensation since May 2011.
Variable compensation	€858,330 To be paid The rate of achievement of objectives for 2013 is given herebelow. (Table 1)	Board of Directors February 17, 2014. The variable portion of compensation is based on the fixed compensation for the previous year. For 2013, the target variable portion is equal to 100% of the annual base compensation. 70% of the target variable portion is linked to the financial performance of the Group and 30% is linked to the achievement of individual objectives. These objectives are directly linked to Technip's strategy and cannot be disclosed for confidentiality reasons.
Deferred variable compensation	Cash Plan 20% of 2013 annual base salary, €180,000	Performance conditions. (Table 2)
Multi-year variable compensation	N/A	Thierry Pilenko does not qualify for any multi-year variable compensation.
Special bonus	N/A	Thierry Pilenko does not qualify for any special bonus
Allocation of: stock options performance-based shares	50,000 share subscription options Valuation : €678,248 30,000 performance shares Valuation: €1,588,657	Board of Directors June 17, 2013. 0.07% of the share capital. Performance conditions. (Table 2)
Directors' fees	N/A	The Chairman and Chief Executive Officer does not receive any Directors' fees.
Valuation of the advantages in kind	€7,011	Car.

Elements of compensation due or granted in respect of the 2013 financial year submitted to the vote of the Shareholders' Meeting on the regulated agreements and commitments	Amount submitted to the vote	Remarks
Compensation for termination of service	N/A	Thierry Pilenko does not qualify for any compensation for termination of service.
Non-compete compensation	Two years of gross annual compensation paid (Gross fixed compensation plus variable compensation) The basis of calculation is the best gross annual compensation paid these last three years	Non-compete compensation reviewed in 2011 for the renewal of Thierry Pilenko's term.
Supplementary pension scheme	Article 39 €23,700 8% of the Tranche 3 of the gross fixed compensation	Decision of the Board meeting held on January 4, 2007.

It should be understood that according to the applicable regulations the shareholders are invited to vote on the compensation package related to the previous fiscal year (2013) *i.e.* on compensation items of which most have been already paid.

As an additional explanation to the above figures, it is reminded that the structure of Mr. Pilenko's compensation package is based upon:

- a fixed salary, unchanged in 2013 at a level (€900,000) below the 1 million average of fixed salary for the CAC 40 Chief Executive Officers;

- a dynamic variable pay directly linked to the evolution of the financial performance of the Group as a matter of fact, the global current compensation package of Mr. Pilenko "kept in line with the flourishing results of the Group" (Proxinvest). In the same way, the slowdown in 2013 of the profit growth of the Group results induces a corresponding slowdown of such compensation, as reflected in on the above table.

Table 1

Based on the actual rate of achievement of objectives set for 2013 the variable compensation of Thierry Pilenko as mentioned in the above table has been calculated as follows:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	Financial objectives (OIFRA, gross margin on order intake)	0 to 200%	100-110%	71.4%	€642,600
30%	Individual objectives	0 to 100%	80%	24%	€215,730
100%				95.4%	€858,330

Table 2

Performance conditions

Stock Options	Performance Shares	Cash Plan
Total Shareholder Return (TSR)	Group Safety performance: Total Recordable Case Frequency (TRCF)	Group Safety performance: Total Recordable Case Frequency (TRCF)
Group OIFRA	Group OIFRA	Group OIFRA
Group Return of Capital Employed (ROCE)	Group Net Cash from Operational Activities	Order Intake

Sixth resolution

Repurchase of Company Shares

The sixth resolution is part of the policy aimed at avoiding dilutive measures while implementing the means to motivate and promote loyalty among the teams by having a reserve of treasury shares available for serving performance shares and stock purchase options plans.

Therefore, the purpose of this resolution is to renew the authorization to purchase shares of the Company granted to the Board of Directors by the Shareholders' Meeting of April 25, 2013, which is due to expire on October 25, 2014.

The purchase of shares may be carried out at any time, except during tender offers for the Company's shares, in accordance with applicable regulations.

The proposed authorization is for an 18-month period, at a maximum purchase price of €95 and up to a limit of 8% of the total number of shares comprising the share capital (under the legal limit of 10%).

As of December 31, 2013, the Company's share capital was divided into 113,680,256 shares. On this basis, the maximum number of shares that in theory the Company could repurchase amounts to 7,319,669 shares (taking into account 1,774,751 treasury shares which are to be charged to the 8% referred limit).

PRESENTATION OF RESOLUTIONS WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

Seventh, eighth and ninth resolutions

Share capital increase with and without preferential subscription rights

A. Description of these three resolutions

1. The purpose of the seventh, eighth and ninth resolutions is to renew, for a period of 26 months, the authorizations that were granted to the Board of Directors by the Shareholders' Meeting of April 26, 2012, for the same duration, *i.e.*, with a validity expiring on June 26, 2014.

2. The three authorizations are unchanged compared to the previous ones to be renewed and relate to the issuance of shares and securities giving access to the share capital, not to exceed a maximum nominal amount of:

- €42 million for share capital increases with preferential subscription rights, *i.e.*, an authorization limited to 48.45% of the Company's share capital as of December 31, 2013 (seventh resolution);
 - €8 million for share capital increases without preferential subscription rights, through a public offering, *i.e.*, an authorization limited to 9.22% of the Company's share capital as of December 31, 2013 (eighth resolution); and
 - €8 million for share capital increases without preferential subscription rights, through a private placement, *i.e.*, an authorization limited to 9.22% of the Company's share capital as of December 31, 2013 (ninth resolution);
- it being understood that the aggregate amount of capital increases made pursuant to the eighth, ninth and tenth resolutions may not exceed a maximum amount of €42 million and that the aggregate of the capital increases made pursuant to the eighth and ninth resolutions may not exceed a maximum amount of €8 million.

3. These three authorizations also relate to the issuance of securities representing debt securities or securities giving access to the share capital or to the Company's debt securities. It is also proposed to renew these authorizations without any change, as follows:

- within a maximum amount of €2.5 billion for each of the eighth, ninth and tenth resolutions; and
- it being understood that the total of the issuances made pursuant to these resolutions may not exceed the maximum amount of €2.5 billion.

4. These three authorizations are provided without an over-allotment option, which would permit an increase of the number of shares to be issued during the subscription period. Moreover and in order again to reduce to a minimum the authorizations requested from the shareholders, it has not been proposed that any other forms of capital increase be made including:

- incorporation of reserves;
- compensation of contributions in kind;
- delegation to the Board of Directors (10% per year or accelerated book building); and
- "Breton Warrants".



5. These three authorizations are granted for a period of 26 months, *i.e.*, until June 24, 2016, and cancel the corresponding authorizations granted by the Shareholders' Meeting of April 26, 2012.

B. Specific comments on the 8th and 9th resolutions

In addition, regarding the authorizations to the Board of Directors to increase the share capital without preferential subscription rights, it is noted that:

1. Two distinct resolutions are submitted to the shareholders in order to comply with the recommendation of the *Autorité des marchés financiers* (AMF) of July 6, 2009, not to request a common vote on transactions which are addressed to different types of beneficiaries (either public offering or private placement).
2. Pursuant to Article R. 225-119 of the French Commercial Code, the issuance price of ordinary shares that may be issued pursuant to these resolutions must be at least equal to the weighted average of Technip's share price over the three trading days preceding the determination of the issuance price, which the Board of Directors may reduce by a maximum discount of 5%.
3. Regarding the conditions of placement of new shares or any other new securities giving access to the share capital, it is intended to proceed whether by way of a public offering (ninth resolution) or by way of a private placement (non public offering within the meaning of Article L. 411-2 of the French Monetary and Financial Code, as amended by the ordinance dated January 22, 2009), in particular to qualified institutional investors (tenth resolution).

Tenth, eleventh, twelfth and thirteenth resolutions

Grant of share subscription or purchase options and performance shares

A. Main characteristics of the "Technip Incentives and Reward Plan" (TIRP 2014)

In furtherance of the Technip Long Term compensation policy named TIRP and set up in 2011, the following proposals for 2014 are governed by the principles implemented in the resolutions submitted to the Shareholders these last two years.

As a matter of fact, the total of the new authorizations proposed this year (0.8%) is significantly lower than the corresponding level of plans maturing in 2014 (1.65%). This leads to a substantial reduction of the "burn rate" from 1.2% in 2013 to 0.8% in 2014 and contribute again to the decrease of the equity based compensation scheme in aggregate.

In addition to the above quantitative features, qualitative improvements are introduced in order to satisfy the most recent requests of shareholders received during our road shows with them.

B. Amendments to TIRP 2014 compared to TIRP 2013

The following provisions are added to the options and shares plans:

1. The split of the 0.8% of capital representing the proposed total of the new authorizations for 2014 is slightly modified with 0.5% for stock options and 0.3% for performance shares.
2. The number of beneficiaries is expected to be reduced by 20% maximum.

C. General structure of TIRP 2014

Apart from the above described characteristics and amendments, TIRP 2014 is in line with the structure of plans proposed and adopted these last two years whether in terms of performance metrics or provisions included in the resolutions and/or rules of the plans themselves.

1. Diversified Performance metrics

With a view to aligning the targets with shareholders' interests (profitable growth and value creation), the scheme include several metrics:

- sustainable Development (Health Safety & Environment or HSE);
- Operating Income from Recurring Activities (OIFRA);
- Net Cash Generated from Operational Activities; and
- shareholder return: TSR (Total Shareholder Return) and ROCE (Return On Capital Employed);

Each metric is defined as follows:

- the **HSE metric** corresponds to the Total Recordable Case Frequency (TRCF) where $TRCF = \text{Number of recordable accidents} / 200,000 \text{ working hours}$;
- the **OIFRA metric** is the operating income from recurring activities, as reported in Technip's Annual Report;
- the **Net Cash Generated from Operational Activities metric** is the net cash generated from operating activities, as reported in Technip's Annual Report;
- the **TSR metric** is calculated as the rate of return of a share over a year, taking into account the payment of a dividend during the period. The dividend is assumed to be reinvested immediately into the share itself (definition used by Bloomberg);
- the **ROCE metric** (Return on Capital Employed):

$$ROCE = \text{Net Operating Income} / \text{employed capital}$$
 where $\text{Employed Capital} = \text{Non-current assets (excluding Available-for-Sale Financial Assets)} + \text{Working Capital needs} + \text{Other non-current liabilities}$.

These five metrics as described in the following table are combined and adjusted to the respective population corresponding to stock option plans or performance share plans.

Table of metrics

Stock Options Plans	Performance Shares Plans
All metrics are calculated over three years	
1. Total Shareholder Return (TSR): in % Technip yearly average TSR vs. the sample yearly average TSR	1. Total Recordable Case Frequency (TRCF): in % Technip yearly average TRCF vs. the Technip recorded TRCF on a previous period
2. Operating Income From Recurring Activities (OIFRA): in % Actual OIFRA in aggregate vs. an OIFRA target defined in absolute value ^(*)	2. Operating Income From Recurring Activities (OIFRA): in % Actual OIFRA in aggregate vs. an OIFRA target in absolute value ^(*)
3. Return On Capital Employed: in % Yearly average of Technip ROCE vs. a ROCE target ^(*)	3. Net Cash From Operational Activities: in % Actual Net Cash in aggregate vs. a Net Cash target in absolute value ^(*)

(*) The target values for the OIFRA, Net Cash Generated from Operational Activities and ROCE are confidential data likely to have an influence on the share price which prohibits any ex ante disclosure even to the Beneficiaries. Conversely the calculation of the Reference Performance ex post shall be fully disclosed based on actual reported figures.

The exercise of the options and/or grant of performance shares shall be conditional upon the Reference Performance obtained by the metrics described in the above table.

The Reference Performance shall be computed as:

- the arithmetical average of the percentages of the three metrics for the stock options;
- the arithmetical average of the two best percentages obtained out of the three metrics for the Performance Shares.

The Reference Performance shall determine the definitive proportion of options to be exercised based on the following scale:

- if the Reference Performance is under 75%, the At Risk Portion of the Plan will be lost;
- if the Reference Performance is at least equal to 75%, the percentage of the options that will be exercisable in the At Risk Portion of the Plan will be defined on a straight line basis against the Reference Performance:
 - from 0 to 100% for the Senior Managers At Risk Portion,
 - from 0 to 50% for the Other Beneficiaries At Risk Portion.

2. Provisions included in the resolutions

As for previous years, the proposed resolutions comply with the following principles:

- no discount on the purchase price (options);
- no amendment of the initial terms;
- loss of options in the event of resignation or dismissal for wrongful or gross misconduct (*faute grave* or *faute lourde*);
- grants to the Chairman and Chief Executive Officer are decided by the Board of Directors (majority of independent directors) upon a proposal by the Nominations and Remunerations Committee (comprised only of independent directors);
- grants to members of the Executive Committee are decided by the Board of Directors pursuant to recommendations on the plan formulated by the Nominations and Remunerations Committee;
- resolutions for the Chairman and Chief Executive Officer (*mandataire social*), the Executive Committee members and certain Group Corporate Executives that are distinct from that of other beneficiaries; and
- rigorous performance conditions detailed in each resolution for stock options as well as for performance shares.

3. Provisions included in the specific plans

It is intended to apply the following conditions:

- the list of competitors to be retained for the comparison of the TSR should include Subsea7, Amec, Petrofac, Tecnicas Reunidas, Saipem, KBR, SBM Offshore, Aker Solutions, JGC, Oceaneering and McDermott;
- a financial institution to be entrusted with the mission of acting as an independent expert to carry out calculations, comparisons and determinations of beneficiaries' rights based on the recorded results.

D. Specific data addressing ISS governance policy criteria

The purpose of the following paragraphs is to account for the ISS French Equity based compensation Policy.

Technip's proposals to the next General Meeting fully comply with the three main evolutions of said ISS revised policy.

a. Emphasis on performance criteria

ISS stresses that all awards "to executives shall be conditional upon challenging performance criteria". As mentioned above, with respect to Technip, allocations not only to the Chairman & CEO and members of the Executive Committee but also to certain Group Corporate Executives, are 100% conditional upon performance criteria.

As globally restructured, the performance criteria are now more diversified (rather financial for options, rather operational for performance shares consistent with the respective populations of beneficiaries) while maintaining a high degree of pertinence and challenge (expressed as actual figures of budget targets from the Group 3-Year Plan). The obvious confidentiality of such data prohibit any disclosure beforehand but will be fully published ex-post, as done historically for TSR, OIFRA, ROCE, Net Cash, TRCF.

b. Maximum volume from equity-base compensation plan

ISS states now that such potential volume "must not exceed 10% of fully diluted issued share capital", including current or newly proposed authorizations.

Regarding Technip, this condition is easily met as the corresponding figure is 5.28%, along with ISS rules (irrespective of discount for underwater options or at risk allocations).



c. Burn rate guideline

ISS considers now "the company's average three-year unadjusted burn rate which must not exceed the mean plus one standard deviation of its sector". The burn rate cap of the Energy Sector applicable to Technip is 1.40%. Technip here again meets the requirement as the corresponding burn rate for Technip over the period 2011-2012-2013 is equal to 0.8% ($0.8+0.8+0.8 = 2.4/3$).

Fourteenth and fifteenth resolutions

Share capital increase reserved for employees

The purpose of the **fourteenth and fifteenth resolutions** is to submit to the vote of the General Meeting the approval of a share capital increase reserved for employees, so renewing the similar operation successfully executed in 2012.

The **fourteenth resolution** describes the main characteristics of the proposed increase of capital:

- the maximum amount of the capital increase is 1% of the share capital as of the date of the Shareholders' Meeting;
- the subscription price for the shares is equal to 80% of the average share price of the last 20 trading days;

- the implementation of the authorization is subject to a waiver by the shareholders of their preferential subscription rights in favor of the employees adhering to a company savings plan;
- the nominal amount of the share capital increases carried out pursuant to this resolution will be applied against the maximum nominal amount of €42 million set forth in the eighth resolution.

The fourteenth resolution so satisfy the legal obligation to present such a resolution to the vote of the General Meeting, as the Shareholder's Meeting is also convened to examine other authorizations to increase the Company's share capital (Article 225-129-6 of the French Commercial Code).

The purpose of the **fifteenth resolution**, in conjunction with the preceding resolution, is to allow the implementation in certain countries (in particular in the USA) of the referred share capital increase reserved for employees.

The specific measure is to propose an alternate scheme to the standard employee shareholding scheme applicable in France.

The maximum nominal value of such increase of capital *i.e.* 0.5% of capital will be applied against the maximum nominal amount of €42 million set forth in the eighth resolution.

3. Draft Resolutions

WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

First resolution

Approval of the statutory financial statements for the fiscal year ended December 31, 2013

The Shareholders' Meeting, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the report of the Board of Directors on the activity and condition of the Company over the 2013 fiscal year and the report of the Statutory Auditors on the performance of their mission over the course of the 2013 fiscal year hereby approves the statutory financial statements for the fiscal year ended December 31, 2013, as presented, showing profits of €200,254,539.26. The Shareholders' Meeting also approves the transactions evidenced in these statements or summarized in these reports.

Second resolution

Allocation of earnings for the fiscal year ended December 31, 2013, setting the dividend amount and the dividend payment date

The Shareholders' Meeting, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, acknowledges that the profits for the fiscal year ended December 31, 2013, amount to €200,254,539.26, that there shall be no allocation to the legal reserve, which has already reached one-tenth of the share capital and that distributable profits amount to €817,632,421.19, taking into account the available retained earnings of €617,377,881.93.

The Shareholders' Meeting therefore decides to allocate as a dividend an amount of €1.85 per share, representing a total amount of €210,308,473.60, with the remaining amount allocated to retained earnings, it being understood that in the case of a variation in the number of shares eligible for a dividend with respect to 113,680,256 shares comprising the share capital as of December 31, 2013, the total amount of dividends would be adjusted as a consequence and the amount allocated to retained earnings would be determined on the basis of the dividends actually paid.

Treasury shares on the date of payment of the dividend shall be excluded from the benefit of this distribution, and the corresponding amounts shall be allocated to retained earnings.

The dividend will be paid on May 7, 2014, in cash. The amount of the dividends that will be paid corresponds in full to distributions eligible for the 40% abatement referred to in paragraph 2 of section 3 of Article 158 of the French General Tax Code.

The Shareholders' Meeting recalls that the amount of distributed dividends and the distributions eligible for the 40% abatement were as follows for the last three fiscal years:

Year	Dividend per share	Amount of the distribution eligible for the 40% tax credit
2010	€1.45	€1.45
2011	€1.58	€1.58
2012	€1.68	€1.68

Third resolution

Approval of the consolidated financial statements for the fiscal year ended December 31, 2013

The Shareholders' Meeting, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the report of the Board of Directors on the activity and condition of the Group over the 2013 fiscal year, and the report of the Statutory Auditors on the consolidated financial statements, hereby approves the consolidated financial statements for the fiscal year ended December 31, 2013, as presented, as well as the transactions evidenced in these statements or summarized in these reports.

Fourth resolution

Special report of the Statutory Auditors on the regulated agreements

The Shareholders' Meeting, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the special report of the Statutory Auditors on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, hereby approves this report stating that no new agreement and commitments were entered into in 2013.

Fifth resolution

Non-binding opinion on the compensation components for the fiscal year 2013 falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer

The Shareholders' Meeting, consulted pursuant to the recommendation of paragraph 24.3 of the June 2013 AFEF-MEDEF Governance Code which constitutes the Company's reference code pursuant to the provisions of article 225-37 of the French Commercial Code, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, expresses a favorable opinion on the compensation components for the fiscal year, falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer, such components being presented in the Reference Document for 2013, chapter 15, paragraph 15.1.1 "Tables regarding compensation of Executive Directors".

Sixth resolution

Authorization granted to the Board of Directors for the repurchase of Company shares

The Shareholders' Meeting, acting under the conditions of quorum and majority required for ordinary shareholders' meetings, having reviewed the report of the Board of Directors, authorizes the Board of Directors to purchase shares of the Company, in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code, on one or more occasions, for the following primary purposes:

- to honor commitments related to stock option plans or other share grants to employees or directors or officers (*mandataires sociaux*) of the Company or its affiliates;
- to use shares in payment or in exchange in connection with external growth transactions;
- to promote share trading, in order, in particular, to ensure liquidity with an investment services provider pursuant to a liquidity contract in compliance with the ethics charter approved by the French Financial Market Authority (*Autorité des marchés financiers*);

- to cancel such shares;
- to deliver shares upon the exercise of rights attached to securities giving access to the share capital;
- to implement any such market practice which would become recognized from time to time by law or by the French Financial Market Authority (*Autorité des marchés financiers*).

The purchase, holding, sale or transfer of the purchased shares may be carried out, depending on the case, on one or more occasions, in any manner on the market (regulated or not), through multilateral trade facilities ("MTFs"), via systematic internalizers or through negotiated transactions, in particular, through the acquisition or sale of blocks, or by using financial derivatives and warrants, in compliance with applicable regulations. The portion of the repurchase program that may be carried out by negotiation of blocks may be as large as the entire program.

The Shareholders' Meeting sets the maximum purchase price at €95 (before charges) per share and decides that the maximum number of shares that may be acquired may not exceed 8% of the shares comprising the share capital as of the date of this Shareholders' Meeting.

In the event of a share capital increase by incorporation of premiums, reserves and benefits, resulting in either an increase in the nominal value, or in a free grant of shares, and in the event of a split or reverse split of shares or any other transaction affecting the share capital, the Board of Directors may adjust the aforementioned purchase price to take into account the effect of those transactions on the value of the shares.

Full powers are granted to the Board of Directors, with power of delegation to the Chief Executive Officer or, with his consent, to one or more executive vice presidents (*Directeurs Généraux Délégués*), to place, at any time, except during the period of a public offering on the Company's securities, any orders on a securities exchange or through negotiated transactions, to allocate or re-allocate repurchased shares for the various purposes pursued in accordance with applicable law and regulations, to enter into any agreements, in particular for the keeping of purchase and sale registers, to draft any documents, to carry out any formalities, to make any declarations and communications to any agencies, particularly to the French Financial Market Authority (*Autorité des marchés financiers*), concerning the transactions carried out pursuant to this resolution, to set the terms and conditions to preserve, as necessary, any rights of holders of securities giving access to the Company's share capital and any rights of beneficiaries of options in accordance with applicable regulations and, generally, to take any necessary action. The Shareholders' Meeting also grants full powers to the Board of Directors, if applicable laws or the French Financial Market Authority (*Autorité des marchés financiers*) were to extend or supplement the purposes authorized for share repurchase programs, to inform the public according to applicable regulations of potential amendments to the repurchase program pertaining to the amended purposes.

This authorization invalidates any previous authorization for the same purpose and, in particular, the thirteenth resolution of the Ordinary Shareholders' Meeting of April 25, 2013. It is granted for a period of 18 months from the date of this Shareholders' Meeting.

In its report to the Annual Shareholders' Meeting, the Board of Directors shall provide the shareholders with information relating to the purchases and sales of shares carried out pursuant to this resolution.



WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

Seventh resolution

Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to debt securities, with maintenance of the preferential subscription rights of shareholders

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to Articles L. 225-129 to L. 225-129-6, L. 228-91 to L. 228-93 of the French Commercial Code:

1. Authorizes the Board of Directors to issue, on one or more occasions, at such time or times and in the amounts that it shall decide, in France or abroad, with maintenance of the preferential subscription rights of shareholders, shares as well as any other securities giving rights to the Company's share capital, such shares to have the same rights as existing shares, subject to dividend entitlement dates; it being specified that the Board of Directors may delegate to the Chief Executive Officer or, with the Chief Executive Officer's agreement, to one or more Executive Vice Presidents (*Directeurs Généraux Délégués*), in accordance with applicable law, all powers necessary to decide the share capital increase.
2. Decides to expressly exclude any issuance of preference shares or securities giving rights to preference shares.
3. Decides that the nominal amount of the share capital increases that may be carried out either immediately and/or in the future pursuant to this resolution may not exceed a total nominal amount of €42 million, it being specified that this total nominal amount does not take into account any adjustments that may be carried out pursuant to applicable law or regulations and, as applicable, any contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital.
4. Also authorizes the Board of Directors to issue securities giving rights to debt securities.
5. Decides that the total amount of securities representing debt securities which give access to the share capital or to debt securities of the Company, which may be issued pursuant to this resolution is limited to a maximum of €2.5 billion or its equivalent in the event of issuances in foreign currency or units set in reference to multiple currencies.
6. Authorizes the Board of Directors to take all measures designed to protect the rights of holders of securities giving access to the share capital existing as of the date of the share capital increase.
7. Decides that the shareholders may exercise, in accordance with the conditions provided for by law, irreducible preferential subscription rights based on the number of shares they hold (*à titre irréductible*). Furthermore, the Board of Directors shall have the power to allow shareholders to subscribe additional shares (*à titre réductible*), in proportion to the subscription rights they hold and, in any case, subject to their request.

In the event irreducible preferential subscription rights and, as applicable, prorata additional subscription rights, are less than the number of shares offered, the Board of Directors may use the following possibilities, in the order that it shall so decide:

- limit the issuance to the amount of subscriptions received, provided that such issuance is for an amount that is at least three-quarters of the issuance decided;
 - freely re-allocate all or part of the irreducible preferential subscription rights and, as applicable, pro-rata additional shares not subscribed;
 - offer to the public all or part of the non-subscribed shares.
8. Acknowledges that this resolution automatically acts, in favor of the holders of securities issued pursuant to this resolution and giving access to the Company's share capital, as a waiver by the shareholders of their preferential subscription rights with respect to the shares to which such securities give right.
 9. Decides that the amount that must be received by the Company for each share issued pursuant to this resolution must equal, at a minimum, the nominal value of the share as of the date of issuance of such securities.
 10. Decides that this resolution voids the authorization granted by the Extraordinary Shareholders' Meeting of April 26, 2012, in its eighth resolution.

The authorization granted to the Board of Directors by the present resolution is valid for a period of 26 months following the date of this Shareholders' Meeting.

Eighth resolution

Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to debt securities, without the preferential subscription rights of shareholders (with the option to provide a priority period) and by way of a public offering

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-136, L. 225-148, L. 228-91 to L. 228-93 of the French Commercial Code:

1. Authorizes the Board of Directors to issue, without the preferential subscription rights of shareholders by way of a public offering, on one or more occasions, in the amounts and at the times that it shall decide, in France or abroad, shares as well as any other securities giving access to the Company's share capital, such shares to have the same rights as existing shares, subject to dividend entitlement dates; it being specified that the Board of Directors may delegate to the Chief Executive Officer or, with the Chief Executive Officer's agreement, to one or more executive vice presidents (*Directeurs Généraux Délégués*), in accordance with applicable law, all powers necessary to decide the share capital increase.
2. Authorizes the Board of Directors to decide (1) the issuance of the Company's shares or any other securities giving access to the Company's share capital, following the issuance by a company in which the Company holds, directly or indirectly, more than one-half of the capital, of securities giving access to the Company's share capital, and (2) the issuance of shares or securities by the Company giving access to the share capital of a company in which the Company holds, directly or indirectly, more than one-half of the capital.
3. Decides to expressly exclude any issuance of preference shares or securities giving rights to preference shares.
4. Decides that the nominal amount of the share capital increases that may be carried out either immediately or in the future pursuant to this resolution may not exceed a total

nominal amount of €8 million, it being specified that this amount shall be applied toward the total nominal maximum amount of €42 million provided for in the seventh resolution of this Shareholders' Meeting and that this amount does not take into account any adjustments that may be carried out pursuant to applicable law or regulations and, as applicable, any contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital.

5. Also authorizes the Board of Directors to issue securities giving rights to the Company's debt securities.
6. Decides that the total amount of securities representing debt securities which give access to the share capital or to debt securities of the Company, which may be issued pursuant to this resolution is limited to a maximum of €2.5 billion or its equivalent in the event of issuances in foreign currency or units set in reference to multiple currencies, it being specified that this amount shall be applied toward the limit of €2.5 billion provided for in the seventh resolution of this Shareholders' Meeting.
7. Decides to eliminate the preferential subscription rights of shareholders with respect to the securities to be issued pursuant to this resolution. The Board of Directors may, however, grant the shareholders a priority period regarding all or part of the issuance for a length and subject to the conditions that it shall determine in accordance with the provisions of subsection 2 of Article L. 225-135 of the French Commercial Code. This priority period will not give rise to the creation of negotiable rights.
8. Acknowledges that this resolution automatically acts, in favor of the holders of securities issued pursuant to this resolution and giving access to the Company's share capital, as a waiver by the shareholders of their preferential subscription rights with respect to the shares to which such securities give right.
9. Decides that:
 - the issuance price of the shares will be at least equal to the minimum provided for by the regulations applicable as of the day of issuance, *i.e.*, as of today, to the weighted average of the share prices over the three trading days preceding the determination of the issuance price, with the possibility of being reduced by a maximum discount of 5%, after correcting for, as applicable, any difference in dividend entitlement dates;
 - the issuance price of the securities giving access to the Company's share capital will be such that the amount immediately received by the Company, increased, as applicable, by such amount as may be received subsequently by the Company, will be equal, for each share issued as a result of the issuance of these securities, to at least the minimum issuance price described in the paragraph above.
10. Decides that the Board of Directors may use this authorization for the purposes of compensating securities tendered to a public exchange offer initiated by the Company, within the limits and subject to the conditions provided for in Article L. 225-148 of the French Commercial Code.
11. Decides that this resolution voids the authorization granted by the Extraordinary Shareholders' Meeting of April 26, 2012, in its ninth resolution.

The authorization granted to the Board of Directors by the present resolution is valid for a period of 26 months following the date of this Shareholders' Meeting.

Ninth resolution

Authorization granted to the Board of Directors to increase the share capital and to issue securities giving rights to the debt securities, without the preferential subscription rights for shareholders and by way of private placement

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, in accordance with Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-136, L. 228-91 to L. 228-93 of the French Commercial Code:

1. Authorizes the Board of Directors to issue, without preferential subscription rights, by way of an offering pursuant to section II of Article L. 411-2 of the French Monetary and Financial Code, on one or more occasions, in the proportions and at the time which it deems appropriate, either in France or abroad, shares and any other securities giving access to the Company's share capital, such shares conferring the same rights as existing shares, subject to dividend entitlement dates; it being specified that the Board of Directors may delegate to the Chief Executive Officer (*Directeur Général*), or, with the Chief Executive Officer's agreement, to one or more Executive Vice Presidents (*Directeurs Généraux Délégués*), in accordance with applicable law, all powers necessary to decide the share capital increase.
2. Authorizes the Board of Directors to decide (1) the issuance of the Company's shares or any other securities giving access to the Company's share capital, following the issuance by a company in which the Company holds, directly or indirectly, more than one-half of the capital, of securities giving access to the Company's share capital, and (2) the issuance of share or securities by the Company giving access to the share capital of a company in which the Company holds, directly or indirectly, more than one-half of the capital.
3. Decides to expressly exclude any issuance of preference shares or securities giving rights to preference shares.
4. Decides that the nominal amount of share capital increases that may be carried out either immediately or in the future pursuant to this resolution may not exceed an aggregate nominal amount of €8 million, it being specified that this amount shall be applied toward the total nominal amount of €8 million provided for in the eighth resolution and to the maximum total nominal amount of €42 million provided for in the seventh resolution of this Shareholders' Meeting and that this amount does not take into account any adjustments that may be carried out pursuant to applicable law or regulations and, as applicable, any contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital.
5. Also authorizes the Board of Directors to issue securities giving rights to the Company's debt securities.
6. Decides that the total amount of securities representing debt securities which give access to the share capital or to debt securities of the Company, which may be issued pursuant to this resolution is limited to a maximum of €2.5 billion or its equivalent in the event of issuances in foreign currency or units set in reference to multiple currencies, it being specified that this amount shall be applied toward the limit of €2.5 billion provided for in the seventh resolution of this Shareholders' Meeting;



7. Decides to eliminate the preferential subscription rights of shareholders with respect to the securities to be issued pursuant to this resolution.
8. Acknowledges that this resolution automatically acts in favor of the holders of the securities issued pursuant to this resolution and giving access to the Company's share capital, as a waiver by the shareholders of their preferential subscription rights with respect to the shares to which such securities give right.
9. Decides that:
 - the issuance price of the shares will be at least equal to the minimum provided for by the regulations applicable as of the day of issuance, *i.e.* as of today, to the weighted average of the share prices over the three trading days preceding the determination of the issuance price, with the possibility of being reduced by a maximum discount of 5%, after correcting for, as applicable, any difference in dividend entitlement dates;
 - the issuance price of the securities giving access to the Company's share capital will be such that the amount immediately received by the Company, increased, as applicable, by such amount as may be received subsequently by the Company, will be equal, for each share issued as a result of the issuance of these securities, to at least the minimum issuance price described in the paragraph above.
10. Decides that this resolution voids the authorization granted by the Extraordinary Shareholders' Meeting of April 26, 2012, in its tenth resolution.

The authorization granted to the Board of Directors by the present resolution is valid for a period 26 months following the date of this Shareholders' Meeting.

Tenth resolution

Authorization granted to the Board of Directors to allocate performance shares to (i) Technip's employees, and (ii) the employees and directors and officers (mandataires sociaux) of the companies of the Group

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code,

1. Authorizes the Board of Directors to grant, on one or more occasions, existing shares or new shares to be issued free of charge ("the performance shares") (i) to employees of Technip ("the Company") and, (ii) to employees and directors and officers (*mandataires sociaux*) of companies related to the Company within the meaning of Article L. 225-197-2 of the French Commercial Code.
2. Decides that the grant of performance shares carried out by the Board of Directors pursuant to this resolution may not apply to more than 0.3% of the Company's share capital as of the date of this Shareholders' Meeting, it being specified that this amount does not take into account any adjustments that may be made in compliance with applicable laws or regulations, and as the case may be, applicable contractual provisions providing for other cases of adjustment. To that effect, the Shareholders' Meeting authorizes, if need be, the Board of Directors to increase the share capital accordingly by capitalization of reserves, profit or premium.

3. Decides that the grant of shares to their beneficiaries will become definitive at the end of an acquisition period whose length will be set by the Board of Directors, with the understanding that this period may not be less than two years, as from the decision by the Board of Directors to grant shares.

The beneficiaries must hold these shares for a time period set by the Board of Directors, with the understanding that the holding period may not be less than two years as from the definitive acquisition of these shares.

Nonetheless, the Shareholders' Meeting authorizes the Board of Directors, insofar as the acquisition period for all or part of one or more grants is at least four years long, to not impose a holding period for those shares.

In addition, the Shareholders' Meeting authorizes the Board of Directors to allow the beneficiaries of performance shares grants predating the day of the present meeting and postdating September 28, 2012 and which acquisition period are still outstanding, the possibility to opt for an acquisition period extended to a minimum of 4 years, and in such case, not to impose a holding obligation.

4. Decides that in the event of a beneficiary's disability corresponding (or comparable outside France) to the second and third categories of classification provided for in Article L. 341-4 of the French Social Security Code, the shares will be definitively granted to the beneficiary before the end of the remainder of the acquisition period. These shares may be freely transferred or sold as from their delivery.
5. Notes that the rights of beneficiaries to acquire shares will be lost in the event of resignation, removal or dismissal for wrongful or gross misconduct (*faute grave* or *faute lourde*) during the acquisition period.
6. The Board of Directors will grant performance shares and determine the identity of their beneficiaries.

The definitive grant of the performance shares shall be conditional upon the achievement of a performance to be measured by the results achieved by the Group over three consecutive years in terms of HSE, Operating Income from Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities.

To this end, an At Risk Portion of the Shares is defined; it corresponds to the performance shares that may be lost by the beneficiaries due to the actual performance and amounts to 50% of the allocated performance shares.

The actual performance shall be computed as a percentage to be compared (i) for the first metric (HSE) to the corresponding performance of the Group over a previous period and (ii) for the two other metrics (OIFRA and Net Cash Generated from Operational Activities) to a target expressed in each case as an absolute value amount.

The Reference Performance shall be computed as the arithmetical average of the two best percentages obtained out of the three metrics.

The Reference Performance shall determine the definitive grant of performance shares, based on the following scale:

- if the Reference Performance is less than 75%, the At Risk Portion of the Shares (*i.e.*, 50% of the allocated performance shares) shall be lost by the beneficiaries;
- if the Reference Performance is at least equal to 75%, the percentage of the allocated shares to be granted to the beneficiaries, regarding the At Risk Portion of the Shares, shall be determined on a linear basis from 0 to 50% against the Reference Performance.

The Board of Directors will determine the other terms and conditions, in particular the presence condition, and, as applicable, the criteria for the grant of the shares.

7. The Board of Directors will have the necessary powers to implement this authorization, in accordance with the terms described above and subject to applicable legal provisions, and to do all that is useful and necessary in accordance with applicable laws and regulations.

The Board of Directors will inform the Shareholders' Meeting each year of the actions carried out pursuant to this resolution, in accordance with legal and regulatory requirements and particularly Article L. 225-197-4 of the French Commercial Code.

The authorization granted to the Board of Directors by the present resolution is valid for a period of 24 months following the date of this Shareholders' Meeting and invalidates any previous authorization for the same purpose.

Eleventh resolution

Authorization granted to the Board of Directors to allocate performance shares to the Chairman of the Board of directors and/or the Chief Executive Officer of Technip (mandataire social) and to the Group's principal executives

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code:

1. Authorizes, subject to the condition precedent of the adoption of the tenth resolution, the Board of Directors to grant, on one or more occasions, existing shares free of charge ("the performance shares") to the Chairman of the Board of Directors and/or the Chief Executive Officer of Technip ("the Company") the Company's managing agent (*mandataire social*) and to the Group's principal executives (Excom members and certain Group Corporate executives).
2. Decides that the grant performance shares carried out by the Board of Directors pursuant to this authorization shall be applied toward the ceiling of 0.3% of the share capital provided for in the tenth resolution, it being specified that this amount does not take into account any adjustments that may be made in compliance with applicable laws or regulations, and as the case may be, applicable contractual provisions providing for other cases of adjustment. To that effect, the Shareholders' Meeting authorizes, if need be, the Board of Directors to increase the share capital accordingly by capitalization of reserves, profit or premium.
3. Decides that the grant of shares to the beneficiary will become definitive at the end of an acquisition period whose length will be set by the Board of Directors, with the understanding that this period may not be less than two years, as from the decision by the Board of Directors to grant shares.

The beneficiaries must hold these shares for a time period set by the Board of Directors, with the understanding that the holding period may not be less than two years as from the definitive acquisition of these shares.

Nonetheless, the Shareholders' Meeting authorizes the Board of Directors, insofar as the acquisition period for all or part of one or more grants is at least four years long, to not impose a holding period for the related shares.

In addition, the Shareholders' Meeting authorizes the Board of Directors to allow the Company's managing agents (*mandataires sociaux*) and the Group's principal executives, beneficiaries of performance shares grants predating the day of the present meeting and postdating September 28, 2012 and which acquisition period are still outstanding, the possibility to opt for an acquisition period extended to a minimum of 4 years, and in such case, not to impose a holding obligation other than the one imposed on the Company's managing agents (*mandataires sociaux*) until the end of their term pursuant to the provisions of article L. 225-197-II of the French Commercial Code.

4. Decides that in the event of a beneficiary's disability corresponding to the second and third categories of classification provided for in Article L. 341-4 of the French Social Security Code, the shares will be definitively granted to the beneficiary before the end of the remainder of the acquisition period. These shares may be freely transferred or sold as from their delivery.
5. Notes that the rights of the beneficiary to acquire the shares will be lost in the event of resignation, removal or dismissal for wrongful or gross misconduct (*faute grave* or *faute lourde*) during the acquisition period.
6. The definitive grant of the performance shares shall be conditional upon the achievement of a performance to be measured by the results achieved by the Group over three consecutive years in terms of HSE, OIFRA and Net Cash Generated from Operational Activities.

The performance shall be computed as a percentage to be compared (i) for the first metric (HSE) to the corresponding performance of the Group over a previous period and (ii) for the two other metrics (OIFRA and Net Cash Generated from Operational Activities) to a target expressed in each case as an absolute value amount.

To this end, a Senior Managers At Risk Portion of the Shares is defined; it corresponds to the performance shares that may be lost by the beneficiaries due to the actual performance and amounts to 100% of the allocated performance shares.

The Reference Performance shall be computed as the arithmetical average of the two best percentages obtained out of the three metrics.

The Reference Performance shall determine the definitive grant of performance shares, based on the following scale:

- if the Reference Performance is less than 75%, the Senior Managers At Risk Portion of the Shares (*i.e.*, 100% of the allocated performance shares) shall be lost by the beneficiaries;
- if the Reference Performance is at least equal to 75%, the percentage of the allocated shares to be granted shall be the percentage of the Reference Performance and shall not exceed 100%.

The Board of Directors will determine the other terms and conditions, in particular the presence condition, and, as applicable, the criteria for the grant of the shares.

7. The Board of Directors will have the necessary powers to implement this authorization, in accordance with the terms described above and subject to applicable legal provisions, and to do all that is useful and necessary in accordance with applicable laws and regulations.

The Board of Directors will, each year, inform the Shareholders' Meeting of the actions carried out pursuant to this resolution, in accordance with legal and regulatory requirements and



particularly Article L. 225-197-4 of the French Commercial Code.

The authorization granted to the Board of Directors by the present resolution is valid for a period of 24 months following the date of this Shareholders' Meeting and invalidates any previous authorization for the same purpose.

Twelfth resolution

Authorization granted to the Board of Directors to grant options for the purchase or subscription of shares to (i) Technip's employees, and (ii) the employees and directors and officers (mandataires sociaux) of the companies of the Group, acting automatically as waiver by the shareholders of their preferential subscription rights

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed, the report of the Board of Directors, and the special report of the Statutory Auditors and pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code:

1. Authorizes the Board of Directors to allocate, on one or more occasions, (i) to employees of Technip ("the Company") and, (ii) to employees and directors and officers (*mandataires sociaux*) of the companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code, or certain categories among them, options to subscribe new shares to be issued by the Company through share capital increases or to purchase existing shares of the Company resulting from repurchases carried out by the Company in accordance with legal provisions.
2. Decides that the options that may be allocated by the Board of Directors pursuant to this authorization may not give the right to purchase or subscribe a total number of shares greater than 0.5% of the share capital as of the date of this Shareholders' Meeting. This amount does not take into account the adjustments that may be carried out in accordance with legislative and regulatory provisions.
3. Decides that the exercise price will be set by the Board of Directors on the date that the options are granted and that (i) for options to subscribe shares, this price will be undiscounted and equal to the average of the share's listed price on NYSE Euronext Paris over the 20 trading days preceding the date of the grant, and (ii) for options to purchase shares, this price will be undiscounted and equal to the higher of the following: (a) the average purchase price of the shares indicated in Article L. 225-179 of the French Commercial Code, and (b) the average indicated in (i) above.

The exercise price, as determined above, may not be modified except in the event that measures necessary for the protection of the interests of the beneficiaries of the options are implemented pursuant to Article L. 225-181 of the French Commercial Code and in accordance with legal and regulatory conditions.

The exercise of the options shall be conditional upon the achievement of a performance to be measured by the results achieved by the Group over three consecutive years in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return On Capital Employed (ROCE).

To this end, an At Risk Portion of the Options is defined; it corresponds to the options that may be lost by the benefi-

ciaries due to the actual performance and amounts to 50% of the options granted.

The performance shall be computed as a percentage to be compared (i) for the first metric (TSR) to the corresponding TSR performance of a sample of competitors and (ii) for the second (OIFRA) and third (ROCE) metrics to a target expressed in each case as a specified absolute value amount.

The Reference Performance shall be computed as the arithmetical average of the percentages of the three metrics.

The Reference Performance shall determine the definitive proportion of options to be exercised based on the following scale:

- if the Reference Performance is less than 75%, the At Risk Portion of the Options (*i.e.*, 50% of the options granted) shall be lost by the beneficiaries;
- if the Reference Performance is at least equal to 75%, the percentage of the options granted which shall be exercisable by the beneficiaries, regarding the At Risk Portion of the Options, shall be determined on a linear basis from 0 to 50% against the Reference Performance.

The Board of Directors will determine the other terms and conditions, in particular the presence condition, and, as applicable, the criteria for the grant of the shares.

4. Acknowledges that no option may be granted less than 20 trading days following the detachment from the shares of a coupon giving right to a dividend or a capital increase.
5. Acknowledges that no option can be granted during (i) the 10 trading days preceding and following the date on which the consolidated financial statements or, in the absence of these, the annual statutory financial statements, are made public, and (ii) the period between the date on which the Company's management bodies receive information that, if it were made public, could have a significant impact on the Company's share price, and the tenth trading day following the date on which this information is made public.
6. Decides that the options must be exercised within a maximum period of eight years as from the date of grant by the Board of Directors; nevertheless, the Board of Directors may set a shorter exercise period for all or part of the options and/or for all or certain of the beneficiaries.
7. Notes that this resolution automatically acts, in favor of the beneficiaries of the options to subscribe shares, as an express waiver by the shareholders of their preferential subscription rights with respect to the shares that will be issued as options are exercised.
8. The beneficiaries' right to exercise the options will be lost in the event of resignation, removal or dismissal for wrongful or gross misconduct (*faute grave* or *faute lourde*).
9. Gives all powers to the Board of Directors for the purpose of:
 - determining the list of the option beneficiaries and the number of options granted to each of them;
 - setting the conditions applicable to the exercise and grant of the options; the Board of Directors may, in particular, (a) restrict, suspend, limit or prohibit (1) the exercise of options or (2) the sale or conversion into bearer form of the shares obtained through the exercise of the options during certain periods or starting from certain events; its decision may apply to all or part of the options or shares and concern all or certain beneficiaries, and (b) accelerate the dates or the periods for the exercise of options, maintain their exercisable nature or modify the dates or periods during which the shares obtained from the exercise of options shall not be sold or converted into bearer form; its decision may apply to

all or part of the options or shares and concern all or certain beneficiaries;

- allowing for, as applicable, a lock-up period or a period of non-delivery to the beneficiary of the shares obtained from the exercise of the options; such period may not exceed three years as from the exercise of the option;

This authorization is granted to the Board of Directors for a period of 24 months following the date of this Shareholders' Meeting and invalidates any previous authorization for the same purpose.

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, each year the Board of Directors will inform the Shareholders' Meeting of the transactions carried out pursuant to the present resolution.

Thirteenth resolution

Authorization granted to the Board of Directors to grant options for the purchase or subscription of shares to the Chairman of the Board of Directors and/or the Chief Executive Officer of Technip (mandataire social) and to the Group's principal executives, acting automatically as waiver by the shareholders of their preferential subscription rights

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code:

1. Authorizes, subject to the condition precedent of the adoption of the twelfth resolution, the Board of Directors to allocate, on one or more occasions, to the Chairman of the Board of Directors and/or the Chief Executive Officer of Technip ("the Company") the Company's managing agent (*mandataire social*) to the Group principal executives (Excom members and certain Group Corporate Executives) options to subscribe to new shares to be issued by the Company through share capital increases or to purchase existing shares of the Company resulting from repurchases carried out by the Company in accordance with legal provisions.
2. Decides that the options that may be allocated by the Board of Directors pursuant to this authorization shall be applied toward the ceiling of 0.5% of the share capital provided for in the twelfth resolution. This amount does not take into account the adjustments that may be carried out in accordance with legislative and regulatory provisions.
3. Decides that the exercise price will be set by the Board of Directors on the date that the options are granted and that (i) for options to subscribe shares, this price will be undiscounted and equal to the average of the share's listed price on Euronext Paris over the 20 trading days preceding the date of the grant, and (ii) for options to purchase shares, this price will be undiscounted and equal to the higher of the following: (a) the average purchase price of the shares indicated in Article L. 225-179 of the French Commercial Code, and (b) the average indicated in (i) above.

The exercise price, as determined above, may not be modified except in the event that measures necessary for the protection of the interests of the beneficiaries of the options are implemented pursuant to Article L. 225-181 of the French Commercial Code and in accordance with legal and regulatory conditions.

The exercise of the options shall be conditional upon the achievement of a performance to be measured by the results

achieved by the Group over three consecutive years in terms of Total Shareholder Return (TSR), Operating Income From Recurring Activities (OIFRA) and Return On Capital Employed (ROCE).

To this end, a Senior Managers At Risk Portion of the Options is defined; it corresponds to the options that may be lost by the beneficiaries due to the actual performance and amounts to 100% of the options granted.

The actual performance shall be computed as a percentage to be compared (i) for the first metric (TSR) to the corresponding performance of a sample of competitors and (ii) for the second (OIFRA) and third (ROCE) metrics to a target expressed in each case as a specified absolute value amount.

The Reference Performance shall be computed as the arithmetical average of the percentages of the three metrics.

The Reference Performance shall determine the definitive proportion of options to be exercised based on the following scale:

- if the Reference Performance is less than 75%, the Senior Managers At Risk Portion of the Options (*i.e.*, 100% of the options granted) shall be lost by the beneficiaries;
- if the Reference Performance is equal to or above 75%, the percentage of the options granted which shall be exercisable shall be the percentage of the Reference Performance and shall not exceed 100%.

The Board of Directors will determine the other terms and conditions and, as applicable, the criteria for the grant of the shares.

4. Acknowledges that no option may be granted less than 20 trading days following the detachment from the shares of a coupon giving right to a dividend or a capital increase.
5. Acknowledges that no option can be granted during (i) the 10 trading days preceding and following the date on which the consolidated financial statements or, in the absence of these, the annual statutory financial statements, are made public, and (ii) the period between the date on which the Company's management bodies receive information that, if it were made public, could have a significant impact on the Company's share price, and the tenth trading day following the date on which this information is made public.
6. Decides that the options must be exercised within a maximum period of eight years as from the date of grant by the Board of Directors; nevertheless, the Board of Directors may set a shorter exercise period for all or part of the options and/or for all or certain of the beneficiaries.
7. Notes that this resolution automatically acts, in favor of the beneficiaries of the options to subscribe shares, as an express waiver by the shareholders of their preferential subscription rights with respect to the shares that will be issued as options are exercised.
8. Acknowledges that the beneficiaries' right to exercise the options will be lost in the event of resignation, removal or dismissal for wrongful or gross misconduct (*faute grave* or *faute lourde*).
9. Gives all powers to the Board of Directors for the purpose of:
 - determining list of beneficiaries and the number of options granted to each of them;
 - setting the conditions applicable to the grant and exercise of the options; the Board of Directors may, in particular, (a) restrict, suspend, limit or prohibit (1) the exercise of options or (2) the sale or conversion into bearer form of the shares obtained through the exercise of the options during certain



periods or starting from certain events; its decision may apply to all or part of the options or shares, and (b) accelerate the dates or the periods for the exercise of options, maintain their exercisable nature or modify the dates or periods during which the shares obtained from the exercise of options shall not be sold or converted into bearer form; its decision may apply to all or part of the options or shares, within the limits set by the applicable legal provisions;

- allowing for, as applicable, a lock-up period or a period of non-delivery to the beneficiary of the shares obtained from the exercise of the options, without prejudice to the provisions of Article L. 225-185, paragraph 4 of the French Commercial Code.

This authorization is granted to the Board of Directors for a period of 24 months following the date of this Shareholders' Meeting and invalidates any previous authorization for the same purpose.

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, the Board of Directors will inform the Shareholders' Meeting each year of the transactions carried out pursuant to the present resolution.

Fourteenth resolution

Authorization granted to the Board of Directors to increase the share capital in favor of employees adhering to a company savings plan, without the preferential subscription rights for shareholders

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L. 3332-18 to 24 of the French Labor Code and Articles L. 225-129-2, L. 225-129-6, L. 225-138-1 and II, L. 225-138-1, L. 228-91 and L. 228-92 of the French Commercial Code:

1. Authorizes the Board of Directors to increase, on one or more occasions, the Company's share capital by a maximum nominal amount not exceeding 1% of the share capital as of the date this authorization is used, through the issuance of shares or securities giving access to the Company's share capital, reserved for members of a company savings plan of the Company or of the French or foreign companies that are related to the Company in accordance with Article L. 3344-1 of the French Labor Code.
2. Decides that the subscription price of the new shares will be equal to 80% of the average of the Company's share prices on the regulated market, Euronext Paris, over the 20 trading days preceding the date of the decision setting the opening date of the subscription period. However, the Shareholders' Meeting expressly authorizes the Board of Directors to reduce the aforementioned discount, should it deem appropriate, in order to take into account, as the case may be, the legal, accounting, tax and social charges regimes applicable in the countries of residence of the members of a company savings plan who benefit from the share capital increase. The Board of Directors may also substitute all or part of the discount with a grant of shares for free or other existing or new securities giving access to the Company's share capital, it being specified that the total amount of the benefit granted together with, as applicable, the discount, may not exceed the benefit that would have accrued to the members of the company savings plan of a 20% discount.
3. Decides, pursuant to Article L. 3332-21 of the French Labor Code, that the Board of Directors may also decide to grant, for

free, existing or new shares, or other existing or new securities giving access to the Company's share capital, as a matching contribution, provided that their cash value, as compared to the subscription price, does not exceed the limits set forth in Article L. 3332-11 of the French Labor Code.

4. Decides to eliminate the preferential subscription rights of shareholders with respect to the new shares to be issued or other securities giving access to the share capital and to the securities to which such securities give right, which are issued pursuant to this resolution in favor of members of a company savings plan.
5. Decides that the characteristics of the other securities giving access to the Company's share capital will be determined by the Board of Directors in accordance with the conditions provided for by applicable regulations.
6. Decides that the Board of Directors shall have all powers, with the option to delegate or to sub-delegate, in accordance with applicable legal and regulatory provisions, to implement this resolution, in particular, to set the terms and conditions of transactions, the dates and methods of the issuances that will be carried out pursuant to this resolution, the opening and closing dates of subscription periods, the price, the dividend entitlement dates of securities issued, the methods of paying for shares and other securities giving access to the Company's share capital, to grant additional time for the payment of the shares and other securities giving access to the Company's share capital, to request admission to trading of the securities created anywhere it deems appropriate, to acknowledge the share capital increases in amounts corresponding to the shares that will actually be subscribed, to carry out, personally or through a third party, all transactions and formalities related to the share capital increases, to make any necessary changes to the by-laws, and at the Board's sole discretion and if the Board deems appropriate, to allocate the cost of the share capital increases to the amount of the related premiums and to deduct from such amount the amounts necessary to increase the legal reserve to one-tenth of the new share capital after each increase.
7. Decides that the maximum nominal amount of the share capital increases that may be carried out pursuant to this resolution will be applied toward the maximum nominal amount of €42 million provided for in the seventh resolution of this Shareholders' Meeting.

As from the entry into force of this delegation supersedes the delegation provided by the General Meeting of April 25, 2013, in its eighteenth resolution. The authorization granted to the Board of Directors by the present resolution is valid for a period of 26 months following the date of this Shareholders' Meeting.

Fifteenth resolution

Authorization granted to the Board of Directors to increase the share capital, without preferential subscription rights of shareholders, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the special report of the Statutory Auditors and acting in accordance with Articles L. 225-129-2, L. 225-138, L. 228-91 and L. 228-92 of the French Commercial Code:

1. Acknowledges that, in certain countries, legal or fiscal uncertainties or problems could make difficult or uncertain

the implementation of employee share ownership programs through a company mutual fund (*Fonds Communs de Placement d'Entreprise* or "FCPE") and that the implementation of programs as an alternative to those offered to the employees of the French companies within the Technip group who have joined a company savings plan may prove to be desirable;

2. Delegates to the Board of Directors the authority to decide, on one or more occasions, the issuance of shares and any other securities giving access to the Company's share capital, the subscription of which is reserved to French or foreign entities whose sole object is to subscribe, hold and dispose of shares and/or any other securities giving access to the Company's share capital in order to implement a structured program within the framework of the Technip Group's international employee share ownership plan;
3. Decides that the maximum nominal amount of share capital increases that may be carried out pursuant to this resolution either immediately or in the future may not exceed 0.5% of the share capital of the Company on the day that this authorization is used, it being specified that this amount shall be applied toward the maximum nominal amount of €42 million provided for in the seventh resolution of this Shareholders' Meeting and that this amount does not take into account any adjustments that may be carried out pursuant to applicable legislative or regulatory provisions and, as applicable, any contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital;
4. Decides that, the delegation of authority conferred by this resolution shall only be used for the purpose of the implementation of an employee share ownership program which would be also implemented pursuant to the fourteenth resolution of this Shareholders' Meeting, and only in accordance with the objective set out in paragraph 1 above;
5. Decides that the issue price of the shares or securities giving access to the share capital of the Company issued pursuant to this authorization will be set by the Board of Directors based on the share price of the Company on the regulated market, NYSE Euronext, in Paris; this price will be equal to the average opening price of the shares of the Company during the 20 trading days preceding the date of the decision setting the opening date of the subscription period for the capital increase decide pursuant to the fourteenth resolution of this Shareholders' Meeting, reduced by a maximum discount of 20%; the Shareholders' Meeting expressly authorizes the Board of Directors to reduce or eliminate the aforementioned discount (within legal and regulatory limits), if it deems appropriate, after taking account of, *inter alia*, the applicable local legal, accounting, tax and social charges regimes;
6. Decides to eliminate, for the benefit of the aforementioned category of beneficiaries, the shareholders' preferential subscription rights to shares and securities giving access to the capital of the Company that may be issued pursuant to this resolution;
7. Acknowledges that this resolution automatically acts, in favor of the holders of securities issued pursuant to this resolution and giving access to the Company's share capital, as a waiver by the shareholders of their preferential subscription rights with respect to the shares to which such securities give right.
8. Decides that the Board of Directors shall have full authority, with the option to delegate or sub-delegate in accordance with applicable legal and regulatory provisions, to implement this current delegation, within the limits and under the conditions specified above, including the delegation to identify the entities cited in paragraph 2 above who are beneficiaries of the cancellation of preferential subscription rights to and to decide the number of shares or securities giving access to the share capital of the Company to be subscribed for by each of them, to set the amounts of the issuances that will be carried out pursuant to this delegation and set the issue price, dates, period, terms and conditions of the subscription, payment, delivery and dividend entitlement dates for the securities (even retroactively), as well as any other terms and conditions of the issue, to record the capital increases and modify the articles of association (*statuts*) accordingly, to perform, directly or through a third person, all transactions and formalities related to the share capital increases, to allocate the cost of such share capital increases to the amount of the related premiums and, if it deems appropriate, to deduct from this amount the amounts necessary to increase the legal reserve to one-tenth of the new share capital resulting from such a share capital increase, and generally, to enter into all agreements, to ensure completion of the proposed issues, to take all measures and decisions and undertake all formalities required for the issue, listing and financial administration of the securities issued under this delegation and for the exercise of the rights attached thereto or following each completed share capital increase.

The authorization granted to the Board of Directors by the present resolution is valid for a period of 18 months following the date of this Shareholders' Meeting.

WITHIN THE AUTHORITY OF THE COMBINED SHAREHOLDERS' MEETING

Sixteenth resolution

Powers for formalities

The Shareholders' Meeting, acting under the conditions of quorum and majority required for combined shareholders' meetings, grants full powers to the bearer of an original, a copy or a certified extract of the minutes of this shareholders' meeting for the purpose of carrying out any legal formalities such as registration, publicity or other formalities.



Annex: Reconciliation Tables (Annual Financial Report – Management Report – Society and Environmental Report)

Annual Financial Report

For the convenience of readers of this Reference Document, the reconciliation table below has been prepared to help identify the information disclosed in the Annual Financial Report, which is required to be published by listed companies on a regulated market pursuant to Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations.

Annual Financial Report	Reference Document
1. Company's annual financial statements	Section 20.2
2. Consolidated financial statements	Section 20.1
3. Management Report (within the meaning of the French Monetary and Financial Code)	Please see reconciliation tables below
4. Statement of persons responsible for the Annual Financial Report	Section 1.2
5. Statutory Auditors' reports on the Company's annual financial statements and the consolidated financial statements	Sections 20.1.1 and 20.2.1
6. Communication relating to the Statutory Auditors' fees	Section 2.3 Section 20.1.2 Note 34 and Section 20.2.6 Note 6.20
7. Report of the Chairman of the Board of Directors on internal control procedures	Annex C
8. Statutory Auditors' report on the report of the Chairman of the Board of Directors on internal control procedures	Annex D

Management Report

For the convenience of readers of this Reference Document, the reconciliation table below has been prepared to help identify the information included in the Management Report as required pursuant to Article L. 225-100 *et seq.* of the French Commercial Code.

Management Report	Reference Document
1. Position and activity of the Company during the past financial year	Sections 3, 6.1 and 6.4
2. Progress made or difficulties encountered	Section 6.2
3. Results relating to the Company's operations and to the operations of its controlled subsidiaries	Sections 3.2, 20.1.2, 20.2.2 and 9.1 to 9.5
4. Research and Development	Sections 11 and 9.3
5. Forecasts of the Company's position and outlook	Section 12.1
6. Major events that occurred between the balance sheet date and the date of this Reference Document	Sections 6.1.3 and 20.5 Section 20.1.2 Note 35 and Section 20.2.2 Note 8
7. Company's Management Body	Sections 1.1 and 14.2 Annex C
8. Objective and exhaustive review of the operations, results and financial position of the Company (in particular its financial debt having regard to the volume and complexities of the business) and key performance indicators of a financial nature and, where applicable, non-financial nature (in particular regarding the environment and employees)	Sections 9.1 to 9.5 and 10
9. Information about the main risks and uncertainties that the Company faces, and notes regarding the Company's use of financial instruments, when the use of such instruments is relevant to the evaluation of its assets, liabilities, financial position, and profits or losses	Section 4
10. Policy of the Company and its controlled subsidiaries regarding financial risk management	Section 4.8.16
11. Exposure of the Company and its controlled subsidiaries to interest rate, credit, liquidity and treasury risks	Sections 4.5, 4.6, 4.7.1 to 4.7.3 Section 20.1.2 Note 33
12. List of offices or positions held by each of the directors in all companies during the financial year	Annex A
13. Report on employee mandatory profit sharing (as well as those for executives, as the case may be) transactions that were implemented pursuant to its share purchase or subscription options plans reserved for employees and executives, transactions with employees and executives and the percentage of capital owned by those whose shares are held through UCITS	Sections 15.1.1, 17.2 and 17.3 and Annex E
14. Activity of the Company's subsidiaries and the companies it controls	Section 7
15. Disposal of shares in order to equalize crossed equity and the companies controlled by her or controlling interests	None
16. Purchase of significant or controlling interests of companies based in France	Section 7.2 Sections 20.2 Note 7 and 20.1.2 Note 2
17. Information relating to the breakdown of the share capital	Section 18.1.1 and Section 20.1.2 Note 20
18. Dividends distributed during the last three financial years	Section 20.3
19. Compensation and other benefits granted to Company's directors	Section 15.1
20. In relation to the grant of share purchase or subscription options, information about the decision of the Board of Directors to: <ul style="list-style-type: none"> ■ either prevent executives from exercising their options before they cease employment with the Company; ■ or require executives to hold part or all of the shares resulting from options already exercised until they cease employment with the Company 	Sections 15.1.1 and 17.2.3 Section 20.1.2 Note 20

Management Report	Reference Document
21. In the event of performance shares being granted, information about the decision of the Board of Directors to: <ul style="list-style-type: none"> ■ either prevent executives from selling their performance before they cease employment with the Company; ■ or, sets the quantity of these shares that executives are required to hold until they cease employment with the Company 	Sections 15.1.1 and 17.2.4 Section 20.1.2 Note 20
22. Changes made to the format of the financial statements or to the valuation methods used	Section 20.1.2 Note 1
23. Injunctions over, or financial penalties imposed on, the Company for antitrust practices	None
24. Information on how the Company takes into account the environmental and social impact of its activity	Sections 4.4, 6.6, 17.1 and Annex E
25. Information relating to the risk to Technip in the event of interest rate, exchange rate, or share price fluctuations	Section 4.7 and Section 20.1.2 Note 33
26. Information required to be disclosed pursuant to Article L. 225-211 of the French Commercial Code on transactions made by the Company involving its own shares	Sections 21.1.3 and 21.1.4
27. Summary statement of transactions made by executives involving shares of the Company	Sections 15.1.1 and 17.2.1
28. Table of the Company's results over the previous five years	Annex B
29. Summary table of any authorizations granted to increase the Company's share capital that are in force and implementation of these authorizations during financial year 2013	Section 21.1.4
30. Calculation of possible adjustments to conversion rates and the conditions for subscribing or exercising rights to the Company's share capital for securities giving right to share or stock options following certain financial transactions or share repurchases by the Company	Section 20.1 Note 20 (h)
31. Information that may have an impact on a public tender offer required pursuant to Article L. 225-100 of the French Commercial Code	Sections 18.3, 18.4 and 21.2
32. Social information of the Company	Section 17.1 and Annex E
33. Information relating to terms of payment for suppliers and clients	Section 20.1.2 Notes 16 and 24 Section 20.2.6 Note 6.8

Society and Environmental Report

For the convenience of readers of this Reference Document, the reconciliation tables below have been prepared to help identify social, societal and environmental information as required pursuant to Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Social information	Annex E
1 Employment	
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2 Work organization	
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3 Labor relations	
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4.3 Workplace accidents, in particular their frequency, severity, and occupational illnesses	Section 2.2.1.e
5 Training	
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5.2 Total training hours	Section 2.4.2
6 Equal treatment	
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6.2 Measures taken to promote the employment and inclusion of disabled employees	Section 2.5.3.a
6.3 Anti-discrimination policies	Section 2.5
7 Promotion of and compliance with the fundamental conventions of the International Labor Organization	
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7.2 The elimination of employment discrimination	Section 4.1.2
7.3 The elimination of forced labor	Section 4.1.2
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Environmental information		Annex E
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1.4	The amount of provisions made for and guarantees given in relation to environmental risks, provided that such information is not likely to seriously prejudice the Company in any pending litigation	Section 3.2.6.c
2	Pollution and waste management	
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3.2	Raw material consumption and measures taken to improve the efficiency of raw material use	Section 3.4.2.b
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3.4	Land use	Section 3.4.5.c
4	Climate change	
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5	Protection of biodiversity	
5.1	Measures taken to protect or develop biodiversity	Section 3.4.5.a
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2	The relations between the Company and career guidance associations, academic institutions, environmental preservation agencies, consumer advocacy group and local communities	
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2.2	Partnerships and corporate sponsorships	Section 4.2.2
3	Subcontractors and suppliers	
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3.2	The extent of subcontracting and measures taken to account for social and environmental issues in the Company's subcontracting policy	Section 4.2.1
4	Fair business practices	
4.1	Measures taken to prevent corruption	Section 4.1.1
4.2	Measures taken to ensure the health and safety of consumers	Sections 2.7 and 2.8
5	Other measures implemented to protect human rights	Section 4.1.2



Annex: Glossary

Biomass-based fuel	These include, but are not limited to wood, sawdust, grass cuttings, biodegradable domestic refuse, charcoal, agricultural waste, crops and dried manure.
Biomass-to-liquid or BTL	A new generation biofuel, consisting of a multi-step process to produce liquid biofuels from biomass. Main technological steps are gasification, syngas cleaning and Fischer-Tropsch synthesis.
Carbon fiber armor	An exclusive technology for the composition of flexible risers, for use in deepwater, allowing them to weigh 50% less than traditional flexible pipes while offering excellent corrosion and fatigue resistance.
CCS (Carbon Capture and Storage)	The CCS is a solution for reducing greenhouse gas emissions from industrial installations in response to global warming.
CSR (Corporate Social Responsibility)	A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. CSR concerns actions by companies over and above their legal obligations towards society and the environment (definition of the EU Commission).
Development (of a gas or oil field)	All operations associated with the exploitation of an oil or gas field.
EPC (Engineering, Procurement, Construction)	Type of contract comprising management and engineering services, procurement of equipment and materials, construction.
EPIC (Engineering, Procurement, Installation, Commissioning)	An EPIC or “turnkey” contract integrates the responsibility going from the conception to the final acceptance of one or more elements of a production system. It can be awarded for all, or part, of a field development.
ETH-PIP Technology	Reusable electrically trace heated pipe-in-pipe: a new technology developed and qualified by Technip for use in shallow and deepwater applications alike and qualified by Technip and Total for higher temperature applications. Successful deployment of ETH-PIP will enhance or enable production operability in certain flow and temperature conditions, where subsea pipelines transporting hydrocarbons are liable to blockage through the formation of hydrates or wax.
FEED (Front-End Engineering Design)	Engineering studies whose detail allows the client to launch the bidding process for the execution of the project.
FLNG (Floating liquefied natural gas unit)	In a FLNG solution, the gas liquefaction installations are situated directly above the offshore gas field, thus making the construction of long subsea pipelines and large onshore infrastructure unnecessary.
Floatover	Installation method of an integrated production deck (topsides) on a fixed or floating offshore structure without heavy lift operations.
Flowline	A flexible or rigid pipe, laid on the seabed, which allows the transportation of oil/gas production or injection of fluids. Its length can vary from a few hundred meters to several kilometers.
FPSO (Floating, Production, Storage and Offloading)	A converted ship or custom-built vessel used as a support of oil and gas installations and for temporary storage of the oil prior to transport.
Global Compact	International initiative of the United Nations, launched in 2000. It unites public and private businesses around 10 universal principles relating to human rights, labor and the environment. Technip has been an official member of the Global Compact since 2003.

Greenhouse gas	Any of the atmospheric gases that contribute to the greenhouse effect by absorbing infrared radiation produced by the solar warming of the Earth's surface. Greenhouse gases include carbon dioxide, methane, nitrous oxide and water vapor. These gases can be naturally occurring or produced by human activity.
GRI (Global Reporting Initiative)	A group of stakeholders engaged in ensuring that reporting on economic, environmental, and social performance by all organizations becomes as stringent and systematic as financial reporting. The GRI achieves this vision by providing a framework for reporting sustainable development. The components of this reporting framework are developed through a comprehensive approach to reaching decisions by consensus among the various stakeholders.
GTL (Gas-to-Liquids)	Transformation of natural gas into liquid fuels (Fischer Tropsch technology).
HSE (Health, Safety and Environment)	Defines all measures taken by Technip to guarantee the occupational health and safety of individuals and the protection of the environment during the performance of its business activities, whether in offices or on construction sites.
HVS (Heave and Vortex-Induced Motion Suppressed) semi-submersible platform	A low-motion semi-submersible platform, reducing the fatigue on risers connected to it, enabling it to support large diameter steel catenary risers in water depths that would not be possible for conventional semis. As such, it is a technology suited to deepwater developments.
Hydrogen	Hydrogen is widely used in petroleum refining processes to remove impurities found in crude oil such as sulfur, olefins and aromatics to meet the product fuels specifications. Removing these components allows gasoline and diesel to burn cleaner and thus makes hydrogen a critical component in the production of cleaner fuels needed by modern, efficient internal combustion engines.
IPB (Integrated Production Bundle)	A patented flexible riser combining multiple functions of production and gas lift, incorporating both active heating and passive insulation. The IPB ensures regular flow in difficult conditions.
ISO 9001	A standard dealing with quality management standards. It sets out the requirements that organizations must meet to comply with the standard.
ISO 14001	A standard dealing with environmental management systems.
Jumper	A short section of pipe for the connection of two subsea structures.
Lean & Six Sigma	To improve competitiveness, Lean focuses on cost and schedule improvement and Six Sigma on quality by reducing defect rate. Technip integrated a quality program based on these methods at the end of 2010.
Liquefied Natural Gas (LNG)	Natural gas, liquefied by cooling its temperature to -162°C, thus reducing its volume 600 times, allowing its transport by boat.
Manifold	A piece of pipe with several lateral outlets and/or inlets for connecting one pipe with others.
Natural gas	Consists primarily of methane (CH ₄) as well as some carbon dioxide and other impurities such as sulfur-based gases.
Petrochemicals	Industry relating to chemical compounds derived from hydrocarbons.
Pipe-in-Pipe or Flowline	Steel pipes assembly consisting of a standard production pipe surrounded by a so-called carrier pipe. The gap between the carrier and production pipes is filled with an insulation material (a high thermal performance material can be used).
Pipeline installation	Technip's fleet masters the three installation methods for rigid pipes: J-Lay (a vertical lay system, in deep water), S-Lay (the most common installation method for steel pipe in medium to shallow water. A horizontal lay from the back of a vessel, under tension, which gives it an "S" configuration) and reeled-lay (an onshore assembly of rigid steel pipeline, made of long sections welded together as they are spooled onto a vessel-mounted reel for transit and subsequent cost-effective unreeling onto the seabed. Minimum welding is done at sea), as well as Flexible-Lay (including the Vertical Lay System – VLS, a proprietary technology for installation of flexible pipes in deep water).
PLET (Pipeline End Termination)	Subsea structure to connect rigid flowline and flexible riser.
PRS (Pipeline Repair System)	this system comprises a wide range of equipment for pipeline repair, both manned and remotely operated, including welding machines, installation structures or pipeline retrieval tools.
Pulse	A program aiming to develop a positive HSE culture through leadership and communication.

Purified Terephthalic Acid (PTA)	In the form of a white and crystalline powder, is the raw material for the production of polyester fibers and plastic materials.
Quartz	A quality program aiming to educate, inform and motivate Technip's employees and stakeholders to sustain a culture of excellence and continuous improvement of our business.
Riser	Pipe or assembly of flexible or rigid pipes used to transfer produced fluids from the seabed to surface facilities, and transfer injection or control fluids from the surface facilities to the seabed.
SA 8000 (Social Accountability 8000)	An international standardized code of conduct for improving working conditions worldwide.
Semi-submersible platform	Offshore platform that is stabilized by pontoons whose degree of immersion can be changed through ballasting and de-ballasting.
Shale gas	Natural gas held in shale, rocks made up of thin layers of fine-grained sediments. Shale formations have very low permeability.
Sour water stripper	Removal of H ₂ S and ammonia from sour water in order to reuse or dispose of it.
Spar	A cylinder-shaped floating offshore drilling and production platform partially submerged that is particularly well-adapted to deep water by using top tensioned risers and surface wellheads.
Spool	Short length pipe connecting a subsea pipeline and a riser, or a pipe and a subsea structure.
SST (Spiral Stacket Turret)	A flexible hose-based alternative to the traditional mechanical swivel stack to be used in floating units.
Sustainable Development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Definition from the United Nations' 1987 Report of the World Commission on Environment and Development).
Synthesis gas	Gas mixture that primarily contains varying amounts of hydrogen and carbon monoxide and often some carbon dioxide.
Technip PMC (Project Management Consultancy)	Technip's business unit in charge of assisting its customers in achieving their business objectives, from the Technology & Licensor selection phase to the management of multinational consortia in the execution and successful delivery of world-scale, lump-sum turnkey projects.
TLP (Tension Leg Platform)	Floating production platform anchored by tensioned cables, thus limiting vertical movement caused by heavy swells. This platform design allows for the well-heads to be located at the surface, on the platform.
Topside	Surface installations allowing the drilling and/or production and/or processing of offshore hydrocarbons.
Ultra-deep water	Waters deeper than 1,500 meters.
Umbilical	An assembly of hydraulic hoses, electrical cables and optic fibers used to control subsea structures from a platform or a vessel.
Unideck® floatover	Installation method of an integrated production deck (topsides) onto a fixed structure developed by Technip which permits installation in difficult sea conditions (long period swells) using a system of jacks to lower the topsides rapidly into place.

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